

Date: 23 October 2026

ASX: ERE FSE: 1P81

Shares on issue: 699.9M

Market capitalisation: A\$10.5M
(@ A\$0.015)

Board of Directors

Non-Executive Chairman
Thomas Mann

Managing Director
Jason Beckton

Executive Director
John Levings

Company Secretary
Richard Edwards

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QUARTERLY ACTIVITIES REPORT

European Resources Limited

(ASX:ERE – FSE: 1P81)

The Directors present the September 2026 Quarterly Activities Report for European Resources Limited (European Resources or the Company) and its controlled entities (the Group). During the quarter, work at the 100%-owned Korsnäs rare earth project in Finland advanced through metallurgy and soil geochemistry, with ERE now focused on producing a mixed rare earth carbonate (MREC) sample.

Highlights

- **Metallurgical work advanced:**
 - ANSTO test work increased combined magnet rare earth extraction from 83% to 92% after calcite removal.
- **Soil geochemistry detects new anomalies:**
 - Orientation soil survey records strong rare earth geochemical response above mineralised corridor intersected by standout drill hole, KR-316; new eastern anomaly also identified.
- **Post-quarter:**
 - **New test program to produce MREC sample:**
 - Agreement signed with ANSTO Minerals for lab-scale production of MREC from historical lanthanide concentrate stockpile, as part of Stage Two metallurgical testing.
- **Regrant of Nová Baňa and Pukanec exploration licences, Slovakia:**
 - Ministerial decisions received regranting both licences.

Managing Director, Jason Beckton, comments

“European Resources made significant advances during the September quarter at our flagship Korsnäs rare earth project. ANSTO Minerals’ test work successfully lifted combined magnet rare earth extraction from 83% to 92% after calcite removal, a clear advance in developing a flowsheet for the project and towards a bench-scale MREC product. The Company also saw further exploration success, with an orientation soil survey detecting a standout REE zone directly above drill hole KR-316, together with a separate eastern anomaly showing the strongest combined rare earth response anywhere on the line.

We are now in a position to expand our mineral resources while developing an MREC sample for potential customers, providing a firm basis for product qualification and commercial discussions as we develop a highly strategic potential new source of domestic rare earths supply for Europe.”

Operations - Finland (100% owned)

Korsnäs REE Project

ASX announcements relied on for this quarterly report

This quarterly report summarises information previously released to ASX during and subsequent to the end of the September 2026 quarter. It should be read with the original market announcements listed below.

Date	Announcement	Report section
8 July 2026	ANSTO Testing Extracts 83% Magnet Rare Earths from Korsnäs Concentrate	Metallurgy update
10 July 2026	Update to ANSTO initial testing announcement	Metallurgy update
22 July 2026	Soil Geochemistry Detects Standout REE Zone and New Anomaly	Geophysics & Geochemistry
19 August 2026	ANSTO Test Work Raises Korsnäs Magnet REE Extraction to 92%	Metallurgy
3 September 2026	Retirement of a Director	Corporate
8 October 2026	ANSTO to produce Korsnäs MREC sample in new test program	Post-quarter: metallurgy

Table 1 – Relevant announcements during and subsequent to the end of the quarter

Metallurgy

Metallurgical work at Korsnäs advanced during the quarter, focused on downstream hydrometallurgical test work on historical lanthanide concentrate stockpile material by ANSTO Minerals (ANSTO), a business unit of the Australian Nuclear Science and Technology Organisation.

In a continuation of the metallurgical test work program with ANSTO, direct acid-bake/water-leach testing achieved high extraction of the key magnet rare earths from untreated historical Korsnäs lanthanide concentrate (refer ASX announcement 8 July 2026).

The direct acid-bake/water-leach test built on ANSTO's earlier work, which established that the concentrate contains meaningful rare earth values and that the value-bearing minerals are dominated by monazite, with apatite also important.

The result demonstrated that the value of NdPr hosted in monazite can be realised through conventional acid bake processing, in another advance in determining a downstream flowsheet for the Korsnäs project.

TREY extraction was 86%, confirming a strong response of the monazite-hosted rare earth component identified in earlier ANSTO mineralogy results. Praseodymium and neodymium were extracted at 88% and 83% respectively, with combined magnet rare earth extraction of 83%.

Lower heavy rare earth extractions of terbium 49%, dysprosium 43% and yttrium 43% are consistent with a significant apatite-hosted component that will require complementary pre-leach optimisation.

Element / group	Solids-based extraction	Investor relevance
La	92%	High light rare earth extraction
Ce	92%	High light rare earth extraction
Pr	88%	Key magnet rare earth
Nd	83%	Key magnet rare earth
Tb	49%	Heavy rare earth; lower extraction consistent with apatite hosting
Dy	43%	Heavy rare earth; lower extraction consistent with apatite hosting
Y	43%	Used as an indicator for apatite-hosted heavy rare earth behaviour
Magnet rare earths	83%	Combined Nd, Pr, Tb and Dy response
TREY	86%	Total rare earths plus yttrium

Note: Magnet rare earths comprise neodymium, praseodymium, terbium and dysprosium.

Table 2 – Solids-based extraction of REE element/group

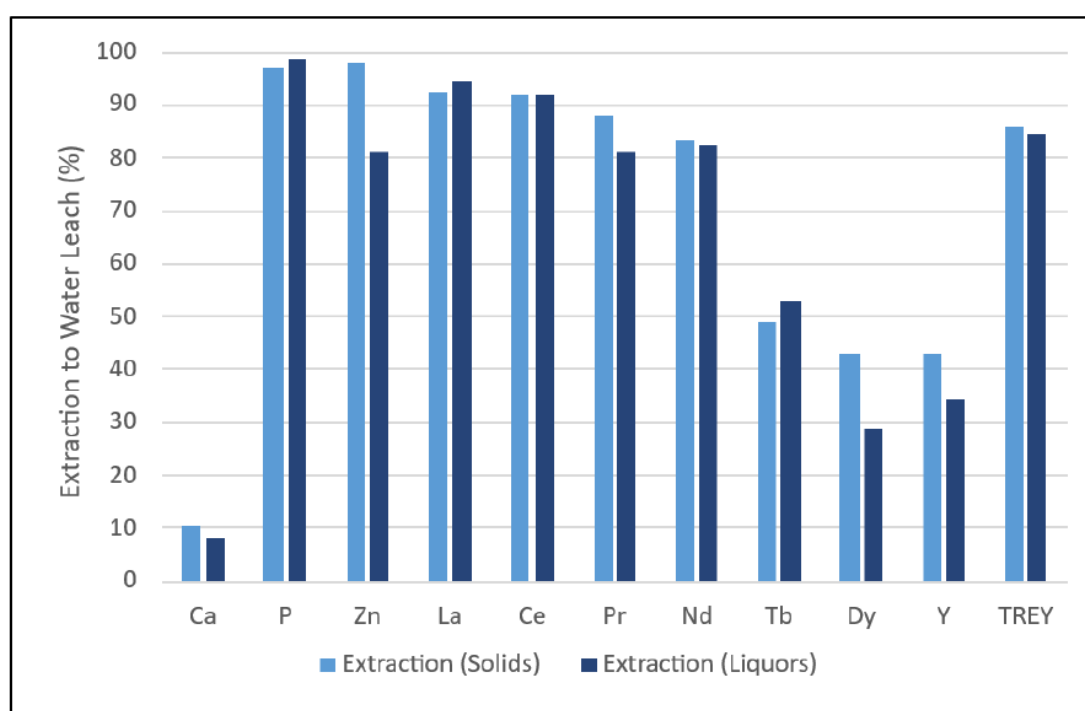


Figure 1 - ANSTO Solids-based and liquor-based extractions for selected elements from the direct acid-bake/water-leach test.

European Resources subsequently announced the second set of downstream hydrometallurgical results from ANSTO Minerals on historical lanthanide concentrate (refer ASX release 19 August 2026).

ANSTO tested the effect of removing calcite before the same bake and water-leach sequence. The resulting uplift to 92% magnet rare earth extraction and 93% TREY extraction confirmed that calcite control can materially improve downstream performance.

The work linked ANSTO's downstream hydrometallurgy with the upstream beneficiation work undertaken in Finland through the European Union-funded REMHub program. The Company intends to progressively combine these results into an integrated process route and extend the downstream program to a bench-scale MREC product.

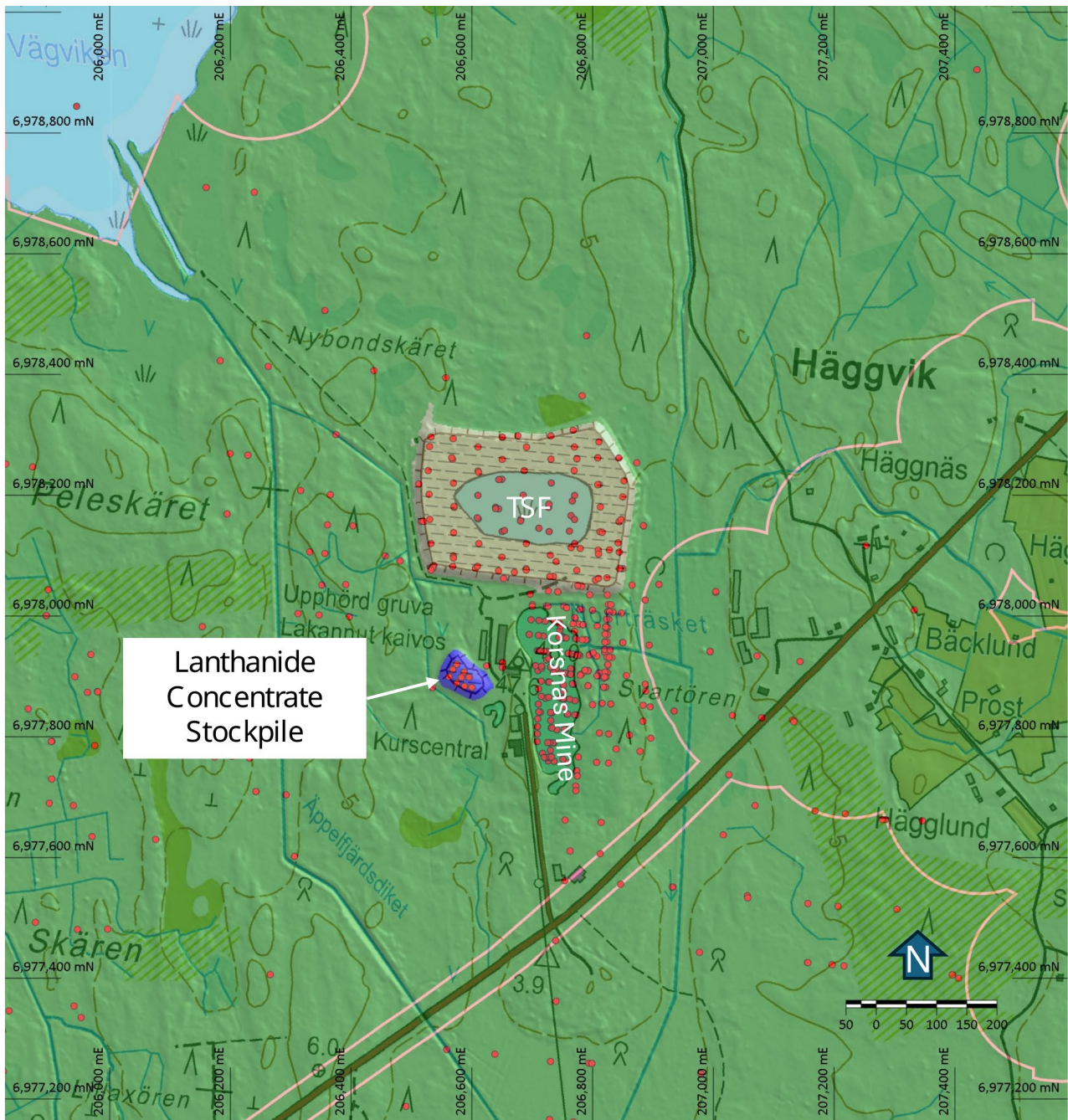


Figure 2 - Location of the Korsnäs lead mine and historical lanthanide concentrate stockpile from which the ANSTO sample was sourced. The concentrate was produced by Outokumpu between 1965 and 1972. Most of the stockpiled concentrate remains on site. Coordinate grid: ETRS-TM35FIN / EPSG:3067, metres.

ANSTO Progress Report number 2 - calcite removal and acid bake

ANSTO's Progress Report number 2, dated 14 August 2026, reported a bench-scale calcite-removal leach followed by acid bake and water leaching of the calcite-free feed. The test sequence was designed to determine whether removal of calcite would improve rare earth extraction, possibly by reducing formation of calcium sulphate phases that may trap rare earths or by increasing acid dose relative to acid consumers.

Calcite-removal test

The historical concentrate was leached with hydrochloric acid. Calcium extraction of 69% was interpreted by ANSTO as close to complete calcite removal. Phosphorus extraction was only 0.02%, indicating that apatite and monazite were not materially leached under these conditions.

The pre-leach increased TREY grade from 2.3 wt% in the as-received feed to 3.9 wt% in the calcite-free residue - a relative uplift of approximately 70% - while reported rare earth losses were generally 0-2% and at or close to analytical detection limits.

Acid bake/water-leach test on calcite-free feed

The calcite-free residue was then tested under the same acid-bake and water-leach conditions used for the earlier direct-bake test. The results are bench-scale extraction results and are not plant recoveries or production forecasts.

Element / group	Direct bake	Calcite-free feed	Improvement
Praseodymium	88%	94%	+6 pp
Neodymium	83%	92%	+9 pp
Magnet rare earths	83%	92%	+9 pp
TREY	86%	93%	+7 pp
Terbium	49%	69%	+20 pp
Dysprosium	43%	66%	+23 pp
Yttrium	43%	75%	+32 pp

Table 3 – Acid bake/water-leach test on calcite-free feed. Note: pp = percentage points. Magnet rare earths comprise praseodymium, neodymium, terbium and dysprosium.

Calcite removal improved extraction across the rare earth suite

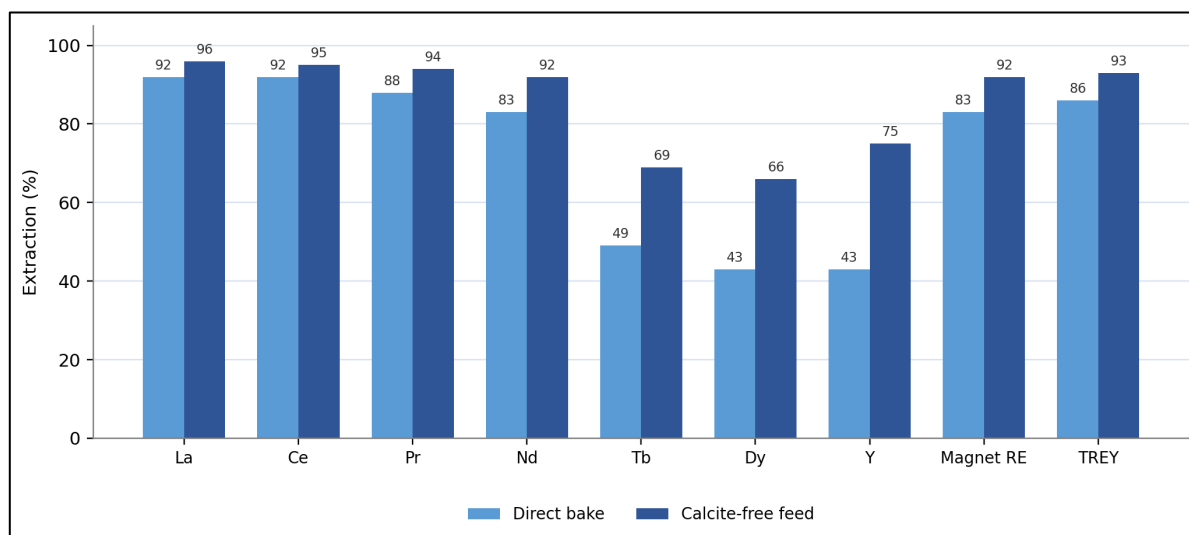


Figure 3 - ANSTO solids-based extraction results for the direct bake and the acid bake/water leach of calcite-free feed. Source: ANSTO Progress Note 2, 14 August 2026.

Light rare earth extraction from calcite-free feed was high: lanthanum 96%, cerium 95%, praseodymium 94% and neodymium 92%. The improvement was most pronounced for the heavy rare earth indicators terbium, dysprosium and yttrium. ANSTO considers that reduced formation of gypsum (CaSO_4) may have limited the trapping or adsorption of rare earths and made more acid available to attack rare earth-bearing monazite. Further test work is required to confirm the mechanism.

Potential to reduce chemical calcite removal

The test used hydrochloric acid to remove calcite and prove the effect of calcite control. ANSTO has recommended comparing chemical removal with physical separation methods, with the objective of minimising cost, maintaining high calcite rejection and low rare earth losses, and assessing potential acid recycle.

GTK-Mintec has already demonstrated that wet high-gradient magnetic separation (HGMS) can upgrade both allanite-dominant and apatite-monazite-dominant Korsnäs hard-rock material. For reference, at 0.5 Tesla the previously reported HGMS tests achieved an 84% TREO head-grade upgrade at 85% TREO recovery for Type 1 allanite-dominant material and a 129% TREO head-grade upgrade at 74% TREO recovery for Type 2 apatite-monazite-dominant material (refer ASX announcement dated 7 April 2026).

As calcite is non-magnetic, the Company considers this established beneficiation pathway a logical non-chemical option to investigate for rejection of calcite ahead of hydrometallurgy. This will be evaluated on lanthanide concentrate samples as well as hard-rock material as a potential method to reduce calcite in Korsnäs REE concentrates to both increase REE recoveries and reduce acid usage.

Post-quarter, on 8 October 2026, European Resources announced the signing of an agreement with ANSTO Minerals for lab-scale production of MREC from the historical Korsnäs lanthanide concentrate stockpile (LnCS) as part of Stage Two metallurgical testing.

MREC production is the link between successful laboratory extraction and a product that downstream processors can assess. Producing it would demonstrate that the rare earths extracted from Korsnäs concentrate can be recovered into a characterised solid intermediate for downstream separation.

Physical samples would allow potential processors to assess the rare earth distribution, impurity levels and compatibility with their separation circuits. Those results would support product qualification and more substantive discussions with potential customers and offtake partners. The commercial objective is to establish the specifications and processing performance required for a saleable product; commercial production and customer acceptance remain to be demonstrated.

Initial small-scale MREC test work is targeted for completion in Q4 2026, followed by a larger bench-scale batch for product qualification and potential customer evaluation.

Stage Two progresses from initial sample to product evaluation

Stage Two will develop impurity-removal and rare earth precipitation conditions in two sequential steps. MREC is an intermediate for downstream separation into individual rare earth products.

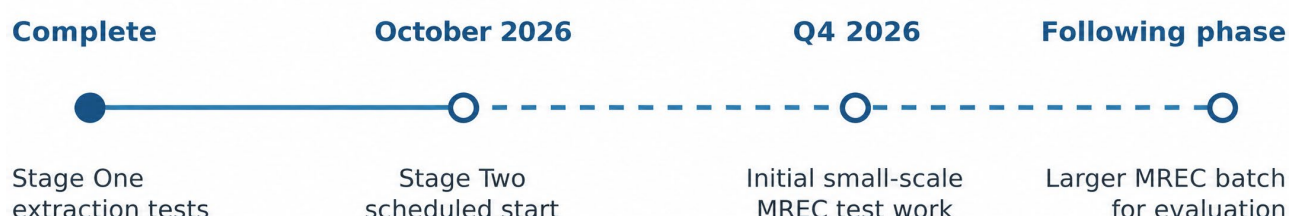


Figure 4 - Indicative sequence for Stage Two. Later-stage timing will depend on test results.

Geophysics & Geochemistry

In July, European Resources reported highly encouraging results from an orientation ionic-leach soil geochemistry survey at Korsnäs, further demonstrating the project's potential to support EU rare earths supply (refer ASX announcement 22 July 2026).

Survey program and exploration rationale

The 2.4 km east-west orientation line comprised 61 surface soil samples collected on 3 and 4 June 2026 at approximately 40 m intervals along northing 6,977,150N. Samples were collected from the upper A horizon, generally at 10–20 cm depth. In peatland areas, samples were collected at approximately 20–30 cm depth, where the peat was less saturated and more compact. The line crosses the southern target corridor tested by KR-316 and extends eastwards across several interpreted passive seismic features. Sample locations are reported in the ETRS-TM35FIN coordinate system (EPSG:3067).

Sampling was undertaken at existing 2025 HVSR survey pits or pads. Exposed material was not sampled. Instead, the sidewall of each pit was scraped with a clean plastic shovel to expose and collect undisturbed material. A full plastic scoop was collected at each site, exceeding the laboratory's minimum 130 g sample-weight requirement.

Much of the prospective geology at Korsnäs is concealed beneath glacial till. Ionic-leach analysis measures very low concentrations of weakly bound mobile ions in near-surface material and is used as a reconnaissance exploration technique. The purpose of the orientation program was to determine whether the method could detect a rare earth response above known mineralisation and assist in ranking concealed targets before drilling.

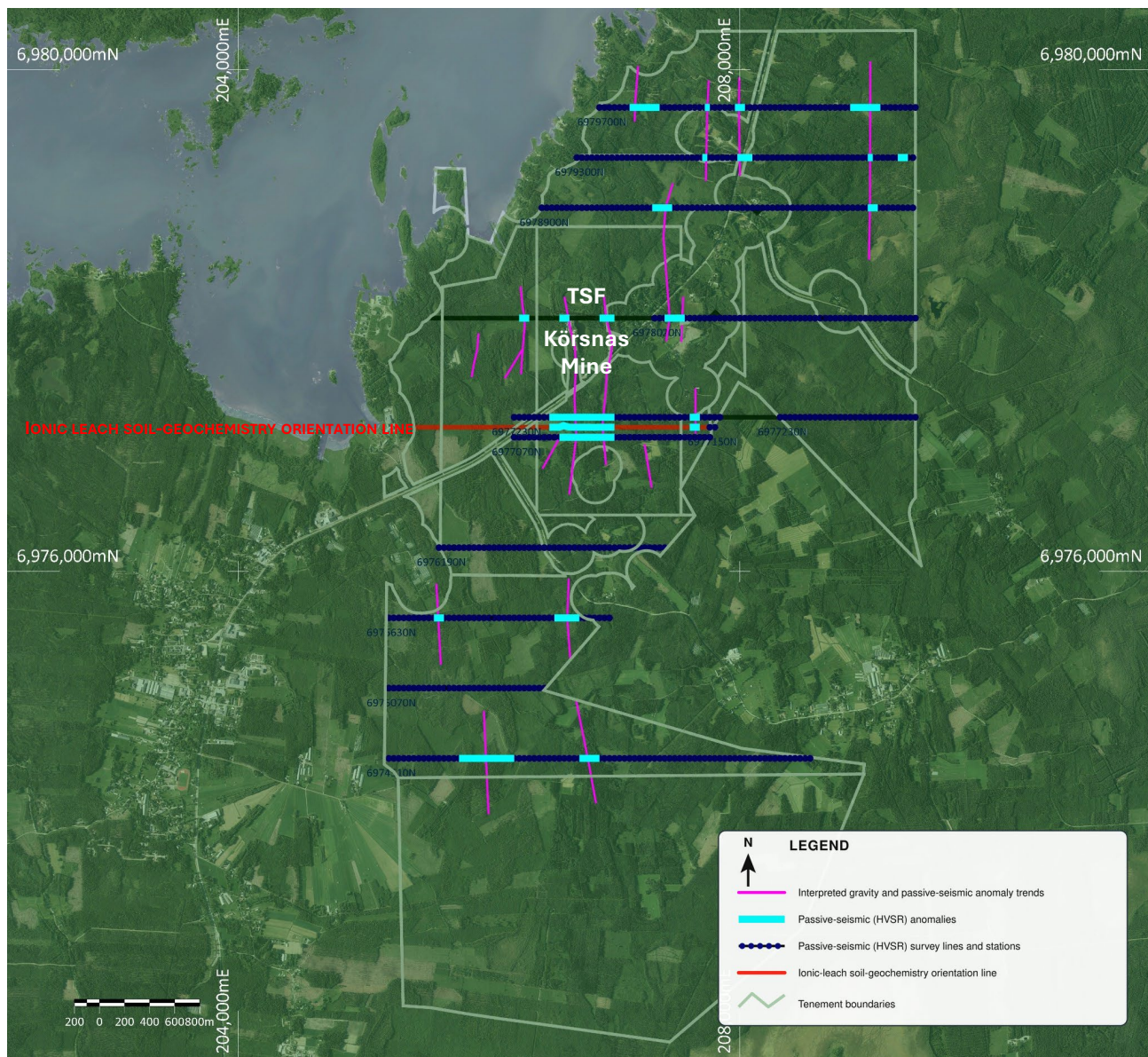


Figure 5 - Korsnäs Project showing the location of the historical Korsnäs mine and the spatial relationship between the ionic-leach soil-geochemistry orientation line and the broader exploration survey coverage. The ionic-leach survey was completed along 6,977,150N. Coordinate grid: ETRS-TM35FIN / EPSG:3067, metres. Modified from the figure previously reported on 1 June 2026.

Normalisation and interpretation

Each rare earth element result was divided by its mean value across the 61-sample orientation line. The element-by-element ratios were then summed to form three comparative exploration indices:

- LREE index: La, Ce, Pr, Nd, Sm, Eu and Gd (seven components; line mean 7).
- HREE index: Tb, Dy, Ho, Er, Tm, Yb, Lu and Y (eight components; line mean 8).
- TREE index: combined LREE and HREE indices (15 components; line mean 15).

The normalised indices show relative geochemical contrast along this survey line. They are not assays of bedrock, do not represent subsurface grade or width, and cannot on their own establish the presence of mineralisation.

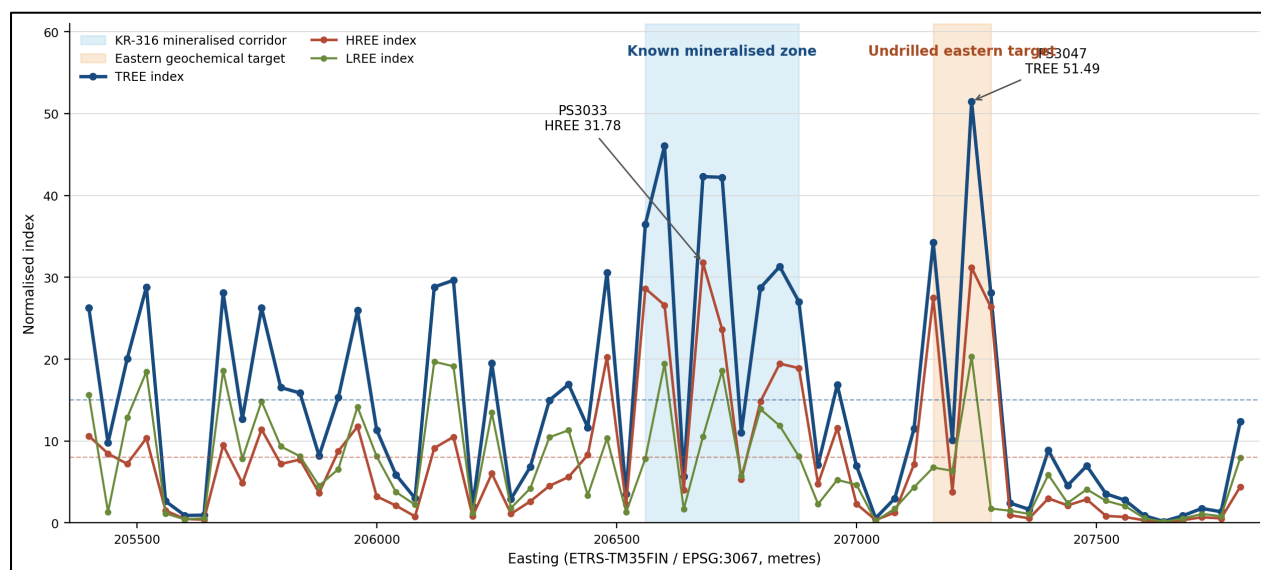


Figure 6 - Normalised LREE, HREE and TREE indices along orientation line 6,977,150N. Shading shows the KR-316 mineralised corridor and the undrilled eastern geochemical target. Dashed lines show the HREE and TREE survey-line means. Normalised indices are relative exploration indicators, not mineral grades.

Strong HREE response over the KR-316 corridor

The principal geochemical response between approximately 206,560E and 206,880E coincides with the passive seismic anomaly and the southern mineralised corridor tested by KR-316. Across nine stations from PS3030 to PS3038, the HREE index averages 19.25, or approximately 2.4 times the line mean, while the TREE index averages 30.10, approximately twice the line mean (Table 4).

Normalised index	Average response	Survey-line mean	Relative response
LREE	10.85	7.00	1.6 times
HREE	19.25	8.00	2.4 times
TREE	30.10	15.00	2.0 times

Table 4 - Ionic leach REE responses (KR-316 anomaly)

The strongest HREE response in the known corridor occurred at PS3033 (206680E), where the HREE index reaches 31.78, approximately 4.0 times its line mean. The corresponding TREE index is 42.30, approximately 2.8 times its line mean.

KR-316 previously returned 31.5 m at 4,902 ppm TREO from 98.5 m. Within this intersection, an 8.5 m interval from 99.5 m averaged 10,414 ppm TREO, including a higher-grade 4.5 m interval at 14,003 ppm TREO. The drill result was reported on 24 February 2026 and is included here to provide geological context for the new surface geochemical results.

New eastern geochemical target

A separate response occurred between approximately 207160E and 207280E, about 400–600 m east of the principal KR-316 response. Across four stations from PS3045 to PS3048, the HREE index averages 22.21, approximately 2.8 times the line mean, and the TREE index averages 31.00, approximately 2.1 times the line mean.

Normalised index	Average response	Survey-line mean	Relative response
LREE	8.79	7.00	1.3 times
HREE	22.21	8.00	2.8 times
TREE	31.00	15.00	2.1 times

Table 5 - Ionic leach REE responses (eastern anomaly)

PS3047 at 207240E returned the highest combined rare earth response recorded on the line: a TREE index of 51.49 (approximately 3.4 times the line mean), comprising an HREE index of 31.18 (approximately 3.9 times the mean) and an LREE index of 20.30 (approximately 2.9 times the mean). Strong HREE responses also occur at PS3045 and PS3048, indicating that the eastern response is not dependent on a single station.

The eastern geochemical response broadly corresponds with a subtle passive seismic or interpreted bedrock depression. This coincidence supports follow-up work but does not demonstrate that the anomaly is caused by REE mineralisation. A passive seismic depression farther east, between approximately 207500E and 207700E, lacks a comparable geochemical response and has consequently been assigned a lower exploration priority.

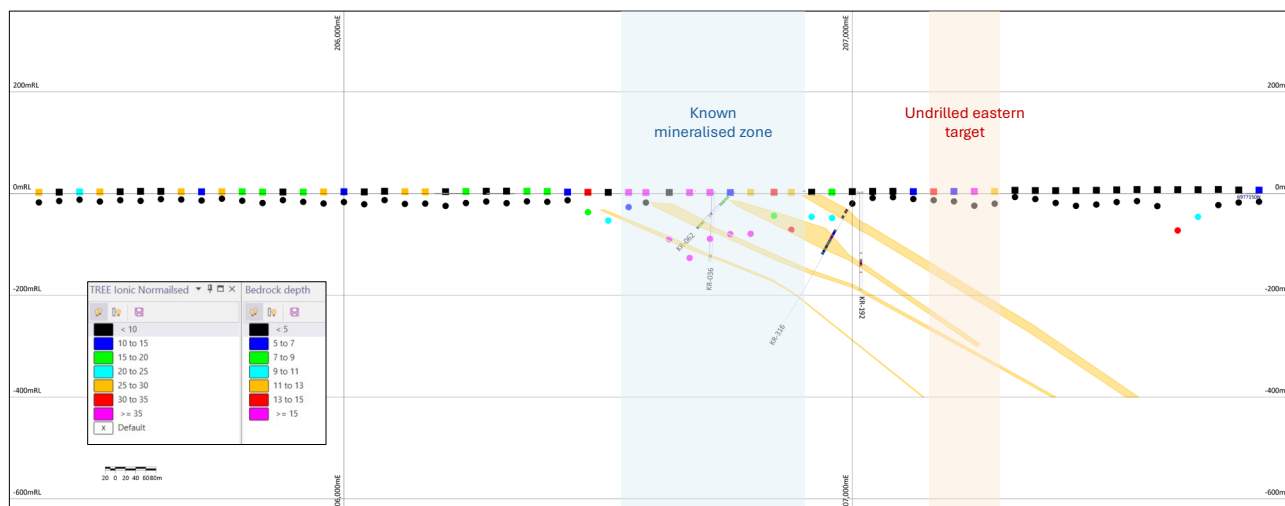


Figure 7 - Cross-section along line 6,977,150N. Circles show HVSR-derived bedrock-depth points, vertically exaggerated to clarify bedrock depressions. Coloured squares show the normalised TREE response. Interpreted mineralised zones and drill traces are shown for context. Coordinate grid: ETRS-TM35FIN / EPSG:3067, metres.

Exploration significance and next steps

The orientation survey indicates that ionic-leach geochemistry can provide useful discrimination across concealed prospective geology at Korsnäs. When integrated with drilling, gravity, passive seismic and geological interpretation, it provides an additional dataset for target ranking. The method is not a substitute for drilling, and geochemical responses may also be influenced by transported cover, hydrology, organic material and variation in sample medium.

Potential next steps include the following:

- complete closer-spaced soil sampling across the eastern anomaly;
- extend ionic-leach coverage across priority passive seismic targets and interpreted mineralised corridors;
- review individual-element responses together with sample medium, topography, hydrology, gravity and HVSR results; and
- use coincident datasets to rank targets for future drilling, subject to access, permitting, funding and seasonal field conditions.

Jokikangas HFSE-HREE Project (Finland)

Selected intervals of historical drill core held at GTK's Loppi core facility were sampled and dispatched for assay. A review of the Exploration Target will follow receipt of results.

Other Exploration Licences

No field activities were undertaken during the quarter at the Hodruša-Hámre, Zlatno, Pukanec, Nová Baňa, Kolba and Cejkov-Zemplin exploration licences in Slovakia.

Post-quarter, the Company received an update regarding its exploration licences following the resumption of application processing by the ministry:

- **Nová Baňa and Pukanec:** Ministerial decisions were received, regranting both exploration licences;
- **Hodruša-Hámre:** Application under review;
- **Cejkov-Zemplin and Kolba:** Both licences are in the renewal process, remaining within the statutory three-month decision period; and
- **Zlatno:** Remains valid and in good standing.

Forward Program

- Continue work with ANSTO on historical lanthanide concentrate stockpile material, with a focus on lab-scale production of MREC sample as part of Stage Two metallurgical testing.
- Advance REMHub beneficiation work with GTK-Mintec and the University of Oulu, including flotation on WHGMS products and progression toward mini-pilot scale test work as suitable material becomes available.
- Generate representative concentrate from fresh drill core for downstream hydrometallurgical testing through the preferred ANSTO route, subject to concentrate availability.
- Complete and interpret Phase 3 passive seismic coverage, design Phase 4 infill lines and prioritise targets for future drill testing and revision of the Exploration Target.
- Drill test priority targets to determine whether any portion of the Exploration Target can be converted to a Mineral Resource Estimate.

Corporate

During the quarter the Company received €115,267 (\$186,395) from the EU's REMHub grant program.

In September, Mr Stephen Gemell retired as a Director, having served on the Board since March 2021.

Investor Relations

The Company continued its investor engagement during the quarter, together with stakeholder engagement activities in Finland including meeting with local officials.

Post-quarter, an investor presentation was released to the ASX on 6 October 2026 highlighting the development pathway for the Company's flagship Korsnäs project.

Additionally, Erja Retzén, Chair of the Company's 100% owned Finnish subsidiary, Bambra Oy, participated in the Nordic Funds and Mines conference held in Stockholm, Sweden. The Company will also be participating as part of the Finnish delegation at the IMARC conference to be held in Sydney from 27 to 29 October 2026.

Expenditures

Expenditure on exploration activities during the quarter totalled \$514,681. There were no expenditures on mine production and development activities during the quarter.

Related Party Expenditures

During the quarter, the aggregate amount of payments to related parties and their associates totalled \$141,515 in payments to Directors for Directors' consulting fees.

Tenements

Project	Tenement Number	Country	Interest
Cejkov-Zemplin	11006/2022-5.3 ³	Slovakia	100%
Hodruša-Hámre	N9/25 ³	Slovakia	100%
Jokikangas	ML2021:0017 Jokikangas ² ML2023:0015 Honkamäki ² ML2025:0024 Honkamäki 2 ¹ VA2025:0056-01 Jylhy ¹	Finland	100%
Kolba	N13/26 ³	Slovakia	100%
Korsnäs	ML2021:0019 Hägg ² ML2025:0020 Hägg 2 ² ML2024:0087 Hägg 3 ² ML2024:0103 Petalax ¹	Finland	100%
Poikel	VA2026:0035-01 Application for Reservation Notification ¹	Finland	100%
Nová Baňa	7823/2026-5.1	Slovakia	100%
Pukanec	7209/2026-5.1	Slovakia	100%
Zlatno	9355/2024-5.3	Slovakia	100%

Table 6 - European Resources Tenements

1 Tenement areas are reserved by Reservation Applications followed by Reservation Notifications then Exploration Permits approved by the Finnish Safety and Chemicals Agency (TUKES), the Finnish mining authority. These Exploration Permit applications are currently in handling by TUKES.

2 These are Exploration Permits approved by TUKES.

3 Undergoing regranteeing.

No Material Changes

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements referred to in this quarterly report and that all material assumptions and technical parameters underpinning the Exploration Results, Mineral Resource Estimate and Exploration Target in those announcements continue to apply and have not materially changed. The Company also confirms that the form and context in which the Competent Persons' findings are presented in this quarterly report have not been materially modified.

No Ore Reserve, production target or forecast financial information is reported in this quarterly report.

Competent Person's Statement

The information in this report that relates to Exploration Results, geological interpretation and the Exploration Target is based on information compiled by Jason Beckton, who is a Member of the Australian Institute of Geoscientists. Mr Beckton is Managing Director of the Company and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this report that relates to metallurgical test work is based on, and fairly represents, information compiled by Dr Mark Steemson, who is a Member of the Australasian Institute of Mining and Metallurgy and a Competent Person as defined in the 2012 Edition of the JORC Code. Dr Steemson is a consultant to the Company and has over 30 years of experience in mineralogical studies, mineralisation characterisation and metallurgical test work. Dr Steemson has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the JORC Code.

The Competent Persons have consented to the inclusion in the original market announcements of the matters based on their information in the form and context in which they appeared. This quarterly report re-presents that information with appropriate cross-references to the original announcements.

Forward-looking and cautionary statements

This report includes forward-looking statements and opinions based on the Company's current expectations and beliefs. Such statements are subject to risks, uncertainties and assumptions. Actual results may differ materially from those expressed or implied. Factors that may cause such differences include project, geological, metallurgical, regulatory, market and operational risks. The Company undertakes no obligation to update forward-looking statements except as required by law.

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Appendix A: Glossary of Terms and Acronyms

Term or acronym	Meaning
Acid bake	A hydrometallurgical treatment in which mineral concentrate is heated with acid to break down rare-earth-bearing minerals before leaching.
ANSTO	Australian Nuclear Science and Technology Organisation. ANSTO Minerals is undertaking downstream metallurgical test work on Korsnäs concentrate material.
ASX	Australian Securities Exchange.
Beneficiation	Physical processing used to separate valuable minerals from unwanted material and produce a higher-grade concentrate.
Competent Person	A suitably qualified and experienced minerals industry professional who accepts responsibility for technical information reported under the JORC Code.
EU	European Union.
Exploration Target	A conceptual estimate of the potential quantity and grade of mineralisation in an area where there has not yet been sufficient exploration to estimate a Mineral Resource.
Flotation	A mineral separation process that uses reagents and air bubbles to selectively recover particular minerals into a concentrate.
FSE	Frankfurt Stock Exchange.
Grade upgrade	The percentage increase in the concentration of the target commodity between the feed material and the resulting concentrate.
GTK	Geological Survey of Finland.
GTK-Mintec	GTK's mineral processing and metallurgical testing facility in Finland.
Head grade	The grade of the material entering a mineral processing test or plant.
HFSE	High-field-strength elements, a group of chemically resistant elements that includes zirconium, hafnium, niobium and tantalum.
HREE	Heavy rare earth elements. These generally include the heavier lanthanides terbium through lutetium and yttrium.
HVSR	Horizontal-to-Vertical Spectral Ratio, a passive seismic method that measures natural ground vibrations and can be used to estimate depth to bedrock.
Hydrometallurgy	The extraction and recovery of metals using water-based chemical processes such as leaching, precipitation and solvent extraction.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
Lanthanide concentrate	A mineral concentrate containing rare earth elements from the lanthanide series.
LnCS	Lanthanide concentrate stockpile
LREE	Light rare earth elements, generally comprising lanthanum through gadolinium.
Magnet rare earths	Rare earth elements important in permanent magnets, principally neodymium, praseodymium, terbium and dysprosium.
Mineral Resource Estimate (MRE)	An estimate of the quantity and grade of a mineral deposit that has reasonable prospects for eventual economic extraction.
MREC	A mixed rare earth carbonate.
NdPr	Neodymium and praseodymium, two high-value rare earth elements principally used in permanent magnets.
Passive seismic	A geophysical method that records naturally occurring ground vibrations rather than vibrations generated by an active seismic source.
pp	Percentage points.
ppm	Parts per million. A concentration of 10,000 ppm is equivalent to 1%.
Pre-leach	A preliminary leaching stage used to remove selected minerals or impurities before the principal extraction process.
Rare earth elements (REE)	A group of chemically similar metallic elements comprising the lanthanides together with yttrium and, in some definitions, scandium.
Recovery	The proportion of the target element contained in the feed that reports to the concentrate or extracted solution.
REMHUB	The European Union funded research program under which Korsnäs beneficiation and mineral-processing test work is being undertaken.
Solids-based extraction	The proportion of an element removed from the original solid feed, calculated from the change in the solid material.
Tesla (T)	A unit of magnetic field strength used in magnetic separation testing.
TREE	Total rare earth elements.

TREO	Total rare earth oxides, being the combined concentration of the rare earth elements expressed in oxide form.
TREY	Total rare earth elements plus yttrium.
TUKES	Finnish Safety and Chemicals Agency, the government authority responsible for administering exploration permits under Finland's mining legislation.
WHGMS/HGMS	Wet High Gradient Magnetic Separation, a mineral-processing technique that uses a strong magnetic field to separate weakly magnetic minerals from non-magnetic material.
wt%	Weight percent, representing the mass of a substance as a percentage of the total sample mass.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

European Resources Limited

ABN

24 602 043 265

Quarter ended ("current quarter")

30 September 2026

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(251)	(730)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	19
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	186	186
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(53)	(524)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(515)	(1,688)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(515)	(1,688)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,571
3.2	Proceeds from issue of convertible debt securities	(44)	(292)
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(44)	2,279

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,758	1,085
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(53)	(524)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(515)	(1,688)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(44)	2,279

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(4)	(8)
4.6	Cash and cash equivalents at end of period	1,143	1,143

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,143	1,759
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,143	1,759

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	22
6.2	Aggregate amount of payments to related parties and their associates included in item 2	120
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(53)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(515)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(568)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,143
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,143
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.01
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 23 October 2026

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.