

ASX ANNOUNCEMENT



28 July 2025

JUNE 2025 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Austral continued conducting due diligence on several potential M&A opportunities
 - Total Anthill ore mined and hauled exceeded Q2 2025 guidance, whilst total copper produced was 11% below budget due to downtime associated with infrastructure upgrades
 - June 2025 Quarter cash receipts of approximately \$25 million from copper cathode, generating a net operating cash inflow of approximately \$1.5 million
 - Post Quarter end, Austral executed a DOCA with Copper Resources Australia Limited to acquire the Rocklands copper mine and 3.0Mtpa processing facility. Furthermore, a non-binding MOU was executed to acquire the Lady Loretta mining lease and associated EPMs
 - Austral's securities will remain suspended until the Company completes its planned equity raise and recapitalisation process
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Copper producer Austral Resources Australia Ltd (ASX:ARI) ("Austral" or the "Company") is pleased to announce the quarterly report for the period ended 30 June 2025 ("Quarter" or the "Report").

CHAIRMAN'S COMMENT:

Austral's Chairman, Mr David Newling, commented:

"The June Quarter was very much bifurcated between business as usual operationally whilst we continued to finalise negotiations in relation to two acquisitions, culminating in the execution of the DOCA for Rocklands and an MOU for Lady Loretta after the end of the Quarter. We are confident that our revised strategy is resonating with stakeholders and I look forward to providing further information to shareholders as we intend to call an EGM within the next 60 days.

During the period, it is testament that our operational teams have not lost sight of the bigger picture in ensuring copper production remains the focus of our daily lives. We are well into the mining campaign at Anthill and for ReGroup to achieve the volumes delivered during the Quarter, positions the Company for a stronger Q3 copper production."



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OPERATIONAL AND FINANCIAL HIGHLIGHTS

The Company continues to advance towards its 2025 objective of producing 12,000 tonnes of copper cathode per annum from its Mt Kelly processing facility. Highlights during the Quarter included:

- Anthill mining and haulage continued throughout the Quarter with a total material movement ex pit of 841,722 bank cubic metres (“BCM”), the largest quarterly movement by mining contractor Regroup to date. Road train haulage from Anthill RoM to the Mt Kelly RoM was 457,707 wet metric tonnes of ore grading 0.62% copper, also the largest quarterly haulage value for Regroup to date. The Anthill Run of Mine (“ROM”) ended the Quarter with 456 kilotonnes (“kt”) of ore on hand containing a total of 2,789 tonnes (“t”) of copper while the Mt Kelly ROM held 45kt containing 277t of copper metal.
- Mt Kelly processed 475,810 dry metric tonnes (“dmt”) of ore, below the budgeted target of 505,000 tonnes, with copper stripping totalling 1,793 tonnes and plated copper at 1,779 tonnes.
- Scheduled maintenance periods during the Quarter enabled critical works across the processing plant, including the crushing circuit. The activities were part of as part of the site’s preventative maintenance program which included the replacement of multiple conveyor belts in the primary crushing area and stacking circuit and replacement of Electro-winning cell furniture completed.
- Total operating site cash costs were approximately \$24.5m, including mining, processing, and maintenance was. Capex and exploration costs were approximately \$0.9m.
- The Company maintained full compliance with all Queensland Mines Inspectorate audits conducted. The Q2 audit program included targeted reviews of risk management systems, chemical handling and storage compliance, and electrical safety standards.
- No Environmental compliance issues.

Q2 2025 PRODUCTION	GUIDANCE NOTE	ACTUAL
Total Material Movement	2,383,613t	1,775,468t
Total Ore Mined	500,786t	569,863t
Total Cu Contained	3,740t	3,415t
Total Cu Produced	2,013t	1,793t

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ANTHILL MINE

Anthill operational activities for the June Quarter 2025 centred on the continued mining of Anthill East Pit Stage 2, working levels from 285 to 265, now pushing well below the water table. A total of 268,941BCM of ore and 572,781BCM of waste were mined during the Quarter. All waste mined was back filled via short haul into Anthill East Stage 1.

In terms of copper metal produced, first quarter 2025 saw the production of 569k wet metric tonnes of ore with an average copper grade of 0.64%Cu, resulting in approximately 3415t of contained copper metal, accounting for a moisture content of 7%.

A total of 457kt of blended ore was transported from Anthill to Mt Kelly RoM during the Quarter at an average grade of 0.62%Cu. This is a step improvement on previous Q1 2025 haulage rates and largely due to better equipment availability and staffing levels.

The closing stockpile at Mt Kelly RoM was 45kt containing 271 copper metal tonnes while the stockpile at Anthill was 456kt containing 2,790 tonnes of copper metal.

In summary, the June Quarter saw increasing challenging conditions in Anthill East Pit Stage 2 as mining drops further below the water table. Wet and boggy conditions hamper individual mining tasks and so slow the overall mining cycle. The quantity of water is not an issue, with pumping infrastructure ability to lift water in excess of ground water inflow, challenges however surround the slow rate water can be drawn from the clay rich zones within the pit and have it dry to a point machinery can access the area safely. Across the quarter total mine production was down 24% against budget however with continued positive ore reconciliation returns metal tonnes mined were only 8% down on budget.

Note: All figures regarding mined ore and production are based on wet metric tonnes with adjusted moisture content calculations for contained metal.

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Figure 1: AHE Stage 1 Backfill Waste Dump (foreground) and E2 Pit (background)



Figure 2: Anthill ROM



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PROCESSING

During the Quarter, the processing team demonstrated strong resilience and continued momentum toward performance goals. Despite minor challenges, the team maintained robust throughput and metallurgical control, coming within reach of strategic targets. These outcomes underscore the adaptability of the team and the effectiveness of the ongoing improvement initiatives. Marked improvement in crushing and stacking availability during Q2 has set a solid foundation for operational momentum going forward.

A total of 475,810 dmt of ore was processed, yielding an estimated 2,935 tonnes of contained copper. Copper stripped totalled 1,793 tonnes, with 1,779 tonnes plated. Cathode purity remained consistently high at 99.998%.

Heap Leach and Stacking Operations

During the Quarter, ore stacking totalled 513,510 wet metric tonnes ("wmt") of the 543,000 wmt target, a shortfall of 5.4%. This included:

- April: 126,827 wmt;
- May: 204,363 wmt; and
- June: 182,320 wmt.

April stacking performance was impacted by several major reconfigurations of equipment whilst stacking in difficult areas. These efforts were further compounded by the scheduled replacement of several overland conveyor belts. The diligent maintenance and groundwork laid in preceding months directly contributed to the exceptional operational performance achieved in May and June. This uplift in plant reliability and throughput has firmly positioned the company to sustain its positive momentum into future quarters.

Heap Leach and SX-EW Performance

During the Quarter, copper leached totalled 1,792t, 11% short of the 2,013t target.:

- April: 457 tonnes;
- May: 598 tonnes; and
- June: 737 tonnes.

While leach kinetics were constrained by reduced ore throughput in previous months and inconsistent acid availability, the solvent extraction and electrowinning ("SX-EW") circuit demonstrated high availability and strong operational performance.

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Key achievements during the Quarter included:

- Commencement of capping board replacement and remediation of buss bar contacts throughout the EW plant as a part of the ongoing cell performance improvements;
- Recommissioning of the tri-canter centrifuge in June to target the bulk removal of solids from the SX circuit; and
- Optimisation of reagent dosing and organic flow rate control, resulted in improved metallurgical efficiencies.

Period	Cu Plated (t)	Cu Stripped (t)
April 2025	489.5	492.4
May 2025	595.5	587.7
June 2025	685.1	713.1
Total (Quarter)	1,779.1	1,793.2

Although quarterly production fell below guidance by 11%, the site made measurable progress in plant reliability, chemical performance, and maintenance discipline. These foundational improvements, combined with the commissioning of key infrastructure in the June Quarter 2025, are expected to drive stronger and more consistent results in the months ahead.



Figure 3: Processing Plant



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PRODUCTION GUIDANCE

The Board has decided to provide quarterly production figure guidance to better allow shareholders to understand the Company's operations as the only copper cathode producer in Australia.¹

The Company continues to publish a quarterly update (in the quarterly report following the end of the previous quarter) outlining the actual production figures from the previous calendar quarter, and the forecast production for the next quarter. For the September Quarter 2025 ("Q3"), the Company provides the following production estimates:

Q3 2025 PRODUCTION	GUIDANCE NOTE
Total Material Movement	1,863,891t
Total Ore Mined	850,427t
Total Cu Contained	8,846t
Total Cu Produced	2,638t

The Company makes no representation on the current or future London Metal Exchange ("LME") copper price or foreign exchange rates.

EXPLORATION HIGHLIGHTS

Regional Exploration Achievements

During the Quarter, the Company continued to maintain its tenement holdings and perform generative work utilising a reduced Exploration team to continue exploration for copper oxides and sulphides. Cooler weather has allowed more extensive field work to take place with across Austral's highly prospective Western and Eastern Project Areas.

Austral continued its boots on the ground exploration activities, collecting 1,424 surface geochemical samples and analyses over almost 800 line kilometers of highly prospective geology. This work has opened up several additional areas and targets requiring further work.

During June, the exploration team engaged with regional industry and technical stakeholders by delivering a workshop presentation hosted by the Economic Geology Research Unit (EGRU) attached to James Cook University.

¹ Utilising the SX-EW processing plant and oxide feed material.

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Figure 4: Exploration activities during the June quarter

EXPLORATION DRILLING AND RESOURCE DEVELOPMENT

Austral remains committed to maximising shareholder value through organic growth opportunities and monetising the Company's existing Cu sulphide resource base, which collectively stands at 25.1 million tonnes @ 0.90% Cu across 8 separate deposits². A total of 363 drillholes have been designed and optimised to date targeting a mix of near-mine and regional exploration targets, providing considerable optionality and logistical contingency. The total number of drillholes and drill meters to be completed will be rationalised following the successful completion of the Company's ongoing recapitalisation efforts.

² ASX Announcement, "Austral Resources Annual Report to Shareholders", 1 April 2025. The Mineral resource Estimate (MRE) is comprised of 2.39mt @ 1.12% Cu Measured MRE, 13.72mt @ 0.97% Cu Indicated MRE and 8.99mt @ 0.73% Cu Inferred MRE.

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EVENTS SUBSEQUENT TO BALANCE DATE

On 3 July 2025, Austral announced it had entered into a binding agreement or Deed of Company Arrangement (“DOCA”) to acquire Copper Resources Australia Limited, owner of the Rocklands Copper Mine with a 3.0Mtpa processing facility (“Rocklands”). The acquisition of Rocklands marks the beginning of Austral’s regional consolidation and growth strategy through establishing a copper sulphide processing hub in the Eastern Isa region.

Rocklands is a cornerstone asset in Austral’s east-west “hub and spoke” development model (Figure 5) and accelerates plans to monetise both internal and third-party Copper sulphide feed sources.

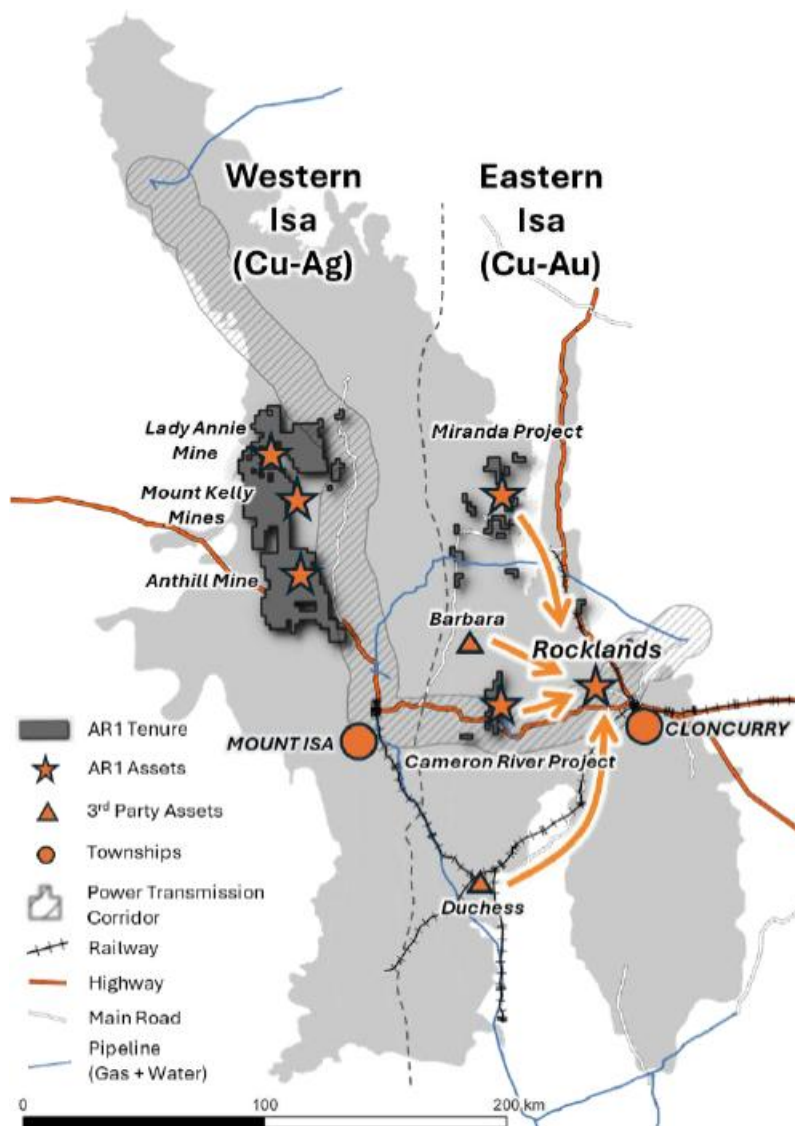


Figure 5: Regional context of existing Austral exploration and mining Assets, as well as potential Austral and potential third party feedstock source

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The Rocklands transaction provides a clear, low-risk restart pathway, with upside from integration, resource extensions, and potential toll treatment opportunities in the North-West Queensland region.

The acquisition will be funded through a combination of offtake-linked financing and a broader capital raise, supporting Austral's strategic vision to be the dominant copper operator in the World-Class Mount Isa-Cloncurry Copper District.

On 22 July 2025, Austral announced that it has entered into a non-binding Memorandum of Understanding ("MOU") to acquire the Lady Loretta mining lease and associated Exploration Permits for Minerals ("EPMs") ("Lady Loretta") from wholly owned subsidiaries of current owner and operator Glencore plc ("Glencore").

This MOU will enable Austral to extract additional copper resources from its existing Lady Annie Project tenement which adjoins Glencore's Lady Loretta mining lease boundary while ore mined from Lady Annie would be processed at Austral's Mt Kelly processing plant.

The Lady Loretta acquisition directly supports Austral's North-West Queensland Regional Copper Consolidation Strategy by adding to the land holding of Austral in the area and expanding Austral's mining portfolio, further contributing to the development of vital copper resources in the Northwest Queensland region.

RECAPITALISATION UPDATE

It is expected that Rocklands and Lady Loretta (if executed) are transactions that will provide a clear and expeditious pathway to undertake an equity raising for the Company with the end goal being re-quotation of the Company's securities on the Australian Securities Exchange ("ASX").

Austral is currently working with the ASX in relation to the application of the ASX Listing Rules regarding the re-quotation of the Company's securities and expects to hold an Extraordinary General Meeting ("EGM") within the next 60 days to consider a range of relevant matters for shareholders to vote upon.

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

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ABOUT AUSTRAL RESOURCES

Austral Resources Australia Ltd (ASX:ARI) is a copper cathode producer operating in the Mt Isa region, Queensland, Australia. Its Mt Kelly copper oxide heap leach and solvent extraction electrowinning (SX-EW) plant has a nameplate capacity of 30,000tpa of copper cathode. Austral has developed its Anthill oxide copper mine, which has an Ore Reserve Estimate (ORE) of 2.87Mt at 0.94% Cu (comprising of 0.90Mt at 0.90% Cu proved ORE and 1.97Mt at 0.96% Cu Probable ORE). The Company has been producing copper cathode from mid-2022.

Austral also owns a significant copper inventory with a JORC-compliant Mineral Resource Estimate of 53.74Mt@ 0.74% Cu (comprising of 9.39Mt at 0.75% Cu Measured MRE, 33.03Mt at 0.76% Cu Indicated MRE and 11.32Mt at 0.67% Cu Inferred MRE) and 2,100km² of highly prospective exploration tenure in the heart of the Mt Isa district, a world-class copper and base metals province. The Company is implementing an intensive exploration and development program designed to extend the life of mine, increase its resource base, and then review options to commercialise its copper resources.

Detailed Ore Reserves and Mineral Resource Estimates information is provided in Austral Resources Prospectus, Section 7, Independent Technical Assessment Report, and the 2023 Annual Report. These documents are available on Austral's website: www.australres.com, and on the ASX released as "Prospectus" on 1 November 2021 and further updated on 28 October 2022 as "Lady Colleen Grade increases by 200%", "2023 Annual Report to Shareholders" on 2 April 2024, "Significant increase for the McLeod Hill Copper Mineral Resource" on 20 May 2024, "Mt Kelly Heap Leach Mineral Resource Estimate" on 28 October 2024 and "Austral Resources Annual Report to Shareholders" on 1 April 2025.

The Company confirms that it is not aware of any new information or data that materially affects the exploration results and estimates of Mineral Resources and Ore Reserves as cross-referenced in this release and that all material assumptions and technical parameters underpinning the estimates and forecast financial information derived from the production target continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

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



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Appendix 1. Performance Right Information

Condition 11.5 of Austral's "Conditions of Quotation" of the Company following its initial public offering ("IPO") require certain disclosures be made in relation to unquoted KPI based Performance Rights ("Rights") disclosed in the Company's IPO Prospectus.

- Austral has 19,950,972 Rights on issue as at 30 June 2025 (of those issued at IPO).
- During the Quarter, 3,442,821 Rights were converted into ordinary shares and no Rights lapsed.
- Each Performance Right converts into one ARI share upon vesting and exercise.

The Rights set out above will vest on satisfaction of the below mentioned performance hurdles:

#	Key Performance Indicator	Performance Right #	Vesting Date ¹	Expiry Date ²	Remaining 30 Jun 25
1	First material ore production from Anthill deposit	11,134,372	Exercised	30 Jun 25	-
2	Production of 20kt of copper cathode from Anthill Project	4,453,752	Lapsed	n/a	-
3	Generate 20kt inferred resource	11,134,372	30 Jun 25	30 Jun 26	7,704,986
4	Share price target of \$0.50	8,907,500	30 Jun 25	30 Jun 26	6,163,990
5	Health Safety Security Environment and Quality (HSSEQ) and Indigenous Affairs – FY 2022	2,226,876	Cancelled	n/a	-
6	HSSEQ and Indigenous Affairs – FY 2023	2,226,876	Cancelled	n/a	-
7	Generate 20kt inferred resource	4,453,752	30 Jun 25	30 Jun 26	3,081,996
	Total ³	44,537,500			17,240,465

¹ Unless otherwise specified, the Vesting Date represents the last possible date by which the relevant KPI must be met in order for the relevant Rights to vest.

² Expiry date applies where the KPI has been met by the relevant Vesting Date. Where a KPI is not met, the Rights will lapse no later than 3 months after the Vesting Date.

³ Total Rights on issue at IPO requiring disclosure. Austral has additional Rights on issue not requiring disclosure under the IPO Prospectus.



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The table below provides an overview of the Key Performance Indicators currently on issue ("KPI").

N	KPI	Overview
1	5,000 tonnes of ore moved from the Anthill deposit within 6 months of commencement of overburden mining at the Anthill Project	This KPI will be considered satisfied on the movement of 5,000 tonnes of ROM ore from the Anthill pit to the crusher. This is defined as removing overburden and transporting ore from the Anthill pit within 6 months of commencement of overburden mining at the Anthill Project.
3	Generate a JORC compliant Inferred Mineral Resource estimate of 20,000t of contained Cu through the exploration programme within 70km of the Mt Kelly processing facility	This KPI represents an exploration target for the exploration team to either continue more detailed exploration work on the top 12 prospects or explore and drill a new Mineral Resource estimate so that collectively an Inferred Mineral Resource estimate of 20,000 tonnes of contained Cu at a cut-off grade of 0.2% is achieved. This represents approximately half the resource at Anthill and must be within 70km of the Mt Kelly facility.
4	Share price target of \$0.50	This KPI will be considered satisfied where the volume weighted price average of the Company's Shares trades at or above \$0.50 for 20 consecutive Trading Days (as that term is defined in the Listing Rules).
7	Generate a JORC compliant Inferred Mineral Resource estimate measuring 20,000 tonnes contained Cu in sulphide mineralisation	This KPI represents an exploration target for the exploration team to develop a more detailed exploration work on the sulphides (from existing pits, existing targets and drill a new Mineral Resource so that collectively an Inferred Mineral Resource estimate generating 20,000 tonnes of contained Cu in the sulphides at a cut-off grade of 0.2%.

Terms of the employee incentive plan under which the Rights were issued are listed in the Company's IPO prospectus.