TALISMAN
MINING LIMITED

2026

Annual Report

for the year ended 30 June 2026

talismanmining.com.au

ASX: TLM | ABN 71 079 536 495

Corporate Directory

Directors

Mr Kerry Harmanis | Non-Executive Chairman

Mr Todd Ross | Managing Director (Appointed 20 August 2026)*

Mr Andrew Munckton | Managing Director (Retired 20 August 2026)

Mr Jeremy Kirkwood | Non-Executive Director

Mr Brian Dawes | Non-Executive Director

Mr Mark Cossom | Non-Executive Director (Appointed 20 August 2026)

Mr Peter Benjamin | Non-Executive Director (Retired 20 August 2026)

* Mr Ross was appointed as Chief Executive Officer effective 1 June 2026 and subsequently appointed as Managing Director upon the retirement of Mr Munckton.

Company Secretary

Mr Alex Neuling

Registered & Principal Office

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West Perth WA 6005
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Auditors

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Perth WA 6000
P: +61 8 9227 7500

Share Registry

MUFG Corporate Markets
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250 St Georges Terrace
Perth WA 6000
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Securities Exchange Listing

Australian Securities Exchange Limited
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152-158 St Georges Terrace
Perth WA 6000

ASX Code: TLM

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Letter from the Chairman

Dear fellow Shareholder,

I am pleased to present Talisman's 2026 Annual Report and to reflect on what I believe is the start of an important new chapter for the Company.

Our exploration work in New South Wales continued to advance on multiple fronts during the year, with the most encouraging development being the emerging gold opportunity at Sheepyard within our Walkers Hill Project.

Drilling at Sheepyard has now outlined broad zones of shallow gold mineralisation over an unconstrained strike length of approximately 800 metres. Importantly, this mineralisation sits around the margins of a substantial IP chargeability anomaly, the main body of which remains largely untested. There is still a great deal of work to be done, but Sheepyard has developed into a genuine exploration opportunity which warrants further systematic drilling.

We also generated encouraging results at East Peak Hill, where maiden air-core drilling has identified both gold and pathfinder anomalism and a separate copper-cobalt-gold system, providing several targets for follow-up exploration.

With the support of expert independent consultants, we also initiated a detailed review of the base metal discoveries we made last year at Durnings and Rip N Tear in order to establish a potential pathway towards value realisation, while also re-evaluating our broader NSW portfolio.

During the year, Talisman received $3.858 million from its Wonmunna Iron Ore royalty, taking cumulative receipts since production commenced to approximately $35.3 million. This royalty has been an outstanding asset for Talisman, providing substantial non-dilutive funding for exploration over a number of years. While current operations at Wonmunna have wound down, Talisman retains its royalty interest should production recommence in future.

Importantly, we also refreshed the leadership of the Company. Todd Ross joined Talisman as CEO in June and was appointed as Managing Director in August following the retirement of Andrew Munckton.

I have thoroughly enjoyed working with Todd in recent months, as he brings fresh energy, ideas and vitality to the business, drawing on his experience in corporate finance, capital markets and business development across the Australian mining industry. Todd has a clear mandate to advance our existing exploration portfolio while pursuing new project opportunities capable of materially enhancing the scale and value of the Company.

I also welcome Mark Cossom, who recently joined the Board, bringing valuable geological, operational and corporate experience. I would like to take this opportunity to thank both Andrew and Peter Benjamin for their strong contribution to Talisman following their retirement in August.

Subsequent to financial year-end, we secured commitments for a $4.0 million capital raising, which was our first in more than a decade. The strong support received from institutional and sophisticated investors, together with the strong commitment from your Board was pleasing and reflects our confidence in the Company's strategy and the opportunities ahead.

The additional funding provides Talisman with the capacity to accelerate exploration in NSW while actively pursuing new business development and growth opportunities, with a particular focus on gold in Western Australia. Our objective is simple: to deploy shareholders' capital carefully and pursue opportunities capable of generating substantial value.

As Talisman's largest shareholder, I remain strongly aligned with that objective and optimistic about what lies ahead.

On behalf of the Board, I thank our shareholders for their continued support and patience. There is plenty of work ahead of us, but I believe we now have the team, the projects and the financial capacity to make the most of the opportunities in front of us.

Yours faithfully,

Kerry Harmanis
Chairman

Review of Operations

Overview

During the 2026 financial year (FY2026), Talisman Mining Limited (**Talisman** or **the Company**) systematically advanced its extensive portfolio of gold and copper-gold exploration assets in the Lachlan Fold Belt of New South Wales, delivering encouraging results from early-stage exploration at the Walkers Hill Gold Project and East Peak Hill Project.

A key focus during the year was the Sheepyard Prospect, part of the broader Walkers Hill Gold Project. A series of Reverse Circulation (RC) and Air-core (AC) drilling programs progressively expanded the footprint of shallow gold mineralisation at Sheepyard and provided important new geological information on the scale and orientation of the mineralised system.

Results from these programs have outlined broad zones of shallow gold mineralisation over a currently unconstrained strike length of approximately 800m. Importantly, this mineralisation is interpreted to be associated with the margins of a significant Induced Polarisation (IP) chargeability anomaly, with the main body of the anomaly yet to be definitively tested by drilling.

Exploration also advanced at the Company's East Peak Hill Project within the highly prospective Junee-Narromine Volcanic Belt, approximately 10km south-east of the Tomingley Gold Operations. A maiden 5,546m AC drilling program identified anomalous gold and pathfinder geochemistry in a geological position interpreted to have similarities to nearby Tomingley mineralisation, as well as a separate broad zone of anomalous copper-cobalt-gold mineralisation further south. A follow-up Phase 2 AC drilling program commenced during the June 2026 Quarter.

At the Yarindury Project within the Macquarie Arc, Talisman completed a 2-hole, 930m mud rotary and diamond drilling program to test buried Induced Polarisation-Magnetotelluric (IP-MT) geophysical anomalies considered prospective for porphyry-style copper-gold mineralisation.

While the drilling did not return significant copper or gold intersections, geological and alteration information generated by the program has added to the Company's understanding of this under-explored, under-cover portion of the Molong Volcanic Belt.

During FY2026, Talisman received $3.858 million in royalty payments from the Wonmunna Iron Ore Mine in Western Australia, where the Company holds an uncapped 1% gross revenue royalty on all metals produced and sold.

As previously foreshadowed, production from the current Wonmunna operation progressively declined during the year as Mineral Resources Limited transitioned Pilbara Hub ore supply towards its Lamb Creek operation.

Talisman finished FY2026 with cash of $3.09 million and an investment in Novo Resources Corp valued at approximately $165K.

The Company also continued to actively review potential new growth opportunities during the year. This strategic focus was enhanced with the appointment of experienced resources and finance executive Todd Ross as Chief Executive Officer, effective from 1 June 2026.

Subsequent to the end of the financial year, Mr Ross was appointed Managing Director following the retirement of Andrew Munckton. In addition, experienced geologist and mining executive Mark Cossom joined the Board as a Non-Executive Director and long-serving Non-Executive Director Peter Benjamin retired from the Board.

These changes position Talisman with a complementary mix of geological, operational, corporate, capital markets and commercial expertise as it continues to advance its NSW exploration portfolio while actively assessing broader opportunities to grow and enhance its asset base.

Lachlan Fold Belt Projects – NSW

Talisman holds an extensive portfolio of highly prospective exploration tenure across the Lachlan Fold Belt in central New South Wales.

The Company's tenure includes the Walkers Hill Gold Project, which covers a consolidated land package extending over approximately 90km of strike and encompasses a number of prospective mineralised litho-structural domains.

Exploration activity during FY2026 increasingly focused on the emerging gold opportunity at Sheepyard, where systematic RC and AC drilling continued to build on historical exploration and the comprehensive geological, geochemical and geophysical review undertaken by Talisman during FY2025.

Walkers Hill Gold Project

The Walkers Hill gold trend is a significant regional-scale geochemical feature located along the interpreted contact between the Erimeran Granite and the Ordovician-age Girilambone metasediments.

Within this broader trend, the Sheepyard Prospect has emerged as the principal focus for exploration following the identification of extensive gold and arsenic soil anomalism, historical shallow gold intersections and a significant underlying IP chargeability anomaly.

The Sheepyard Prospect forms the southern part of an approximately 5.5km-long, north-west trending gold-in-soil anomaly (>25ppb Au). Surface mapping and drilling indicate that gold mineralisation is associated with sheared, veined and locally brecciated quartz-pyrite alteration zones within the Girilambone metasediments.

Gold mineralisation is also associated with anomalous arsenic, antimony and tungsten, a geochemical association consistent with orogenic-style gold sulphide mineralisation.

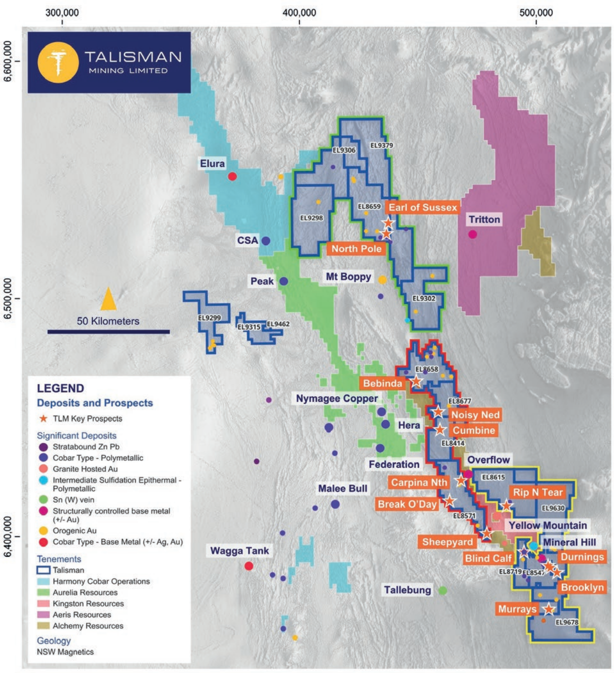


Figure 1: Talisman's Lachlan Projects, which covers the Mineral Hill-Canbelego Volcanic Belt (MHCVB), shown on a regional TMI Airborne Magnetic image. High-grade base metals and copper-gold deposits in the belt include CSA, Peak, Hera, Federation and Mineral Hill.

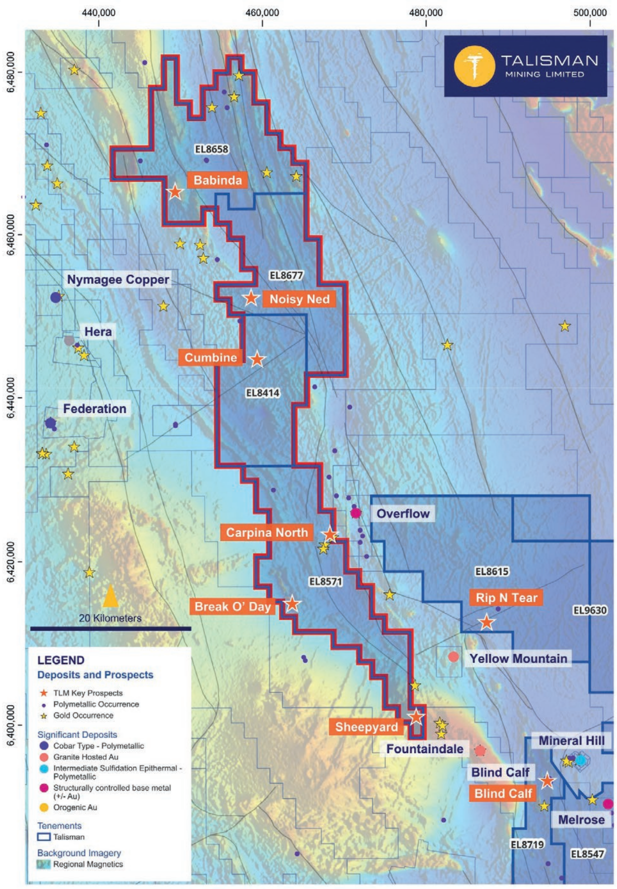


Figure 2: Regional Location Plan of Walkers Hill Project

Initial RC drilling

During the September 2025 Quarter, Talisman completed an initial five-hole, 857m RC drilling program at Sheepyard.

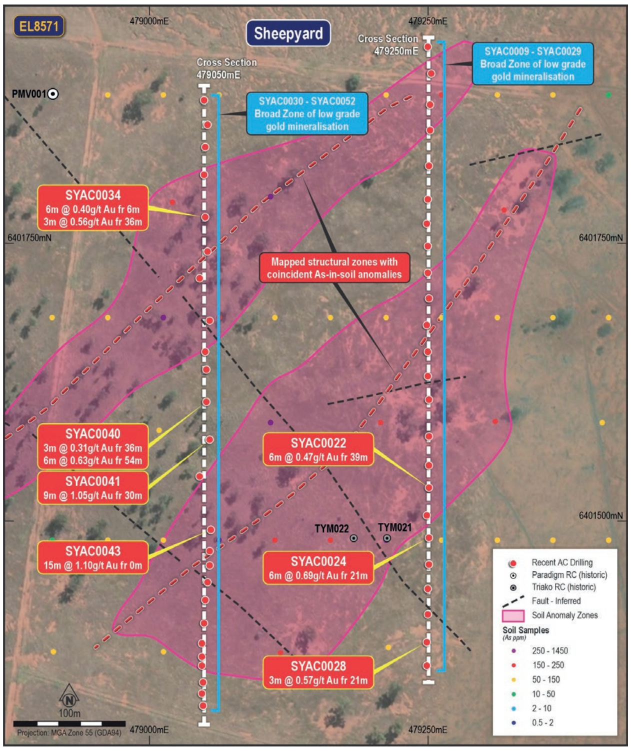
The program was designed to test both the near-surface gold mineralisation identified by historical drilling and the significant IP chargeability anomaly located below the mineralised positions.

Four of the five RC holes intersected broad zones of gold mineralisation, with significant results including:

- SYRC0001: 10m at 0.36g/t Au from 22m and 41m at 0.29g/t Au from 162m;
- SYRC0002: 16m at 0.38g/t Au from 124m, including 4m at 0.99g/t Au;
- SYRC0003: 42m at 0.44g/t Au from 4m, including 8m at 0.85g/t Au; and
- SYRC0004: 24m at 0.58g/t Au from 124m, including 14m at 0.86g/t Au.

The drilling confirmed the presence of both shallow and deeper gold mineralisation. Near-surface mineralisation was associated with quartz veining within broad north-east trending structural positions, while deeper mineralisation intersected in SYRC0001, SYRC0002 and SYRC0004 was associated with thin quartz veining and disseminated pyrite and was broadly coincident with the interpreted position of the IP chargeability feature.

These results provided further evidence of a potentially extensive mineralised system and supported follow-up drilling to test other higher-tenor gold-in-soil trends within the Sheepyard area.



Phase 1 Air-core drilling

Following the encouraging RC results, Talisman completed 49 air-core holes for 2,229m during November 2025, comprising two drill lines spaced approximately 200m apart across the southern portion of the Sheepyard geochemical trend.

The program was designed primarily to test higher-tenor soil anomalies and better define the geometry and grade distribution of near-surface oxide gold mineralisation ahead of deeper drill testing.

The drilling intersected a broad zone of gold mineralisation on the Western Line and a smaller zone on the Eastern Line, with mineralisation encountered across several consecutive holes. Significant results included:

- SYAC0040: 6m at 0.63g/t Au from 54m to end-of-hole;
- SYAC0041: 9m at 1.05g/t Au from 30m;
- SYAC0042: 15m at 0.26g/t Au from 6m;
- SYAC0043: 15m at 1.10g/t Au from surface, including 6m at 1.95g/t Au;
- SYAC0044: 21m at 0.38g/t Au from surface;
- SYAC0022: 6m at 0.47g/t Au from 39m to end-of-hole; and
- SYAC0024: 6m at 0.69g/t Au from 21m.

Drilling on the Western Line outlined a broad zone of near-surface gold mineralisation containing a coherent higher-grade zone across five consecutive holes. The higher-grade portion extended over approximately 60m, with true width not known, and was interpreted to correspond with altered, quartz-veined, pyrite-rich and sheared sediments within a north-east to south-west trending structural position.

The results represented an important step forward in the understanding of Sheepyard, demonstrating that the extensive surface geochemical anomaly contains coherent zones of near-surface mineralisation grading above 1.0g/t Au.

Figure 3: Sheepyard Prospect AC drilling plan view. Arsenic (As) in soil contoured results indicating a NE-SW trend to the surface expression of mineralisation. Broad zones of near-surface gold mineralisation were intersected in both the Western and Eastern line of AC drilling with selected holes of higher-grade gold mineralisation. True width of mineralisation is not known.

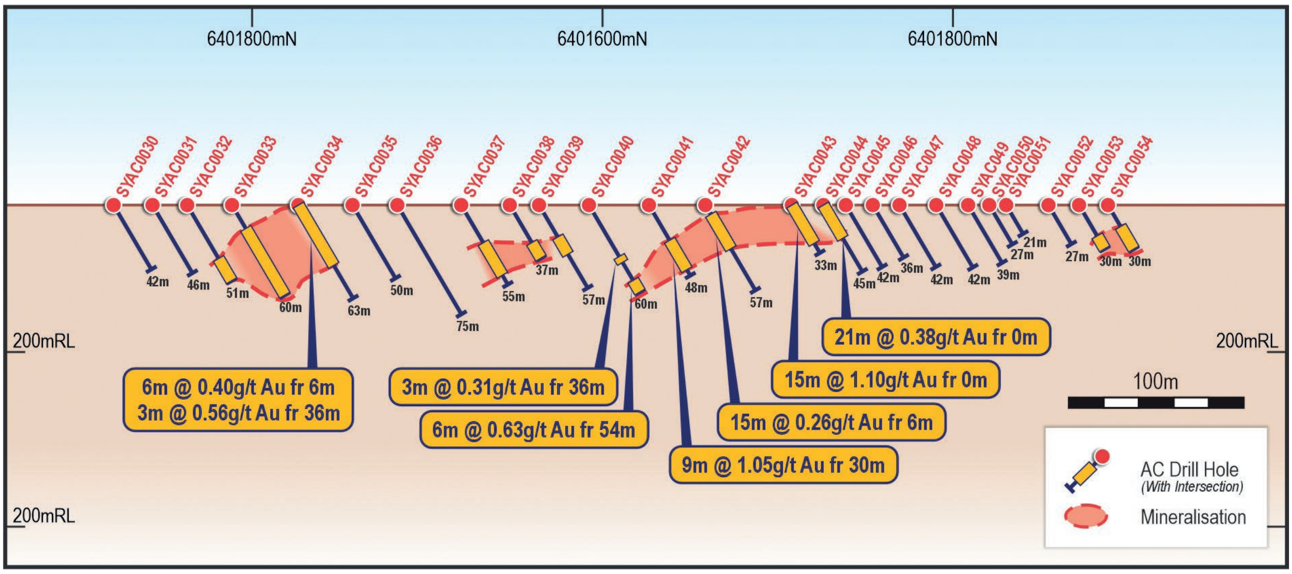


Figure 4: Sheepyard Prospect western line of AC drilling - cross section 479050E looking east. A zone of higher-grade gold mineralisation, approximately 60m wide at surface, is indicated by the near-surface intersections in holes SYAC00040 to SYAC0044 within a broad zone of low-grade gold mineralisation. High-grade intersections include 15m at 1.10g/t Au from surface in SYAC00043 and 9m at 1.05g/t Au from 30m in SYAC0041are highlighted. Assaying is by 3m composite sample. True width of mineralisation is not known.

Phase 2 Air-core drilling

Based on the results of the initial AC program, Talisman completed a further 1,657m of AC drilling during the latter part of FY2026.

Results received subsequent to the end of the financial year confirmed that this phase of drilling continued to intersect broad zones of shallow gold mineralisation, extending the known mineralised system over a currently unconstrained strike length of approximately 800m. Significant results included:

- SYAC0085: 9m at 0.94g/t Au from 42m, including 6m at 1.28g/t Au;
- SYAC0088: 15m at 0.55g/t Au from 3m, including 9m at 0.67g/t Au, and 15m at 0.46g/t Au from 30m, including 3m at 0.97g/t Au;
- SYAC0082: 12m at 0.68g/t Au from 21m, including 9m at 0.78g/t Au to bottom-of-hole;
- SYAC0083: 12m at 0.47g/t Au from 6m, including 3m at 0.82g/t Au;
- SYAC0059: 9m at 0.57g/t Au from 18m, including 3m at 1.02g/t Au;
- SYAC0064: 9m at 0.54g/t Au from 12m, including 3m at 0.88g/t Au; and
- SYAC0067: 9m at 0.38g/t Au from 30m, including 3m at 0.54g/t Au.

Importantly, the emerging mineralised footprint is interpreted to broadly coincide with the margins of the IP chargeability anomaly previously generated by Talisman. The main IP chargeability anomaly remains largely untested, providing a priority target for deeper drilling.

Taken together, the RC and AC programs completed during FY2026 have significantly advanced Talisman's understanding of Sheepyard and demonstrated the presence of an extensive gold mineralised system.

Further exploration is expected to comprise additional AC drilling to expand the near-surface mineralised footprint, together with RC drilling to provide a more definitive test of the IP chargeability anomaly at depth. The broader Walkers Hill trend remains significantly under-explored, providing scope to identify additional mineralised positions along the extensive regional geochemical trend.

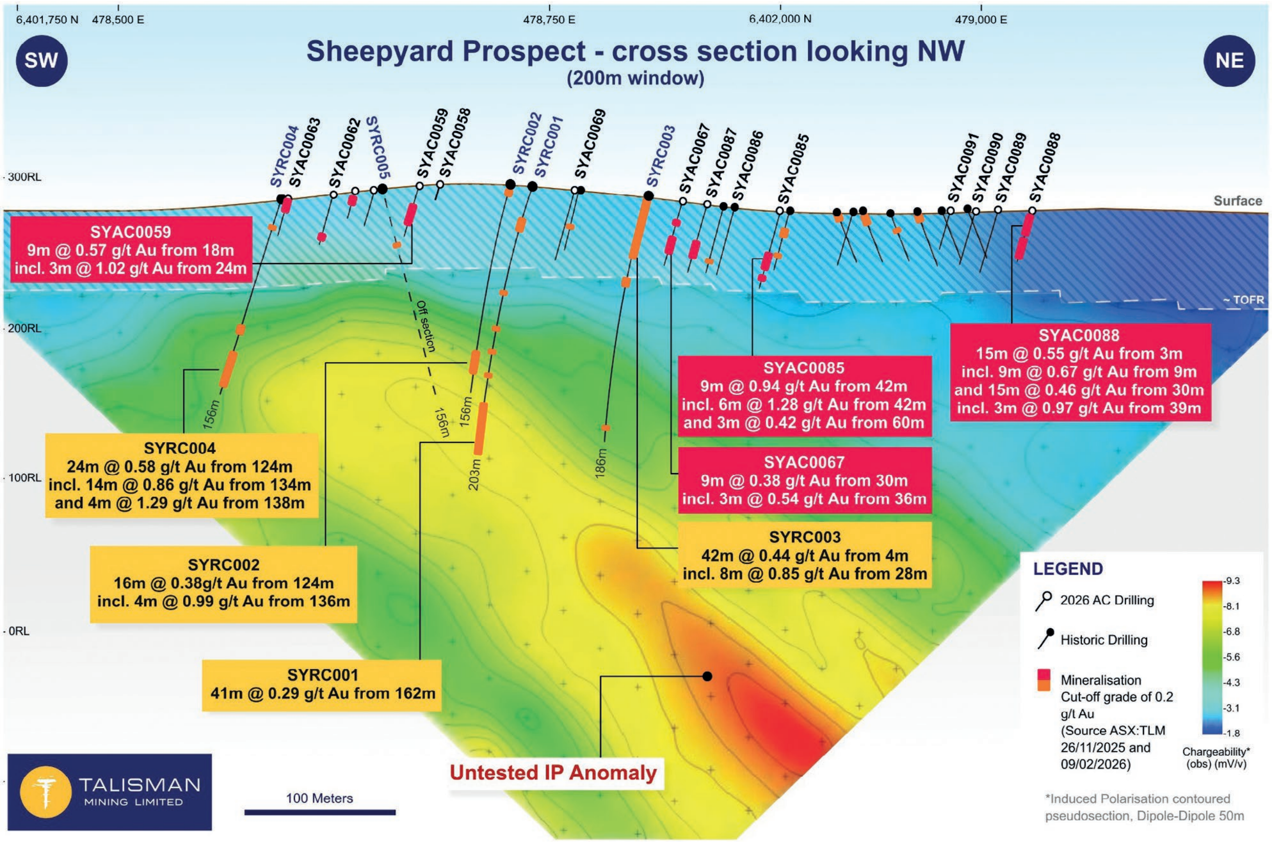


Figure 5: Cross Section through Sheepyard Prospect cut on IP Survey Line 1 - Drilling intersections from this phase are in red with previous drilling in orange.

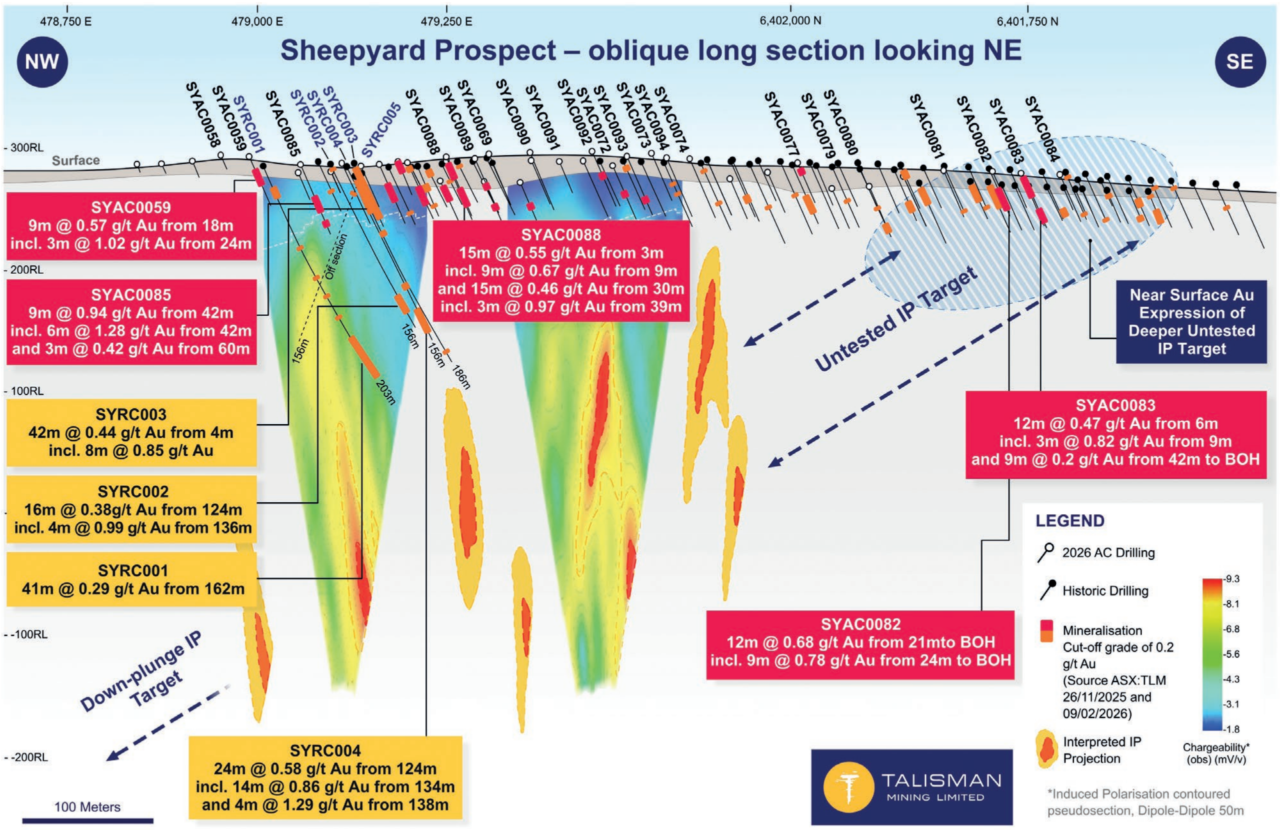


Figure 6: Oblique Long section through Sheepyard Prospect with modelled and projected IP chargeability - Drilling intersections from this phase are in red with previous drilling in orange.

Macquarie Arc Projects – NSW

Talisman holds a significant portfolio of exploration tenure within the Macquarie Arc of central-western New South Wales.

The Macquarie Arc is one of Australia's premier gold and copper-gold mineral provinces and hosts major operating mines and deposits including Cadia, Northparkes, Cowal, Boda-Kaiser and Tomingley.

During FY2026, Talisman undertook significant exploration programs at both the East Peak Hill and Yarindury Projects.

East Peak Hill Gold-Copper Project

The East Peak Hill Project (EL 9395) is located in the Junee-Narromine Volcanic Belt of the Macquarie Arc, approximately 10km south-east of the Tomingley Gold Operations.

Talisman considers East Peak Hill prospective for orogenic shear-hosted gold, high-sulphidation epithermal gold and porphyry-style copper-gold mineralisation.

Following initial auger drilling, which demonstrated that transported cover was deeper than anticipated across portions of the project, Talisman transitioned to AC drilling to systematically test the interpreted prospective geological trend.

Phase 1 Air-core drilling

During FY2026, Talisman completed a maiden 5,546m, 95-hole air-core drilling program across seven drill lines at East Peak Hill. The program tested approximately 4.5km of interpreted intrusive rocks within the highly prospective Junee-Narromine Volcanic Belt.

On Line 2, drilling intersected a zone of sericite-carbonate alteration with anomalous gold, silver, arsenic and antimony on the eastern contact between the Mingelo Volcanics and Cotton Formation sediments. Significant results included:

- EPAC0001: 9m at 0.22g/t Au, 837ppm As and 50ppm Sb; and
- EPAC0003: 9m at 0.67g/t Au, 1,582ppm As and 62ppm Sb, including 3m at 1.75g/t Au, 3,030ppm As and 107ppm Sb.

The style of alteration, geochemical association and structural position observed on Line 2 was considered encouraging given its similarities with the geological setting of mineralisation at the nearby Tomingley Operations.

Further south, drilling on Line 7 intersected a broad, approximately 350m-wide zone of anomalous copper-cobalt-zinc-gold mineralisation adjacent to a large de-magnetised geophysical target. Significant results included:

- EPAC0064: 21m at 460ppm Cu, 507ppm Co and 289ppm Zn; and
- EPAC0084: 16m at 400ppm Cu, 360ppm Co and 150ppm Zn, including 3m at 0.21g/t Au, 0.11ppm Ag, 513ppm As, 400ppm Cu, 679ppm Co and 100ppm Zn.

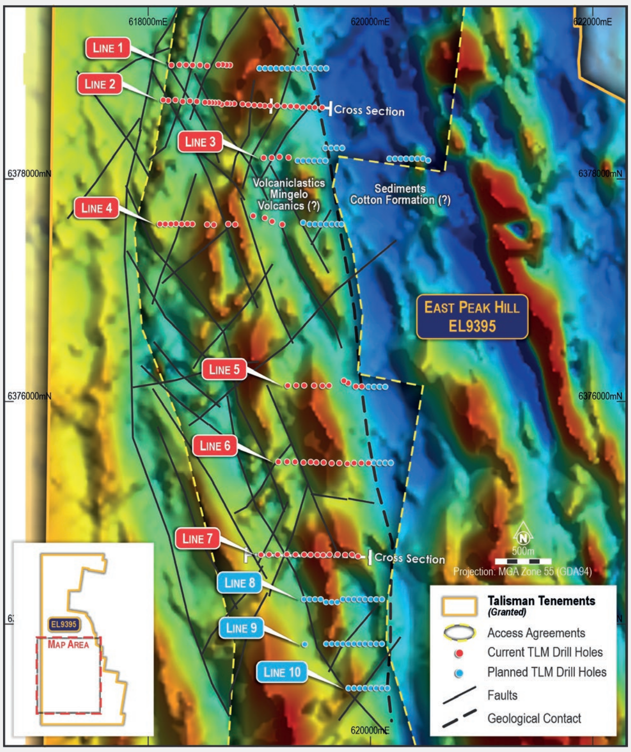


Figure 7: The recent and proposed AC drilling program at East Peak Hill over regional magnetics and structural interpretation. Red colours highlight strong magnetic features which are interpreted as andesitic and or mafic intrusions. Recent AC drilling (red dots) has highlighted anomalous pathfinder elements on Line 2 and Line 7.

The results identified two distinct areas warranting further exploration – the anomalous gold-arsenic-antimony trend on Line 2 and the broader copper-cobalt-gold geochemical system associated with Line 7.

Phase 2 Air-core drilling

A follow-up program comprising 4,500m of air-core drilling commenced in May 2026. The program was designed to extend the mineralised trends identified in the maiden program and test additional geophysical targets across up to nine drill lines, including extensions to Lines 3 and 4 where prospective positions could not be fully tested during the initial program because of wet weather and temporary landholder access restrictions.

Drilling was subsequently paused because of unfavourable weather conditions. The results generated from Phase 1 have provided Talisman with a significantly improved geological and geochemical framework for East Peak Hill and established a number of priority areas for systematic follow-up exploration.

Yarindury Porphyry Copper-Gold Project

The Yarindury Project (EL 9679) is located approximately 30km north-east of Dubbo within the Molong Volcanic Belt of the Macquarie Arc.

The project lies along the same prospective geological corridor as the Boda-Kaiser copper-gold system approximately 20km to the south-east, with the Cadia copper-gold operation located approximately 100km along strike to the south.

The project is largely concealed beneath younger cover, making modern geophysical techniques an important component of Talisman's exploration strategy.

During July 2025, Talisman completed a three-line, approximately 13km combined Induced Polarisation-Magnetotelluric (IP-MT) ground geophysical survey at the Yarindury East Prospect. The survey identified several chargeability features, two of which were prioritised as potential targets for buried porphyry-style copper-gold mineralisation.

During late 2025 and early 2026, Talisman completed two mud rotary and diamond drill holes, YRMRD0002 and YRMRD0003, for a total of 930.6m. The drilling was designed to provide an initial test of the two priority IP-MT anomalies, both of which sit beneath approximately 200m of cover.

Assay results from both holes were received during the March 2026 Quarter, with no significant copper or gold intersections encountered. Core from the drilling has subsequently been characterised for alteration studies to enhance the Company's understanding of the geological setting and provide potential vectors towards other prospective exploration positions within the broader Yarindury system.

Gawler Craton – South Australia

Mabel Creek IOCG Project

Talisman holds 100% of the Mabel Creek Project, comprising approximately 1,048km^2 of tenure around 30km west of Coober Pedy in South Australia.

The Project covers post-mineral concealed portions of the Northern Gawler Craton across the Nawa Domain and Mount Woods-Coober Pedy Ridge Complex and is considered prospective for Iron Oxide Copper-Gold (IOCG) mineralisation.

Talisman completed a three-hole, 1,367m diamond drilling program during FY2025, which intersected basement at depths of approximately 205m to 305m and identified variable hydrothermal alteration, including a broad alteration zone with elevated molybdenum and rare earth elements in MCMRD002.

Talisman continued to assess the broader project area and the significance of these geological observations during FY2026 while prioritising exploration expenditure towards the more advanced opportunities within its NSW portfolio. The Company retains three granted exploration licences covering the Mabel Creek Project.

Corporate

Wonmunna Iron Ore Royalty

Talisman holds an uncapped 1% gross revenue royalty on all metals produced and sold from the Wonmunna Iron Ore Mine in the Pilbara region of Western Australia. Wonmunna is owned and operated by Mineral Resources Limited and has formed part of the ore supply to its broader Pilbara Hub operations.

During FY2026, Talisman received a total of $3.858 million in royalty payments from Wonmunna. Royalty receipts progressively reduced during the year as the contribution of Wonmunna ore to Pilbara Hub production declined.

Mineral Resources commenced transitioning Pilbara Hub ore supply from Wonmunna to Lamb Creek during FY2026, with first ore production from Lamb Creek commencing during the June 2026 Quarter. As previously foreshadowed, current operations at Wonmunna have wound down, however Talisman retains its royalty interest should production re-commence in future.

Since production commenced at Wonmunna in March 2021, Talisman has received approximately $35.3 million in cumulative royalty payments.

The Wonmunna royalty has provided Talisman with an important source of non-dilutive funding over a number of years, enabling the Company to maintain an active exploration program while preserving a strong capital structure.

Project Portfolio Management

Talisman continued to actively manage and rationalise its exploration portfolio during FY2026 to focus expenditure on opportunities considered to offer the strongest potential to generate shareholder value.

During the June Quarter, the Company divested its 51% ownership of the Lucknow Joint Venture and its 51% interest in EL 6455 to Gold and Copper Resources Pty Ltd, a company associated with Lucknow Gold Limited, the existing 49% owner of the Joint Venture and EL 6455.

Talisman received $35,000 cash consideration for the divestment and retained a 1% Net Smelter Return royalty over minerals produced from the tenement.

New Project and Growth Opportunities

Throughout FY2026, Talisman continued to review potential new mineral growth opportunities in Australia and elsewhere. The Company's business development strategy is focussed on identifying value-accretive and consolidation opportunities, with a particular emphasis on gold opportunities in Western Australia that have the potential to provide Talisman with greater scale and a clear pathway to shareholder value creation.

In parallel, Talisman undertook an extensive external review of its NSW exploration portfolio with highly regarded geological consultants Omni GeoX. This review was designed to ensure the Company's exploration strategy and expenditure remain focused on the opportunities considered to offer the greatest potential for meaningful discovery and value creation in the near term.

This strategic focus was enhanced during the June 2026 Quarter with the appointment of experienced resources and finance executive Todd Ross as Chief Executive Officer, effective 1 June 2026.

Mr Ross has extensive experience spanning the resources industry, corporate finance, business development and capital markets. He previously served as Managing Director of DevEx Resources and Nordic Resources Ltd, and before entering the junior resources sector held senior banking positions with BNP Paribas, including Managing Director, Head of Western Australia and Head of Metals & Mining.

His appointment formed part of a planned leadership succession designed to provide an orderly transition from outgoing Managing Director Andrew Munckton.

Subsequent Board and Leadership Changes

Subsequent to the end of FY2026, Talisman completed the next stage of its leadership transition.

On 20 August 2026, Todd Ross was appointed to the Board as Managing Director following completion of the planned handover period and the retirement of Andrew Munckton from the Board.

Mr Munckton retired following three years at Talisman's helm and a distinguished career spanning more than four decades in the Australian mining and exploration industry.

Long-serving Non-Executive Director Peter Benjamin also retired from the Board after seven years to focus on his other business interests. During his tenure, Mr Benjamin provided significant technical and commercial experience and continuity through an important period in Talisman's development.

At the same time, highly experienced geologist and mining executive Mark Cossom was appointed as a Non-Executive Director.

Mr Cossom has extensive experience spanning mineral exploration, mining operations and the management and governance of ASX-listed resource companies. He was a key member of the team that helped transform Doray Minerals from a junior explorer into an ASX-300 gold producer, holding a number of senior positions including General Manager – Geology and Exploration prior to its takeover by Silver Lake Resources. More recently, he held senior leadership positions with Gateway Mining, including Managing Director, where he led the company's exploration and corporate strategy.

The Board changes provide Talisman with a complementary combination of geological, mining, operational, corporate, financial and capital markets expertise as the Company enters its next phase.

Under the leadership of Managing Director Todd Ross, Talisman's strategic priorities are focused on continuing to advance and unlock the potential of its NSW exploration portfolio – particularly the emerging gold opportunity at Sheepyard and the promising exploration targets at East Peak Hill – while actively pursuing high-quality business development and acquisition opportunities capable of delivering meaningful value for shareholders with a particular focus on gold opportunities in Western Australia capable of providing greater scale and a clear pathway to value creation.

Competent Persons' Statement

Information in this report that relates to Exploration Results and Exploration Targets is based on, and fairly represents, information and supporting documentation compiled by Mr Peter Langworthy, who is a Member of the Australasian Institute of Mining and Metallurgy (AusIMM). Mr Langworthy is a technical consultant to Talisman Mining Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Langworthy has reviewed the contents of this report and consents to the inclusion in this report of the matters based on his information in the form and context in which they appear.

No new information that is considered material is included in this document. All information relating to exploration results has been previously released to the market and is appropriately referenced in this document. JORC tables are not considered necessary to accompany this document.

Forward-Looking Statements

This report may include forward-looking statements. These forward-looking statements are not historical facts but rather are based on Talisman's current expectations, estimates and assumptions about the industry in which Talisman operates, and beliefs and assumptions regarding Talisman's future performance. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks", "estimates", "potential" and similar expressions are intended to identify forward-looking statements. Forward-looking statements are only predictions and are not guaranteed, and they are subject to known and unknown risks, uncertainties and assumptions, some of which are outside the control of Talisman. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Actual values, results or events may be materially different to those expressed or implied in this report. Given these uncertainties, recipients are cautioned not to place reliance on forward looking statements. Any forward-looking statements in this report speak only at the date of issue of this report. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Talisman does not undertake any obligation to update or revise any information or any of the forward looking statements in this report or any changes in events, conditions or circumstances on which any such forward looking statement is based.

Tenement Schedule

As at the date of this report.

Project / Tenement	Area	Tenement Status	Talisman Equity	Expiry Date
Lachlan Project | New South Wales				
EL8615	726 km^2	Granted	100%	07-07-29
EL8659	373 km^2	Granted	100%	18-10-27
EL8677	193 km^2	Granted	100%	08-12-29
EL8414*	174 km^2	Granted	100%	02-12-30
EL8547	205 km^2	Granted	100%	03-04-28
EL8571	258 km^2	Granted	100%	23-05-31
EL8658	256 km^2	Granted	100%	13-10-28
EL8680	20 km^2	Granted	100%	08-12-28
EL8719	191 km^2	Granted	100%	27-03-30
EL9298	440 km^2	Granted	100%	30-09-27
EL9299	199 km^2	Granted	100%	30-09-27
EL9302	108 km^2	Granted	100%	13-10-27
EL9306	327 km^2	Granted	100%	30-09-27
EL9315	103 km^2	Granted	100%	27-10-27
EL9379	878 km^2	Granted	100%	28-03-28
EL9462	6 km^2	Granted	100%	14-09-28
EL9630	361 km^2	Granted	100%	22-02-30
EL9678	343 km^2	Granted	100%	15-07-30
Macquarie Project | New South Wales				
EL8977	463 km^2	Granted	100%	11-05-27
EL9395	75 km^2	Granted	100%	21-04-31
EL9396	229 km^2	Granted	100%	21-04-31
EL9679	180 km^2	Granted	100%	15-07-30
Hillston Project | New South Wales				
EL8907	1,043 km^2	Granted	100%	31-10-27
EL9394	399 km^2	Granted	100%	21-04-28
EL9701	227 km^2	Granted	100%	18-09-30
EL9702	317 km^2	Granted	100%	18-09-30
Mabel Creek Project | South Australia				
EL6619	519 km^2	Granted	100%	18-07-27
EL6620	319 km^2	Granted	100%	18-07-27
EL6627	210 km^2	Granted	100%	13-08-27

*Former Mt Walton Joint Venture with Peel Mining Limited.

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 activities will be achieved. Material business risks that could influence the Group's future activities and prospects and how the Group manages these risks, are detailed below.

Operational risks

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

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, insufficient or unreliable infrastructure such as power, water and transport, difficulties in commissioning and operating plant and equipment, unanticipated metallurgical problems which may affect extraction costs, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment.

The 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 Company.

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 mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit or that the exploration tonnage estimates, and conceptual project developments discussed in this Report are able to be achieved. In the event the Company 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 Company 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.

Revenue and Royalty risks

The Company's main source of recent revenue has been the Wonmunna Iron Ore Royalty. The royalty is based on 1% of gross revenue from the Wonmunna Iron Ore Project. The Owner and operator of Wonmunna is Mineral Resources Limited (MinRes). Due to a shift in priority by MinRes to the Lamb Creek deposit, Wonmunna mining has now ceased with some remaining stockpiles being processed.

Wonmunna production may restart again in future but is in no way guaranteed. If Wonmunna does restart, future production may be affected by various operational factors including but not limited to customer demands, commercial iron ore prices, operational performance of Wonmunna, Mineral Resource and Ore Reserve extension, Iron Ore product quality, weather and road transport interruption. In the event that any of these potential risks eventuate, the Company's financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial outcomes through the mining of Wonmunna and its tenement interests.

Further capital requirements

The Company'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 Company.

The Group's ability to continue to explore and evaluate its projects is contingent upon its ability to source timely access to additional equity funding as is required. The Group closely monitors and controls its available funding and actions equity raising activities as required.

Native Title and Aboriginal Heritage

There are areas of the Company's projects over which legitimate common law and/or statutory Native Title rights of Aboriginal Australians exist. Where Native Title rights do exist, the Company must obtain consent of the relevant landowner to progress the exploration, development and mining phases of operations. Where there is an Aboriginal Site for the purposes of the Aboriginal Heritage legislation, the Company must obtain consents in accordance with the legislation.

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

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

Global conditions

General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, commodity prices, 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 Company's operations and financial performance, including the Company's exploration, development and production activities, as well as on its ability to fund those activities.

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

Tenure risks

The Group is exposed to loss of its tenure holding if it is unable to meet its tenement commitments due to lack of funding or the inability to meet any of the other tenement requirements. The Group actively manages its tenure holding and exploration budgets to ensure that funds are available to meet commitments and engages with external tenement management consultants as required.

Climate risks

The Group is committed to being an effective environmental steward and managing its climate impacts, whilst fulfilling its corporate social responsibilities. The Group is committed to positive environmental management outcomes. The Group acknowledges the threat posed by climate change and works to interact with the environments in which it operates in a measured, proportionate and sustainable manner.

Corporate Governance Statement

The Company's Corporate Governance Statement can be found on the Company's website at www.talismanmining.com.au/corporate-governance under the heading marked "Corporate Governance Statement".

The following governance-related documents can also be found on the Company's website:

Charters

- Audit Committee
- Board
- Nomination Committee
- Remuneration Committee
- Risk Committee

Constitution

- Constitution of Talisman Mining Limited

Board

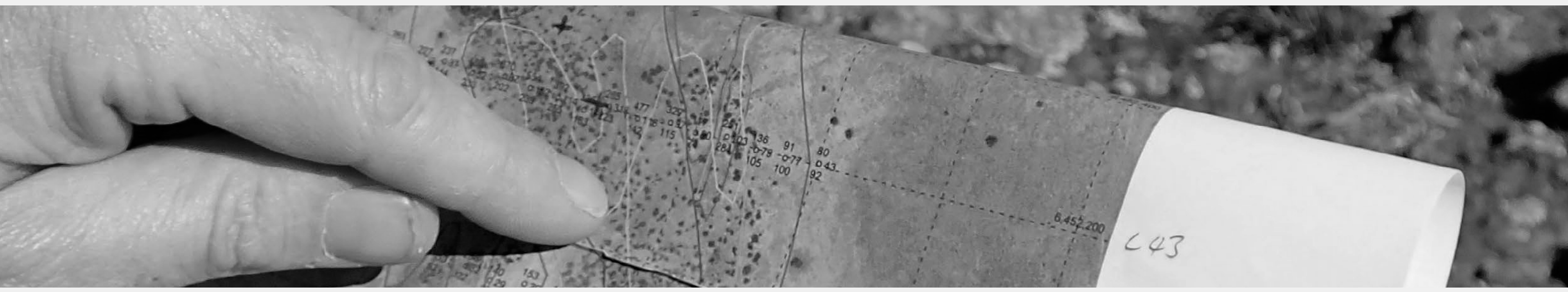
- Code of Conduct
- Policy and Procedure for the Selection and (Re)Appointment of Directors
- Process for Performance Evaluation

Compliance, Controls and Policies

- Risk Management Policy
- Continuous Disclosure Policy
- Securities Trading Policy
- Diversity Policy
- Remuneration Policy
- Anti-Bribery and Anti-Corruption Policy
- Whistleblower Policy

Shareholder Communication

- Shareholder Communication and Investor Relations Policy



Directors' Report

Your Directors present their report together with the financial statements of the Group consisting of Talisman Mining Limited and the entities it controlled for the financial year ended 30 June 2026. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Directors

The names of Directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Name	Particulars
Kerry Harmanis LLB **Non-Executive Chairman** 15 July 2020 - current	**Chairman (Non-Executive/Non-Independent)** Kerry Harmanis joined the Talisman board on 15 July 2020 and is one of Western Australia's most successful mining executives and investors. Kerry has been a major shareholder and strong supporter of Talisman since 2007 and currently holds a 19% stake in the Company. With a career spanning more than 40 years in the Australian exploration and mining industry, Kerry was the founder and Executive Chairman of Jubilee Mines NL, a highly successful West Australian nickel miner which he established in 1987. Through a combination of exploration success, focused project development and operational consistency, Jubilee Mines grew to become one of the most successful mid-tier miners on the ASX until its acquisition by Xstrata for A$3.1 billion in October 2007. During this period, Kerry led a highly successful geological and operational team which helped Jubilee set new benchmarks on the ASX for shareholder returns in the resource sector. In the three years immediately before the end of the financial year, Kerry did not serve as a Director of any other ASX listed entities.
Todd Ross BBus, GradDipAppFin, GAICD, MAusIMM **Chief Executive Officer** 1 June 2026 – 20 August 2026. **Managing Director** 20 August 2026 – current	**Managing Director (Executive/Non-Independent)** Todd Ross joined Talisman as Chief Executive Officer on 1 June 2026 and transitioned to Managing Director on 20 August 2026 upon the retirement of the former Managing Director. Todd is an experienced resources and finance executive with experience leading junior ASX exploration companies and in the commercial banking sector. Todd has previously served as Managing Director of DevEx Resources and Nordic Resources. Prior to these roles he was Managing Director, Head of Western Australia and Head of Metals & Mining for BNP Paribas. In the 3 years immediately before the end of the financial year, Todd served as Managing Director of DevEx Resources Limited (ASX: DEV) from September 2024 until his resignation on 30 November 2025 and Managing Director and CEO (April 2022 to September 2024) and Non-Executive Chairman (September 2024 to June 2025) of Nordic Resources Limited (ASX: NNL).
Andrew Munckton B.Sc. (Geol) MAusIMM AICD **Managing Director** 21 August 2023 – 20 August 2026	**Managing Director (Executive/Non-Independent)** Andrew Munckton joined Talisman as Managing Director in August 2023 and is an experienced geologist who has held senior management roles in both ASX-listed companies and gold operations in a career spanning more than 30 years. Andrew has previously held the roles of Managing Director of Kin Mining NL, Syndicated Metals Limited and Avalon Minerals, General Manager – Operations for Gindalbie Metals, General Manager Strategic Development of Placer Dome Asia Pacific and General Manager Operations of the Kanowna Belle, Paddington and Kundana Gold Mines over a period of ten years. In the 3 years immediately before the end of the financial year, Andrew served as Managing Director of Kin Mining Ltd (ASX: KIN) from July 2018 until his resignation on 18 August 2023.

Name	Particulars
Jeremy Kirkwood BCom **Non-Executive Director** 15 July 2020 – current **Non-Executive Chairman** April 2016 – 15 July 2020	**Non-Executive Director (Independent)** Jeremy Kirkwood joined Talisman in April 2016 and has extensive experience in corporate strategy, investment banking and global capital markets and provides invaluable strategic input and guidance to the Company's board and management team. Jeremy was previously a Managing Director at Credit Suisse, Morgan Stanley and Austock. He has primarily worked in public markets, undertaking mergers and acquisitions and capital raisings for companies principally in the metal and mining, energy and infrastructure sectors. In the 3 years immediately before the end of the financial year, Jeremy was appointed as a Non-Executive Director of Hawsons Iron Limited (ASX: HIO) on 10 May 2023 and subsequently appointed as Non-Executive Chairman on 16 October 2023. Jeremy was also appointed as a Non-Executive Director of Joyce Corporation Ltd (ASX: JYC) in January 2020 and subsequently appointed as Non-Executive Chairman in December 2020. Jeremy is the Chair of the Company's Audit, Nomination and Remuneration Committees. With extensive industry experience, Jeremy is considered qualified to hold these responsibilities.
Brian Dawes B. Sc. Mining **Non-Executive Director** 17 June 2009 – current	**Non-Executive Director (Independent)** Brian is a mining engineer with extensive international mining industry experience. Brian's diverse expertise covers all key industry aspects from exploration and discovery, through the feasibility, funding, approvals, project construction, commissioning, operations, optimisation, logistics, marketing, and closure phases. This includes site management and corporate responsibilities in a diversity of challenging and highly successful underground and open pit operations across many commodities and geographies. Prior to joining Talisman, Brian held senior positions with Jubilee Mines, Western Areas, LionOre Australia, WMC, Normandy Mining, and Aberfoyle. In the 3 years immediately before the end of the financial year, Brian served as a non-executive director of Kin Mining Ltd (ASX: KIN) from 20 February 2018 until his resignation on 24 November 2022. Brian serves on the Company's Audit, Nomination and Remuneration Committees. With extensive industry experience and being financially literate, Brian is considered qualified to hold these responsibilities.
Peter Benjamin B.Sc. (Hons), Grad Dip (Exploration), (Bus Admin), GAICD, MAusIMM, FAIM **Non-Executive Director** 24 July 2019 – 20 August 2026	**Non-Executive Director (Independent)** Peter is an experienced geologist who has worked in the mining industry for more than 40 years, predominantly in senior exploration, project, operational and executive management roles with junior and mid-tier ASX-listed companies. These positions have included Managing Director of gold and copper explorer Kalamazoo Resources Ltd, General Manager Exploration and Geology for Iluka Resources Ltd and Divisional Project Manager for Newcrest Mining Ltd. These roles have included significant experience in the development and subsequent operations for open pit and underground precious, base metal and bulk mineral mines throughout Australia. During his career Peter has overseen large gold and base metal exploration programs which have resulted in new discoveries and significant extensions to Mineral Resources, Ore Reserves and thus mine life. During his time at Iluka Resources Limited, the exploration team won two "Explorer of the Year" awards and awards for environmental excellence. His New South Wales experience has also included operating exploration and project development programs in the Lachlan Fold Belt of NSW, which is a key focus area for Talisman. In the 3 years immediately before the end of the financial year, Peter did not serve as a Director of any other ASX listed entities. Peter was a member of the Audit, Nomination and Remuneration Committees.

Name	Particulars
Mark Cossom MSc (Mineral Economics), BSc (Applied Geology) (Hons) **Non-Executive Director** 20 August 2026 – current	**Non-Executive Director (Independent)** Mr Cossom is a highly experienced geologist and mining executive with extensive experience spanning mineral exploration, mining operations and the management and governance of ASX-listed resources companies. Over the course of his career, he has held senior technical and executive positions within the Australian resources sector. Mark was a key part of the team that helped transform Doray Minerals from a junior gold explorer to an ASX-300 gold miner, holding a range of senior positions including General Manager – Geology and Exploration prior to its takeover by Silver Lake Resources. More recently, he held senior leadership roles with Gateway Mining, including as Managing Director, where he led the Company's exploration and corporate strategy. Prior to Doray, Mr Cossom held several senior geological and operational roles with Harmony Gold, including as Principal Geologist (SE Asia), overseeing Harmony's exploration and mine geology activities across the region including for the major Morobe Mining Joint Venture with Newcrest Mining Ltd in PNG. In the 3 years immediately before the end of the financial year, Mark served as Managing Director of Gateway Mining Limited (ASX: GML) from 21 October 2019 until his resignation on 1 October 2024 and Non-Executive Director of Strickland Metals Limited (ASX: STK) from 10 May 2021 until his resignation on 20 June 2024. Mark will serve on the Company's Audit, Nomination and Remuneration Committees. With extensive industry experience and being financially literate, Mark is considered qualified to hold these responsibilities.

Company Secretary

Alex Neuling BSc, FCA (ICAEW), FCIS **Company Secretary** 1 May 2016 – current	**Company Secretary** Alex Neuling is a Chartered Accountant and Chartered Secretary with extensive corporate and financial experience including as Director, Chief Financial Officer and / or Company Secretary of various ASX-listed companies in the mining, mineral exploration, oil & gas and other sectors. Prior to those roles, Alex worked at Deloitte in London and Perth. Alex also holds an honours degree in chemistry from the University of Leeds in the United Kingdom and is principal of Erasmus Consulting which provides company secretarial and financial management consultancy services to a variety of ASX-listed and other companies.

Principal activities

The principal activity of Talisman Mining Limited during the course of the financial year was exploration for base metals and other minerals, including copper, copper-gold, gold and nickel.

Review of operations and future developments

A detailed review of operations during the financial year and commentary on future developments is set out in the section titled "Review of Operations" in this Annual Report.

Significant changes in state of affairs

In the opinion of the Directors, there were no significant changes in the state of affairs of the Group that occurred during the financial year under review.

Dividends

The Directors resolved that no dividend be paid for the year.

Financial performance and financial position

Financial performance

During the financial year, the Group reported a loss after tax of $2.705 million (2025: $2.325 million).

Revenue and other income for the year of $3.616 million (2025: $7.736 million) consisted primarily of royalty income from an uncapped 1% gross revenue royalty applicable to all metals produced and sold from the Wonmunna Iron Ore Mine.

Financial position

As at 30 June 2026, the Group had net assets of $3.70 million (2025: $6.04 million) including $3.09 million of cash and cash equivalents (2025: $4.49 million).

Subsequent events

On 20 August 2026, upon the retirement of Mr Andrew Munckton, Chief Executive Officer Mr Todd Ross was appointed as Managing Director of the Company. On the same date Mr Peter Benjamin stepped down as Non-Executive Director and Mr Mark Cossom was appointed to this role.

On 2 September 2026, the Company announced that it had received firm commitments for a two-tranche placement to new and existing sophisticated, professional and institutional investors to raise a total of $4m. A total of approximately 61.5m ordinary shares will be issued at an issue price of A$0.065. Tranche 1 comprised 47m shares being issued on 10 September 2026 (raising $3,055,000 before costs) under the Company's available ASX Listing Rule 7.1 and 7.1A capacities. Tranche 2 will comprise approximately 14.5m shares (approximately $0.945m) and will be issued subject to shareholder approval at a General Meeting expected to be held in October 2026. The tranche 2 issue includes Director participation of approximately $870,000, including Talisman's Chairman and largest shareholder, Kerry Harmanis who intends to subscribe for his pro-rated allocation of approximately $780,000 (19.6%).

Other than the above, there has not been any matter or circumstances occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' meetings

The following table sets out the number of Directors' meetings (including meetings of committees of Directors) held during the financial year and the number of meetings attended by each director (while they were a director or committee member). During the financial year, sixteen board meetings, two audit committee meetings, two remuneration committee meetings and one nomination committee meeting were held.

	Board of directors		Audit committee		Remuneration committee		Nomination committee	
Directors	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Kerry Harmanis	16	16	2	2	2	2	1	1
Andrew Munckton	16	16	-	-	-	-	-	-
Jeremy Kirkwood	16	15	2	1	2	2	1	1
Brian Dawes	16	16	2	2	2	2	1	1
Peter Benjamin	16	16	2	2	2	2	1	1

Note: Executive Directors attending committee meetings during the year attended all or part of the meeting by invitation of the relevant Committee.

Directors' interests in shares and options

The following table sets out each Director's relevant interest in shares and options in shares of the Company or a related body corporate as at the date of this report:

Directors	Fully paid ordinary shares Number	Share Options Number
Kerry Harmanis	36,903,369	999,200
Todd Ross	-	-
Andrew Munckton*	200,000	4,161,800
Jeremy Kirkwood	419,000	812,100
Brian Dawes	569,334	812,100
Peter Benjamin*	434,724	812,100
Mark Cossom	-	-

* Mr Munckton and Mr Benjamin retired effective 20 August 2026. The share and option holdings are the balances as at this date.

Directors' interests in performance rights – Subject to shareholder approval

Mr Ross is eligible to participate in short-term and long-term incentive schemes operated by the Company as agreed with the Board and Remuneration Committee of the Company from time to time (subject to shareholder approval where applicable).

Initial equity awards proposed to be granted to Mr Ross have been agreed, subject to confirmation of structuring, documentation and shareholder approval and are expected to take the form of grants of performance rights, zero exercise price options or equivalent securities, in several tranches and with terms materially as follows:

Tranche	Market Price Milestone (VWAP)	VWAP Reference Period (days)	Expiry date	Market Capitalisation Milestone	Number of Performance Securities
1	$0.2500	20	1 June 2029	$47,080,087	630,000
2	$0.3983	20	1 June 2029	$75,000,000	395,473
3A	$0.5310	60	1 June 2029*	$100,000,000	4,750,000
3B	$0.5310	60	1 June 2029*	$150,000,000	2,750,000
3C	$0.5310	60	1 June 2029*	$200,000,000	2,750,000
3D	$0.5310	60	1 June 2029*	$250,000,000	2,750,000
3E	$0.5310	60	1 June 2029*	$300,000,000	3,000,000
3F	$0.5310	60	1 June 2029*	$350,000,000	2,750,000
3G	$0.5310	60	1 June 2029*	$400,000,000	2,750,000
3H	$0.5310	60	1 June 2029*	$450,000,000	3,000,000
3I	$0.5310	60	1 June 2029*	$500,000,000	2,750,000

*or earlier where one or more of tranches 3A-3I have vested and the vesting cut-off period has ended.

On satisfaction of the performance condition for any tranche (3A to 3I) (the date of such satisfaction being the Initial Satisfaction Date) that tranche will vest (subject to the aggregate limit of 3% of the Company's issued capital at the time of vesting). Each other tranche whose performance condition is satisfied within 120 days after the Initial Satisfaction Date will also vest (subject to the 3% cap). At the end of that 120-day period (the vesting cut-off date), all tranches of performance securities whose performance conditions have not been satisfied will automatically lapse and be cancelled for no consideration.

Vesting of the performance securities is also subject at all times to continued employment and a 3-year disposal restriction.

Share options

Share options granted to Directors

At the date of this report, share options granted to the Directors of the Company and the entities it controlled as part of their remuneration are:

Directors and senior management	Number of options granted	Issuing Entity	Number of ordinary shares under option
Kerry Harmanis	999,200	Talisman Mining Limited	999,200
Todd Ross	-	Talisman Mining Limited	-
Andrew Munckton*	4,161,800	Talisman Mining Limited	4,161,800
Jeremy Kirkwood	812,100	Talisman Mining Limited	812,100
Brian Dawes	812,100	Talisman Mining Limited	812,100
Peter Benjamin*	812,100	Talisman Mining Limited	812,100
Mark Cossom	-	Talisman Mining Limited	-

*Mr Munckton and Mr Benjamin retired effective 20 August 2026. The share and option holdings are the balances as at this date.

Details of all unissued shares or interests under option as at the date of this report are:

Issuing entity	Grant Date	Expiry date of options	Number of shares under option	Exercise price of options	Fair Value	Vest Date
Talisman Mining Limited	16-Dec-22	15-Dec-26	302,000	$0.201	$0.08	15-Dec-25
Talisman Mining Limited	22-Nov-23	15-Dec-26	1,536,800	$0.201	$0.08	15-Dec-25
Talisman Mining Limited	7-Feb-24	31-Oct-27	1,250,000	$0.250	$0.17	31-Oct-26
Talisman Mining Limited	8-Dec-23	15-Dec-27	1,659,227	$0.264	$0.10	15-Dec-26
Talisman Mining Limited	7-Feb-24	7-Dec-27	2,840,700	$0.264	$0.17	07-Dec-26
Talisman Mining Limited	27-Nov-24	4-Dec-28	1,266,902	$0.339	$0.14	04-Dec-27
Talisman Mining Limited	11-Apr-25	30-Apr-29	2,269,900	$0.339	$0.06	30-Apr-28
Talisman Mining Limited	16-Dec-25	15-Dec-29	1,777,400	$0.227	$0.05	15-Dec-28

The holders of these options do not have the right, by virtue of the option, to participate in any share issue or interest issue of any other body corporate or registered scheme.

Remuneration Report

The Remuneration Report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel of Talisman Mining Limited for the financial year ended 30 June 2026 and is included on page 26.

Environmental regulations

The Group's environmental obligations are regulated under both State and Federal legislation. Performance with respect to environmental obligations is monitored by the Board of Directors and subjected from time to time to government agency audits and site inspections. No significant or material environmental breaches have been notified by any government agency during the year ended 30 June 2026.

Indemnification and insurance of officers

The Company has agreed to indemnify all the Directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the Directors and Officers of the Company and its controlled entities against any liability incurred in the course of their duties to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Non-Audit Services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 24 to the financial statements. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

The Directors are of the opinion that the services do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants (Including Independence Standards) issued by the Accounting Professional & Ethical Standards Board.

Auditor Independence

Section 307C of the *Corporations Act 2001* requires our auditors, HLB Mann Judd, to provide the Directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 33 and forms part of this Directors' report for the year ended 30 June 2026.

Proceedings on behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Rounding off of amounts

The Company has applied the relief available to it in ASIC Legislative Instrument 2026/183, and accordingly certain amounts included in this report and in the financial report have been rounded off to the nearest $1 (where rounding is applicable), under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2026/183. The Company is an entity to which this instrument applies.

Remuneration Report

This report, which forms part of the Directors' Report, outlines the remuneration arrangements in place for the Key Management Personnel of Talisman Mining Limited for the year ended 30 June 2026. The information provided in this Remuneration Report has been audited as required by Section 308(3C) of the *Corporations Act 2001*.

The Remuneration Report details the remuneration arrangements for Key Management Personnel who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

Key Management Personnel details

The key management personnel of Talisman Mining Limited during the year were:

Directors		
Kerry Harmanis	Non-Executive Chairman	
Todd Ross*	Managing Director	Appointed 20 August 2026
Andrew Munckton	Managing Director	Retired 20 August 2026
Jeremy Kirkwood	Non-Executive Director	
Brian Dawes	Non-Executive Director	
Peter Benjamin	Non-Executive Director	Retired 20 August 2026
Mark Cossom	Non-Executive Director	Appointed 20 August 2026

Other Key Management		
Todd Ross*	Chief Executive Officer	Appointed 1 June 2026
Tim Sharp	Exploration Manager	Resigned 5 December 2025

* Mr Ross was appointed as Managing Director on 20 August 2026 upon the retirement of Mr Munckton. Mr Ross was appointed as Chief Executive Officer on 1 June 2026.

Except as noted, the named persons held their current positions for the whole of the financial year and since the financial year end.

Changes since the end of the reporting period

On 20 August 2026, upon the retirement of Mr Andrew Munckton, Chief Executive Officer Mr Todd Ross was appointed as Managing Director of the Company. On the same date Mr Peter Benjamin retired as Non-Executive Director and Mr Mark Cossom was appointed to fill this role.

Key Management Personnel (excluding Non-Executive Directors)

The Board is responsible for determining the remuneration policies for the Group, including those affecting Executive Directors and other key management personnel. The Board may seek appropriate external advice to assist in its decision making.

The Company's remuneration policy for Executive Directors and key management personnel is designed to promote superior performance and long-term commitment to the Group. The main principles of the policy when considering remuneration are as follows:

- Executive Directors and key management personnel are motivated to pursue long term growth and success of the Group within an appropriate control framework;
- interests of key leadership are aligned with the long-term interests of the Company's shareholders; and
- there is a clear correlation between performance and remuneration.

The remuneration policy for Executive Directors and other key management personnel comprises a mix of fixed remuneration and at-risk variable remuneration consisting of short-term and long-term incentives.

Fixed remuneration

Fixed remuneration is reviewed annually by the Remuneration Committee. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The Remuneration Committee has access to external, independent advice where necessary.

Executive Directors and other key management personnel are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. The fixed remuneration component is detailed in the remuneration for key management personnel tables for the years ended 30 June 2026 and 30 June 2025.

Short term incentives

An annual short term incentive plan (**STIP**) exists for Executive Directors, other key management personnel and staff. The STIP represents a cash-based incentive that provides for a meaningful proportion of the total remuneration package for Executive Directors and other key management personnel to be at-risk. Benefits under the STIP may only be realised on the achievement of targets linked to the Company's annual business objectives, prevailing economic conditions and individual commitment and performance. Potential rewards under the STIP only become payable at the absolute discretion of the Board. For the financial year ended 30 June 2026, there was no amount awarded in STIP to key management personnel as recommended by the Remuneration Committee and approved by the Board. In the prior year there was also no award in STIP to key management personnel. The proportion of cash bonus paid/payable or forfeited is as follows:

	Bonus Payable			
Name	**Bonus Payable / Paid 2026**	**Bonus Forfeited 2026**	**Bonus Payable / Paid 2025**	**Bonus Forfeited 2025**
Executive Director Andrew Munckton	0%	100%	0%	100%
Executive Management Tim Sharp	0%	100%	0%	100%

Long term incentives

To align the interests of key management personnel with the long-term objectives of the Group and its shareholders, the Group's policy, having regard to the stage of development of its assets, is to issue share options under the shareholder approved 'Incentive Awards Plan' (**IAP**) and at the discretion of the Board, subject to shareholder approval for Directors. The issue of share options as remuneration represents cost effective consideration to Directors and key management personnel for their commitment and contribution to the Group and are used as a strategic tool to recruit and retain high calibre personnel.

Options issued under the IAP during the year vest after a fixed period during the life of the options (currently after 3 years) and value is only realised by Directors and key management personnel upon growth at a fixed premium to the 30-day volume weighted share price of the Company's share price from the date of the grant of the options. Vesting conditions relating to the performance of the Group are not considered appropriate having regard to the stage of development of the Group's assets. Participants in the IAP are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.

In addition, under the IAP, if the Board makes a determination that in its opinion an optionholder has been dismissed or removed from office for a reason which entitles the Company to dismiss the optionholder without notice or who has committed any act of fraud, defalcation or gross misconduct in relation to the affairs of the Company (whether or not charged with an offence) or has done any act which brings the Company and its related bodies corporate or any one of them into disrepute, the options held by that optionholder will lapse.

Non-Executive Directors

The Group's Non-Executive Directors receive fees (including statutory superannuation) for their services and the reimbursement of reasonable expenses. The fees paid to the Group's Non-Executive Directors reflect the demands on, and responsibilities of, the Directors. They do not receive any retirement benefits (other than compulsory superannuation). The Board decides annually the level of fees to be paid to Non-Executive Directors with reference to market standards.

Non-Executive Directors may also receive share options where this is considered appropriate by the Board as a whole and with regard to the stage of the Group's development. Such options vest across the life of the option and are primarily designed to provide an incentive to Non-Executive Directors to remain with the Group. Options issued to Non-Executive Directors are subject to shareholder approval.

A Non-Executive Directors' fee pool limit of $500,000 per annum was approved by shareholders at the Annual General Meeting held on 23 November 2022. For the financial year ended 30 June 2026, this pool was utilised to a level of $245,079 (inclusive of superannuation). The fee paid for the 2026 financial year to the Chairman was $85,245 (including statutory superannuation) whilst each Non-Executive Director was paid $53,278 per annum (including statutory superannuation).

Key terms of employment contracts

Remuneration and other terms of employment of Directors and key management personnel are formalised in an employment contract. The major provisions of the agreements related to the remuneration are set out below.

Key Management Personnel	Term of Agreement	Key Agreement Terms	Notice Period
Andrew Munckton	Three years (appointed 21 August 2023, retired 20 August 2026)	Termination benefit payable on early termination by the Group (other than for gross misconduct) is equal to three months' base salary.	3 months
Todd Ross	Three years (appointed 1 June 2026)	Termination benefit payable on early termination by the Group (other than for gross misconduct) is equal to three months' base salary or if more than 6 months from the commencement date then 6 months' base salary.	3 months
Tim Sharp	Ongoing employment agreement (appointed 18 September 2023, resigned 5 December 2025)	Termination benefit payable on early termination by the Group (other than for gross misconduct) is equal to three months' base salary.	3 months

Remuneration for Executive Directors and key management personnel consists of a base salary, superannuation and performance incentives. Long term performance incentives may include options or performance rights granted at the discretion of the Board subject to obtaining the relevant approvals. The remuneration of the Managing Director is recommended to the Board by the Remuneration Committee. Remuneration of key management personnel (excluding Non-Executive Directors) is recommended annually by the Remuneration Committee in consultation with the Managing Director.

Remuneration Philosophy

The Board recognises that the performance and continued success of the business depend upon the quality of its people. To ensure the Group continues to innovate and grow it must attract, motivate, and retain highly skilled directors, executives and employees. To deliver this, the philosophy of the Group in determining remuneration levels is to set competitive remuneration packages to attract and retain high calibre employees and to link a significant component of executive rewards to shareholder value creation. The size, nature and financial strength of the Group is also taken into account when setting remuneration levels so as to ensure that the operations of the Group remain sustainable.

In considering the Group's performance and impact on shareholder returns, the Board has regard to the following indicators of performance in respect of the current financial year and the previous four financial years:

	30 June 2026	30 June 2025	30 June 2024	30 June 2023	30 June 2022
Revenue/Other Income ($)	3,615,950	7,735,222	9,500,166	7,658,287	6,458,997
Net profit/(loss) after tax ($)	(2,704,685)	(2,325,923)	(2,915,550)	65,664	(1,110,828)
Earnings/(loss) per share (cents)	(1.44)	(1.24)	(1.55)	0.04	(0.60)
Share price ($)	0.067	0.135	0.250	0.170	0.140

Remuneration of key management personnel

Details of the nature and amount of each element of the remuneration for key management personnel during the year are set out in the following tables:

	Short-term employee benefits			Post-employment benefits	Long service leave accrual	Share-based payment		% of compensation linked to performance
	Salary & fees(i) $	Bonus $	Non-monetary $	Super-annuation $	$	Options/ Rights (iv) $	Total $	%
2026 Directors								
Kerry Harmanis	76,111	-	-	9,133	-	38,959	124,203	31.37%
Andrew Munckton	345,017	-	-	30,000	-	187,913	562,930	33.38%
Jeremy Kirkwood	47,570	-	-	5,708	-	24,350	77,628	31.37%
Brian Dawes	26,485	-	-	26,793	-	24,350	77,628	31.37%
Peter Benjamin	53,278	-	-	-	-	24,350	77,628	31.37%
Executives								
Todd Ross (ii)	29,203	-	-	2,500	-	3,639	35,342	10.30%
Tim Sharp (iii)	177,140	-	-	13,212	-	73,742	264,094	27.92%
	754,804	-	-	87,346	-	377,303	1,219,453	

	Short-term employee benefits			Post-employment benefits	Long service leave accrual	Share-based payment		% of compensation linked to performance
	Salary & fees(i) $	Bonus $	Non-monetary $	Super-annuation $	$	Options/ Rights (iv) $	Total $	%
2025 Directors								
Kerry Harmanis	86,550	-	-	9,953	-	53,019	149,522	35.46%
Andrew Munckton	312,310	-	-	30,000	-	176,898	519,208	34.07%
Jeremy Kirkwood	54,094	-	-	6,221	-	31,273	91,588	34.15%
Brian Dawes	33,094	-	-	27,221	-	31,273	91,588	34.15%
Peter Benjamin	60,315	-	-	-	-	31,273	91,588	34.15%
Executives								
Tim Sharp	331,877	-	-	30,000	-	66,821	428,698	15.59%
	878,240	-	-	103,395	-	390,557	1,372,192	

(i) Cash salary and fees includes movements in annual leave provision during the year.

(ii) Appointed as Chief Executive Officer on 1 June 2026.

(iii) Ceased employment as Exploration Manager on 5 December 2025.

(iv) The value of share-based payments shown in the table are non-cash values based on an accounting valuation calculated under the Black Scholes option pricing method. The values above represent the accounting expense recorded over the vesting period of the options or rights. The options were granted in the 2022, 2023, 2024 and 2025 financial years. The value recognised for Mr Todd Ross represents the value from the commencement date of 1 June 2026 based upon a Monte Carlo simulation model, however the performance rights are subject to shareholder approval at a future date.

Share-based remuneration granted as compensation

There were no options or performance rights granted to directors during the financial year. Options issued to other Company employees were issued under the Incentive Awards Plan. For details of share-based payments granted during the year refer to Note 17.

	During the financial year				
Name	Number granted	Number vested and exercisable	% of grant vested	% of grant forfeited	% of compensation for the year consisting of options or performance rights[(i)]
Kerry Harmanis	-	-	-	-	31.37%
Andrew Munckton	-	-	-	-	33.38%
Jeremy Kirkwood	-	-	-	-	31.37%
Brian Dawes	-	-	-	-	31.37%
Peter Benjamin	-	-	-	-	31.37%
Todd Ross[(ii)]	-	-	-	-	10.30%
Tim Sharp	-	-	-	-	27.92%

(i) The value of options granted during the period is recognised in compensation over the vesting period of the grant, in accordance with Australian accounting standards.
(ii) Mr Ross commenced employment on 1 June 2026 and an expense has been recognised as at 30 June 2026 for one month's performance rights expense however the performance rights package is subject to shareholder approval at a future shareholders meeting.

Exercised

No options granted as compensation in the current year and/or prior years were exercised.

Forfeited / lapsed / cancelled options during the year

A total of 1,267,800 options granted as compensation to Directors and 827,400 options granted to staff in prior years expired during the period. A total of 1,045,224 options granted as compensation in prior years were cancelled upon KMP termination. A further 1,916,547 options granted as compensation in prior years were cancelled upon employee termination.

Other Information

Shares held by Key Management Personnel

	Opening balance at 1 July Number	Balance on appointment Number	Shares received on exercise of options Number	Acquired on-market / (sold on market) Number	Balance on resignation Number	Closing balance at 30 June Number	Balance held nominally Number
2026 Directors							
Kerry Harmanis	36,903,369	-	-	-	-	36,903,369	-
Andrew Munckton	-	-	-	200,000	-	200,000	-
Jeremy Kirkwood	419,000	-	-	-	-	419,000	-
Brian Dawes	569,334	-	-	-	-	569,334	-
Peter Benjamin	434,724	-	-	-	-	434,724	-
Executives							
Todd Ross [(i)]	-	-	-	-	-	-	-
Tim Sharp [(ii)]	-	-	-	-	-	-	-
	38,326,427	-	-	200,000	-	38,526,427	-

(i) Commenced employment as Chief Executive Officer on 1 June 2026.
(ii) Ceased employment as Exploration Manager on 5 December 2025.

Options held by Key Management Personnel

	Opening balance at 1 July Number	Granted as remuner-ation Number	Options Exercised Number	Options Lapsed / Cancelled / Forfeited Number	Balance on resignation Number	Closing balance at 30 June Number	Vested but not exercisable Number	Vested during the year Number	Vested and exercisable at 30 June Number
2026 Directors									
Kerry Harmanis	1,599,200	-	-	(600,000)	-	999,200	-	534,500	534,500
Andrew Munckton	4,161,800	-	-	-	-	4,161,800	-	-	-
Jeremy Kirkwood	1,034,700	-	-	(222,600)	-	812,100	-	334,100	334,100
Brian Dawes	1,034,700	-	-	(222,600)	-	812,100	-	334,100	334,100
Peter Benjamin	1,034,700	-	-	(222,600)	-	812,100	-	334,100	334,100
Executives									
Todd Ross (i)	-	-	-	-	-	-	-	-	-
Tim Sharp (ii)	2,148,300	-	-	(1,045,224)	(1,103,076)	-	-	-	-
	11,013,400	-	-	(2,313,024)	(1,103,076)	7,597,300	-	1,536,800	1,536,800

(i) Commenced employment as Chief Executive Officer on 1 June 2026.
(ii) Ceased employment as Exploration Manager on 5 December 2025.

This Directors' report is signed in accordance with a resolution of Directors made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Todd Ross
Managing Director
Perth, 25 September 2026

Consolidated Entity Disclosure Statement

Talisman Mining Limited (TLM)

TLM is a public body corporate, incorporated in Australia, listed on the Australian Securities Exchange (**ASX**) (ASX: TLM). TLM is not a trustee of a trust within the consolidated entity (**Group**), nor a partner in a partnership within the Group, and is not a participant in a joint venture within the Group.

TLM is an Australian resident company within the meaning of the *Income Tax Assessment Act 1997* (**ITAA97**).

Haverford Holdings Pty Ltd (HH)

HH is a private body corporate incorporated in Australia. HH is not a trustee of a trust within the Group and is not a partner in a partnership within the Group. HH was a participant in the Mt Walton Joint Venture (**MWJV**) with Peel Mining Limited (ASX: PEX) and was the manager of the MWJV. The MWJV was wound up during the period upon HH earning a greater than 90% participating interest.

TLM has a 100% equity interest in HH.

HH is an Australian resident company within the meaning of the ITAA97.

Talisman B Pty Ltd (TLMB)

TLMB is a private body corporate incorporated in Australia. TLMB is not a trustee of a trust within the Group and is not a partner in a partnership within the Group. TLMB was a participant in the Lucknow Gold Joint Venture (**LGJV**) with privately-owned Lucknow Gold Limited, and was the manager of the LGJV. The LGJV was wound up during the period upon the disposal of the JV and tenement interests by TLMB.

TLM has a 100% equity interest in TLMB.

TLMB is an Australian resident company within the meaning of the ITAA97.

Basis of preparation

The Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated entity

This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of Tax Residency

Section 295.3A of the *Corporations Act 2001* defines tax residency 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.

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.

Foreign tax residency

The consolidated entity includes no foreign tax residents.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Talisman Mining 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
25 September 2026

M R Ohm
Partner

INDEPENDENT AUDITOR'S REPORT

To the Members of Talisman Mining Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Talisman Mining 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.

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.

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

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Key Audit Matter	How our audit addressed the key audit matter
Carrying value of exploration and evaluation expenditure Refer to Note 11	
The Group has capitalised exploration and evaluation expenditure of $300,000 as at 30 June 2026. Our audit procedures determined that the carrying value of exploration and evaluation expenditure was a key audit matter as it was an area which required the most communication with those charged with governance and was determined to be of key importance to the users of the financial statements.	Our procedures included but were not limited to the following: - We obtained an understanding of the key processes associated with management's review of the carrying value of exploration and evaluation expenditure; - We obtained evidence that the Company has current rights to tenure of its area of interest; - We considered whether any indicators of impairment were present in relation to the Group's area of interest; - We enquired with management and reviewed ASX announcements and minutes of Directors' meetings to ensure that the Company had not decided to discontinue exploration and evaluation at its area of interest; and - We examined the disclosures made in the financial report.
Accounting for royalty income Refer to Note 2	
The Group has recorded royalty income of $3.49m for the year ended 30 June 2026 which relates to the Wonmunna Iron Ore Mine over which the Group has a royalty agreement. Our audit procedures determined that the royalty income was a key audit matter as it is material and was determined to be of importance to the users' understanding of the financial statements.	Our procedures included but were not limited to the following: - We obtained an understanding of the key processes associated with management's review of the royalty income; - We reviewed the royalty deed agreement to understand the key terms and conditions; - We ensured revenue was recorded in the correct period against royalty statements; - We verified royalties received during the period to bank statements; and - We ensured the royalty income was appropriately disclosed in the financial statements.

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.

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 Talisman Mining 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

M R Ohm
Partner

Perth, Western Australia
25 September 2026

Consolidated Statement of Financial Position

As at 30 June 2026

	Note	30 Jun 26 $	30 Jun 25 $
Assets			
Current Assets			
Cash and cash equivalents	6	3,094,455	4,492,051
Trade and other receivables	7	345,771	1,521,752
Total Current Assets		3,440,226	6,013,803
Non-Current Assets			
Other receivables	7	312,973	311,923
Financial assets	8	165,000	262,500
Property, plant and equipment	9	326,175	460,986
Right-of-use assets	10	123,461	72,113
Deferred exploration and evaluation expenditure	11	300,000	300,000
Total Non-Current Assets		1,227,609	1,407,522
Total Assets		**4,667,835**	**7,421,325**
Liabilities			
Current Liabilities			
Trade and other payables	12	740,459	849,174
Provisions	13	78,458	443,220
Lease liabilities	14	38,418	68,161
Total Current Liabilities		857,335	1,360,555
Non-Current Liabilities			
Provisions	13	17,129	13,154
Lease liabilities	14	84,903	5,407
Total Non-Current Liabilities		102,032	18,561
Total Liabilities		**959,367**	**1,379,116**
Net Assets		**3,708,468**	**6,042,209**
Equity			
Issued capital	15	32,222,454	32,222,454
Reserves	16	1,080,767	870,441
Accumulated losses	16	(29,594,753)	(27,050,686)
Total Equity		**3,708,468**	**6,042,209**

The accompanying notes form part of these financial statements.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 30 June 2026

	Note	30 Jun 26 $	30 Jun 25 $
Continuing operations			
Revenue	2	71,990	190,664
Other income	2	3,543,960	7,544,558
Exploration expenditure expensed as incurred	11	(3,836,847)	(7,564,585)
Employee benefits expense	2	(1,192,520)	(1,267,396)
Legal and corporate advisory expenses	2	(581,080)	(580,137)
Administrative expenses		(420,008)	(451,314)
Occupancy expenses	2	(6,735)	(7,577)
Finance costs		(1,839)	(5,178)
Net fair value loss on investments	8	(97,500)	12,500
Depreciation and amortisation expense		(184,106)	(197,458)
Loss before income tax expense		**(2,704,685)**	**(2,325,923)**
Income tax expense	3	-	-
Loss for the year after tax		**(2,704,685)**	**(2,325,923)**
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		**(2,704,685)**	**(2,325,923)**
Loss per share:			
From continuing operations:			
Basic loss per share (cents per share)	5	(1.44)	(1.24)
Diluted loss per share (cents per share)	5	(1.44)	(1.24)

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 30 June 2026

	Note	30 Jun 26 $	30 Jun 25 $
		inflows/(outflows)	
Cash flows from operating activities			
Payments to suppliers and employees		(1,743,638)	(1,987,612)
Payments for exploration and evaluation		(4,220,997)	(7,236,649)
Finance costs		(1,839)	(5,178)
Interest received		71,990	190,664
Royalty receipts		3,858,496	9,002,744
Net cash used in operating activities	6	(2,035,988)	(36,031)
Cash flows from investing activities			
Payments for property, plant and equipment		(3,048)	(75,582)
Proceeds from disposal of joint venture interest and tenement		35,000	-
Proceeds from disposal of property, plant and equipment		25,736	-
Transfers from/(to) security deposits		648,865	(262,215)
Net cash from/(used in) investing activities		706,553	(337,797)
Cash flows from financing activities			
Repayment of lease liabilities	14	(68,161)	(65,773)
Net cash used in financing activities		(68,161)	(65,773)
Net decrease in cash held		(1,397,596)	(439,601)
Cash and cash equivalents at the beginning of the year		4,492,051	4,931,652
Cash and cash equivalents at the end of the year	6	3,094,455	4,492,051

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 30 June 2026

	Issued Capital $	Accumulated Losses $	Share-based Payments Reserve $	Total Equity $
Balance at 1 July 2025	**32,222,454**	**(27,050,686)**	**870,441**	**6,042,209**
Loss for the year	-	(2,704,685)	-	(2,704,685)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	**-**	**(2,704,685)**	**-**	**(2,704,685)**
Recognition of share-based payments	-	-	538,069	538,069
Unlisted options forfeited	-	-	(167,125)	(167,125)
Unlisted options expired	-	160,618	(160,618)	-
Balance at 30 June 2026	**32,222,454**	**(29,594,753)**	**1,080,767**	**3,708,468**

	Issued Capital $	Accumulated Losses $	Share-based Payments Reserve $	Total Equity $
Balance at 1 July 2024	**32,222,454**	**(24,724,763)**	**465,997**	**7,963,688**
Loss for the year	-	(2,325,923)	-	(2,325,923)
Other comprehensive income	-	-	-	-
Total comprehensive loss for the year	**-**	**(2,325,923)**	**-**	**(2,325,923)**
Recognition of share-based payments	-	-	556,449	556,449
Unlisted options forfeited	-	-	(152,005)	(152,005)
Balance at 30 June 2025	**32,222,454**	**(27,050,686)**	**870,441**	**6,042,209**

The accompanying notes form part of these financial statements.

Notes to the consolidated financial statements

For the Year Ended 30 June 2026

Note 1: Statement of Material Accounting Policies

Talisman Mining Limited (the Company) is a public company listed on the Australian Securities Exchange (ASX: TLM) and incorporated and operating in Australia.

The Company's Registered Office and its principal place of business is:

Ground Floor, Suite 1
33 Colin Street
West Perth WA 6005

The nature of the operations and principal activities of the Company are described in the Directors' Report.

Material Accounting Policies

a. Basis of preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the Group consisting of Talisman Mining Limited and its subsidiaries.

The financial statements have been prepared on a historical cost basis except for financial assets at fair value through profit or loss. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated as permitted by the option available to the Company under ASIC Corporations (Rounding in Financial/ Directors' Reports) Instrument 2026/183. The Company is an entity to which this instrument applies.

b. Adoption of new and revised standards

Standards and Interpretations applicable to 30 June 2026
During the year ended 30 June 2026, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (**AASB**) that are relevant to the Group and effective for the current annual reporting period.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period.

New Accounting Standards and Interpretations on issue not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

AASB 18 Presentation and Disclosure in Financial Statements

This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted. The standard replaces IAS 1 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The consolidated entity will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

c. Statement of compliance

The financial report was authorised for issue on 25 September 2026.

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 report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (**IFRS**).

Note 1: Statement of Material Accounting Policies (continued)

d. Material accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and Evaluation

Exploration and evaluation acquisition costs have been capitalised on the basis that the consolidated entity 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 of 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.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and Directors by reference to the fair value of the equity instruments at the grant date. The fair value of employee and Director options is determined using the Black-Scholes option pricing model. The fair value of performance rights containing market-based vesting conditions is determined using a Monte Carlo simulation model. Significant assumptions used in these valuation models include expected volatility, risk-free interest rates, share price, expected life and the specific vesting conditions attached to the instruments. Refer to Note 17 for details of the assumptions used.

e. Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

f. Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power over the investee to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights in an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Note 2: Revenue, Other Income and Expenses

Interest revenue

Interest revenue from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets' net carrying amount on initial recognition.

Royalty income

Royalty income represents the right to receive royalties from metals produced and sold by the operator of the mines in which the Group owns a royalty interest and are generally structured as a percentage of the gross revenue received by the producer for metals sold. The Group records income in the relevant period upon receipt of the sales-based information for that period from the mine operator.

Revenue

	30 Jun 26 $	30 Jun 25 $
Bank interest	71,990	190,664
	71,990	190,664

Other Income

	30 Jun 26 $	30 Jun 25 $
Royalty income	3,493,855	7,536,908
Other income	50,105	7,650
	3,543,960	7,544,558

Expenses

	30 Jun 26 $	30 Jun 25 $
Loss for the year includes the following expenses:		
Non-cash share based payment expense	370,944	404,444
Other employee benefits	821,576	862,952
Total employee benefits expense	1,192,520	1,267,396
Occupancy expenses	6,735	7,577

Legal and Corporate Advisory Expenses

	30 Jun 26 $	30 Jun 25 $
Corporate advisory fees*	581,080	563,247
Other legal fees	-	16,890
	581,080	580,137

*Includes business development and contract accounting fees.

Note 3: Income tax

	30 Jun 26 $	30 Jun 25 $
The prima facie income tax expense on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:		
Accounting profit / (loss) before income tax	(2,704,685)	(2,325,923)
Income tax expense / (benefit) calculated at 25% (2025: 30%)	(676,171)	(697,777)
Non-deductible expenses	111,704	121,752
Impact of change in tax rate	334,014	-
Tax losses and deferred tax balances not previously recognised	230,453	576,025
Income tax benefit reported in the statement of profit or loss and other comprehensive income	-	-

	30 Jun 26 $	30 Jun 25 $
Deferred tax assets not recognised at 25% (2025: 30%)		
Tax losses carried forward	5,921,825	6,304,771
Financial assets at fair value	83,750	116,250
Provisions, accruals & other	35,027	205,795
Other deferred tax balances	51,123	53,458
	6,091,725	6,680,274
Deferred tax liabilities not recognised at 25% (2025: 30%)		
Prepayments	9,580	-
	9,580	-

The tax benefits of the above deferred tax assets will only be obtained if:

(i) the Company derives future assessable income of a nature and an amount sufficient to enable the benefits to be utilised;

(ii) the Company continues to comply with the conditions for deductibility imposed by law; and

(iii) no changes in income tax legislation adversely affects the Company in utilising the benefits.

Income Tax Consolidation

Talisman Mining Limited and its wholly owned Australian subsidiaries (Controlled Entities) implemented the tax consolidation legislation effective as of 1 July 2003. The Controlled Entities have also entered into tax sharing and tax funding agreements. Under the terms of these agreements, the Controlled Entities will reimburse Talisman for any current income tax payable by Talisman arising in respect of their activities. The reimbursements are payable at the same time as the associated income tax liability falls due and will therefore be recognised as a current tax-related receivable by Talisman when they arise. In the opinion of the Directors, the tax sharing agreement is also a valid agreement under the tax consolidation legislation and limits the joint and several liability of the Controlled Entities in the case of a default by Talisman.

Change in tax rate

Having regard to the future operations and potential income derivation, it is considered that Talisman Mining Ltd should be considered a 'base rate entity' for income tax purposes and subject to a future corporate tax rate of 25%. Accordingly, the numerical reconciliation of tax expense and the unrecognised deferred tax positions have been calculated using the corporate tax rate of 25%.

Note 4: Segment Reporting

Talisman management has determined the operating segments based on the reports reviewed by the Board for strategic decision making. The Group operates in one geographical segment, being Australia and has identified the following continuing operating segment: Regional Exploration.

The Group's Board are responsible for budgets and expenditures relating to the Group's Regional Exploration activities. Regional Exploration activities do not normally derive any income. Should a project generated by Regional Exploration activities commence generating income or lead to the development of a mining operation, that operation would then be disaggregated from Regional Exploration and become reportable in a different segment.

Segment Results

Continuing Operations	Regional Exploration $	Unallocated Items $	Consolidated $
30 June 2026			
Segment revenues / income	40,416	3,575,534	3,615,950
Segment profit / (loss) before income tax expense	(3,880,852)	1,176,167	(2,704,685)
Segment assets	1,080,385	3,587,450	4,667,835
Segment liabilities	(436,601)	(522,766)	(959,367)
30 June 2025			
Segment revenues / income	-	7,735,222	7,735,222
Segment profit / (loss) before income tax expense	(7,685,846)	5,359,923	(2,325,923)
Segment assets	2,006,243	5,415,082	7,421,325
Segment liabilities	(730,507)	(648,609)	(1,379,116)

Note 5: Loss Per Share

	30 Jun 26 Cents	30 Jun 25 Cents
Basic loss per share	(1.44)	(1.24)
Diluted loss per share	(1.44)	(1.24)
Basic loss per share from continuing operations	(1.44)	(1.24)
Diluted loss per share from continuing operations	(1.44)	(1.24)
	$	**$**
Net loss for the year	(2,704,685)	(2,325,923)
Net loss for the year from continuing operations	(2,704,685)	(2,325,923)
	Number	**Number**
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	188,320,349	188,320,349

The Group does not report diluted earnings per share on incurring an operating loss for the financial year.

Note 6: Cash and Cash Equivalents

	30 Jun 26 $	30 Jun 25 $
Cash at bank and on hand	3,068,949	882,051
Short-term deposits	25,506	3,610,000
	3,094,455	4,492,051

Reconciliation to the Statement of Cash Flows:

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of outstanding bank overdrafts. Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	30 Jun 26 $	30 Jun 25 $
Loss for the year after tax	(2,704,685)	(2,325,923)
Adjustments for:		
Depreciation and amortisation	184,106	197,458
Equity settled share-based payments	370,944	404,444
Gain on disposal of PP&E	(5,416)	-
Proceeds on disposal of joint venture interest	(35,000)	-
Fair value (gain)/loss of financial assets	97,500	(12,500)
Changes in net assets and liabilities		
(Increase)/decrease in assets:		
Trade and other receivables	509,065	1,569,823
Increase/(decrease) in liabilities:		
Trade and other payables	(57,486)	118,359
Provisions	(395,016)	12,308
Net cash used in operating activities	(2,035,988)	(36,031)

Note 7: Trade and Other Receivables

	30 Jun 26 $	30 Jun 25 $
Current Assets		
Goods and services tax recoverable	33,966	138,651
Other debtors	273,484	1,307,029
Prepayments	38,321	76,072
	345,771	1,521,752
Non-Current Assets		
Other debtors – security bonds	312,973	311,923

Note 8: Financial Assets

Financial assets represent an investment in shares in a public listed company that were purchased with cash of $500,000. At 30 June 2026, this investment was marked to market resulting in a fair value loss recognised in profit or loss of $97,500. The fair value of the financial assets is a level 1 input, derived from quoted prices (unadjusted) in active markets for identical assets.

	30 Jun 26 $	30 Jun 25 $
Non-Current Assets		
Balance at beginning of year	262,500	250,000
Net fair value (loss)/gain	(97,500)	12,500
Carrying value at end of financial year	165,000	262,500

Note 9: Property, plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Land and buildings are measured at fair value less accumulated depreciation on buildings and less any impairment losses recognised after the date of the revaluation.

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

Buildings and Leasehold improvements	10 years
Office furniture and equipment	2-6 years
Motor vehicles	5-10 years

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

Note 9: Property, plant and equipment (continued)

Continuing Operations	Consolidated				
	Land and buildings $	Office furniture and equipment $	Leasehold improve-ments $	Motor vehicles $	Total $
Year ended 30 June 2026					
At 1 July 2025, net of accumulated depreciation	188,829	172,788	-	99,369	460,986
Additions	-	3,048	-	-	3,048
Disposals	-	-	-	(20,320)	(20,320)
Depreciation charge for the year	(20,282)	(57,602)	-	(39,655)	(117,539)
	168,547	118,234	-	39,394	326,175
Year ended 30 June 2025					
At 1 July 2024, net of accumulated depreciation	209,111	156,737	1,192	148,781	515,821
Additions	-	75,582	-	-	75,582
Disposals	-	-	-	-	-
Depreciation charge for the year	(20,282)	(59,531)	(1,192)	(49,412)	(130,417)
	188,829	172,788	-	99,369	460,986
At 30 June 2026					
Cost or fair value	253,338	567,519	72,884	371,037	1,264,778
Accumulated depreciation	(84,791)	(449,285)	(72,884)	(331,643)	(938,603)
Net carrying amount	168,547	118,234	-	39,394	326,175
At 30 June 2025					
Cost or fair value	253,338	611,612	72,884	391,357	1,329,191
Accumulated depreciation	(64,509)	(438,824)	(72,884)	(291,988)	(868,205)
Net carrying amount	188,829	172,788	-	99,369	460,986

The carrying value of plant and equipment held under hire purchase contracts as at 30 June 2026 is nil (2025: nil).

Note 10: Right-of-use Assets

Carrying Value

	30 Jun 26 $	30 Jun 25 $
Cost	462,128	344,214
Accumulated depreciation	(338,667)	(272,101)
Carrying value at end of financial year	123,461	72,113

Reconciliation

	30 Jun 26 $	30 Jun 25 $
Opening balance at start of financial year	72,113	139,154
Additions	117,914	-
Depreciation expense	(66,566)	(67,041)
Closing balance at end of financial year	123,461	72,113

Note 11: Deferred exploration and evaluation expenditure

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Exploration and evaluation expenditure is expensed to profit or loss as incurred except in the following circumstances in which case the expenditure may be capitalised:

- the existence of a mineral deposit has been established however additional expenditure is required to determine the technical feasibility and commercial viability of extraction and it is anticipated that future economic benefits are more likely than not to be generated as a result of the expenditure; and
- the exploration and evaluation activity is within an area of interest which was acquired as an asset acquisition or in a business combination and measured at fair value on acquisition.

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. An impairment exists when the carrying value of expenditure exceeds its estimated recoverable amount. The area of interest is then written down to its recoverable amount and the impairment losses are recognised in the statement of comprehensive income. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Upon approval for the commercial development of an area of interest, exploration and evaluation assets are tested for impairment and transferred to 'Mine properties and development'. No amortisation is charged during the exploration and evaluation phase.

On 12 June 2023, the Company issued 580,852 shares to First Au Limited (ASX: FAU) at a market value of $0.17216 per share, representing $100,000 of the $300,000 consideration payable for the acquisition of three tenements (the "Mabel Creek" tenements) in South Australia.

	30 Jun 26 $	30 Jun 25 $
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	300,000	300,000
Acquisition costs	-	-
Carrying value at end of financial year	300,000	300,000

Note 11: Deferred exploration and evaluation expenditure (continued)

Exploration expenditure expensed as incurred totalled $3.837m for the current period (2025: $7.565m).

The recoupment of costs carried forward in relation to the areas of interest in the exploration and evaluation phases is dependent on the successful development and commercial exploitation or the sale of the respective areas.

	Life to date project expenditure expensed	Project Expenditure expensed in the period	Life to date project expenditure expensed	Project Expenditure expensed in the period
	30 Jun 26		30 Jun 25	
	$	$	$	$
Lachlan & Macquarie	39,093,415	3,744,041	35,349,374	6,066,373
Lucknow	1,084,006	4,207	1,079,799	4,716
Mabel Creek IOCG	2,365,538	88,599	2,276,939	1,518,341
Other Exploration Expenses	614,799	-	614,799	(24,845)
	43,157,758	3,836,847	39,320,911	7,564,585

Note 12: Trade and Other Payables

	30 Jun 26 $	30 Jun 25 $
Current		
Trade payables	711,441	788,019
Other payables	29,018	61,155
	740,459	849,174

Note 13: Provisions

	30 Jun 26 $	30 Jun 25 $
Current Liabilities		
Employee benefits	78,458	88,980
Rehabilitation*	-	354,240
	78,458	443,220
Non-Current Liabilities		
Employee benefits	17,129	13,154

* Provision for rehabilitation related to historical land disturbance at the Lachlan Project which was rectified during the 2026 financial year.

Note 14: Lease liabilities

	30 Jun 26 $	30 Jun 25 $
Current liabilities	38,418	68,161
Non-current liabilities	84,903	5,407
	123,321	73,568

Reconciliation

	30 Jun 26 $	30 Jun 25 $
Opening balance	73,568	139,342
Additions	117,914	-
Principal repayments	(68,161)	(65,774)
Closing balance	123,321	73,568

The Group leases office premises in West Perth, Western Australia. The original lease expired in July 2024 and the lease term was extended to July 2026 by a deed of extension executed in February 2024. Subsequent to the end of the period the lease was extended to July 2029 with options at the end of each 12 month period to terminate the lease.

The total cash outflow relating to leases for the period ended 30 June 2026 was $70,000 (2025: $70,793).

Underlying assets serve as security for the related lease liabilities. A maturity analysis of future minimum lease payments is presented below:

	Lease payments due		
	<1 year $	1-2 years $	Total $
Lease payments	42,830	88,991	131,821
Interest	(4,413)	(4,087)	(8,500)
Net present values	38,417	84,904	123,321

Lease payments not recognised as a liability

Lease payments expensed during the period and thus not included in the measurement of the lease liability are as follows:

	30 Jun 26 $	30 Jun 25 $
Short term leases	20,100	48,250

At 30 June 2026 the Group was committed to short-term leases giving rise to total commitments of $2,000 (2025: $20,300) at that date.

Note 15: Issued Capital

	30 Jun 26 $	30 Jun 25 $
Ordinary shares		
Issued and fully paid	32,222,454	32,222,454

	30 Jun 26		30 Jun 25	
	Number	$	Number	$
Movements in ordinary shares on issue				
At 1 July	188,320,349	32,222,454	188,320,349	32,222,454
Issue of shares	-	-	-	-
At 30 June	188,320,349	32,222,454	188,320,349	32,222,454

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Share Options

The Company has an Incentive Awards Plan under which options to subscribe for the Company's shares have been granted to certain Directors, other key management personnel and all employees, refer Note 17.

Note 16: Reserves and Accumulated Losses

Share-based payments reserve

This reserve is used to record the value of equity benefits provided to employees and Directors as part of their remuneration. Refer to Note 17 for further details of these plans.

	30 Jun 26 $	30 Jun 25 $
Reserves		
Share-based payment reserve	1,080,767	870,441
Balance at end of financial year	1,080,767	870,441

Movement in this reserve is set out in the Statement of Changes in Equity.

Accumulated losses

Movements in accumulated losses were as follows:

	30 Jun 26 $	30 Jun 25 $
Accumulated Losses		
Balance at beginning of financial year	(27,050,686)	(24,724,763)
Loss for the year	(2,704,685)	(2,325,923)
Transfer of expired unlisted options	160,618	-
Balance at end of financial year	(29,594,753)	(27,050,686)

Note 17: Share-Based Payment Plans

Incentive Awards Plan ("IAP")

The Group has an Incentive Awards Plan ("IAP") for executives and employees of the Group. In accordance with the provisions of the IAP, as approved by shareholders at a previous Annual General Meeting, executives and employees may be granted options at the discretion of the Directors.

Each employee share option converts into one ordinary share of Talisman Mining Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is at the sole discretion of the Directors subject to a cap on the total number of securities which may be issued as determined by General Meeting of shareholders from time to time and currently set at 20,000,000.

Options issued to Directors under the IAP are subject to approval by shareholders and have attached vesting conditions as appropriate.

The contractual life of each option granted is 4 years. There are no cash settlement alternatives.

The following options expired during the financial year:

Grant Date	Expiry date of options	Number of shares under option	Exercise price of options	Fair Value	Vesting Date	Number Expired
17-Dec-21	14-Jan-26	522,900	$0.252	$0.07	16-Dec-24	(522,900)
04-Jan-22	14-Jan-26	304,500	$0.252	$0.07	03-Jan-25	(304,500)
21-Apr-22	22-Apr-26	1,267,800	$0.252	$0.08	16-Dec-24	(1,267,800)

No share options were exercised during the financial year.

The following options were issued to employees during the financial year.

Issuing entity	Grant Date	Expiry date of options	Number of shares under option	Exercise price of options	Fair Value	Vesting Date
Talisman Mining Limited	16-Dec-25	15-Dec-29	1,777,400	$0.227	$0.0537	15-Dec-28

For the above options a total of $17,127 was expensed in the reporting period.

The following options were forfeited during the financial year:

Grant Date	Expiry date of options	Number of shares under option	Exercise price of options	Fair Value	Vesting Date	Number Lapsed
27-Nov-24	04-Dec-28	1,847,098	$0.339	$0.1368	04-Dec-27	(1,847,098)
08-Dec-23	15-Dec-27	1,114,673	$0.264	$0.1038	15-Dec-26	(1,114,673)

The above options were forfeited upon employee resignation as the vesting date had not been achieved. A total of $167,125 was reversed against share-based payments expense. A total of 1,398,629 options were retained upon employee resignation at the Board's discretion and a total expense of $66,718 was accelerated and is included in share-based payments expense.

Note 17: Share-Based Payment Plans (continued)

The following share-based arrangements were in place at the end of the financial year:

Issuing entity	Grant Date	Expiry date of options	Number of shares under option	Exercise price of options	Fair Value	Vesting Date
Talisman Mining Limited	16-Dec-22	15-Dec-26	302,000	$0.201	$0.08	15-Dec-25
Talisman Mining Limited	22-Nov-23	15-Dec-26	1,536,800	$0.201	$0.08	15-Dec-25
Talisman Mining Limited	7-Feb-24	31-Oct-27	1,250,000	$0.250	$0.17	31-Oct-26
Talisman Mining Limited	8-Dec-23	15-Dec-27	1,659,227	$0.264	$0.10	15-Dec-26
Talisman Mining Limited	7-Feb-24	7-Dec 27	2,840,700	$0.264	$0.17	7-Dec-26
Talisman Mining Limited	27-Nov-24	4-Dec-28	1,266,902	$0.339	$0.14	4-Dec-27
Talisman Mining Limited	11-Apr-25	30-Apr-29	2,269,900	$0.339	$0.06	30-Apr-28
Talisman Mining Limited	16-Dec-25	15-Dec-29	1,777,400	$0.227	$0.05	15-Dec-28

The weighted average exercise price of each share option at the end of the financial year was $0.27 (2025: $0.28). The weighted average remaining contract life of each share option at the end of the financial year was 1.91 years (2025: 2.45 years).

There has been no alteration of the terms and conditions of the above share-based payment arrangements since grant date.

	30 Jun 26		30 Jun 25	
	Number	$	Number	$
Movements in options over ordinary shares on issue				
At 1 July	16,182,500	870,441	13,577,500	465,997
Directors' and employees' remuneration	1,777,400	538,069	6,285,400	556,449
Unlisted options forfeited	(2,961,771)	(167,125)	(3,680,400)	(152,005)
Unlisted options expired	(2,095,200)	(160,618)	-	-
At 30 June	12,902,929	1,080,767	16,182,500	870,441

The fair value of options granted during the year was $95,373 (2025: $690,874).

The fair value of the equity-settled share options granted under the incentive plan is estimated as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted. The key inputs into the option model for the options issued in the current period are as follows:

Key inputs into option model(i)	Staff December 2025
Exercise price	$0.227
Grant date share price	$0.125
Expected volatility	72.4%
Risk-free interest rate	4.26%
Dividend yield (%)	0%
Expected life of options (years)	4.00

(i) The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

Note 17: Share-Based Payment Plans (continued)

Performance rights – Subject to shareholder approval

Upon the appointment of Mr Todd Ross on 1 June 2026, equity awards proposed to be granted to Mr Ross were agreed, subject to confirmation of structuring, documentation and shareholder approval and are expected to take the form of grants of performance rights, zero exercise price options or equivalent securities, in several tranches and with terms materially as follows:

Tranche	Market Price Milestone (VWAP)	VWAP Reference Period (days)	Expiry date	Market Capitalisation Milestone	Number of Performance Securities
1	$0.2500	20	1 June 2029	$47,080,087	630,000
2	$0.3983	20	1 June 2029	$75,000,000	395,473
3A	$0.5310	60	1 June 2029*	$100,000,000	4,750,000
3B	$0.5310	60	1 June 2029*	$150,000,000	2,750,000
3C	$0.5310	60	1 June 2029*	$200,000,000	2,750,000
3D	$0.5310	60	1 June 2029*	$250,000,000	2,750,000
3E	$0.5310	60	1 June 2029*	$300,000,000	3,000,000
3F	$0.5310	60	1 June 2029*	$350,000,000	2,750,000
3G	$0.5310	60	1 June 2029*	$400,000,000	2,750,000
3H	$0.5310	60	1 June 2029*	$450,000,000	3,000,000
3I	$0.5310	60	1 June 2029*	$500,000,000	2,750,000

*or earlier where one or more of tranches 3A-3I have vested and the vesting cut-off period has ended.

On satisfaction of the performance condition for any tranche (3A to 3I) (the date of such satisfaction being the Initial Satisfaction Date) that tranche will vest (subject to the aggregate limit of 3% of the Company's issued capital at the time of vesting). Each other tranche whose performance condition is satisfied within 120 days after the Initial Satisfaction Date will also vest (subject to the 3% cap). At the end of that 120-day period (the vesting cut-off date), all tranches of performance securities whose performance conditions have not been satisfied will automatically lapse and be cancelled for no consideration.

Vesting of the performance securities is also subject at all times to continued employment and a 3-year disposal restriction.

Note 18: Financial Instruments

(a) Introduction

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Interest rate risk
- Liquidity risk
- Capital risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk and the management of capital. Further quantitative disclosures are included throughout this note and the financial report.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group's aim is to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Note 18: Financial Instruments (continued)

(b) Categories of financial instruments

	30 Jun 26 $	30 Jun 25 $
Financial assets		
Cash and cash equivalents	3,094,455	4,492,051
Receivables	658,744	1,833,675
	3,753,199	**6,325,726**
Financial liabilities		
Trade and other payables	740,459	849,174
Provisions	95,587	456,374
Lease liabilities	123,321	73,568
	959,367	**1,379,116**

Fair value of financial assets and liabilities

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective net fair values, determined in accordance with the accounting policies disclosed in Note 1.

The Directors consider that the carrying amounts of financial assets and financial liabilities not carried at fair value on a recurring basis approximate their fair value.

(c) Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the Group uses publicly available financial information and its own trading record to rate its major customers.

The Group's exposure and the credit ratings of its counterparties are continuously monitored, and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Risk Committee annually.

Credit risk in other receivables is managed by the Group undertaking a regular risk assessment process including assessing the credit quality of the counterparty, considering its financial position, past experience and other factors. As there are a relatively small number of transactions, they are closely monitored to ensure payments are made on time. Credit risk arising from royalty receivables is managed by a contract that stipulates payment terms and penalties for default. The Group does not have any significant receivables which are past due or impaired at the reporting date and it is expected that these amounts will be received when due. The Group does not hold any collateral in relation to these receivables.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk.

(d) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of Directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The following table details the Company's and the Group's expected contractual maturity for its non-derivative financial liabilities. These have been drawn up based on undiscounted contractual maturities of the financial assets and liabilities based on the earliest date the Group can be required to repay. The tables include both interest and principal cash flows.

Note 18: Financial Instruments (continued)

	Less than 1 month $	1 to 3 months $	3 months to 1 year $	1 to 5 years $	5+ years $	No fixed term $	Total $
2026 **Financial Assets**							
Non-interest bearing	7,286	113,515	38,321	312,973	-	193,000	665,095
Variable interest rate	3,062,598	-	-	-	-	-	3,062,598
Fixed interest rate	-	-	25,506	-	-	-	25,506
	3,069,884	113,515	63,827	312,973	-	193,000	3,753,199
Financial Liabilities							
Non-interest bearing	818,917	-	-	-	-	-	818,917
Variable interest rate	17,129	-	-	-	-	-	17,129
Fixed interest rate	5,407	5,904	27,107	84,903	-	-	123,321
	841,453	5,904	27,107	84,903	-	-	959,367
2025 **Financial Assets**							
Non-interest bearing	212,444	437,867	81,506	311,923	-	859,915	1,903,655
Variable interest rate	812,071	3,560,000	-	-	-	-	4,372,071
Fixed interest rate	-	-	50,000	-	-	-	50,000
	1,024,515	3,997,867	131,506	311,923	-	859,915	6,325,726
Financial Liabilities							
Non-interest bearing	938,154	354,240	-	-	-	-	1,292,394
Variable interest rate	13,154	-	-	-	-	-	13,154
Fixed interest rate	5,551	16,792	45,818	5,407	-	-	73,568
	956,859	371,032	45,818	5,407	-	-	1,379,116

(e) Interest rate risk

The Group is not exposed to material interest rate risk on existing finance facilities as the Group's borrowings are at fixed interest rates for the respective terms of the facilities.

Some of the Group's assets are subject to interest rate risk but the Group is not dependent on this income.

Interest rate sensitivity analysis

The sensitivity analysis of the Group's exposure to interest rate risk at the reporting date has been determined based on a change of 50 basis points in interest rates taking place at the beginning of the financial year and held constant throughout the year.

At reporting date, if interest rates had been 50 basis points higher and all other variables were constant, the Group's net loss would have reduced by $15,345 (2025: $22,210).

(f) Capital risk management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The capital structure of the Group consists of equity only, comprising issued capital and reserves, net of accumulated losses. The Group's policy is to use capital market issues and debt funding to meet the funding requirements of the Group.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to externally imposed capital requirements.

Note 19: Joint Operations

Mt Walton Joint Venture

In November 2017, Haverford Holdings Pty Ltd ("Haverford"), a 100%-owned subsidiary of Talisman, entered into a Farm-In Agreement ("FIA") with Peel Mining Limited (ASX:PEX, "Peel") over Peel's Mt Walton (EL8414) and Michelago (EL8451) Projects (collectively the Peel Tenements) in the Cobar Basin region of New South Wales. On 11 September 2020, and in accordance with the terms of the FIA, Haverford earned a 75% interest in the Peel Tenements and formed an unincorporated joint venture (the "Mt Walton JV") with Peel. Haverford was the Joint Venture Manager.

Subsequent to the formation of the Mt Walton JV, Peel elected to dilute parts of its participating interest in the joint venture and both parties were required to contribute funds to ongoing exploration activities on the Peel Tenements based on their participating interest in order to maintain their respective interests. During the reporting period, Peel elected not to contribute further funding and diluted below the 10% ownership threshold with their interest reverting to a 1.5% NSR royalty and Talisman's ownership increasing to 100%. As a result of this, the costs associated with the former joint venture are now consolidated within the Group's exploration expenditure.

Lucknow Gold Joint Venture

In August 2019, Talisman B Pty Ltd ("TLMB"), a 100%-owned subsidiary of Talisman, entered into a Farm-In Agreement ("Agreement") with privately-owned Lucknow Gold Ltd ("LGL") over LGL's Lucknow Gold Project (EL6455) (Lucknow Project) in New South Wales. During the period ending 30 June 2021, and in accordance with the terms of the Agreement, TLMB earned a 51% interest in the Lucknow Project and formed an unincorporated joint venture (the "Lucknow Gold JV") with LGL. Both parties were required to contribute funds to future activities on the Lucknow Project based on their participating interest (TLMB 51% and LGL 49%) in order to maintain their respective interests.

During the period the Company divested its 51% ownership of the Lucknow JV and its 51% interest in EL6455 to Gold and Copper Resources Pty Ltd, a company associated with LGL resulting in the termination of the joint venture. The tenement and JV interest was sold for $35,000 cash plus a 1% NSR royalty on minerals produced from the tenement.

Up until the date of termination of both joint ventures, the Group was entitled to a proportionate share of the income received and bore a proportionate share of the operation's expenses for each joint venture. Expenditure incurred on the Mt Walton JV during the period was $119,587 and on the Lucknow JV was $4,412. These costs are included in the Group's exploration expenditure.

Note 20: Commitments and Contingencies

Commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform exploration work to meet the minimum expenditure requirements specified by various State governments. These obligations are not provided for in the financial report and are payable as follows:

	30 Jun 26 $	30 Jun 25 $
Exploration expenditure		
Within one year	2,550,764	1,902,508
After one year but not more than five years	3,001,759	4,134,467
Greater than five years	-	184,084
	5,552,523	6,221,059

If the Group decides to relinquish certain exploration tenements and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

Contingent Asset

A Gross Royalty deed has previously been executed where the Company was granted an uncapped and perpetual 1.0% gross royalty on all metals produced and sold from the Wonmunna Iron Ore project. Royalty income received for the period was $3.494m.

It is not possible (due to uncertain future production) to estimate the financial effect of the royalty described above.

During the period the Company divested its 51% ownership of the Lucknow JV and its 51% interest in EL6455 to Gold and Copper Resources Pty Ltd, a company associated with Lucknow Gold Limited resulting in the termination of the joint venture. The tenement and JV interest were sold for $35,000 cash plus a 1% NSR royalty on minerals produced from the tenement.

Contingent Liability

During the period, Peel Mining Limited elected not to contribute further funding towards the Mt Walton Joint Venture with Haverford Holdings Pty Ltd and as a result diluted their interest below the 10% ownership threshold which resulted in their interest reverting to a 1.5% NSR royalty and Talisman's ownership increasing to 100%.

Apart from the above, there are no other material contingent assets or liabilities as at 30 June 2026 and no contingent liabilities or assets were incurred in the interval between the period end and the date of this financial report.

Note 21: Related Party Disclosures

Other transactions with key management personnel

No member of the key management personnel has received a payment as part of their consideration for agreeing to hold the position.

Details of key management personnel

The key management personnel of Talisman Mining Limited during the year were:

Directors

Kerry Harmanis	Non-Executive Chairman
Andrew Munckton	Managing Director
Brian Dawes	Non-Executive Director
Peter Benjamin	Non-Executive Director
Jeremy Kirkwood	Non-Executive Director

Executives

Todd Ross	Chief Executive Officer	Appointed 1 June 2026
Tim Sharp	Exploration Manager	Resigned 5 December 2025

Key management personnel compensation is disclosed in the Remuneration Report which forms part of the Directors' Report and has been audited.

The total remuneration paid to key management personnel of the Company and the Group during the year was as follows:

	30 Jun 26 $	30 Jun 25 $
Short-term employee benefits	754,804	878,240
Post-employment benefits	87,346	103,395
Share-based payments(i)	377,303	390,557
Total key management personnel compensation	1,219,453	1,372,192

(i) The value of share-based payments shown in the table above are non-cash values based on an accounting valuation calculated under the Black Scholes option pricing methodology or the Monte Carlo simulation model.

Note 22: Interest in Subsidiaries

The consolidated financial statements include the financial statements of Talisman Mining Limited and the subsidiaries listed in the following table:

Name	Country of Incorporation	Equity Interest		Investment	
		2026 $	2025 $	2026 $	2025 $
Haverford Holdings Pty Ltd	Australia	100	100	68,000	68,000
Talisman B Pty Ltd	Australia	100	100	1	1

Talisman Mining Limited is the ultimate parent entity and ultimate parent of the Group. Further information about interests in subsidiaries can be found in the Consolidated Entity Disclosure Statement on page 32.

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

Note 23: Parent Entity Disclosures

The financial information for the parent entity, Talisman Mining Limited, has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Note 23: Parent Entity Disclosures (continued)

Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Disclosures as at 30 June 2026 and for the year then ended in relation to Talisman Mining Limited as a single entity are noted below.

	30 Jun 26 $	30 Jun 25 $
Assets		
Current assets	3,197,466	5,018,775
Non-current assets	650,350	698,469
Total assets	3,847,816	5,717,244
Liabilities		
Current liabilities	857,335	632,211
Non-current liabilities	102,032	18,561
Total liabilities	959,367	650,772
Net assets	2,888,449	5,066,472
Equity		
Issued capital	32,222,454	32,222,454
Share based payment reserve	1,080,767	870,441
Accumulated losses*	(30,414,772)	(28,026,423)
Total equity	2,888,449	5,066,472

	Year ended	
	30 Jun 26 $	30 Jun 25 $
Loss for the year	(2,548,967)	(2,073,011)
Other comprehensive income	-	-
Total comprehensive loss	(2,548,967)	(2,073,011)

*Movement in accumulated losses includes $160,618 transfer of unlisted options from share-based payment reserve to accumulated losses.

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform exploration work to meet the minimum expenditure requirements specified by various State governments. The parent entity itself is responsible for the following minimum exploration expenditure commitments:

	30 Jun 26 $	30 Jun 25 $
Exploration expenditure		
Within one year	126,996	-
After one year but not more than five years	9,150	-
Greater than five years	-	-
	136,146	-

Note 24: Auditor's Remuneration

The auditor of Talisman Mining Limited is HLB Mann Judd. Remuneration received by the auditors during the financial year is as follows:

	30 Jun 26 $	30 Jun 25 $
Audit or review of the financial report	57,779	55,381
Other services – taxation compliance & joint venture financial statement audits	2,846	11,889
Total Remuneration of Auditors	60,625	67,270

Note 25: Subsequent Events

On 20 August 2026, upon the retirement of Mr Andrew Munckton, Chief Executive Officer Mr Todd Ross was appointed as Managing Director of the Company. On the same date Mr Peter Benjamin stepped down as Non-Executive Director and Mr Mark Cossom was appointed to this role.

On 2 September 2026, the Company announced that it had received firm commitments for a two-tranche placement to new and existing sophisticated, professional and institutional investors to raise a total of $4m. A total of approximately 61.5m ordinary shares will be issued at an issue price of A$0.065. Tranche 1 comprised 47m shares being issued on 10 September 2026 (raising $3,055,000 before costs) under the Company's available ASX Listing Rule 7.1 and 7.1A capacities. Tranche 2 will comprise approximately 14.5m shares (approximately $0.945m) and will be issued subject to shareholder approval at a General Meeting expected to be held in October 2026. The tranche 2 issue includes Director participation of approximately $870,000, including Talisman's Chairman and largest shareholder, Kerry Harmanis who intends to subscribe for his pro-rated allocation of approximately $780,000 (19.6%).

Other than the above, there has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' Declaration

Talisman Mining Limited

The Directors of the Company declare that:

1. the consolidated financial statements, comprising the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, and accompanying notes are in accordance with the *Corporations Act 2001*, and:
   (a) comply with Accounting Standards and the Corporations Regulations 2001; and
   (b) give a true and fair view of the financial position as at 30 June 2026 and of the performance for the year ended on that date of the Group;
2. the Chief Executive Officer and Chief Financial Officer of the Group has declared as required by Section 295A that:
   (a) the financial records of the Group for the financial year have been properly maintained in accordance with Section 286 of the *Corporations Act 2001*;
   (b) the financial statements and notes for the financial year comply with the Accounting Standards; and
   (c) the financial statements and notes for the financial year give a true and fair view.
3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
4. the Group has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
5. in the Director's opinion, the Consolidated Entity Disclosure Statement is true and correct.

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

Todd Ross
Managing Director
Perth, 25 September 2026

Additional Securities Exchange Information

As at 2 September 2026

1. Number of holders of equity securities

(a) Distribution of holders of equity securities

Range	No. of holders	Securities
1 to 1,000	160	64,652
1,001 to 5,000	445	1,397,203
5,001 to 10,000	402	3,352,430
10,001 to 100,000	784	30,457,286
100,001 and Over	263	153,048,778
Total	**2,054**	**188,320,349**

(b) Voting rights

Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.

(c) Less than marketable parcel of shares

The number of shareholders holding less than a marketable parcel is 763 (holding a total of 2,452,188 shares) given a share value of $0.065 per share.

(d) Substantial Shareholdings:

	Fully paid ordinary shares	
Ordinary Shareholders	Number	%
Mr Kerry Kyriakos Harmanis	36,560,280	19.41%

The above information is provided as at the date of the last substantial shareholding notice provided to the Company, in this case 2 April 2024.

2. Company Secretary

The name of the Company Secretary is Alexander Neuling.

3. Registered office and principal administrative office

Registered and principal administrative office:	Ground Floor, Suite 1 33 Colin Street West Perth WA 6005 Telephone +61 8 9380 4230
Registered securities are held at the following address:	MUFG Corporate Markets Level 12, QV1 Building 250 St Georges Terrace Perth WA 6000 Telephone +61 8 9262 6700

4. Securities exchange listing

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the Australian Securities Exchange Limited (ASX).

Additional Securities Exchange Information (continued)

As at 2 September 2026

5. Restricted securities

There are no restricted securities or securities in voluntary escrow at the date of this report.

6. Twenty largest holders of ordinary shares

	Ordinary Shareholders	Number	%
1	Harman Nominees Pty Ltd	11,111,111	5.90
2	Mr Murray Robert Bryant	9,036,451	4.80
3	Tyche Holdings Pty Ltd	6,400,001	3.40
4	Harmanis Holdings Pty Ltd	5,492,887	2.92
5	Tyche Holdings Pty Ltd	3,850,000	2.04
6	Tyche Holdings Pty Ltd	3,510,000	1.86
7	Zena Nominees Pty Ltd	3,500,000	1.86
8	Harmanis Holdings Pty Ltd	3,080,451	1.64
9	Jarhamche Pty Ltd	2,500,000	1.33
10	BNP Paribas Nominees Pty Ltd	2,286,625	1.21
11	Mr Jonathan G Bennett	2,271,653	1.21
12	Mr John Ford	2,186,768	1.16
13	Mr James Mark Newstead	2,082,991	1.11
14	Mr Rajpaul Singh-Sidhu	2,044,745	1.09
15	Gum Tree Nominees Pty Ltd	2,000,000	1.06
15	Mr Peter Charles Wigham	2,000,000	1.06
16	Harmanis Holdings Pty Ltd	1,988,919	1.06
17	Sireb Pty Ltd	1,904,464	1.01
18	Mrs Yuki Fuso	1,800,000	0.96
19	Acec Superannuation Fund Pty Ltd	1,700,000	0.90
20	Citicorp Nominees Pty Limited	1,551,364	0.82

Additional Securities Exchange Information (continued)

As at 2 September 2026

7. Unquoted equity securities

Class	Exercise Price $	Expiry Date	Number	Number of holders	ASX Identifier*
Unlisted options	0.201	15/12/2026	302,000	1	TLMAA
Unlisted options	0.201	15/12/2026	1,536,800	4	TLMAA
Unlisted options	0.250	31/10/2027	1,250,000	1	TLMAC
Unlisted options	0.264	15/12/2027	1,659,227	5	TLMAB
Unlisted options	0.264	7/12/2027	2,840,700	6	TLMAD
Unlisted options	0.339	4/12/2028	1,266,902	6	TLMAE
Unlisted options	0.339	30/4/2029	2,269,900	5	TLMAF
Unlisted options	0.227	15/12/2029	1,777,400	3	TLMAG
Total			**12,902,929**		

*Options are not quoted on the ASX. The codes assigned by the ASX are for identification purposes.

Options carry no voting entitlements.

8. On-market buy back

At the date of this report the Company is not involved in an on-market buy-back.

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