

# DECEMBER 2025 QUARTERLY ACTIVITIES REPORT

29 January 2026

## Corporate

- Sold Fosterville exploration licence EL007795 to Agnico Eagle for A\$17 million cash
- Undertook private placement with Agnico Eagle to raise A\$3 million, with Agnico Eagle becoming a substantial shareholder with 5.6% shareholding in S2
- Strong cash position at end of quarter of A\$22.79 million
- Shareholding in TSXV-listed Valkea Resources valued at A\$5.95 million at end of quarter

## Warraweena

- First phase reconnaissance “peephole” drilling of geophysical targets completed
- Anomalous copper and hydrothermal alteration intersected in three of six targets
- Detailed gravity survey expanded
- Additional ground granted

## Loch Lilly

- New earn-in to multi-commodity greenfields project south of Broken Hill\*
- Additional 100% S2 ground pegged\*

\*Asterisk indicates events subsequent to the quarter's end

## CORPORATE

### Operating Activities

During the quarter ended 31 December 2025, the Company incurred total operating cash outflows of approximately A\$1.3 million, comprising:

- A\$0.72 million in exploration and evaluation expenditure
- A\$0.38 million in corporate costs, business development, overheads, and fixed asset payments
- A\$0.2 million in staff costs
- These costs were partially offset by A\$35,000 in net interest earned

## Capital Raising Activities

During the quarter, the Company raised A\$3 million through a Private Placement (Placement) with Agnico Eagle (“Agnico”). The Placement pricing of A\$0.101 per share was based on the 20-day volume weighted average price (“VWAP”) of trading in S2 shares up to 28<sup>th</sup> October 2025, and resulted in the issue of approximately 29.74 million S2 ordinary shares under the Company’s existing ASX Listing Rule 7.1A placement capacity. Following the Placement, Agnico is the Company’s fourth largest shareholder with a 5.6% ownership interest in S2, behind Jupiter Asset Management (13.6%), Mark Creasy (12.7%), and Paradice Investment Management (8.2%).

During the quarter the Company also completed the sale of the Fosterville exploration licence EL007795, held by its wholly-owned subsidiary Southern Star Exploration Pty Ltd (“Southern Star”), to a wholly-owned subsidiary of Agnico for a consideration of A\$17 million.

## Cash Position

At 31 December 2025, the Company had a cash balance of A\$22.79 million.

## Investments

The Company holds 14.375 million shares in Valkea Resources (“Valkea” TSX.V: OZ). Based on the closing price of C\$0.38 per share and an exchange rate of 1.09, this investment was valued at approximately A\$5.95 million as at 31 December 2025. This currently represents an approximate 29.55% ownership interest, however, following the closing of a C\$2.5 million private placement subsequent to the quarter’s end in January 2026 (refer to Valkea TSXV release of 24 December 2025), this will represent an approximate 24.53% ownership interest. As of the date of this report, Valkea is currently trading in the C\$0.45-0.50 range.

## Planned Expenditure

Planned cash outflows for the quarter ending 31 March 2026 are forecast to be approximately A\$1.6 million.

## Capital Structure

Following the completion of the Private Placement to Agnico, the Company’s capital structure as at 31 December 2025 is as follows:

- Ordinary shares on issue: 531,213,239
- Unlisted options:
  - 46.5 million unlisted options held by directors, employees, and contractors with an average exercise price of A\$0.17 — if fully exercised, these would result in a capital injection of approximately A\$7.9 million
  - 24,305,494 unlisted options issued to shareholders under the SPP with an exercise price of A\$0.11 — if exercised, these would generate a further A\$2.67 million

## Related Party Transactions

In accordance with Item 6.1 of the accompanying Appendix 5B, payments totalling A\$127,950 were made to related parties and their associates during the quarter. These payments relate to:

- Remuneration paid to the Executive Chairman

- Directors' fees (including superannuation) paid to Non-Executive Directors

## EXPLORATION

### **Jillewarra gold and base metals project, Western Australia (S2 earning up to 70%)**

*S2 is earning a majority interest in the Jillewarra project in two stages, comprising an initial 51% by spending A\$5 million by the 2 October 2026 and an additional 19% to take it to 70% by completing a feasibility study by the 2 October 2028. Project covers 793 square kilometres of gold and base metal prospective greenstones situated approximately 50 kilometres west of Meekatharra in the Murchison Goldfields of Western Australia, and includes exploration licence applications covering over 35 kilometres of strike of the Karbah shear zone, which is the same regional-scale structure that hosts Westgold's Big Bell gold mine and Ramelius Resources' Dalgaranga Never Never gold project. S2 also has a 100% interest in an adjacent exploration licence application (ELA) which covers an additional 25 kilometres of strike of this structure.*

The Company is continuing to progress Heritage Protection Agreement (HPA) negotiations with the traditional owners of the area. Signing of the HPA will enable granting of two exploration Licence Applications (ELA's) which cover 35 kilometres of strike of the Karbah shear zone (KSZ), which is almost entirely undercover and unexplored. The KSZ is considered very prospective for gold as it is interpreted to represent the local expression of the same regional structure that hosts known multi-million ounce deposits further south, including Westgold's 2.4 million ounce Big Bell mine<sup>1</sup> and Ramelius Resources' 2.9 million ounce Dalgaranga operations<sup>2</sup> (see Figure 1).

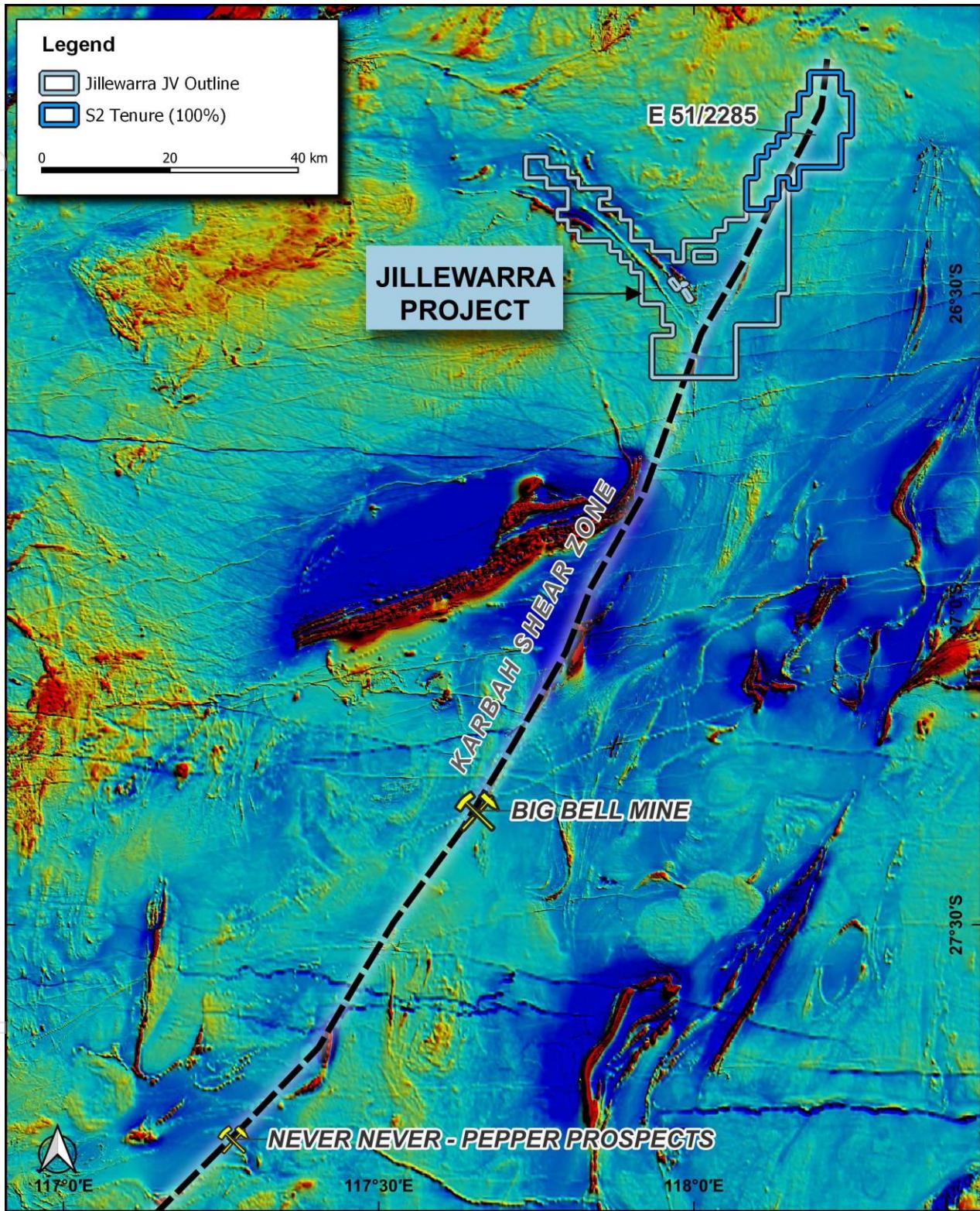
### **Warraweena project, New South Wales (S2 earning 70%)**

*In December 2023, the Company entered into an agreement with private prospect generator company Oxley Resources Limited ("Oxley") to earn a 70% interest in the Warraweena project, which comprises Exploration Licence EL9269 covering an area of 932 square kilometres, located to the northeast of Bourke in northern New South Wales (see S2 ASX announcement of 4<sup>th</sup> December 2023 for details of the project and earnin terms). In addition, S2 owns 100% of 2 exploration licences adjacent to EL9269, covering an additional 1670 square kilometres.*

During the quarter an initial seven hole reconnaissance drilling program was completed, and the regional detailed gravity survey was extended.

The reconnaissance diamond drilling program was designed to characterise six initial geophysical targets with differing styles of gravity and magnetic anomalism (refer to S2 ASX announcement dated 25 September 2025 and 6 October 2025), concealed by younger rocks and transported alluvium of the Darling River system. This program was a first step in focussing future exploration activities and its primary objective was to determine what rock types are causing the various geophysical anomalies by drilling through the cover sequences and into the subjacent basement stratigraphy.

Six holes (SWAD0001 – SWAD0006) were drilled to test along the main NE trending magnetic belt within Exploration Licence EL9269 (see Figure 2). Drilling intersected an extensive sequence of magnetic andesitic to basaltic volcanic and volcanoclastic rocks (the Warraweena volcanics) that display calc-alkaline affinities, indicative of deposition into a volcanic arc setting. A seventh hole (SWAD0007), targeting an isolated gravity high to the north of the interpreted Warraweena volcanics intersected a package of highly deformed sedimentary rocks (refer to S2 ASX announcement dated 2 January 2026).



**Figure 1.** Regional aeromagnetic image of Murchison district showing the new outline of the Jillewarra project covering the interpreted regional shear zone that extends south through Westgold's Big Bell gold mine and Ramelius Resources' Dalgaranga project (recently acquired via the takeover of Spartan Resources).

Preliminary geochemical evaluation suggests the Warraweena volcanics have strong similarities with the volcanic rocks of Macquarie Arc to the south; noted for its major porphyry-epithermal-skarn related copper-gold deposits, including Newmont's Cadia-Ridgeway operations (36.6Moz gold/8.3Mt copper), Evolution Mining's Cowal (8.8Moz gold), and North Parkes (3.3Moz gold/2.9Mt copper) mines, as well as Alkane's Tomingley (1.8Moz gold) mine and Boda (8.4Moz gold/1.5Mt copper).

Drilling did not explain the source of the discrete, prominent remnant magnetised bodies observed in the aeromagnetic data (visible as apparent magnetic lows), interpreted to represent intrusive bodies. Potential explanations for the source not being intersected in the recent drilling include:

- the intrusions are buried at depth below the basement interface and the recent drilling, which only tested a short distance into the basement
- The intrusions have a smaller footprint than indicated by the magnetics, with drilling missing the intrusions.

It should be noted that in both cases, the prospectivity has not been diminished as a deeper source intrusion means any mineralised system is likely to have been preserved, and not eroded away, and intrusions related to porphyry mineralisation are often pencil-like with a relatively small surface footprint.

Although the main objective of the drilling was to characterise the source of the geophysical anomalies, evidence of hydrothermal alteration and potential mineralisation was observed in several holes.

Hole SWAD0003 intersected a zone of increased chlorite-epidote alteration associated with stockwork quartz veinlets and disseminated pyrite-chalcopyrite (see Figure 3), that includes a zone of copper anomalism comprising 17 metres @ 601ppm copper from 147.5 metres, including 1 metre @ 0.12% copper from 158.8 metres.

In addition, minor disseminated native copper was observed in SWAD0001 as well as SWAD0005 within weak propylitic altered basaltic andesite volcanic rocks (see Figure 4). Assays from these zones confirmed elevated copper relative to background as expected, although the amount of native copper was insufficient to exceed the 500 ppm threshold for reporting significant intercepts. The significance of the native copper is not currently understood, but it may reflect localised supergene enrichment or secondary hydrothermal remobilisation of copper within copper-anomalous rocks, which is considered encouraging given the early-stage nature of the exploration to date.

The regional gravity survey has also been extended over an additional 30% of the project area (see Figure 5). The significant variability in the thickness of cover and depth to basement rocks observed in the initial drilling (50 – 250 metres below surface), together with the density contrast between the cover sequence and the basement geology, may be exerting an influence on the gravity data, so several passive seismic lines are planned over a number of the gravity anomalies to assess the likely effects of this.

In addition to this, induced polarisation (IP) and magnetotelluric surveys are planned over priority for the second quarter of 2026.

For personal use only

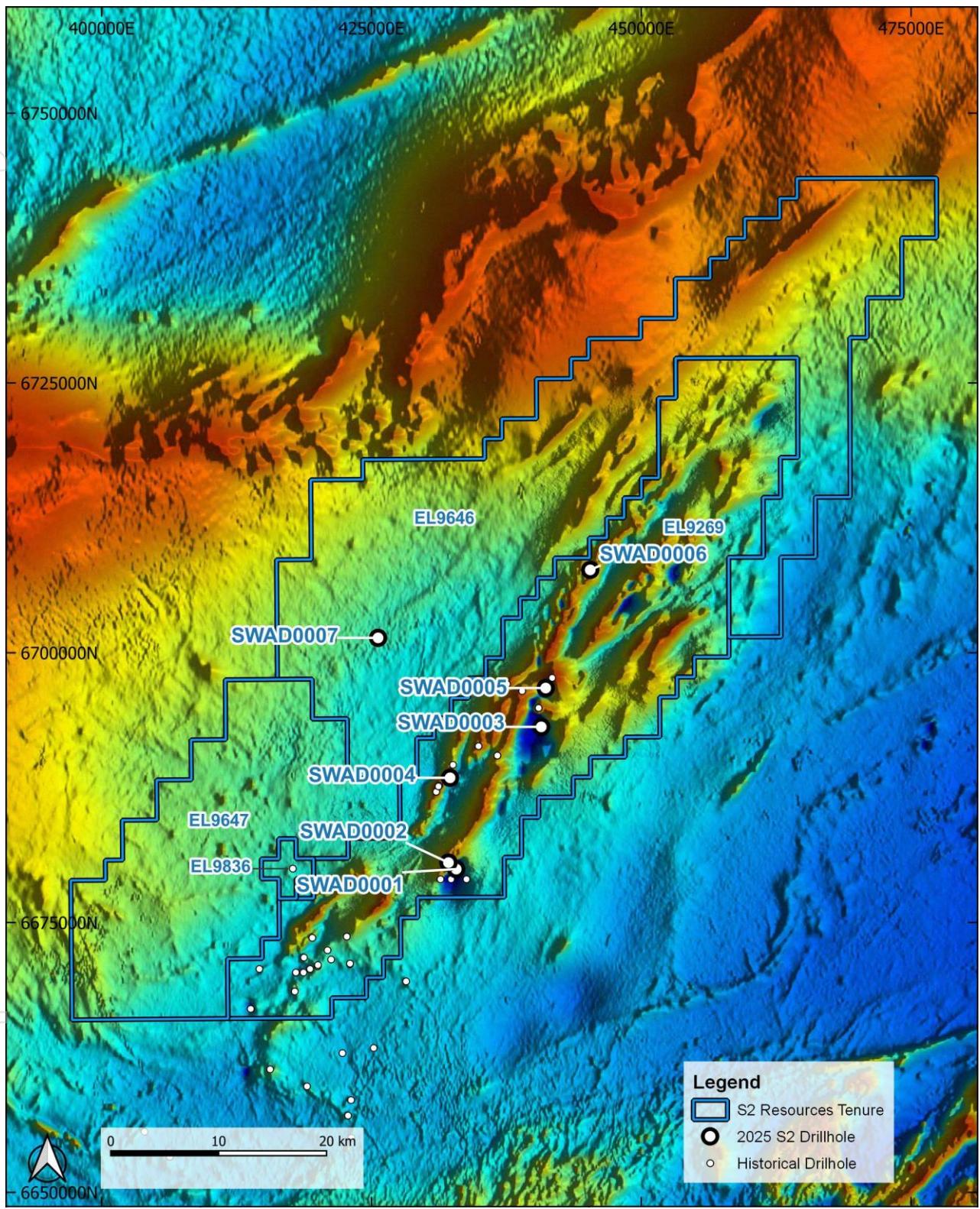
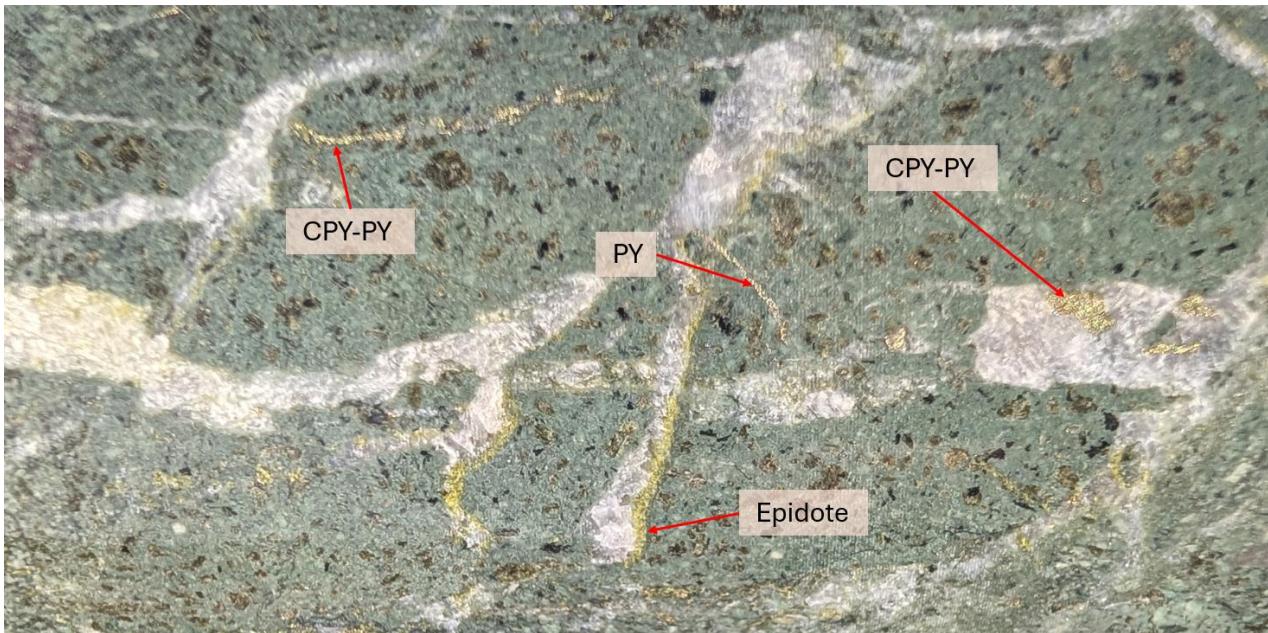
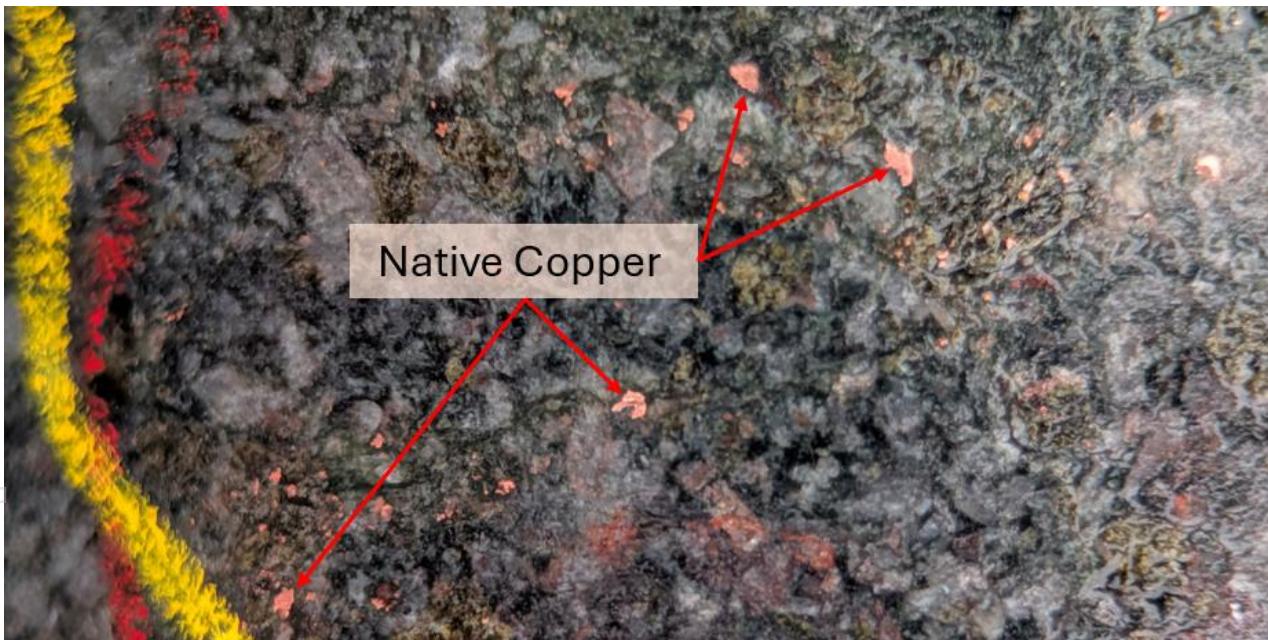


Figure 2: Location of first seven reconnaissance drillholes. Colour image is magnetics.



**Figure 3:** Photograph of SWAD0003 (182.2 metres), showing disseminated pyrite (PY) and chalcopyrite (CPY) associated with stockwork quartz veinlets within propylitic (chlorite – epidote) altered basaltic-andesite volcanics that returned 17 metres @ 601 ppm copper in assay results.



**Figure 4:** Close up photograph of disseminated copper in chlorite-epidote altered basaltic andesite volcanics in SWAD0001 (200.2 metres).

An additional small exploration licence (EL 9836) that covers a historical drill hole (DDHT-37) that intersected 4 metres @ 1.1 g/t gold and 6000 ppm Arsenic from 127 metres (refer to S2 ASX announcement dated 25 September 2025) was also granted during the quarter. This gold mineralisation is associated with a zone of intense albite-sericite hydrothermal alteration, strong brecciation with quartz-carbonate infill, multi-phase veining, abundant fine-grained pyrite-arsenopyrite, and fuchsite, and has never been followed up. Given the abundant sulphide associated with the gold mineralisation, the target is considered likely to respond well to IP, and is to be included in the priority areas to be tested in the upcoming planned IP survey.

For personal use only

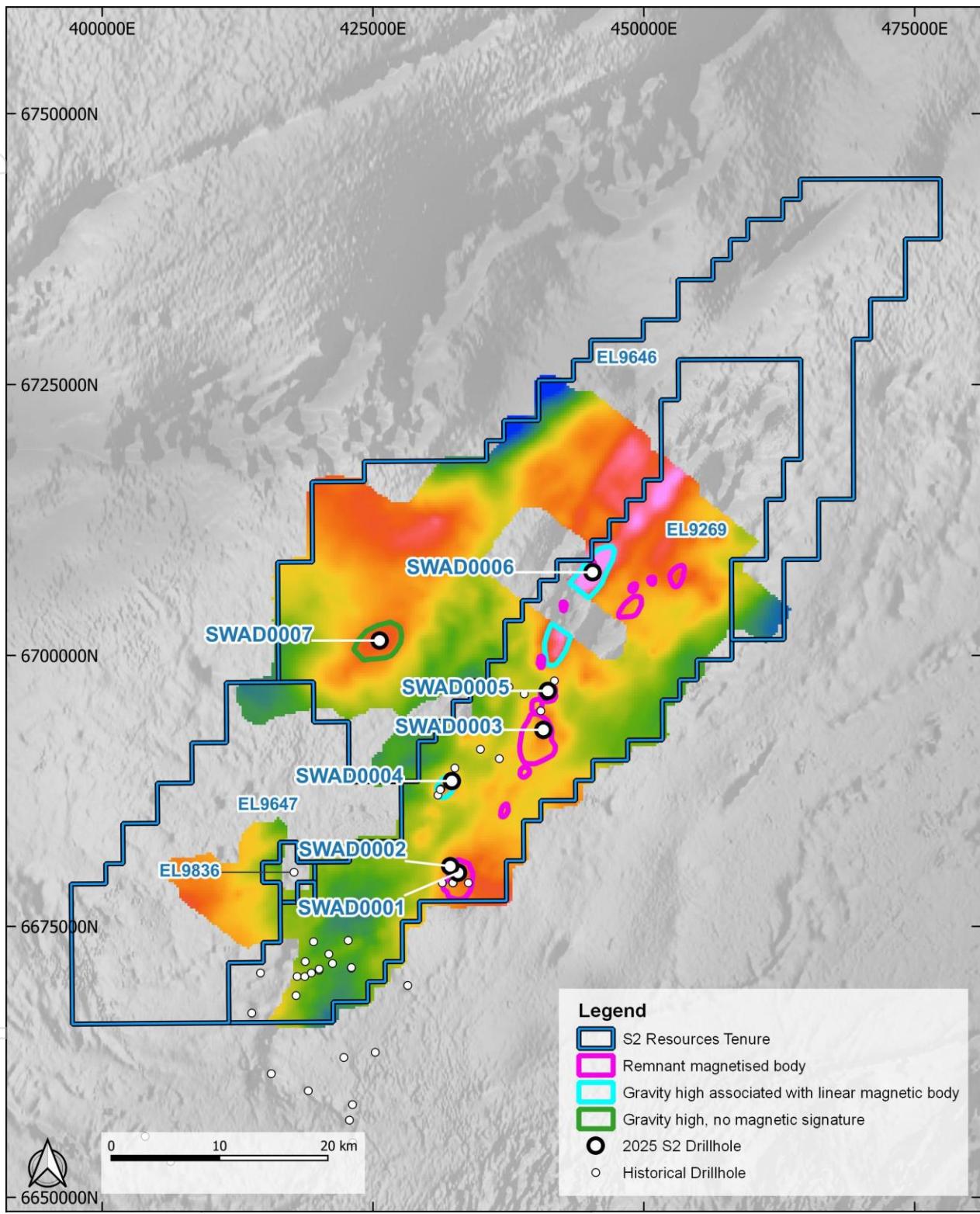


Figure 5: Location of first seven reconnaissance drillholes relative to targets. Colour image is gravity.

#### Loch Lilly project, New South Wales (S2 earning up to 75%)

S2 is earning into the Loch Lilly-Kars project ("Project"), which is held by private company San Antonio Exploration Pty Ltd ("SAE"). S2 can earn up to a 75% interest in the Project, which is located 50-80 kilometres southeast of Broken Hill in far-western New South Wales (refer to S2 ASX announcement dated 12 January 2026). SAE is a company associated with Professor Tony Crawford, a well-respected consultant and former academic at the University of Tasmania's Centre for Ore Deposit and Earth Sciences (CODES) research facility

in Hobart. The project comprises two granted Exploration Licences and two exploration licence applications (ELA's) which straddle the Silver City Highway and cover 100 kilometres strike extent of the concealed and underexplored Loch Lilly-Kars Belt (LLKB). S2's interest in the project is held via its wholly owned subsidiary Red Star Resources Pty Ltd. S2 has also applied for further adjacent ground in its own right.

The LLKB shares affinity with other fertile geological belts such as the Mt Read Volcanic belt in western Tasmania (host to world-class mineral deposits such as the Mt Lyell copper-gold deposit and the Rosebery, Mt Lyell, Hellyer and Que River VMS deposits) and the Stavely Volcanic belt in western Victoria, and is therefore considered prospective for a variety of deposit styles including polymetallic volcanogenic massive sulphide (VMS) deposits, porphyry copper (+/-gold) deposits (PCD), plus orogenic gold and magmatic nickel-copper mineralisation. Despite this, only ten reverse circulation (RC) and seventeen diamond core holes have ever been drilled within the project area of 955 square kilometres, making it extremely unexplored (see Figure 6).

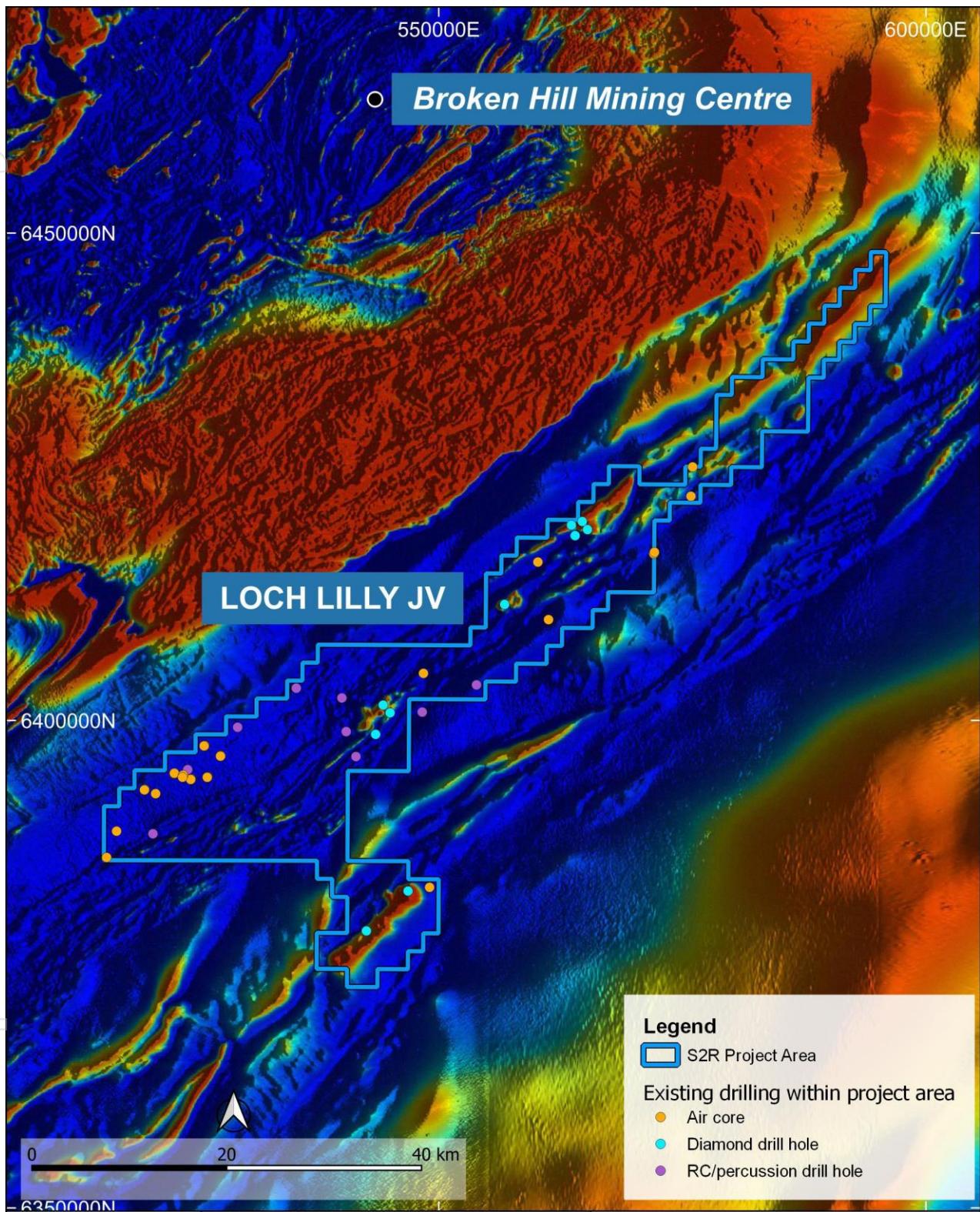
S2 intends to systematically apply various geophysical techniques tailored to a range of target styles, to be followed by drill testing of these.

A fully referenced technical description of the geological rationale for exploring the LLKB is given in S2's ASX announcement of 12 January 2016. The northeast-trending LLKB consists of Neoproterozoic and Early- to Mid-Palaeozoic volcanic and sedimentary rocks along the southeast margin of the Paleoproterozoic Broken Hill Block, forming part of a ~600 million year old breakup margin separating cratonic Australia from the Tasman Fold Belt System to the east. The LLKB is a poorly understood part of the Delamerian Orogen and represents an accessible part of a long-lived crustal structure (the Darling River Lineament) that extends northeast through the Company's Warraweena project area, to offset the present Queensland continental shelf.

The Delamerian Orogen represents one of Australia's least explored under-cover terranes. A recent focus by Geoscience Australia as part of the Exploring for the Future (EFTF) program, alongside the Mineral Exploration Cooperative Research Centres (MinEx CRC), National Drilling Initiative (NDI), and the Geological Surveys of New South Wales and South Australia, has seen significant new precompetitive data emerge which further enhances the region's mineral potential.

Limited drilling information by previous explorers in the LLKB has demonstrated high-potassium calc-alkalic to shoshonitic andesitic, dioritic, and monzonitic porphyry intrusions of both Cambrian and Siluro-Devonian age, as well as early- to middle-Cambrian arc-type volcanics and likely Neoproterozoic metasediments and breakup tholeiitic mafic rocks. These rocks are comparable in age and composition to andesitic lavas in the Mt Read Volcanics of western Tasmania (host to world-class mineral deposits such as Rosebery, Mt Lyell, Hellyer and Que River) and the volcanics in the Stavely Volcanic Belt in western Victoria, in which high level intrusions host the Thursdays Gossan copper-gold mineralisation.

Recently published radiometric dating results, including monzonite porphyry samples from within the project area, reaffirm that both Cambrian (~496 million years old) and late Silurian to early Devonian intrusive suites are present in the LLKB. Interestingly, the younger Siluro-Devonian intrusive suite has strong whole-rock geochemical fertility signatures ( $\text{Sr/Y} > 35$  and  $\text{V/Sc} > 10$ ) that are favourable for copper-gold porphyry mineralisation. This represents an entirely new, and previously unrecognised, potential for Cu-Au porphyry style mineralisation in the LLKB.



**Figure 6.** Loch Lilly project with tenure over reduced to the pole (RTP) magnetics, showing its location along the southeastern margin of the Broken Hill Block (which contains the giant Broken Hill zinc-lead-silver deposits).

The most recent drilling (see Argent Minerals' ASX announcement of 2 November 2017) consisted of two very wide-spaced (~30 km apart) diamond holes (ALN001 and ALE001) drilled in 2017, targeting geophysical anomalies (magnetic, gravity, and/or magnetic induced polarisation). ALE001 intersected a thick zone of banded, proximal, garnet-bearing skarnoid rocks and calc-silicate alteration present over >250m of core. The sulphide-poor skarn alteration yielded assays ranging up to 0.04g/t Au, 341ppm Cu. However, the

sulphide content was deemed insufficient to explain an observed induced polarisation (IP) chargeability anomaly and the measured petrophysical characteristics of the rocks are insufficient to explain the magnetic high anomaly in the area. ALN001 intersected a series of porphyritic intrusives (monzonites and diorites), strong propylitic to skarnoid alteration with lesser zones of potassiac alteration with abundant pyrite and lesser localised chalcopyrite. Of particular interest is a broad consistent zone of low-level copper anomalism that assayed 73.3m @ 0.03% Cu from 355.7m incl. 0.6m @ 0.11% Cu from 393.8m, and Mo values up to 65ppm.

The earn-in agreement with SAE comprises the following key terms:

- S2 paid A\$50,000 cash and issued SAE with 373,134 S2 shares (representing an agreed consideration of A\$25,000 based on the 5 day volume weighted average price ("VWAP") to close of trading on Thursday 8th January of A\$0.067 per share)
- S2 can spend A\$3 million within 3 years of signing to earn a 51% participating interest, including a minimum spend of A\$1 million before withdrawal
- Following this, S2 can form a joint venture with a 51% interest, or elect to spend a further A\$3 million within a further 2 years to earn an additional 24% interest for a 75% participating interest

At either earn-in point:

- A joint venture will be formed with S2 having either a 51% or a 75% participating interest
- SAE will have a choice to retain its participating interest or to convert this to a 10% carried interest
- In the circumstance of a participating interest, SAE must contribute or dilute, and:
- Should SAE's participating interest drop below 10%, its interest will revert to a 1.5% net smelter return (NSR) royalty
- S2 can buy down half of this royalty (ie, 0.75%) for A\$5 million CPI adjusted at any time
- In the circumstance of a carried interest:
- S2 will have a 90% interest and SAE's 10% interest will be funded by S2 up to the commencement of commercial production
- SAE will repay this carried amount from 80% of the production revenue attributable to its 10% interest in a mining operation, and will retain 20% of the revenue streaming from its 10% interest

Other:

- Timeframes can be extended in the event of delays out of S2's control
- S2 will be the manager but is able to utilise SAE's expertise

- In the event of a discovery and completion of a feasibility study, S2 can buy SAE's interest for a consideration based on a risk-discounted arm's length market valuation

S2 has also applied for additional ground in its own right. This exploration licence application (ELA 8014) covers adjacent ground to the north of the earn-in ground.

#### **West Murchison nickel-copper-PGE project, Western Australia (S2 100%)**

*S2 has three Exploration Licences covering 693 square kilometres over several targets interpreted to represent major crustal structures and mafic-ultramafic intrusions prospective for magmatic nickel-copper and precious metals mineralization.*

No on-ground exploration activities were conducted on the project during the quarter.

#### **Greater Fosterville Project, Victoria (100% S2)**

*S2's 100% owned subsidiary, Southern Star Resources, as the winner of the Victorian Government tender process for Block 4 of the North Central Gold Fields ground release, was granted Exploration Licence EL7795, abutting and surrounding Agnico Eagle's world class Fosterville Gold Mine. By virtue of its position, its size, and its inherent prospectivity, EL7795 is a highly strategic asset.*

During the quarter, S2 sold EL007795 to Agnico for A\$17 million (refer to S2 ASX announcements dated 30 October 2025 and 22 December 2025).

S2 still retains exploration licence application EL8292, situated immediately adjacent to Agnico's mining lease.

#### **Central Victoria Joint Ventures (S2 earning up to 80%)**

*S2 has the right to earn an 80% interest in three projects in central Victoria owned by Valkea Resources ("Valkea", formerly Outback Goldfields Corp, TSXV:OZ). It can do so by sole funding a total expenditure of \$1.2 million within 4 years (refer to S2 ASX announcement of 4 December 2024). The three projects comprise the Silverspoon, Yuengroon and Ballarat West exploration projects, which are all located in the central Victorian Goldfields and which provide the Company with a variety of gold exploration options, which complement its existing 100% owned Greater Fosterville project. It also has the right to earn Valkea's 51% interest in the Glenfine Joint Venture by spending \$200,000 within 4 years (refer to S2 ASX announcement dated 24 February 2025).*

S2 withdrew from the Ballarat West and Glenfine exploration projects during the quarter, but is continuing to earn into the Yeugroon and Silverspoon projects, which constitute the balance of the Central Victorian Joint Venture with Valkea.

Geological prospecting and soil sampling commenced subsequent to the quarter's end on the Silverspoon project.

#### **Koonenberry nickel-copper-PGE project, New South Wales (S2 100%)**

*S2 has three Exploration Licences covering 2,712 square kilometres in northwestern New South Wales (NSW) extending for a strike of approximately 140 kilometres along the Koonenberry Belt. The scale and cratonic margin setting of this belt is analogous to the Fraser Zone of the Albany Fraser Orogen, which hosts the Nova-Bollinger nickel-copper-cobalt deposits and the Tropicana gold deposit. The belt also contains early breakup gabbros and likely comagmatic orthocumulate ultramafic picrite sills and intrusions, considered petrographically similar to those that host mineralisation in the Russian Pechenga nickel-copper-PGE camp.*

No on-ground exploration activities were conducted on the project during the quarter.

#### **Polar Bear nickel-copper-PGE project, Western Australia (S2 80% - 100% of Nickel Rights)**

*S2's holds the nickel rights over an area of 435 square kilometres to the southeast of the Widgiemooltha and Kambalda nickel sulphide belts. S2 retained these rights when it sold the Polar Bear project (comprising the Polar Bear and Norcott projects and the Eundynie Joint Venture) to Higginsville Gold Operations (now owned by Westgold). The nickel rights include the Halls Knoll, Taipan and Gwardar nickel prospects.*

No on-ground exploration activities were conducted on the project during the quarter.

#### **Glenlogan copper-gold project, New South Wales (S2 earning up to 80%)**

*In January 2024, the Company entered into an earn-in joint venture agreement with Legacy Minerals ("Legacy", ASX:LGM), whereby S2 can earn up to a 80% interest in the Glenlogan project. The project comprises one exploration licence, covering 85 square kilometres in the Central West of New South Wales (NSW) and contains a large magnetic anomaly interpreted as a potential untested porphyry copper-gold target. The project is located in the highly endowed Lachlan Fold Belt of New South Wales, which contains a number of major copper and/or deposits, including Newmont's Cadia-Ridgeway operations (36.6Moz gold/8.3Mt copper), Evolution Mining's Cowal (8.8Moz gold) and North Parkes (3.3Moz gold/2.9Mt copper) mines, and Alkane's Tomingley (1.8Moz gold) mine and Boda (8.4Moz gold/1.5Mt copper) deposit (refer to Figure 1, S2 ASX announcement of 29<sup>th</sup> January 2024 for source information).*

Following the unsuccessful outcome of the last diamond hole, S2 elected to withdraw from the Glenlogan project during the quarter.

#### **Central Lapland Greenstone Belt ("CLGB"), Finland (via S2's 29.55% equity in TSXV-listed Valkea Resources)**

*As a result of the sale of S2's wholly-owned Finnish subsidiary, Sakumpu Exploration Oy ("Sakumpu"), to TSXV-listed Outback Goldfields, now renamed Valkea Resources ("Valkea", TSX.V:OZ), S2 owns 14.375 million Valkea shares, which currently represents approximately 29.55% equity ownership of Valkea (refer to S2 ASX announcement dated 4 March 2024). Via Sakumpu, Valkea now holds 100% of the mineral rights covering approximately 355 square kilometres in the Central Lapland Greenstone Belt (CLGB) of Finland, a region that contains significant shear zone hosted gold deposits, such as Agnico Eagle's ~7.4Moz Kittilä gold mine and Rupert Resources recent 3.95Moz Ikkari discovery, and magmatic copper-nickel-PGE-gold deposits which include Boliden's 298Mt Kevitsa mine and Anglo American's world class 44Mt Sakatti deposit.*

*This ground includes the Aarnivalkea gold prospect, discovered by S2 in 2018, which has the potential to be another significant discovery in the region with approximately 1.3 kilometres of gold anomalism and high grade diamond drill intercepts such as 6.8m at 11.8g/t gold from 223m (hole FAVD0062) and 20.4m at 4.0g/t gold from 193m (hole FAVD0064). Sakumpu also has an active farm-out agreement with Canadian explorer Rupert Resources ("Rupert") (RUP.TSX), whereby Rupert can earn a 70% participating interest. Refer to Valkea's press releases (TSXV:OZ) and website for further information.*

Valkea released results from a small diamond drilling program at the Aarnivalkea gold prospect during the quarter.

Subsequent to the quarter's end, Valkea raised C\$2.5 million via a private placement and strengthened its board and team with the appointment of Marc Turcotte as a director, Thomas Credland as President, and Dr Charlotte Seabrook as Technical Advisor. Mr Turcotte was recently Chief Development Officer of MAG Silver Corp, which was acquired by Pan American Silver for US\$2.1 billion. Mr Credland and Dr Seabrook

were key executives for Rupert Resources, and instrumental in the discovery of Rupert's 4 million ounce Ikkari gold deposit in the same geological belt as Valkea's ground holdings.

See Valkea's TSXV and SEDAR filings for more information.

The C\$2.5 million private placement dilutes S2's ownership in Valkea from 29.55% to 24.53%.

#### **ASX additional information**

**As per ASX Listing Rule 5.3.1:** Exploration and Evaluation Expenditure during the Quarter was A\$1.1 million. Full details of exploration activity during the Quarter are set out in this report.

**As per ASX Listing Rule 5.3.2:** There were no substantive mining production and development activities during the Quarter.

This announcement has been provided to the ASX under the authorisation of the S2 Board.

#### **References**

1. Westgold Resources (ASX:WGX, TSX:WGX) ASX announcement dated 2 September 2025, "Westgold 2025 Mineral Resource Estimate & Ore Reserves"
2. Ramelius Resources (ASX:RMS) ASX announcement dated 1 October 2025, "Resources & Reserves Statement 2025"

#### **Previous S2 ASX announcements referred to in this release:**

*5 October 2020: New Western Australian gold and base metals project*

*4 December 2023: Compelling new greenfields exploration project at Warraweena*

*29 January 2024: Large blind virgin gold-copper porphyry target in NSW*

*4 March 2024: Sale of Finland assets for C\$7 Million in cash and shares*

*4 December 2024: S2 acquires three new gold projects in Victoria*

*24 February 2025: S2 acquires fourth new gold project in Victoria*

*25 September 2025: Exploration underway at Warraweena, drilling to commence*

*29 September 2025: Exploration update*

*6 October 2025: Drilling started at Warraweena*

*30 October 2025: S2 to sell Fosterville tenement to Agnico Eagle*

*22 December 2025: Sale of Fosterville tenement to Agnico Eagle completed*

*2 January 2026: Warraweena exploration update*

*12 January 2026: New multi-commodity greenfields exploration project at Loch Lilly, NSW*

#### **Previous third party ASX announcements referred to in this release:**

*2 November 2017: Loch Lilly drilling results, Argent Minerals*

#### **For further information, please contact:**

Mark Bennett  
Executive Chairman  
+61 8 6166 0240

Past Exploration results reported in this announcement have been previously prepared and disclosed by S2 Resources Ltd in accordance with JORC 2012. The Company confirms that it is not aware of any new information or data that materially affects the information included in these market announcements. The Company confirms that the form and content in which the Competent Person's findings are presented here have not been materially modified from the original market announcement. Refer to [www.s2resources.com.au](http://www.s2resources.com.au) for details on past exploration results.

### Competent Persons statements

Information in this report that relates to Exploration Results is based on information compiled by John Bartlett, who is an employee and equity holder of the Company. Mr Bartlett is a member of the Australian Institute of Mining and Metallurgy (MAusIMM) and has sufficient experience of relevance to the style of mineralization and the types of deposits under consideration, and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Bartlett consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

### TENEMENT REGISTER

Project	Tenement ID	Registered Holder	Location	S2 Ownership %	Status
<b>Western Australia</b>					
Jillewarra	E 51/1603	Tanzi Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/1906	Black Raven Mining Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/1915	Black Raven Mining Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/1955	Black Raven Mining Pty Ltd	Mingah Range	earning 51% when granted	Application
Jillewarra	E 51/1956	Black Raven Mining Pty Ltd	Mingah Range	earning 51% when granted	Application
Jillewarra	E 51/2050	Third Eye Exploration Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/2051	Third Eye Exploration Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/2052	Third Eye Exploration Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/2053	Third Eye Exploration Pty Ltd	Mingah Range	earning 51%	Granted
Jillewarra	E 51/2285	Third Eye Exploration Pty Ltd	Mingah Range	100% when granted	Application
West Murchison	E09/2390	Southern Star Exploration Pty Ltd	Murchison River	100%	Granted
West Murchison	E09/2391	Southern Star Exploration Pty Ltd	Murchison River	100%	Granted
West Murchison	E70/5382	Southern Star Exploration Pty Ltd	Murchison River	100%	Granted
Polar Bear	E15/1298	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E15/1461	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E15/1541	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1142	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1712	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1725	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	E63/1756	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/651	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/710	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M15/1814	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/230	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/255	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/269	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/279	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1587	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1588	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1589	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1590	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1591	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1592	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	P63/1593	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted

Project	Tenement ID	Registered Holder	Location	S2 Ownership %	Status
Polar Bear	P63/1594	Polar Metals Pty Ltd	Lake Cowan	100% nickel	Granted
Polar Bear	M63/662	Polar Metals Pty Ltd	Lake Cowan	100% nickel when granted	Application
Eundynie JV	E15/1458	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E15/1459	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E15/1464	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1726	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1727	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Eundynie JV	E63/1738	Polar Metals Pty Ltd / Shumwari Pty Ltd	Lake Cowan	80% nickel	Granted
Norcott	E15/1487	Polar Metals Pty Ltd	Mt Norcott	100% nickel	Granted
Norcott	E63/1728	Polar Metals Pty Ltd	Mt Norcott	100% nickel	Granted
<b>Victoria</b>					
Greater Fosterville	ELA 8292	Southern Star Exploration Pty Ltd	Fosterville	100% when granted	Application
Yeungroon JV	EL 6897	Outback Goldfields Australia Pty Ltd	Yeungroon	Earning 80%	Granted
Yeungroon JV	EL 7280	Outback Goldfields Australia Pty Ltd	Yeungroon	Earning 80%	Granted
Yeungroon JV	EL 7701	Outback Goldfields Australia Pty Ltd	Yeungroon	Earning 80%	Granted
Silver Spoon JV	EL 6951	Outback Goldfields Australia Pty Ltd	Fosterville	Earning 80%	Granted
Silver Spoon JV	ELA 8311	Outback Goldfields Australia Pty Ltd	Fosterville	Earning 80% when granted	Application
<b>New South Wales</b>					
Koonenberry	EL 9574	Dark Star Exploration Pty Ltd	Koonenberry	100%	Granted
Koonenberry	EL 9575	Dark Star Exploration Pty Ltd	Koonenberry	100%	Granted
Koonenberry	EL 9576	Dark Star Exploration Pty Ltd	Koonenberry	100%	Granted
Warraweena	EL 9269	Oxley Resources Ltd	Darling Catchment	earning 70%	Granted
Warraweena	EL 9646	Dark Star Exploration Pty Ltd	Darling Catchment	100%	Granted
Warraweena	EL 9647	Dark Star Exploration Pty Ltd	Darling Catchment	100%	Granted
Warraweena	ELA 6941	Dark Star Exploration Pty Ltd	Darling Catchment	100% when granted	Granted
Loch Lilly	EL 8199	San Antonio Exploration Pty Ltd	Loch Lilly	earning 51%	Granted
Loch Lilly	EL 8200	San Antonio Exploration Pty Ltd	Loch Lilly	earning 51%	Granted
Loch Lilly	ELA 6976	San Antonio Exploration Pty Ltd	Loch Lilly	earning 51% when granted	Application
Loch Lilly	ELA 7013	Red Star Resources Pty Ltd	Loch Lilly	earning 51% when granted	Application
Loch Lilly	ELA 7014	Red Star Resources Pty Ltd	Loch Lilly	100% when granted	Application

## Appendix 5B

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

Name of entity

S2 Resources Ltd

ABN

18 606 128 090

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation *	(719)	(1,710)
(b) development	-	-
(c) production	-	-
(d) staff costs**	(198)	(344)
(e) administration and corporate costs ***	(382)	(497)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	35	79
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,264)</b>	<b>(2,473)</b>

\*Exploration & evaluation comprise exploration physical costs of \$458k and pre-resource exploration staff costs of \$261k.

\*\*Total staff costs for the quarter end were \$451k comprising pre-resource exploration \$261k, corporate \$106k non-executive directors \$40k, business development \$44k. Staff costs of pre-resource exploration \$261k has been transferred to the above category 'exploration & evaluation'.

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(6)	(15)
(d) exploration & evaluation	-	-

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities*	-	-
(b) tenements	16,405	16,405
(c) property, plant and equipment	-	-
(d) investments	-	39
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other – GST collected & payable on item 2.2(b) above	1,700	1,700
<b>2.6 Net cash from / (used in) investing activities</b>	<b>18,099</b>	<b>18,129</b>
<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	3,000	3,610
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	(103)	(246)
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(15)	(29)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)**	10	10
<b>3.10 Net cash from / (used in) financing activities</b>	<b>2,892</b>	<b>3,345</b>
<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of period	3,061	3,790
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,264)	(2,473)

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
4.3	Net cash from / (used in) investing activities (item 2.6 above)	18,099	18,129
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,892	3,345
4.5	Effect of movement in exchange rates on cash held	(2)	(5)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>22,786</b>	<b>22,786</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	22,786	3,061
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>22,786</b>	<b>3,061</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	127
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Salaries and fees paid to directors in the quarter including superannuation.		
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

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

<b>8. Estimated cash available for future operating activities</b>		<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,264)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,264)
8.4	Cash and cash equivalents at quarter end (item 4.6)	22,786
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	22,786
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	18.02
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

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

Date: 29 January 2026.....

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

### Notes

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