



ASX:EMS

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EASTERN METALS LIMITED

ABN 29 643 902 943

Annual Report for the Year Ended 30 June 2025

CORPORATE DIRECTORY

Directors & Chief Executive Officer

Mr Ian White – Independent Non-Executive Chairman

Mr Mark Dugmore – Independent Non-Executive Director

Mr Greg Starr - Independent Non-Executive Director

Company Secretary & Chief Financial Officer

Ian Morgan

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Securities Exchange

Australian Securities Exchange ("ASX")

ASX Code: EMS

Securities Registry

Boardroom Pty Ltd

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CHAIRMAN'S LETTER

Dear Fellow Shareholders,

The 2025 financial was a challenging one for Eastern Metals. Initial encouraging drill results at Kelpie Hill in the Company's Cobar Project in October 2024 were not reflected in the Company's share price, constraining the Company's further capital raising options. This combined with the Company's limited cash reserves made it clear to the Board that the Company's future lay in the pursuit of a well-funded alternative project.

The Board reviewed a number of projects that were available to the Company before being approached by Raptor Resources Limited ("Raptor"). Raptor is a mineral and exploration company focused on its two main copper assets, Chester and Turgeon, located in the mining friendly jurisdiction of New Brunswick, Canada. The Company determined that the acquisition of Raptor ("Raptor Transaction") was in the best interests of the Company and raised \$250k to fund the transaction and for general working capital.

The Raptor Transaction involves Eastern Metals acquiring all the issued capital of Raptor Resources in what is essentially a reverse take-over of Raptor by Eastern Metals. *(refer EMS ASX announcements of 24 April 25 and 14 July 25)*. As part of the transaction, the Company will raise between \$4m and \$5m to fund exploration, working capital and to facilitate the reinstatement of the Company to the trading on the ASX.

During the course of the Raptor Transaction, the Company sold its Royalty rights over its previously disposed Thomson Project for \$220k to provide additional funding for the Raptor transaction and working capital. *(refer EMS ASX announcements of 5 May 2025)*.

During this period the Company also received an offer from Australian Gold and Copper Limited ("AGC") of \$1.5m for its Cobar Project assets, made up of \$200k in cash and \$1.3m in AGC scrip. This represented an almost 50% premium over the market capital of the Company at the time that it entered the Raptor Transaction. Directors took the view that this premium should be returned to shareholders prior to the Raptor Transaction and are proposing that shareholders approve an in-specie dividend of AGC shares to shareholders equal to \$0.005 cents per share at a coming general meeting. The balance of the scrip will be held as a strategic investment further preserving shareholder exposure to the Cobar Project tenements. *(refer ASX announcement of 5 May 2025)*.

The 2025 financial year was challenging one, however as we enter the 2026 financial year, we do so with confidence that the Raptor Transaction will successfully recapitalise the Company and position it well with promising assets and a continuing focus copper and gold.

Ian White, Chairman

Sydney

29 September 2025

DIRECTORS' REPORT

The Directors present their report, together with the financial statements of Eastern Metals Limited ("the Company" or "Eastern Metals") at the end of and during the year ended 30 June 2025.

The Directors and other Key Management Persons of the Company at any time during or since the end of the financial year are listed below.

Directors

Ian White, BBus, MBA, Grad Dip CSP, FCPA, Independent Non-Executive Director and Chair

Appointed 4 October 2022 as a Director, and 11 February 2025 as Chair.

Ian has 45 years corporate experience including more than 23 years as Director and Company Secretary. He has served on over 20 Boards including many ASX listed companies, and is currently Company Secretary of Ark Mines Ltd (ASX: AHK) and Lucknow Gold Limited.

Ian is highly experienced in all areas of corporate management. He is particularly experienced in all aspects of corporate financial reporting and corporate governance, including all of the corporate governance elements included in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Ian was a key advisor to WPG Resources Limited during its development and subsequent \$320M sale of its Peculiar Knob project and has worked extensively in Canada and China.

Ian is at present a Director of Professional Edge Pty Ltd, a legal and financial services provider to listed and unlisted companies, with emphasis on the junior resources sector.

Mark Dugmore, BAppSc, MSc, MAusIMM, MAIG, Independent Non-Executive Director

Appointed 4 October 2022.

Mark is an experienced geologist and since 2014 to the present date, has been Managing Director of the ROMARDO Group, a private Brisbane-based, precious-base metals and lithium focused early-stage project generation exploration group. Prior to that he was a director of and advisor to several junior mining exploration companies.

In his current role, Mark's focus is on the leadership of a private mineral prospect generator group involving ex-BHP/WMC senior geoscientists, who were instrumental in the discovery of the giant Cannington (ASX: BHP) and Olympic Dam/Ernest Henry (ASX: WMC) deposits. His position involves the acquisition of new grassroots mineral exploration projects which demonstrate the potential for world-class ore deposits and marketing/deal-making of these projects employing the JV Business Model.

Previously Mark spent 16 years with BHP Minerals, where he rose to the position of Manager, Global Base Metals.

Gregory Starr, BBus (Accounting), Independent Non-Executive Director

Appointed 10 February 2025.

Mr Starr is an experienced Chairman, Independent Director, Managing Director, Finance Director and Company Secretary.

He has taken projects from exploration through to producer status. He has been involved in gold, copper, lead, silver, zinc and silica sand projects. He worked through key issues with regulators and stock exchanges (Australia) ASX, NSX and (Canada) TSX. He has been Managing Director of producing mining companies on the ASX and TSX with projects in Australia, Papua New Guinea, China, Fiji and Brazil.

He has significant experience with companies in transition having arranged and managed mergers and acquisitions, merger defences, changes in major shareholders, worked with administrators, receivers, secured creditors and has arranged equity, convertibles and debt financing.

Currently he is a non-executive director for a number of listed and unlisted companies. This includes: Admiralty Resources Limited (ASX: ADY), Credit Intelligence Limited (ASX: CI1), Kalium Lakes Limited (ASX: KLL), Open Negotiation Limited (ASX: OPN) and Red Ridge Group Limited (NSX: RRG).

In the past 3 years Mr Starr has also been a director of Diatrema Resources Limited (ASX: DRX) which recently acquired Metallic Minerals Limited (ASX: MLM) in an all scrip bid, and Candy Club Limited (ASX: CLB) which went through a re-compliance process and was brought out of suspension.

Bob Duffin, BSc (Hons), MSc (Hons), Grad Dip MGT, FAusIMM, Former Chairman

Appointed 2 September 2020. Resigned 15 October 2024.

Bob is a company director with over 45 years' experience in resource exploration, project assessment, mining investment analysis and company management.

Having commenced his career with the Geological Survey of New South Wales, Bob has held senior positions in the exploration divisions of Peko-Wallsend Limited and MIM Holdings Limited, two of Australia's largest mining companies at the time. Prior experience also includes managing director of an international resource exploration consulting and contracting firm, and general manager of a listed mining investment company.

Throughout his career, Bob has lived and worked in mining communities, including periods in Kalgoorlie in Western Australia and Mount Isa in Queensland, where he worked on exploration programs for multiple commodities including copper, other base metals, gold, uranium and iron ore. He later worked as a mining analyst with three stockbroking firms and was head of research at one of Australia's leading brokers during the 1980s.

Bob is a former Non-Executive Director of several listed companies, including Centennial Coal, Midwest Corporation, Ferrowest, Burmine, Austmin Gold, Mt Lyell, the UK resources investment company Europa Minerals Group, and Mancala, a mining contractor.

Jason Berton, BEc BSc (Hons) PhD, Former Independent Non-Executive Director and Chairman

Appointed 26 July 2021. Resigned 11 February 2025

Jason is a geologist and company director who commenced his career as an exploration and mine geologist at the Plutonic Gold Mine in Western Australia, before moving to BHP Billiton in South Australia, where he worked on the Olympic Dam Mine expansion project. Previously he has also

worked with SRK, an international firm of consulting geologists, and spent two years in private equity assessing resource sector investment opportunities. He is a former Managing Director of Estrella Resources and is a director of PolarX, where he played a major role in negotiating the acquisition of key tenements in North America. He is also a non-executive director of Lithium Plus Minerals Limited.

Jason's honours thesis was focussed on the geology of the Lake Cargelligo area in New South Wales, close to the Company's Browns Reef deposit, and his doctorate was in structural geology. He has strong entrepreneurial and corporate skills, as well as a firm understanding of structural geology and its role in the formation of metalliferous orebodies.

Chief Executive Officer

Ley Kingdom, BSc Geology, GAICD, MAusIMM

Appointed 7 August 2023. Resigned 2 May 2025

Ley is a qualified geologist with over 25 years' experience who has recently joined EMS as Chief Executive Officer. Ley's prior experience includes working for Western Mining Corporation, BHP and a number of juniors and mid-tiers overseeing greenfield projects through to resource definition and feasibility. Ley has a comprehensive understanding of the resources industry and first-hand experience of overseeing the development of exploration projects. With her extensive experience, Ley brings to Eastern Metals an important range of skills to lead the Company and its assets forward.

In 2021, Ley formed her own exploration company, Highland Resources Ltd, which she subsequently vended into a development company with gold reserves in north Queensland. As Managing Director and CEO, Ley successfully led Highlands Resources' corporate and investor relations division, liaising directly with investors, brokers and corporate entities.

Previously Ley has worked with a number of junior to mid-sized resource companies in a number of positions from Project Geologist through to Exploration Manager, across multiple jurisdictions and commodities, including gold, base metals, lithium, iron ore and coal. In the early 2000s, Ley worked with the Central Land Council advising Traditional Owners and their representatives, as well as exploration and mining companies, on access to land subject to the *Aboriginal Land Rights Act 1976* (NT) and *Native Title Act 1993* (Cth) in the Northern Territory.

Company Secretary and Chief Financial Officer

Ian Morgan, BBus, MCom LAW, Grad Dip App Fin, CA, AGIA, MAICD, FFIN

Appointed 1 July 2021.

Ian is a member of Chartered Accountants Australia and New Zealand and the Governance Institute of Australia, with over 35 years of experience. Ian provides secretarial and advisory services to a range of companies, including holding the position of Company Secretary and CFO for other listed public companies.

Nature of Operations and Principal Activities

Eastern Metals Limited is an early-stage mineral exploration company.

Dividends

There were no dividends paid or declared by the Company to members during or since the end of the financial year.

Review of Operations and Outlook

Eastern Metals (ASX: EMS) is an Australian exploration company focussed on discovering and developing strategically located base and precious metals projects in New South Wales ("Cobar Project") and the Northern Territory ("Arunta Project").

Eastern Metals' flagship assets are the:

Cobar Project

- Browns Reef zinc-silver-lead-copper-gold deposit in the Cobar Basin, New South Wales, including the Tara and Black Range exploration licences; and

Arunta Project

- Home of Bullion deposit located east of Barrow Creek in the Northern Territory, which hosts a total Identified Mineral Resource of 3.1 million tonnes¹ at an average grade of 2.9% copper equivalent².

Summary of the results of annual review of mineral resources

There are no material changes in the mineral resource holdings in the period between 1 July 2024 and the date of this report.

Home of Bullion (EL23186) Mineral Resource Estimate

Table 1: 2023 Review

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	480	3.6	4.6	2.7	3.4	53	1.5	0.3	0.03
Inferred	2,580	3.8	2.6	1.5	1.8	32	1.0	0.1	0.02
Total	3,100	3.7	2.9	1.7	2.0	35	1.1	0.17	0.02

¹ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 & 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

² For details of material factors contributing to the copper equivalent (CuEq), refer to page 66 Table 2.

Notes:

1. Tonnages and grades are rounded to two significant figures. Discrepancies in totals may exist due to rounding.
2. All lodes reported at a 0.5% CuEq cut-off. A cut-off grade of 0.5% CuEq is consistent with other comparable copper deposits and can be demonstrated to be break even for base processing costs at approximately US\$45/t ore. (Cut off (%) = processing cost / (recovery * price [per % unit]). For example, 0.5 = 45 / (0.9 * 100).
3. $\text{CuEq} = \text{Cu} + (\text{Zn} \times 0.25) + (\text{Ag} \times 83.49) + (\text{Au} \times 5940) + (\text{Pb} \times 0.19) + (\text{Co} \times 4.29)$; all elements in ppm. Material factors contributing to CuEq values i.e. assumed metal prices and recoveries are listed in Table 2.

As set out in **Table 1**, the updated total Mineral Resource Estimate is of 3.1 million tonnes at an average grade of 1.7% copper, 2.0% zinc, 35 grams per tonnes silver, 1.1% lead, 0.17 parts per million gold and 0.02% cobalt. Expressed as a copper equivalent, this is 3.1 million tonnes at an average grade of 2.9% copper equivalent. When compared with the previous estimate, the tonnage has increased by 0.6 mt or 24% and the grade by 0.1% CuEq or 4%. Contained copper equivalent has increased from 70,000 tonnes to 89,900 tonnes of metal – an increase of 19,900 tonnes or 28%.

The deposit consists of two lodes, the Main Lode and the South Lode. In addition, a low-grade footwall unit ("LGFW") has been modelled that abuts the South Lode footwall contact.

Table 2: Metal Price and Recovery Assumptions

Metal	Prices	Units	Recoveries
Cu	8,900	US\$/t	0.9
Zn	3,300	US\$/t	0.6
Ag	26	US\$/troy oz	0.8
Au	1,850	US\$/troy oz	0.8
Pb	2,500	US\$/t	0.6
Co	57,300	US\$/t	0.6

Notes:

1. All lodes have been reported at 0.5% Cu equivalent ("CuEq")³.
2. CuEq, as well as the six estimated elements, are reported. CuEq has been calculated from the block estimates on a block-by-block basis.
3. Copper equivalent is calculated as follows:

³ Eastern Metals Ltd (ASX:EMS) ASX Announcements 8 & 10 March 2023, "Resource Grows at Home of Bullion Copper Project".

4. $\text{CuEq} = \text{Cu} + (\text{Zn} \times 0.25) + (\text{Ag} \times 83.49) + (\text{Au} \times 5904) + (\text{Pb} \times 0.19) + (\text{Co} \times 4.29)$ (all elements in ppm)
5. This calculation is based on the assumed metal prices and recoveries in **Table 2**.
6. A cut-off grade of 0.5% CuEq is consistent with other comparable copper deposits and can be demonstrated to be break even for base processing costs at approximately US\$45/t ore. Cut-off (%) = processing cost / (recovery * price [per % unit]). For example, $0.5 = 45 / (0.9 \times 100)$.

It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Table 3: 2022 Review

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	470	3.6	2.8	-	3.4	56	1.6	0.30	0.03
Inferred	2,000	3.7	1.6	-	1.7	31	1.0	0.11	0.02
Total	2,500	3.7	1.8	-	2.0	36	1.2	0.14	0.02

Table 4: 2021 (refer to Prospectus dated 18 August 2021)

Home of Bullion	Tonnes (kt)	Density	CuEq (%)	Cu (%)	Zn (%)	Ag (ppm)	Pb (%)	Au ppm	Co (%)
Indicated	470	3.6	2.8	-	3.4	56	1.6	0.30	0.03
Inferred	2,000	3.7	1.6	-	1.7	31	1.0	0.11	0.02
Total	2,500	3.7	1.8	-	2.0	36	1.2	0.14	0.02

Corporate

Divestment of the Thomson Project NSR

On 5 May 2025, The Company signed a binding Heads of Agreement to sell its 1.5% net smelter royalty ("NSR") over the Thomson Project to Red Hill Minerals Ltd (ASX: RHI) for \$220,000 cash plus GST.

The royalty had originally been granted to the Company as part of the Company's sale of the Thomson Project to Legacy Minerals Holdings Ltd (ASX: LGM) in June 2024. The sale represented a full divestment of EMS's remaining interest in the project.

Capital Raisings

On 20 May 2024, the Company announced a placement totalling 31,250,000 Company shares for \$0.032 each in two tranches. 16,400,000 shares were issued on 24 May 2024 for \$0.032 each ("Tranche 1"). 14,850,000 shares were issued on 16 July 2024 for \$0.032 each ("Tranche 2").

On 24 April 2025, the Company announced that it had secured firm commitments for an Initial Placement to raise \$250,000 (before costs) through the issue of 25,000,000 ordinary shares at \$0.01 per share. Each share carried one attaching unlisted option for no additional consideration, exercisable at \$0.015 and expiring three years from the date of issue. 25,000,000 ordinary shares were issued on 9 May 2025 for \$0.01 each.

Proceeds were allocated to transaction-related expenses, general working capital, and placement costs.

Refer to Note 5 for further details.

The issue of the 25,000,000 attaching unlisted option for no additional consideration is part of the Raptor transaction and subject to shareholders' approval.

Refer to Note 14 for further details.

Events Subsequent to the Reporting Date

There are no matters or circumstances that have arisen since the end of the year which significantly affected, or may significantly affect, the operations of the Company, the results of these operations or the Company's state of affairs in future financial years, excepting:

Raptor Resources Limited

As announced on 24 April 2025 the Company entered a non-binding commercial term sheet in respect of a proposed transaction under which the Company would acquire all the issued capital in Raptor Resources Limited ("RRL" or "Raptor") subject to certain terms and conditions.

As announced on 11 July 2025, the Company and RRL continued to advance that transaction, however via a revised transaction structure potentially involving the Company acquiring all the issued capital of RRL via a takeover bid or scheme of arrangement on account of RRL continuing to be a public company with more than 50 members.

Furthermore, the Company advised that the proposed terms of the capital raising have been modified, such that a minimum of \$4,000,000 and a maximum of \$5,000,000 (both before costs) will be raised through the issue of shares at \$0.02 per Company share via a placement to sophisticated and professional investors (after an anticipated one for two share consolidation).

There can be no certainty the proposed transaction will ultimately proceed whether on the current or alternative terms.

Australian Gold and Copper Ltd (ASX: AGC)

As announced on 5 August 2025, the Company executed a binding tenement sale agreement with Australian Gold and Copper Ltd (ASX: AGC) for the sale of its Browns Reef Project, located adjacent to AGC's existing South Cobar Project in NSW.

The Browns Reef Project comprises four NSW tenements (EL6321, EL9136, EL9180 and EL9565).

The Company anticipates that this sale will require the approval of shareholders under Chapter 11 of the ASX Listing Rules and expects to put this resolution to shareholders at the general meeting to be convened to approve the Raptor transaction.

Under the terms of the Agreement, AGC paid the Company an immediate cash deposit of \$200,000 with the balance of \$1,300,000 in AGC ordinary shares paid on completion of the agreement ("Completion Date"), at an issue price equivalent to AGC's 5-day VWAP prior to the Completion Date.

The cash deposit is non-refundable unless the Company fails to hold a general meeting to approve the tenement sale before 31 October 2025.

Following completion, the Company will make an in-specie distribution of AGC shares to the value of \$700,000 to existing Company shareholders, ahead of the capital raising associated with the Raptor transaction.

The sale is expected to provide an immediate benefit of approximately 0.5 cents per Company share for existing Company shareholders, while retaining their exposure to the Browns Reef Project and any synergies from the combination of this project with AGC's existing South Cobar Project assets.

The Company will retain the balance of \$600,000 in AGC shares, as an ongoing strategic investment which the Company expects will be escrowed for six months.

The sale is expected to complete following the approval of Company shareholders at a Company general meeting to consider this and the Raptor transaction.

The Company remains committed to the Raptor transaction (in the absence of a superior proposal) which values the Company's shares at 1.0 cent each (prior to an anticipated one for two share consolidation) which was the last price that the Company's shares were traded prior to suspension and the price at which the Company raised \$250,000 on 9 May 2025.

Significant Changes in the State of Affairs

There were no other significant changes in the state of affairs of the Company during the financial year.

Likely Developments and Expected Results of Operations

The Company intends to continue its exploration and development activities on its existing projects and to acquire further suitable projects for exploration as opportunities arise.

Environmental Regulation

The Board believes that the Company has adequate systems in place for the management of its environmental requirements.

Based on results of enquiries made, the Directors are not aware of any significant breaches during the period covered by this report.

Directors' Meetings

During the year ended 30 June 2025, there were eleven Board meetings, one Audit Committee meeting and no Remuneration Committee meetings where Directors were eligible to attend and attended in person or by alternate during the financial year:

Director	Board Meetings		Audit and Risk Committee Meetings		Remuneration Committee Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended	Eligible to Attend	Attended
Ian White	11	11	2	2	1	1
Mark Dugmore	11	11	2	2	1	1
Greg Starr (appointed 10 February 2025)	3	3	1	1	-	-
Bob Duffin (resigned 15 October 2024)	4	4	1	1	-	-
Jason Berton (resigned 11 February 2025)	8	8	1	1	-	-

Movements in Securities Held by Directors

The relevant interest of each director in the Company's ordinary fully paid shares and options over shares issued by the Company, at the date of this report is as follows:

Shares

Director	Balance of Shares at 1 July or date of appointment, as applicable	Shares purchased on market during the period	Balance of Shares at the date of the Directors' Report or date of resignation, as applicable
	Number	Number	Number
2025			
Ian White	165,000	-	165,000
Mark Dugmore	-	-	-
Greg Starr (appointed 10 February 2025)	-	-	-
Bob Duffin (resigned 15 October 2024)	17,766,667	-	17,766,667
Jason Berton (resigned 11 February 2025)	-	-	-
2024			
Ian White	165,000	-	165,000
Mark Dugmore	-	-	-
Bob Duffin	16,166,667	1,600,000	17,766,667
Jason Berton	-	-	-

Unquoted Options

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Balance of Options at 1 July or date of appointment, as applicable	Options expired during the period	Balance of Options at the date of the Directors' Report or date of resignation, as applicable
				Number	Number	Number
2025						
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	27,500	-	27,500
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	(1,000,000)	-
	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	(1,000,000)	-
2024						
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	27,500	-	27,500
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000

REMUNERATION REPORT

This report outlines the remuneration arrangements in place for key management personnel of the Company. Remuneration is referred to as compensation throughout this report.

Remuneration Policy

Directors and key management personnel have authority and responsibility for planning, directing and controlling the activities of the Company.

Compensation levels for key management personnel of the Company will be competitively set to attract and retain appropriately qualified and experienced Directors, executives and future executives. Current remuneration levels are driven largely by the requirement to conserve cash within the Company. There were no remuneration consultants used to set the remuneration of key management personnel.

The compensation structures explained below are designed to attract suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures take into account:

- the capability and experience of the key management personnel
- the key management personnel's ability to control the Company's performance
- the Company's performance including:
 - the Company's earnings;
 - the growth in the Company's share price and delivering constant returns on shareholder wealth; and
 - the amount of incentives within each key management person's compensation.

Compensation packages will include a mix of fixed and variable compensation, and short-term and long-term performance-based incentives.

In addition to their salaries, the Company also provides non-cash benefits to its key management personnel, and where applicable, contributes to the individual's elected post-employment superannuation plan on their behalf.

Contract Terms and Conditions

The determination of Directors' remuneration is made by the Board having regard to the current position of the Company, in that it is not in production and continues to prioritise cash being used for exploration.

The Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company.

The Board reviews remuneration to reflect current industry norms, and determines remuneration policies and practices generally, reviews and makes specific decisions on the remuneration packages and other terms of employment of its directors and senior executives.

No Director's remuneration package includes terms for redundancy, retirement or termination benefits. No such amounts were accrued or paid for any Director during the current financial year.

Terms of Employment

During the year ended 30 June 2025, no options (2024: 2,600,000 unquoted options) were granted by the Company in accordance with the Company's employee share and option plan. None of the options granted in 2024 were subject to escrow:

Exercise Price	Vesting Date	Expiry Date	Number
2024			
\$0.10	7 Jul 2023	9 Jun 2026	600,000
\$0.10	23 Aug 2023	9 Jun 2026	2,000,000
			2,600,000

Each option is exercisable into one Company ordinary fully paid share for the exercise price.

Other than as disclosed in this report, there are no entitlements for the Company's option holders to participate in new issues of capital which may be offered to the Company's existing ordinary shareholders.

The Company prohibits those entities which are granted share-based payments as part of their remuneration from entering other arrangements that limit their exposure to losses that would result from share price decreases. Entering such arrangement is prohibited by law.

Options Issued to Directors or Executives

Options were previously granted to Directors, or their nominees, in lieu of market determined cash remuneration. The options were granted at no cost to the recipient.

There are no entitlements for the Company's option holders to participate in new issues of capital, which may be offered to the Company's existing ordinary shareholders. No options were exercised by Directors during the financial year ended 30 June 2025 (2024: Nil).

Unquoted Options Granted as Remuneration

The movement during the year in the number of unquoted options of the Company granted as remuneration, held, directly, indirectly or beneficially, by each specified Director including their personally related entities, is as follows:

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Balance of Options at 1 July or date of appointment, as applicable	Options expired during the period	Balance of Options at the date of the Directors' Report or date of resignation, as applicable
				Number	Number	Number
2025						
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Bob Duffin (resigned 15 October 2024)	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	(1,000,000)	-
Bob Duffin	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	(1,000,000)	-
2024						
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	-	1,000,000
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000
Bob Duffin	\$0.10	Not applicable	9 Jun 2026	1,000,000	-	1,000,000
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	1,000,000

Options Vesting Profiles

Details of vesting profiles of the options granted as remuneration to each key management person of the Company and each of the named key management persons are detailed below:

Director	Exercise Price	ASX Escrow Expiry Date	Option Expiry Date	Number	Vested at the end of the reporting period		Lapsed during the reporting period	
Year ended 30 June 2025					2025	2024	2025	2024
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	100.0%	66.7%	-	-
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	100.0%	66.7%	-	-
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	100%	100.0%	-
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	-	100%	100.0%	-
Year ended 30 June 2024					2024	2023	2024	2023
Ian White	\$0.30	Not applicable	7 Dec 2025	1,000,000	66.7%	33.3%	-	-
Mark Dugmore	\$0.30	Not applicable	7 Dec 2025	1,000,000	66.7%	33.3%	-	-
Bob Duffin	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-
Jason Berton	\$0.30	25 Oct 2023	14 Oct 2024	1,000,000	100.0%	100%	-	-

Directors' Remuneration for the Year Ended 30 June 2025

Details of the nature and amount of each major element of remuneration of each Director of the Company and other key management personnel of the Company are:

Director / Key Management Person		Short-term				Post employment	Other long term	Termination benefits	Share-based payments	Total	Proportion of remuneration performance related	Value of options as proportion of remuneration
		Salary & fees	Consulting fees	Cash bonus	Non-monetary benefits	Total	Super-annuation benefits		Options ⁴			
		\$	\$	\$	\$	\$	\$	\$	\$	\$		
Ian White (Non-Executive Director, appointed 4 Oct 2022 as Director and 11 Feb 2025 as Chairman)	2025	52,679	-	-	-	52,679	-	-	-	52,679	-	-
	2024	45,000	-	-	-	45,000	-	-	-	45,000	-	-
Mark Dugmore (Non-Executive Director, appointed 4 Oct 2022)	2025	45,000	-	-	-	45,000	-	-	-	45,000	-	-
	2024	45,000	-	-	-	45,000	-	-	-	45,000	-	-
Greg Starr (Non-Executive Director, appointed 10 Feb 2025)	2025	18,750	-	-	-	18,750	-	-	-	18,750	-	-
	2024	-	-	-	-	-	-	-	-	-	-	-
Bob Duffin (Non-Executive Chairman resigned 15 Oct 2024)	2025	16,250	-	-	-	16,250	-	-	-	16,250	-	-
	2024	65,000	-	-	-	65,000	-	-	-	65,000	-	-
Jason Berton (Non-Executive Director, appointed 4 Nov 2024 as Chairman and resigned 11 Feb 2025 as a Director)	2025	31,250	-	-	-	31,250	-	-	-	31,250	-	-
	2024	45,000	-	-	-	45,000	-	-	-	45,000	-	-
Ley Kingdom (Chief Executive Officer, appointed 7 Aug 2023 and resigned 2 May 2025)	2025	239,183	-	-	-	239,183	26,334	-	-	265,517	-	-
	2024	221,154	-	-	-	221,154	24,327	-	48,149	293,630	16.40%	16.40%
	2025	403,112	-	-	-	403,112	26,334	-	-	429,446	-	-
Total compensation	2024	421,154	-	-	-	421,154	24,327	-	48,149	493,630	9.75%	9.75%

END OF REMUNERATION REPORT

⁴ The fair value of the options is calculated at the date of grant using the Black Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

Shares Under Option

Each option offers the holder the right to be issued one ordinary fully paid Company share upon payment of the exercise price to the Company. No options were exercised during the period (2024: Nil).

Expiry date	Exercise Price	Options outstanding 1 July Number	Options granted during the period Number	Options expired during the period Number	Options outstanding at the date of this Directors' Report Number
2025					
14 October 2024	\$0.30	24,250,000	-	(24,250,000)	-
17 February 2025	\$0.30	300,000	-	(300,000)	-
7 December 2025	\$0.30	2,000,000	-	-	2,000,000
9 June 2026	\$0.10	20,337,701	-	-	20,337,701
18 July 2027	\$0.06	-	10,000,000	-	10,000,000
		46,887,701	10,000,000	(24,550,000)	32,337,701
2024					
14 October 2024	\$0.30	24,250,000	-	-	24,250,000
17 February 2025	\$0.30	300,000	-	-	300,000
7 December 2025	\$0.30	2,000,000	-	-	2,000,000
9 June 2026	\$0.10	17,737,701	2,600,000	-	20,337,701
18 July 2027	\$0.06	-	5,000,000	-	5,000,000
		44,287,701	7,600,000	-	51,887,701

Indemnification and Insurance of Officers and Auditor

The Company indemnifies current and former Directors and Officers for any loss arising from any claim by reason of any specified act committed by them in their capacity as a Director or Officer (subject to certain exclusions as required by law).

The Company has paid insurance premiums in respect of directors' and officers' liability. Insurance cover relates to liabilities that may arise from their position (subject to certain exclusions as required by law).

Details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' liability insurance are not disclosed. Such disclosure is prohibited under the terms of the policy.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such by an officer or auditor.

Audit Services

During the year ended 30 June 2025, the Company expensed an amount of \$46,600 (2024: \$44,400) payable to its auditor, RSM Australia Partners, for audit services provided to the Company.

Non-Audit Services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 24 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), 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 as disclosed in Note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- All non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- None of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company Who Are Former Partners Of RSM Australia Partners

There are no officers of the company who are former partners of the Company's Auditor RSM Australia Partners.

Proceedings on Behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

Lead Auditor's Independence Declaration

The lead auditor's independence declaration made under Section 307C of the *Corporations Act 2001* (Cth) is set out on page 54.

Previously Reported Information

Information in this report is extracted from reports lodged as market announcements referred to above and available on the Company's website www.easternmetals.com.au or on the ASX website www.asx.com.au.

The Company confirms that it is not aware of any new information that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the original market announcements.

Signed in accordance with a resolution of the Board of Directors.

A handwritten signature in dark ink, appearing to read 'Ian White', is positioned above the printed name.

Ian White, Chairman

Sydney

29 September 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**Year Ended 30 June 2025**

	Note	Year ended 30 June 2025	Year ended 30 June 2024
		\$	\$
Other Income	20	434,810	79,589
Expenses			
Exploration & evaluation expenses	10	(1,064,402)	(974,648)
Administration expenses	21	(1,094,701)	(912,698)
Share based payments expense	5	(73,525)	(85,509)
Total expenses		(2,232,628)	(1,972,855)
Loss before income tax		(1,797,818)	(1,893,266)
Income tax benefit	22	-	-
Net loss attributable to the members of the Company		(1,797,818)	(1,893,266)
Other comprehensive income, net of income tax		-	-
Total comprehensive loss for the year		(1,797,818)	(1,893,266)
		Cents	Cents
Loss per share – basic	23	(1.37)	(2.25)
Loss per share – diluted	23	(1.37)	(2.25)

The above Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying Notes.

STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Note	30 June 2025 \$	30 June 2024 \$
Assets			
Current assets			
Cash and cash equivalents	9	276,072	1,045,868
Other receivables		2,146	119,207
Total current assets		278,218	1,165,075
Exploration and evaluation assets	10	840,148	840,148
Tenement deposits		100,069	127,069
Plant and equipment	7	10,198	35,706
Total non-current assets		950,415	1,002,923
Total assets		1,228,633	2,167,998
Liabilities			
Current liabilities			
Trade and other payables		317,260	218,929
Total current liabilities		317,260	218,929
Total non-current liabilities		-	-
Total liabilities		317,260	218,929
Net assets		911,373	1,949,069
Equity			
Issued capital	5	9,876,474	9,143,774
Share based payment reserve	5	373,182	1,736,518
Capital raising costs	8	(1,300,744)	(1,165,024)
Accumulated losses		(8,037,539)	(7,766,199)
Net equity		911,373	1,949,069

The above Statement of Financial Position should be read in conjunction with the accompanying Notes.

STATEMENT OF CHANGES IN EQUITY**Year Ended 30 June 2025**

	Note	Ordinary fully paid shares	Accumulated Losses	Share based payment reserve	Capital raising costs	Total Equity
		\$	\$	\$	\$	\$
Balance at 1 July 2024	5	9,143,774	(7,766,199)	1,736,518	(1,165,024)	1,949,069
Net loss attributable to the members of the Company		-	(1,797,818)	-	-	(1,797,818)
Other comprehensive income for the year, net of tax		-	-	-	-	-
Total comprehensive income for the year		-	(1,797,818)	-	-	(1,797,818)
Contributions of equity and related capital raising costs	5	732,700	-	-	(135,720)	596,980
Expired options that were unexercised	5	-	1,526,478	(1,526,478)	-	-
Equity settled share-based payments for the year	5	-	-	163,142	-	163,142
Balance at 30 June 2025		9,876,474	(8,037,539)	373,182	(1,300,744)	911,373
Balance at 1 July 2023	5	8,618,974	(5,872,933)	1,651,009	(1,124,465)	3,272,585
Net loss attributable to the members of the Company		-	(1,893,266)	-	-	(1,893,266)
Other comprehensive income for the year, net of tax		-	-	-	-	-
Total comprehensive income for the year		-	(1,893,266)	-	-	(1,893,266)
Contributions of equity and related capital raising costs	5	524,800	-	-	(40,559)	484,241
Equity settled share-based payments for the year	5	-	-	85,509	-	85,509
		524,800	-	85,509	(40,559)	569,750
Balance at 30 June 2024		9,143,774	(7,766,199)	1,736,518	(1,165,024)	1,949,069

The above Statement of Changes in Equity should be read in conjunction with the accompanying Notes.

STATEMENT OF CASH FLOWS**Year Ended 30 June 2025**

	Note	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Cash flows used in operating activities			
Interest received		5,767	27,746
Proceeds from government grants	20	62,387	-
Payments for exploration and evaluation assets expensed		(1,147,076)	(886,478)
Payments to suppliers and employees		(839,573)	(936,959)
Net cash used in operating activities	6	(1,918,495)	(1,795,691)
Cash flows used in investing activities			
Proceeds from sale of Thomson Project (including royalties)		420,000	-
Proceeds from refund of tenement deposits		27,000	-
Proceeds from sale of plant and equipment	7	22,659	-
Payments for plant and equipment	7	(7,557)	-
Net cash used in investing activities		462,102	-
Cash flows from financing activities			
Proceeds from shares issued	5	725,200	524,800
Payments for capital raising costs	8	(38,603)	(40,559)
Net cash generated from financing activities		686,597	484,241
Net decrease in cash and cash equivalents		(769,796)	(1,311,450)
Opening cash and cash equivalents at 1 July		1,045,868	2,357,318
Closing cash and cash equivalents at 30 June	9	276,072	1,045,868

The above Statement of Cash Flows should be read in conjunction with the accompanying Notes.

NOTES TO THE FINANCIAL STATEMENTS

Year Ended 30 June 2025

General Information

The financial statements cover Eastern Metals Limited ("the **Company**") as an individual entity. The financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

A description of the nature of the Company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 29 September 2025.

The Notes to the financial statement are set out in the following main sections:

A KEY FINANCIAL INFORMATION AND PREPARATION BASIS page 26

B RISK AND JUDGEMENT page 39

C KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES page 42

D OTHER DISCLOSURES page 43

A. KEY FINANCIAL INFORMATION AND PREPARATION BASIS

This section sets out the basis upon which the Company's financial statements have been prepared as a whole and explains the results and performance of the Company that the Directors consider most relevant in the context of the operations of the entity.

1. Statement of Compliance

The Company's financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (**AASB**) and the *Corporations Act 2001* (Cth). The Company's financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (**IASB**).

2. Historical cost convention

The financial report is prepared on the historical cost basis other than share-based payment transactions that are assessed at fair value.

3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates

*Notes to the Financial Statements (continued)***3. Critical accounting judgements, estimates and assumptions (continued)**

and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the financial year are discussed below.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the reporting period but may impact profit or loss and equity. Refer to Note 5 for further information.

Exploration and evaluation costs

Exploration and evaluation expenditure is charged against profit and loss as incurred except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the Company considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

4. Going Concern

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

As disclosed in the financial statements, the Company incurred a net loss after tax of \$1,797,818 and had net cash outflows from operating activities of \$1,918,495 for the year ended 30 June 2025. As at that date the Company had net current liabilities of \$39,042.

These factors indicate a material uncertainty which may cast significant doubt as to whether the Company will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The Directors believe that there are reasonable grounds to believe that the Company will be able to continue as a going concern, after consideration of the following factors:

- The Company has cash resources of \$276,072 as at 30 June 2025;
- As stated in Note 14, on 5 August 2025, the Company executed a binding tenement sale agreement with Australian Gold and Copper Ltd (ASX: AGC) for the sale of its Browns Reef Project. Under the terms of the Agreement, AGC paid the Company an immediate cash deposit of \$200,000 with the balance of \$1,300,000 in AGC ordinary shares to be paid on

Notes to the Financial Statements (continued)

completion of the agreement. The cash deposit is non-refundable unless the Company fails to hold a general meeting to approve the tenement sale before 31 October 2025. Following completion, the Company will make an in-specie distribution of AGC shares to the value of \$700,000 to existing Company shareholders. The Company will retain the balance of \$600,000 in AGC shares, as an ongoing strategic investment which the Company expects will be escrowed for six months.

- As stated in Note 14, on 24 April 2025 the Company entered a non-binding commercial term sheet in respect of a proposed transaction under which the Company would acquire all the issued capital in Raptor Resources Limited ("RRL" or "Raptor") subject to certain terms and conditions. As announced on 11 July 2025, the Company and RRL continued to advance that transaction, however via a revised transaction structure potentially involving the Company acquiring all the issued capital of RRL via a takeover bid or scheme of arrangement on account of RRL continuing to be a public company with more than 50 members. The proposed terms of the capital raising have been modified, such that a minimum of \$4,000,000 and a maximum of \$5,000,000 (both before costs) will be raised through the issue of shares at \$0.02 per Company share via a placement to sophisticated and professional investors. There can be no certainty the proposed transaction will ultimately proceed whether on the current or alternative terms.
- The Company has net assets of \$911,373 as at 30 June 2025;
- The Company has the ability to scale back its exploration activities should funding not be available.

Accordingly, the Directors believe that the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Company does not continue as a going concern.

Notes to the Financial Statements (continued)

5. Capital and Reserves

Ordinary shares are classified as equity.

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 Capital

Ordinary shares issued and fully paid	Date	Number of shares	Issue Price per share	\$
2025				
Balance	1 Jul 2024	98,826,245		9,143,774
Share issue – cash	16 Jul 2024	14,850,000	\$0.032	475,200
Share issue - cash	9 May 2025	25,000,000	\$0.01	250,000
		39,850,000		725,200
Share issue – non - cash	9 May 2025	750,000	\$0.01	7,500
Shares issued during the year ended 30 June 2025		40,600,000		732,700
Balance	30 June 2025	139,426,245		9,876,474
2024				
Balance	1 Jul 2023	82,426,245		8,618,974
Share issue – cash	24 May 2024	16,400,000	\$0.032	524,800
Balance	30 June 2024	98,826,245		9,143,774

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

Ordinary shares have no par value.

No dividends have been declared or paid by the Company during or since the end of the financial year.

The Company's Board may resolve that the whole or any portion of profits, reserve or other account which is available for distribution, be distributed to shareholder in the same proportions in which they would be entitled to receive it if distributed by way of dividend, or in accordance with relevant terms of issue of any shares or securities.

If the Company is wound up, whether voluntarily or otherwise, the liquidator may divide among all or any of the contributories, as the liquidator thinks fit, in specie or in kind, any part of the assets of the Company, and may vest any part of the assets of the Company in trustees for the benefit of all or any of the contributories as the liquidator thinks fit.

In the event of winding up of the Company, ordinary shareholders rank after creditors and are entitled to any proceeds of liquidation.

Notes to the Financial Statements (continued)

5. Capital and Reserves (continued)**Options**

Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option. The options do not entitle the holder to participate in any share issue of the Company or any other body corporate.

During the year ended 30 June 2025 there were no shares issued on the exercise of options (2024: Nil). 10,000,000 unquoted options were granted during the year ended 30 June 2025 (2024: 2,600,000).

Details of options over ordinary shares in the Company that were granted and vested during the year ended 30 June 2025 are as follows:

Expiry date	Exercise Price	Options outstanding 1 July		Options granted during the year	Options vested during the year	Options expired during the year	Options outstanding 30 June	
		Vested Number	Unvested Number				Vested Number	Unvested Number
2025								
14 Oct 2024	\$0.30	24,250,000	-	-	-	(24,250,000)	-	-
17 Feb 2025	\$0.30	300,000	-	-	-	(300,000)	-	-
7 Dec 2025	\$0.30	1,333,332	666,668	-	666,668	-	2,000,000	-
9 Jun 2026	\$0.10	20,337,701	-	-	-	-	20,337,701	-
18 July 2027	\$0.06	-	-	10,000,000	10,000,000	-	10,000,000	-
		46,221,033	666,668	10,000,000	10,666,668	(24,550,000)	32,337,701	-
2024								
14 Oct 2024	\$0.30	24,250,000	-	-	-	-	24,250,000	-
17 Feb 2025	\$0.30	300,000	-	-	-	-	300,000	-
7 Dec 2025	\$0.30	666,666	1,333,334	-	666,666	-	1,333,332	666,668
9 Jun 2026	\$0.10	17,737,701	-	2,600,000	2,600,000	-	20,337,701	-
		42,954,367	1,333,334	2,600,000	3,266,666	-	46,221,033	666,668

Notes to the Financial Statements (continued)

5. Capital and Reserves (continued)

24,550,000 options were exercised or expired during the year ended 30 June 2025 (2024: Nil). Options expenses for the year ended 30 June 2025 totalled \$73,525 (2024: \$85,509):

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Share based payments expense	73,525	85,509
Share based payments (Capital raising costs capitalised)	89,617	-
	163,142	85,509

Share Based Payment Reserve

	Number of Options Granted	\$
Balance at 1 July 2024	46,887,701	1,736,518
Equity settled share-based payments for the year		
Share based payments expense	5,000,000	73,525
Share based payments capital raising costs	5,000,000	89,617
Options expired unexercised during the year	(24,550,000)	(1,526,478)
Balance at 30 June 2025	32,337,701	373,182
Balance at 1 July 2023	44,287,701	1,651,009
Equity settled share-based payments for the year		
Share based payments expense	2,600,000	85,509
Balance at 30 June 2024	46,887,701	1,736,518

Unquoted Options

The fair value of the unquoted options was calculated at the date of grant using the Black - Scholes option pricing model and allocated to each reporting period evenly over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the options recognised as an expense in each reporting period.

Notes to the Financial Statements (continued)

5. Capital and Reserves (continued)

Fair value at grant date per Option	Share price at grant date	Grant date	Exercise price per option	Expected volatility (weighted average)	Risk free interest rate (based on government bonds)	Dividend yield
2025						
\$0.0179	\$0.031	18 Jul 2024	\$0.06	112.9%	3.96%	0.00%
\$0.0139	\$0.026	16 Aug 2024	\$0.06	113.0%	3.52%	0.00%
2024						
\$0.034	\$0.063	7 Jul 2023	\$0.10	100.4%	3.78%	0.00%
\$0.024	\$0.050	23 Aug 2023	\$0.10	101.0%	3.91%	0.00%

The Company's accounting policy for the treatment of equity-settled share-based payment arrangements granted to employees.

The grant-date fair value of equity-settled share-based payment arrangements granted to employees and consultants is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Capital and Reserves Management

The Company's objectives when managing capital and reserves are to safeguard the Company's ability to continue as a going concern, so as to maintain a strong capital base sufficient to maintain future exploration and development of its projects. In order to maintain or adjust the capital and reserve structure, the Company may return capital to shareholders, issue new shares or sell assets to reduce debt. The Company's focus has been to raise sufficient funds through equity to fund exploration and evaluation activities.

There were no changes in the Company's approach to capital management during the year. Risk management policies and procedures are established with regular monitoring and reporting.

Notes to the Financial Statements (continued)

The Company is not subject to externally imposed capital requirements.

6. Cash Flow Reconciliation

Cash flows from operating activities	Note	Year ended 30 June 2025	Year ended 30 June 2024
		\$	\$
Net loss attributable to members of the Company		(1,797,818)	(1,893,266)
Less: Non-cash expenditure/(income)			
Share based payments expense	5	73,525	85,509
Depreciation expense	21	8,036	9,692
Loss on sale of plant and equipment	21	2,370	-
Income from sale of Thomson Project (including royalties)	20	(370,000)	(50,000)
		(2,083,887)	(1,848,065)
Decrease / (Increase) in other receivables		72,424	(34,032)
Increase in accounts payable and accruals		92,968	86,406
Net cash used in operating activities		(1,918,495)	(1,795,691)

7. Plant and Equipment

	Note	2025	2024
		\$	\$
Opening balance		35,706	45,398
Payments for plant and equipment		7,557	-
Depreciation for the year	21	(8,036)	(9,692)
Proceeds on sale of plant and equipment		(22,659)	-
Loss on sale of plant and equipment	21	(2,370)	-
Closing Balance		10,198	35,706

Notes to the Financial Statements (continued)

8. Capital Raising Costs

	Note	2025	2024
		\$	\$
Opening balance		(1,165,024)	(1,124,465)
Non-cash additions to share issue costs			
Shares issued	5	(7,500)	-
Share based payments capital raising costs	5	(89,617)	-
		(97,117)	-
Cash additions to capital raising costs		(38,603)	(40,559)
Additions to capital raising costs		(135,720)	(40,559)
Closing Balance		(1,300,744)	(1,165,024)

9. Cash and Cash Equivalents

Cash and cash equivalents comprise cash balances and call deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the statement of cash flows presentation purposes, cash and cash equivalents comprise the below.

	2025	2024
	\$	\$
Cash on hand	276,072	1,045,868
Cash and cash equivalents in the statements of cash flows	276,072	1,045,868

Notes to the Financial Statements (continued)

10. Exploration and Evaluation**Exploration & evaluation expenses**

Exploration and evaluation expenses were incurred for the following:

Tenement	2025		2024	
	Cumulative expenditure to 30 June 2025	Expenditure for the year ended 30 June 2025	Cumulative expenditure to 30 June 2024	Expenditure for the year ended 30 June 2024
	\$	\$	\$	\$
EL23186	1,224,040	224,589	999,451	136,699
EL6321	2,378,444	714,878	1,663,566	307,890
EL9565	113,893	18,581	95,312	60,477
EL9136	87,228	19,701	67,527	49,970
EL9180	372,768	12,574	360,194	208,100
EL9190	166,753	8,398	158,355	40,637
EL9194	98,940	3,658	95,282	17,785
EL24253	61,834	12,718	49,116	18,676
EL28615	79,385	6,086	73,299	40,390
EL29475	37,207	8,568	28,639	12,801
EL30797	48,575	10,477	38,098	16,240
EL31292	34,795	7,614	27,181	11,904
EL32027	132,911	15,397	117,514	53,079
New projects	1,163	1,163	-	-
Project evaluation costs	28,894	-	28,894	-
Tenement acquisition costs expensed	56,374	-	56,374	-
	4,923,204	1,064,402	3,858,802	974,648

Notes to the Financial Statements (continued)

10. Exploration and Evaluation (continued)**Exploration & evaluation assets**

Exploration and evaluation assets are stated at cost.

Tenement acquisition costs capitalised

Reconciliations of the carrying values at the beginning and end of the current and previous financial year are set out below:

	2025	2024
	\$	\$
Cost		
Opening balance	840,148	840,148
Closing balance	840,148	840,148
Amortisation		
Opening balance	-	-
Closing balance	-	-
Carrying amounts		
Opening balance	840,148	840,148
Closing balance	840,148	840,148

The Company's accounting policy for the treatment of its exploration and evaluation costs is in accordance with the following requirements.

The accounting policy is to charge exploration and evaluation expenditure against profit and loss as incurred; except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.

Costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the entity has obtained the legal rights to explore an area are recognised in profit or loss.

An exploration and evaluation asset is only recognised in relation to an area of interest if the following conditions are satisfied:

- (a) the rights to tenure of the area of interest are current; and
- (b) at least one of the following conditions is also met:
 - (i) the exploration and evaluation expenditures are expected to be recouped through successful development and exploitation of the area of interest, or alternatively, by its sale; and
 - (ii) exploration and evaluation activities in the area of interest have not at the end of the reporting period reached a stage which permits a reasonable assessment of the existence or

Notes to the Financial Statements (continued)

otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

11. Segment Reporting

An operating segment is a component of the Company that engages in business activities whose operating results are reviewed regularly by the Company's Board and for which discrete financial information is available.

For the year ended 30 June 2025, the Company did not trade and had a single operating segment.

Business and geographical segments

The results and financial position of the Company's single operating segment are prepared on a basis consistent with Australian Accounting Standards and thus no additional disclosures in relation to the revenues, profit or loss, assets and liabilities and other material items have been made. Entity-wide disclosures in relation to the Company's product and services and geographical areas are detailed below.

Products and services

The Company currently provides no products for sale.

Geographical areas

The Company's activities are located solely in Australia.

12. Commitments

Exploration expenditure commitments

Included in the commitments below are tenement maintenance costs only. Work programme costs have been excluded on the basis that there is no contractual obligation to incur such costs. In order to maintain current rights of tenure to exploration tenements, the Company is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the New South Wales Government. There is significant judgement involved in determining whether the work programme costs submitted to the regulator are commitments as defined given that these obligations are subject to renegotiation when application for a mining lease is made and at other times.

As at 30 June 2025, these obligations are not provided for in the financial report and are payable as follows:

Exploration expenditure commitments

	2025	2024
	\$	\$
Within one year	72,773	79,973
One year or later and not later than five years	50,550	48,256
Later than five years	-	-
	123,323	128,229

*Notes to the Financial Statements (continued)***13. Contingencies**

There were no contingent liabilities at 30 June 2025 (2024: \$Nil).

14. Events Subsequent to the Reporting Date

There are no matters or circumstances that have arisen since the end of the year which significantly affected, or may significantly affect, the operations of the Company, the results of these operations or the Company's state of affairs in future financial years, excepting:

Raptor Resources Limited

As announced on 24 April 2025 the Company entered a non-binding commercial term sheet in respect of a proposed transaction under which the Company would acquire all the issued capital in Raptor Resources Limited ("RRL" or "Raptor") subject to certain terms and conditions.

As announced on 11 July 2025, the Company and RRL continued to advance that transaction, however via a revised transaction structure potentially involving the Company acquiring all the issued capital of RRL via a takeover bid or scheme of arrangement on account of RRL continuing to be a public company with more than 50 members.

Furthermore, the Company advised that the proposed terms of the capital raising have been modified, such that a minimum of \$4,000,000 and a maximum of \$5,000,000 (both before costs) will be raised through the issue of shares at \$0.02 per Company share via a placement to sophisticated and professional investors (after an anticipated one for two share consolidation).

There can be no certainty the proposed transaction will ultimately proceed whether on the current or alternative terms.

Australian Gold and Copper Ltd (ASX: AGC)

As announced on 5 August 2025, the Company executed a binding tenement sale agreement with Australian Gold and Copper Ltd (ASX: AGC) for the sale of its Browns Reef Project, located adjacent to AGC's existing South Cobar Project in NSW.

The Browns Reef Project comprises four NSW tenements (EL6321, EL9136, EL9180 and EL9565).

The Company anticipates that this sale will require the approval of shareholders under Chapter 11 of the ASX Listing Rules and expects to put this resolution to shareholders at the general meeting to be convened to approve the Raptor transaction.

Under the terms of the Agreement, AGC paid the Company an immediate cash deposit of \$200,000 with the balance of \$1,300,000 in AGC ordinary shares paid on completion of the agreement ("Completion Date"), at an issue price equivalent to AGC's 5-day VWAP prior to the Completion Date.

The cash deposit is non-refundable unless the Company fails to hold a general meeting to approve the tenement sale before 31 October 2025.

Notes to the Financial Statements (continued)

Following completion, the Company will make an in-specie distribution of AGC shares to the value of \$700,000 to existing Company shareholders, ahead of the capital raising associated with the Raptor transaction.

The sale is expected to provide an immediate benefit of approximately 0.5 cents per Company share for existing Company shareholders, while retaining their exposure to the Browns Reef Project and any synergies from the combination of this project with AGC's existing South Cobar Project assets.

The Company will retain the balance of \$600,000 in AGC shares, as an ongoing strategic investment which the Company expects will be escrowed for six months.

The sale is expected to complete following the approval of Company shareholders at a Company general meeting to consider this and the Raptor transaction.

The Company remains committed to the Raptor transaction (in the absence of a superior proposal) which values the Company's shares at 1.0 cent each (prior to an anticipated one for two share consolidation) which was the last price that the Company's shares were traded prior to suspension and the price at which the Company raised \$250,000 on 9 May 2025.

B. RISK AND JUDGEMENT

This section outlines the key judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period. This section also outlines the significant financial risk the Company is exposed, to which the Directors would like to draw the attention of the readers.

15. Financial Risk Management

Overview

This Note presents information about the Company's exposure to credit, liquidity and market risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Presently, the Company is in exploration phase, therefore does not earn revenue from sales and therefore has no accounts receivables. At the reporting date, there were no significant credit risks in relation to receivables.

Notes to the Financial Statements (continued)

15. Financial Risk Management (continued)**Cash and cash equivalents**

The Company limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable credit rating.

Exposure to credit risk

The carrying amount of the Company's financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk at the reporting date was:

	Note	Carrying Amount	
		2025	2024
		\$	\$
Current			
Cash and cash equivalents	9	276,072	1,045,868
Other receivables excluding prepayments		-	94,282
		276,072	1,140,150

Impairment losses

There were no impairment losses during the year ended 30 June 2025 (2024: \$Nil). Based on historic default rates, the Company believes that no impairment allowance is necessary.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows.

The decision on how the Company will raise future capital will depend on market conditions existing at that time.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Company is not exposed to currency risk and at the reporting date the Company holds no financial assets or liabilities which are exposed to foreign currency risk.

Notes to the Financial Statements (continued)

15. Financial Risk Management (continued)**Interest rate risk**

The Company is exposed to interest rate risk (primarily on its cash and cash equivalents), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Company does not use derivatives to mitigate these exposures. The Company adopts a policy of ensuring that as far as possible it maintains excess cash and cash equivalents in short terms deposit at interest rates maturing over three-month rolling periods.

Profile

At the reporting date the interest rate profile of the Company's and the Company's interest-bearing financial instruments was:

	Interest rate	Carrying amount	Interest rate	Carrying amount
	2025	2025	2024	2024
		\$		\$
Variable rate instruments				
Financial assets	-	276,072	2.07%	1,140,150
Financial liabilities (Trade and other payables excluding accruals)	-	(209,528)	-	(152,693)
		66,544		987,457

16. Impairment

The carrying amounts of the Company's assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Notes to the Financial Statements (continued)

17. Financial Instruments**Effective interest rates and repricing analysis**

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the reporting date and the periods in which they reprice.

	Effective interest rate	Total	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
	%	\$	\$	\$	\$	\$	\$
2025							
Financial assets	-	276,072	276,072	-	-	-	-
Financial liabilities	-	(209,528)	(209,528)	-	-	-	-
		66,544	66,544	-	-	-	-
2024							
Financial assets	2.07%	1,140,150	1,140,150	-	-	-	-
Financial liabilities	-	(152,693)	(152,693)	-	-	-	-
		987,457	987,457	-	-	-	-

C. KEY MANAGEMENT PERSONNEL AND RELATED PARTY DISCLOSURES

This section includes information about key management personnel's remunerations, related parties information and any transactions key management personnel or related parties may have had with the Company during the year.

Notes to the Financial Statements (continued)

18. Key Management Personnel Expenses

The following related party transaction charges for Directors' benefits, were made with the Company on normal terms and conditions and in the ordinary course of business:

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Short term benefits	403,112	421,154
Superannuation benefit	26,334	24,327
Share based payments	-	48,149
	429,446	493,630

At 30 June 2025, \$117,072 unpaid Director fees (2024 \$Nil) were payable to Directors.

19. Key Management Personnel Disclosures**Individual Directors and executive compensation disclosures**

Information regarding individual Directors' and executives' compensation and some equity instruments disclosures are required by Corporation Regulation 2M.3.03.

Apart from the details disclosed in this Note, no Director has entered into a material contract with the Company during the financial year and there were no material contracts involving Directors' interests existing at year-end.

Directors' transactions with the Company

Amounts payable to Directors and their Director related entities for unpaid Directors' fees, statutory superannuation owed to each Director's superannuation fund, and consulting fees at the reporting date totalled \$117,072 (2024: Nil).

D. OTHER DISCLOSURES

This section includes information that the Directors do not consider to be significant in understanding the financial performance and position of the Company but must be disclosed to comply with the Accounting Standards, the *Corporations Act 2001* (Cth) or the Corporations Regulations.

Notes to the Financial Statements (continued)

20. Other Income

	Note	Year ended 30 June 2025 \$	Year ended 30 June 2024 \$
Sale of the Thompson Project - Tenements		150,000	50,000
Sale of the Thompson Project - Royalties		220,000	-
		370,000	50,000
Government grant funding		62,387	-
Interest income		2,423	29,589
		434,810	79,589

21. Administration Expenses

Accounting fees		(36,530)	(49,115)
Audit fees		(46,600)	(44,400)
Computer software & support costs		(3,465)	(7,321)
Consulting expenses		(174,245)	(120,563)
Depreciation	6 and 7	(8,036)	(9,692)
Directors' fees		(163,929)	(200,000)
Insurance		(28,530)	(34,118)
Investor relations		(138,467)	(142,172)
Legal expenses		(186,331)	(28,054)
Loss on sale of plant and equipment	6 and 7	(2,370)	-
Other costs		(3,271)	(6,584)
Regulation and compliance		(56,190)	(69,021)
Salaries and wages (including statutory superannuation)		(430,477)	(502,765)
Less: Salaries and wages classified as exploration		202,261	318,489
Subscriptions		(4,382)	(1,421)
Travel		(14,139)	(15,961)
Total Administration expenses		(1,094,701)	(912,698)

22. Income Tax

Income tax is recognised in the statement of profit or loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Notes to the Financial Statements (continued)

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill, the initial recognition of assets and liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets recorded at each reporting date are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax expense/ income, deferred tax liabilities and deferred tax assets arising from temporary differences are recognised in the financial statements of the Company.

The Company recognises deferred tax assets arising from unused tax losses to the extent that it is probable that future taxable profits of the Company will be available against which the asset can be utilised.

Any subsequent period adjustments to deferred tax assets arising from unused tax losses as a result of revised assessments of the probability of recoverability is recognised by the Company.

Notes to the Financial Statements (continued)

22. Income Tax (continued)**Numerical reconciliation between tax benefit and pre-tax net loss**

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Net loss attributable to the members of the Company	(1,797,818)	(1,893,266)
Prima facie Income tax benefit at a tax rate of 25.0% (2024: 25.0%)	449,455	473,317
Permanent differences		
Options expense	(18,381)	(21,377)
Non-deductible expenses	(510)	-
Capital expenditure deductible	22,998	32,428
	453,562	484,368
Temporary differences	(21,902)	(52,126)
Decrease in income tax benefit due to:		
Income tax losses not recognised	(431,660)	(432,242)
Income tax benefit on pre-tax net loss	-	-

Temporary differences

	2025	2024
	\$	\$
Deferred tax liability	-	-
Deferred tax asset	21,902	52,126
	21,902	52,126

Unrecognised deferred tax assets

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Revenue tax losses	9,385,739	7,736,972

The tax losses do not expire under current legislation though these losses are subject to testing under loss recoupment rules in order for them to be utilised. Deferred tax assets have not been recognised in respect of this item because, at this time, it is not probable that future taxable profit will be available against which the benefits can be offset.

At 30 June 2025, the Company had no franking credits available for use in subsequent reporting (2024: \$Nil).

Notes to the Financial Statements (continued)

23. Earnings per Share

Basic earnings per share ("EPS") is calculated by dividing the net profit or loss attributable to members of the Company for the financial year, after excluding any costs of servicing equity (other than ordinary shares and converting preference shares classified as ordinary shares for EPS calculation purposes), by the weighted average number of ordinary shares of the Company, adjusted for any bonus issue. Diluted EPS is calculated by dividing the basic EPS earnings, adjusted by the after-tax effect of financial costs associated with dilutive ordinary shares and the effect on revenues and expenses of conversion to ordinary shares associated with dilutive potential ordinary shares, by the weighted average number of ordinary and dilutive potential ordinary shares adjusted for any bonus issue.

The calculation of basic and diluted loss per share for the year ended 30 June 2025 was based on the net loss attributable to ordinary shareholders of \$1,797,818 (2024: \$1,893,266) and a weighted average number of ordinary shares outstanding during the year ended 30 June 2025 of 131,543,779 (2024: 84,084,168) calculated as follows:

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Net loss attributable to the members of the Company	(1,797,818)	(1,893,266)
Weighted average number of ordinary shares		
Undiluted Number of Shares	Number	Number
Issued ordinary shares at beginning of the year	113,676,245	82,426,245
Effect of share issues 24 May 2024	-	1,657,923
Effect of share issues 16 July 2024	14,199,041	-
Effect of share issues 9 May 2025	3,668,493	-
Weighted average number of ordinary shares used in calculating basic and diluted profit per share	131,543,779	84,084,168
	Cents	Cents
Loss per share – basic	(1.37)	(2.25)
Loss per share – diluted	(1.37)	(2.25)

38,680,441 potential shares were excluded from the calculation of diluted loss per share because they are antidilutive for the year ended 30 June 2025 (2024: 49,181,144).

Notes to the Financial Statements (continued)

24. Auditor's Remuneration

	Year ended 30 June 2025	Year ended 30 June 2024
	\$	\$
Auditor of the Company – RSM Australia Partners		
Review of the interim financial report 31 December	11,600	11,000
Audit of the annual financial report 30 June	35,000	33,400
	46,600	44,400
Income tax and BAS returns preparation, review and lodgement	6,500	6,125
	53,100	50,525

25. Financing Income

Interest revenue is recognised as interest accrues using the effective interest method.

26. GST

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

*Notes to the Financial Statements (continued)***27. New Accounting Standards**

Effective for the first time at 30 June 2025.

The table below summarises the amended reporting requirements that must be applied for the first time for financial years ending on or after 30 June 2025.

Effective for annual reporting periods beginning on or after	Pronouncement
1 January 2024	AASB 2020-1 Amendments to Australian Accounting Standards -Classification of Liabilities as Current or Non-current [AASB 101]
1 January 2024	AASB 2020-6 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date [AASB 101]
1 January 2024	AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants [AASB 101 and AASB Practice Statement 2]
1 January 2024	AASB 2023-3 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants: Tier 2 [AASB 1060]
1 January 2024	AASB 2022-5 Amendments to Australian Accounting Standards - Lease Liability in a Sale and Leaseback [AASB 16]
1 January 2024	AASB 2023-1 Amendments to Australian Accounting Standards- Supplier Finance Arrangements [AASB 7 & AASB 107]
1 January 2024	AASB 2024-1 Amendments to Australian Accounting Standards - Supplier Finance Arrangements: Tier 2 Disclosures [AASB 1060]

Notes to the Financial Statements (continued)

27. New Accounting Standards (continued)

The table below summarises the amended reporting requirements that must be applied for the first time for financial years ending on or after 30 June 2026.

Effective for annual reporting periods beginning on or after	Pronouncement
1 January 2025	AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability [AASB 1, AASB 121 & AASB 1060]
1 January 2026	AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments [AASB 7 & AASB 9]
1 January 2026	AASB 2025-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments: Tier 2 Disclosures [AASB 1060]
1 January 2026	AASB 2024-3 Amendments to Australian Accounting Standards - Annual Improvements Volume 11 [AASB 1, AASB 7, AASB 9, AASB 10 & AASB 107]
1 January 2027	AASB 18 Presentation and Disclosure in Financial Statements
1 January 2027	AASB 2025-1 Amendments to Australian Accounting Standards - Contracts Referencing Nature- dependent Electricity [AASB 7 & AASB 9]
Not applicable ⁵	AASB 2014-10 Amendments to Australian Accounting Standards: Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture AASB 2015-10 Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 AASB 2017-5 Amendments to Australian Accounting Standards Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections

⁵ In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method. However, the AASB cannot legally issue amendments without an operative date. It has therefore initially deferred the application date to 1 January 2018 and subsequently extended this to 1 January 2025. Even though the amendments are not yet mandatory, they can be applied early if an entity elects to do so.

Notes to the Financial Statements (continued)

**Effective for annual
reporting periods
beginning on or after**

Pronouncement

AASB 2021-7 Amendments to Australian Accounting Standards -
Effective Date of Amendments to AASB 10 and AASB 128 and Editorial
Corrections

END OF NOTES

CONSOLIDATED ENTITY DISCLOSURE STATEMENT**Year Ended 30 June 2025**

Eastern Metals Limited ("the **Company**") has no subsidiaries and is not required by Australian Accounting Standards (AAS) to prepare consolidated financial statements and as a result subsection 295(3A)(a) of the *Corporations Act 2001* to prepare a Consolidated Entity Disclosure Statement does not apply to the Company.

Entity Name	Body corporate, partnership or trust	Place incorporated / formed	% of share capital held directly or indirectly by the Company in the body corporate	Australian or Foreign tax resident	Jurisdiction for Foreign tax resident
Parent entity					
Eastern Metals Limited (Company)	Body corporate	New South Wales, Australia	-	Australian	Not applicable

DIRECTORS' DECLARATION

The directors declare that:

- (a) in the directors' opinion, there are reasonable grounds to believe that Eastern Metals Limited ("the Company") will be able to pay its debts as and when they become due and payable;
- (b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the Company;
- (c) the directors have been given the declarations required by s. 295A of the *Corporations Act 2001*; and
- (d) in the directors' opinion, the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the Directors.



Ian White, Chairman

Sydney

29 September 2025

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the financial report of QMines Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

A handwritten signature in blue ink that reads "RSM".**RSM Australia Partners**A handwritten signature in blue ink that reads "GNS".
Gary N Sherwood
Partner

Sydney, NSW
Dated: 29 September 2025

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INDEPENDENT AUDITOR'S REPORT To the Members of Eastern Metals Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Eastern Metals Limited (the Company), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information, and the directors' declaration.

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

- i. giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- ii. 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 Company 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* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the financial report, which indicates that the Company incurred a net loss after tax of \$1,797,818 and had net cash outflows from operating activities of \$1,918,495 for the year ended 30 June 2025. As at that date the Company had net current liabilities of \$39,042. As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Audit Matter	How our audit addressed this matter
Exploration and Evaluation Assets Refer to Note 10 in the financial statements	
The Statement of Profit or Loss and Other Comprehensive Income reflects exploration & evaluation expenses of \$1,064,402 for the year ended 30 June 2025. The exploration & evaluation expenses are considered to be a Key Audit Matter due to the materiality of the expenditure relative to total expenses. The Company's policy is to charge exploration and evaluation expenditure against profit and loss as incurred except for acquisition costs and for expenditure incurred after a decision to proceed to development is made, in which case the expenditure would be capitalised as an asset.	Our audit procedures in relation to the carrying value of exploration & evaluation expenditure included: • Agreeing a sample of the exploration and evaluation expenses during the year to supporting documentation and understanding the nature of the expenses. • Assessing the adequacy of the accounting policy in relation to exploration and evaluation and the related disclosures in the financial statements.
Share-Based Payments Reserve Refer to Note 5 in the financial statements	
During the year, the Company entered into the following share-based payment arrangements: • the reversal of reserve of share-based options offered to employees which were expired and unexercised; - the purchase of services from suppliers through the issue of shares. We consider this to be a key audit matter for the following reasons: • the complexity of the accounting required to value the instruments; • the judgmental nature of inputs into the valuation models, including the likelihood of vesting conditions being met, and the appropriate valuation methodology to apply; • the variety of conditions associated with each instrument; and • the non-routine nature of the transactions. In addition, consideration needs to be given as to whether there is any impairment risk over these assets.	Our audit procedures included, among others: • Making enquiries of management, about the nature of and the rationale behind the instruments issued; • Reviewing the terms and conditions of the instruments issued; • Verifying the mathematical accuracy of the underlying model; • Testing the inputs to the valuation model for reasonableness by: - carrying out sensitivity analysis over some of the assumptions made; - obtaining evidence to justify management's judgements over key inputs; • Recalculating the value of the share-based payment expense to be recognised and the reserve balance, for accuracy, factoring in any cancellations, modifications, expiry, or vesting; and • Reviewing the adequacy of the relevant disclosures, including the disclosures in

	respect of judgments made, in the financial statements.
Sale of Thomson Project & Net Smelter Royalty (NSR) Refer to Note 20 in the financial statements	
On 17 June 2024, the Company agreed to sell exploration licences EL9190 and EL 9194 ("Tenements"), known as the "Thomson Project", for \$200,000. \$50,000 was receivable within 7 days and is reflected as other income in Note 20 for FY24. The balance of \$150,000 was receivable on completion of various conditions precedent that have been fulfilled in FY25 this is reflected as other income in Note 20. The Company had a further contingent asset in the form of a 1.5% Net Smelter Royalty (NSR), on all minerals produced from the Tenements, including mining titles derived from the Tenements. In April 2025, the Company agreed to sell the 1.5% NSR to Royalty Hill Minerals (ASX: RHI) for \$220,000 cash plus 10% GST as reflected in other income in Note 20. We consider this to be a key audit matter for the following reasons: • The transaction is non-routine and potentially complex from an accounting perspective. • the total consideration is potentially material to the audit. • The quantification of the consideration contains an element of judgment on the part of management and the Board. • The potential timing of the recognition of the revenue is relation to the transaction contains an element of judgement. The accounting disclosure are non-routine and bespoke to the transaction.	Our audit procedures included, among others: • Making enquiries with management to understand the nature of the transaction and related accounting considerations. • Reviewing the Tenement Sale Heads of Agreement as well as the related ASX announcements to understand the contractual terms and conditions of the sale agreement and considered the accounting treatment. • Reviewing the accounting treatment for the \$150,000 reflected in other income having consideration of our materiality and the requirements of AASB 15 - Revenue from Contracts. • Testing the receipt of the \$150,000 to bank statements. • Reviewing the accounting treatment for the remaining consideration of \$220,000 for 0.75% NSR, on all minerals produced buy-back option. • Testing the receipt of the \$220,000 to bank statements. • Reviewing the adequacy of the relevant disclosures in the financial statements.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2025 but does not include the financial report and the 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view 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 Company 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 Company 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 the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in page 14 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Eastern Metals Limited, for the year ended 30 June 2025, 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.

RSM

RSM Australia Partners

A handwritten signature in blue ink, appearing to read "G N Sherwood", with the letters "GNS" written to the right of the signature.

G N Sherwood
Partner

Sydney, NSW

Dated: 29 September 2025

ADDITIONAL SHAREHOLDER INFORMATION

Shares

Subject to any rights or restrictions for the time being attached to any class or classes of shares and to the Company's constitution:

1. On a show of hands, every person present in the capacity of a member or a proxy, attorney or representative (or in more than one of those capacities) has one vote; and
2. On a poll, every person present who is a member a proxy or who has cast a direct vote, an attorney or representative has:
 - (a) for each fully paid share that the person holds or represents – one vote; and
 - (b) for each share other than a fully paid share that the person holds or represents - that proportion of one vote that the amount paid (not credited) on the share bears to the total amounts paid and payable on the share (excluding amounts credited). Amounts paid in advance of a call are ignored when calculating the proportion.

At 4 September 2025, issued capital was 139,426,245 ordinary fully paid shares ("**Shares**") held by 540 holders. None of the Shares were escrowed at 4 September 2025.

20 Largest Holders by Name of Ordinary Shares and their Share Holdings at 4 September 2025:

Rank	Name	Number of Shares	% of Issued Capital
1	REC Investment Management Pty Ltd	16,398,667	11.76%
2	Ocean Reef Holdings Pty Ltd	5,150,000	3.69%
3	Fairbrother Holdings Pty Ltd	3,834,956	2.75%
4	Scintilla Strategic Investments Limited	3,800,000	2.73%
5	Khe Sanh Pty Ltd <Trading No 1 A/C>	3,750,000	2.69%
6	Mr Scott Robert Weir <The S R Investment A/C>	3,604,519	2.59%
7	Sailors of Samui Pty Ltd	3,300,000	2.37%
8	Bullseye Geoservices Pty Ltd <Haynes Family A/C>	3,068,851	2.20%
9	Aquiline Nominees Pty Ltd <The Aquiline Family A/C>	2,600,000	1.86%
10	Traditional Securities Group Pty Ltd <LPR Family A/C>	2,500,000	1.79%
10	Aymon Pacific Pty Ltd <Jerezos A/C>	2,500,000	1.79%
10	Capmack Investments Pty Ltd	2,500,000	1.79%
11	Longridge Partners Pty Ltd	2,499,998	1.79%
12	Gary James Jones	2,275,000	1.63%
13	Mr Ian Michael Paterson Parker	2,000,000	1.43%
13	Rubenalbus Pty Ltd <MIP Super A/C>	2,000,000	1.43%
13	PCAS (Australia) Pty Ltd <PCAS Investment No 2 A/C>	2,000,000	1.43%
14	Irrawaddy Investments Pty Ltd <Duffin Family A/C>	1,936,712	1.39%
15	Mr Philip Umberto Re	1,850,000	1.33%
16	Mr Syed Mushleh Uddin	1,750,000	1.26%
17	Calama Holdings Pty Ltd <Mambat Super Fund A/C>	1,715,000	1.23%
18	Symington Pty Ltd	1,700,000	1.22%
19	Puntero Pty Ltd	1,500,000	1.08%

Rank	Name	Number of Shares	% of Issued Capital
20	Budworth Capital Pty Ltd <Rolling Hills Capital A/C>	1,355,481	0.97%
Top 20 holders of ORDINARY SHARES (TOTAL)		75,589,184	54.20%

Distribution of Share Holders and Share Holdings at 4 September 2025:

Holdings Ranges	Holders	Total Units	% of Issued Capital
1-1,000	16	1,694	0.00
1,001-5,000	53	184,394	0.13
5,001-10,000	57	484,638	0.35
10,001-100,000	252	11,266,733	8.08
100,001-9,999,999,999	162	127,488,786	91.44
Totals	540	139,426,245	100.00

Unmarketable Parcels at 4 September 2025

	Minimum Parcel Size	Holders	Number of Shares
Minimum \$ 500.00 parcel at \$ 0.01 per share	50,000	294	5,262,539

Substantial Shareholder at 4 September 2025

	Number of Shares	Proportion of Issued Shares
Robert H Duffin and Pamela C Duffin (jointly)	18,335,379	13.2%

Unquoted Options

At 4 September 2025 there were 32,337,701 unquoted options with various expiry dates and exercise prices. None of the unquoted options were escrowed. Each option provides the right for the option holder to be issued one fully paid share by the Company, upon payment of the exercise price of each option.

Option Expiry Date	Option Exercise Price	Number of Options
7 December 2025	\$0.30	2,000,000
9 June 2026	\$0.10	20,337,701
18 July 2027	\$0.06	10,000,000
Total		32,337,701

Distribution of Option Holders and Option Holdings at 4 September 2025 (\$0.30 Exercise Price Expiry Date 7 December 2025)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	-	-	-
5,001-10,000	-	-	-
10,001-100,000	-	-	-
100,001-9,999,999,999	2	2,000,000	100.00
Totals	2	2,000,000	100.00

Distribution of Option Holders and Option Holdings as at 4 September 2025 (\$0.10 Exercise Price Expiry Date 9 June 2026)

Range	Holders	Total Options	% of Total Options
1-1,000	11	5,250	0.03
1,001-5,000	27	80,752	0.40
5,001-10,000	8	64,022	0.31
10,001-100,000	60	3,078,924	15.14
100,001-9,999,999,999	44	17,108,753	84.12
Totals	150	20,337,701	100.00%

Distribution of Option Holders and Option Holdings at 4 September 2025 (\$0.06 Exercise Price Expiry Date 18 July 2027)

Range	Holders	Total Options	% of Total Options
1-1,000	-	-	-
1,001-5,000	-	-	-
5,001-10,000	-	-	-
10,001-100,000	-	-	-
100,001-9,999,999,999	2	10,000,000	100.00
Totals	2	10,000,000	100.00

Option Holders and Option Holdings at 4 September (\$0.06 Exercise Price Expiry Date 18 July 2027) where holding is 20% or more

Holder Name	Number of Options	% of Total Options
Taycol Nominees Pty Ltd <211 A/C>	5,000,000	50.00%
Salient Corporate Pty Ltd	5,000,000	50.00%

Securities Exchange Listing

The Company's ordinary shares are listed on the Australian Securities Exchange. The Company's ASX code for quoted ordinary shares is EMS.

On-Market Buy Back

There is no on-market buy-back.

Corporate Governance Statement

The Company's Corporate Governance statement for the financial year ended 30 June 2025 is available for members to download and access from

<https://easternmetals.com.au/company/corporate-governance/>

Gender Diversity

The Company's corporate governance statement for the financial year ended 30 June 2025 requires that the Board report, at least annually, on the relative proportion of women and men appointed or employed within the Company. A Senior Executive is defined as an executive that reports directly to the Chief Executive Officer or Board.

Following are the Company's Directors and Senior Executives for the period 1 July 2024 to the date of this report:

Name	Gender	Executive/ Non-Executive	Title
Ian White	Male	Non-Executive	Independent Chairman
Mark Dugmore	Male	Non-Executive	Independent Director
Greg Starr	Male	Non-Executive	Independent Director appointed 10 February 2025.
Ley Kingdom	Female	Executive	Chief Executive Officer appointed 7 Aug 2023 and resigned 2 May 2025.
Ian Morgan	Male	Executive	Company Secretary & Chief Financial Officer

Unless stated otherwise, all the Company's Directors and Senior Executives were engaged for the period 1 July 2024 to the date of this report.