ASX ANNOUNCEMENT

AUSTRAL RESOURCES

4 November 2025

AUSTRAL RESOURCES PRO FORMA BALANCE SHEET

Austral Resources Australia Ltd (**ASX:AR1**) ("**Austral**" or the "**Company**") provides a reviewed pro forma statement of AR1's consolidated financial position based on AR1's audited financial statements for the period ended 30 June 2025 with pro forma adjustments to show the effect of completion of the Placement, Rocklands Acquisition, and the impact of Creditor and Loan Amendments and Repayments (as described in section 4.5 of the Prospectus), where the review is conducted in accordance with the Australian auditing standards by a registered company auditor or an independent accountant.

The Pro forma Statement of Financial Position is prepared on a consistent basis to the Financial Information presented in Section 4.4 of the Company's Prospectus dated 3 September 2025 with the exception of the following amendments to reflect changes between the estimate impact of the Offers and the actual impact of the Offers:

- The AES Offer as contemplated in the Prospectus has not been completed resulting in an increase in Pro Forma trade and other payables of $2.0m and a decrease in issued capital of $2.0m; and
- The actual DFIL Options issued as part of the CRA Acquisition will be 2,464,000 options. This reduces the pro-forma equity option reserves by $203k, with an associated reduction in the cost of property plant and equipment acquired of $203k.

AR1 notes that the shares proposed to be issued under the AES Offer to reduce the Company's trade and other payables of $2.0m, will be put forward for shareholder approval at the next meeting of the Company's shareholders.

The revised Pro forma Statement of Financial Position has been reviewed by a registered company auditor or an independent accountant and is included as Appendix 1. Capitalised terms in the document that are not defined in the announcement have the meaning given in the prospectus released on 4 September 2025.

This announcement is authorised for market release by the Board of Directors.

FURTHER INFORMATION, PLEASE CONTACT:

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To learn more, please visit: www.australres.com

Appendix 1

Investigating Accountant's Report.

RSM

RSM Corporate Australia Pty Ltd

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31 October 2025

The Board of Directors
Austral Resources Australia Ltd
Level 9, 60 Edward Street,
Brisbane, Queensland,
Australia, 4000

Dear Directors

INVESTIGATING ACCOUNTANT'S REPORT

Independent Limited Assurance Report on the statutory historical financial information and pro forma historical financial information of Austral Resources Australia Ltd

We have been engaged by Austral Resources Australia Limited ("**AR1**" or "**Austral**" or "**the Company**") to report on certain statutory historical financial information and pro forma financial information in connection with ASX disclosures requirements for re-quotation of the Company's shares.

The disclosures relate to the Company's:

- Placement offer ("**the Placement Offer**") of 800 million New Shares at an Offer Price of 5 cents per New Share to raise $40 million before costs of the Placement Offer;
- The issue of 2,464,900 New Options pursuant to the terms of the DOCA to acquire CRA; and
- Placement offer to Thiess of 200 million New Shares at the Offer Price per New Share under the Thiess Debt Conversion ("**Theiss Offer**").

Collectively ("**the Offers**")

The Offers are being undertaken in combination with the acquisition of Copper Resources Australia Pty Ltd ("**CRA**"), owner of the Rocklands Copper Mine ("**Rocklands**") together with other Restructure Arrangements.

Expressions and terms defined in the Company's Prospectus dated 3 September 2025 ("**the Prospectus**") have the same meaning in this report.

Scope

Statutory Historical Financial Information

You have requested RSM Corporate Australia Pty Ltd ("RSM") to review the statutory historical financial information of Austral as set out as an Appendix to this report, comprising Austral's reviewed Statutory Consolidated Historical Statement of Financial Position as at 30 June 2025 ("**the Statutory Historical Financial Information**").

Austral's Statutory Historical Financial Information

The Statutory Historical Financial Information for Austral has been derived from the 30 June 2025 half-year general purpose interim financial statements of AR1.

The general-purpose interim financial statements of AR1 for the six months ended 30 June 2025 were reviewed by RSM Australia Partners in accordance with Australian Auditing Standards. RSM Australia Partners issued an unmodified review conclusion in relation to these financial statements.

Without modification of its review conclusion, RSM Australia Partners review report for the six months ended 30 June 2025 included a paragraph bringing attention to a material uncertainty related to going concern.

The Statutory Historical Financial Information is presented in an abbreviated form, insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Pro Forma Historical Financial Information

You have requested RSM to review the pro forma historical financial information included as an Appendix to this report and comprising Austral's pro forma Consolidated Historical Statement of Financial Position as at 30 June 2025 ("**the Pro Forma Historical Financial Information**").

The Pro Forma Historical Financial Information has been derived from the Historical Financial Information of AR1, adjusted for the transactions/adjustments summarised in Section 4.5 of the Prospectus and adjusted to reflect the AES Offer not proceeding and the actual number of New Options issued as part of the acquisition of CRA. The stated basis of preparation is the recognition and measurement requirements of Australian Accounting Standards and the Company's adopted accounting policies applied to the Historical Financial Information and the events or transactions to which the pro forma adjustments relate, as if those events or transactions had occurred as at the date of the Historical Financial Information.

Due to its nature, the Pro Forma Historical Financial Information does not represent the Company's actual or prospective financial position.

The Pro Forma Historical Financial Information is presented in the Prospectus in an abbreviated form, insofar as it does not include all the presentation and disclosures required by Australian Accounting Standards applicable to general purpose financial reports prepared in accordance with the *Corporations Act 2001*.

Directors' responsibility

The directors of the Company are responsible for:

- the preparation and presentation of the Statutory Historical Financial Information; and
- the preparation and presentation of the Pro Forma Historical Financial Information, including the selection and determination of pro forma adjustments made to the Statutory Historical Financial Information and included in the Pro Forma Historical Financial Information.

This includes responsibility for such internal controls as the directors determine are necessary to enable the preparation of Statutory Historical Financial Information and the Pro Forma Historical Financial Information that are free from material misstatement, whether due to fraud or error.

Our responsibility

Our responsibility is to express a limited assurance conclusion on the Statutory Historical Financial Information and Pro Forma Historical Financial Information based on the procedures performed and the evidence we have obtained. We have conducted our engagement in accordance with the Standard on Assurance Engagement ASAE 3450 *Assurance Engagements involving Corporate Fundraisings and/or Prospective Financial Information*.

We made such enquiries, primarily of persons responsible for financial and accounting matters, and performed such procedures as we, in our professional judgment, considered reasonable in the circumstances including:

- a consistency check of the application of the stated basis of preparation, to the Statutory Historical Financial Information and Pro Forma Historical Financial Information;
- a review of the Company's work papers, accounting records and other supporting documents;
- enquiry of directors, management personnel and advisors; and
- the performance of analytical procedures applied to the Statutory Historical Financial Information and Pro Forma Historical Financial Information.

A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain reasonable assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Our engagement did not involve updating or re-issuing any previously issued audit or review report on any financial information used as source of the financial information.

Conclusions

Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Statutory Historical Financial Information of the Company, as set out as an Appendix to this report, and comprising Austral's reviewed Statutory Consolidated Historical Statement of Financial Position as at 30 June 2025 is not presented fairly, in all material respects, in accordance with the stated basis of preparation.

Pro Forma Historical Financial Information

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Pro Forma Historical Financial Information, as set out as an Appendix to this report, and comprising:

- Austral's pro forma Consolidated Historical Statement of Financial Position as at 30 June 2025; and
- the pro forma adjustments,

is not presented fairly in all material aspects, in accordance with the stated basis of preparation.

Restriction on Use

Without modifying our conclusions, we draw attention to the introduction above, which describes the purpose of the Financial Information, being in connection with ASX disclosures requirements for re-quotation of the Company's shares. As a result, the financial information may not be suitable for use for another purpose.

Consent

RSM Corporate Australia Pty Ltd has consented to the release of this assurance report as part of the Company's ASX announcements in the form and context in which it is included.

Declaration of Interest

RSM Corporate Australia Pty Ltd does not have any interest in the outcome of this transaction other than the preparation of this report for which normal professional fees will be received.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD

A. Clifford

Andrew Clifford
Director

Appendix - Statutory Historical Statement of Financial Position and Pro Forma Historical Statement of Financial Position

To illustrate the effect of the Offers on the Company, the pro-forma Consolidated Statement of Financial Position has been prepared based on Austral's reviewed Consolidated Historical Statement of Financial Position as at 30 June 2025.

1. statutory historical financial Information, comprising Austral's reviewed Statutory Consolidated Historical Statement of Financial Position as at 30 June 2025 (**Statutory Historical Financial Information**); and

2. pro forma historical financial information, comprising Austral's pro forma Consolidated Historical Statement of Financial Position as at 30 June 2025 (**Pro Forma Historical Financial Information**).

The Statutory Historical Financial Information and Pro Forma Historical Financial Information is together referred to as the "**Financial Information**".

The Pro Forma Historical Statement of Financial Position is provided for illustrative purposes only and is not represented as being necessarily indicative of Austral's view of its financial position upon Completion of the Offers or at a future date.

The Financial Information has been prepared on a consistent basis to the Financial Information as set out in the Company's Prospectus dated 3 September 2025 ("**the Prospectus**") other than it reflects that the AES Offer has not been completed, and the actual number of options to be issued as part consideration for the acquisition of CRA. Defined terms within this document are consistent with those set out in the Company's Prospectus dated 3 September 2025.

Consolidated Statement of Financial Position $'000	Notes	Statutory Reviewed 30-Jun-25	Impact of the Placement Offer	Impact of the CRA Acquisition (note 2)	Impact of Creditor Repayments and Theiss Offer	Impact of Anthill Project Agreement and deemed disposal of Anthill Project (Note 3)	Pro Forma 30-Jun-25
Assets							
Current assets							
Cash and cash equivalents	1	596	37,600	-	(21,500)	-	16,696
Trade and other receivables		1,750	-	-	-	-	1,750
Prepayments		560	-	-	-	-	560
Inventories		1,537	-	-	-	-	1,537
Other assets	2	1,396	-	202	-	-	1,598
Assets held for sale	3	90,946	-	-	-	(90,946)	-
Total current assets		96,785	37,600	202	(21,500)	(90,946)	22,141
Non-current assets							
Property, plant and equipment	2	4,755	-	26,622	-	-	31,377
Right-of-use assets		20	-	-	-	-	20
Exploration and evaluation assets		1,815	-	-	-	-	1,815
Financial assets	2	37,212	-	15,237	-	-	52,449
Total non-current assets		43,802	-	41,859	-	-	85,661
Total assets		140,587	37,600	42,061	(21,500)	(90,946)	107,802
Liabilities							
Trade and other payables	5	39,603	-	-	(39,176)	2,000	2,427
Borrowings	2, 6	-	-	9,692	-	-	9,692
Provisions	2	1,008	-	187	-	-	1,195
Lease liabilities		18	-	-	-	-	18
Liabilities associated with assets held for sale:	3						
Borrowings		82,552	-	-	-	(82,552)	-
Other liabilities		36,140	-	-	(4,000)	(32,140)	-
Total current liabilities		159,321	-	9,879	(43,176)	(112,692)	13,332
Non-current liabilities							
Provisions	2	37,687	-	15,237	-	-	52,924
Borrowings	2	-	-	8,308	-	-	8,308
Total non-current liabilities		37,687	-	23,545	-	-	61,232
Total liabilities		197,008	-	33,424	(43,176)	(112,692)	74,564
Net assets / (liabilities)		**(56,421)**	**37,600**	**8,637**	**21,676**	**21,746**	**33,238**
Equity							
Issued capital	7	71,546	37,600	8,610	10,000	-	127,756
Reserves		1,923	-	27	-	-	1,950
Accumulated losses	8	(129,890)	-	-	11,676	21,746	(96,468)
Net equity/(deficiency in equity)		**(56,421)**	**37,600**	**8,637**	**21,676**	**21,746**	**33,238**

Notes:

1. Pro-forma cash will increase by $16.1 as a result of the following movements:

	$'000
Funds raised from Placement net of Transaction Costs	37,600
Funds used to settle creditors and debt	(21,500)
Increase in Pro Forma Cash	**16,100**

2. The acquisition of CRA will be accounted for as an asset acquisition and, therefore, property, plant and equipment will be restated to cost as set out in the tables below:

Consideration Paid	$'000
Cash consideration (note a)	18,000
Equity consideration 172,196,911 shares at $0.05 per Share based on the Offers pricing	8,610
Option consideration – 2,464,900 options at $0.011 per option (note b)	27
Total consideration paid	**26,637**

a. Cash consideration is to be funded by the Glencore Loan Facility as summarised in the Prospectus and will, consequently result in an increase in Pro-Forma Current and Non-Current Borrowings.

b. The Fair Value of the Options have been assessed in accordance with AASB 2 – Share Based Payment using a binomial option valuation model and assuming volatility of 60%.

Net Assets Acquired	$'000
Other assets	202
Property, plant and equipment at cost (note a)	26,622
Financial assets – term deposits relating to a cash backed bond to cover the rehabilitation provision	15,237
Employee Provisions	(187)
Rehabilitation Provision	(15,237)
Net Assets Acquired	**26,637**

a. Whilst the plant and equipment is recognised at cost based on the equity consideration paid, the replacement cost valuation for the plant and equipment has been valued by an independent plant and equipment valuer at $443.4m.

3. Having regard to the requirements of AASB 15, and taking into account that under the Anthill Project Agreement control of the Anthill project and receipt of economic benefits from the residual proceeds from the Anthill Project will be received by Glencore and Secover, the Anthill Project Agreement is accounted for as a disposal of the Anthill Project by Austral to Glencore and Secover as summarised in the table below. As a consequence of the above, as at 30 June 2025, the assets and associated liabilities of the Anthill Project were classified as held for sale.

	$'000
Carrying value of proceeds received	
Borrowings quarantined against proceeds of the Anthill Project (refer note 4 in relation to contingent liabilities)	82,552
Carrying value of assets and associated liabilities of the Anthill Project at 30 June 2025	
Cash and cash equivalents	201
Trade and other receivables and prepayments	674
Inventories	62,860
Plant and equipment	25,254
Right-of-use-assets	1,957
Assets held for resale	**90,946**
Trade and other payables (net of amounts repaid from use of funds and residual obligation remaining with Austral for AES)	(27,743)
Lease liabilities	(2,397)
Liabilities associated with assets held for resale	**30,140**
Pro Forma Net carrying value of assets and associated liabilities of the Anthill Project at 30 June 2025	60,806
Net gain on disposal	**21,746**

4. **Contingent liability associated with the Anthill Project Agreement**

As set out in the Prospectus, under the Anthill Project Agreement, If the amount of Anthill Project proceeds distributed to Glencore and Secover is less than $78 million in aggregate (such shortfall being the Shortfall), then Austral will pay to Glencore and Secover (in the 75/25 *pari passu* proportions) proceeds from the rights to the Re-mine Oxide in an amount that is equal to the lesser of (A) the Shortfall; and (B) $13 million.

Therefore, the Company has a contingent liability payable of up to $13 million. As at the date of this Prospectus, the Company has reviewed the forecast cash flows of the Anthill Project and do not consider, based on the forecasts, that there will be any Shortfall. However, it should be noted that actuals results from the operation and management of the Anthill Project, may differ and the Company may be required to make a Shortfall payment to Glencore and Secover.

5. Pro forma trade and other payables will decrease by $37.2m as a result of the following movements.

	$'000
Cash repayment to Theiss	(17,500)
Theiss Offer converting debt to equity	(10,000)
Forgiveness of balance of trade receivables by Theiss	(11,676)
Residual balance in relation to AES due to AES Offer not proceeding	2,000
Decrease in Pro Forma Trade and other payables	**(37,176)**

6. Pro forma current borrowings will increase by $9.7m as a result of the following movements.

	$'000
New Glencore facility to fund Copper Resources Australia acquisition – current portion	9,692
Increase in Pro Forma current borrowings	**9,692**

7. Pro forma issued capital will increase by $56.2 as a result of the following movements.

	$'000
Funds raised from Placement net of Transaction Costs	37,600
Thiess Offer - Equity consideration for Theiss Debt Conversion	10,000
Equity consideration issued to acquire CRA	8,610
Increase in Pro Forma issued capital	**56,210**

8. Pro forma accumulated losses will decrease by $33.4m as a result of the forgiveness of the balance of trade receivables by Theiss ($11.7m) and the gain on disposal of the Anthill Project (refer note 3) of $21.7m.