European Resources Limited

Date: 17 July 2026

ASX: ERE FSE: ER3

Shares on issue: 694.9M

Market capitalisation: A$10.4M
(@ A$0.015)

Board of Directors

Non-Executive Chairman
Thomas Mann

Managing Director
Jason Beckton

Executive Director
John Levings

Non-Executive Director
Steve Gemell

Company Secretary
Richard Edwards

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QUARTERLY ACTIVITIES REPORT

European Resources Limited
(ASX:ERE – FSE: ER3)

The Directors present the June 2026 Quarterly Activities Report for European Resources Limited (European Resources or the Company) and its controlled entities (the Group). During the quarter, work at the 100%-owned Korsnäs rare earth project in Finland advanced through metallurgy, passive seismic geophysics, an increased Mineral Resource Estimate and an updated Exploration Target.

Highlights

- **Metallurgical work advanced:**
  - Across beneficiation, mineralogy and downstream hydrometallurgical test work by GTK-Mintec[1], ANSTO and the University of Oulu.
- **Passive seismic targeting advanced:**
  - Phase 2 HVSR surveying detected new anomalies south and east of the historic mine and current Mineral Resource area.
- **Mineral Resource and Exploration Target:**
  - The April 2026 Inferred Mineral Resource increased to 15.4Mt @ 1.00% TREO and a separate updated Exploration Target was announced in June.
- **Completion of Renounceable Rights Issue:**
  - 171,402,980 shares and attaching options issued at $0.015 per share raising $2,571,045

Managing Director, Jason Beckton, comments

"During the June quarter, Korsnäs advanced on three important fronts: metallurgy, geophysics and resource definition. Metallurgical test work is now pointing to a more coherent process route, with beneficiation and downstream processing results starting to fit together. At the same time, the April 2026 Mineral Resource update increased the Inferred Mineral Resource to 15.4 million tonnes at 1.00% TREO, and passive seismic surveying has identified new priority targets outside the current Resource area.

The updated Exploration Target gives us a technical framework for potential future growth, but it remains conceptual in nature until tested by drilling. The next stage of work is therefore clear: continue refining the processing route and test the best geophysical targets with the aim of converting targets into additional Mineral Resources."

1. Refer to Glossary in Appendix A

Operations - Finland (100% owned)

Korsnäs REE Project

ASX announcements relied on for this quarterly report

This quarterly report summarises information previously released to ASX during the June 2026 quarter, together with one post-quarter ANSTO update provided for inclusion by management. It should be read with the original market announcements listed below.

Date	Announcement	Report section
7 April 2026	Excellent Korsnäs Metallurgical Results Under the REMHub Program	Metallurgy
16 April 2026	Korsnäs Resource Estimate Increased to 15.4Mt @ 1.00% TREO	Mineral Resource Estimate
4 May 2026	ANSTO Further Advances Korsnäs REE Processing	Metallurgy
1 June 2026	Passive Seismic Survey Detects New Anomalies	Geophysics
16 June 2026	Significant Increase in Korsnäs Exploration Target	Exploration Target
8 July 2026	ANSTO Testing Extracts 83% Magnet Rare Earths from Korsnäs Concentrate	Post-quarter metallurgy update

Table 1 Market Sensitive announcements during the quarter and immediately subsequent

1. Metallurgy

Metallurgical work at Korsnäs advanced on two parallel fronts during the quarter: front-end beneficiation of hard-rock mineralised material under the European Union funded REMHub program, and downstream hydrometallurgical test work on historical lanthanide concentrate stockpile material by ANSTO Minerals (ANSTO), a business unit of the Australian Nuclear Science and Technology Organisation.

GTK-Mintec completed initial pre-concentration test work on two representative Korsnäs sample types collected in 2025. Type 1 material comprises allanite-dominant mineralisation with elevated rare earth content assayed at 1.35% TREO. Type 2 material comprises apatite-monazite-dominant mineralisation assayed at 0.24% TREO.

The initial results indicate that Wet High Gradient Magnetic Separation (WHGMS) is the preferred pre-concentration method among the options tested to date. The work demonstrated materially better rare earth recoveries than gravity concentration in the early screening tests and provides a practical basis for further flotation and mini-pilot work.

- For Type 1 allanite-dominant material, at a grind size of P80 passing 100 µm, WHGMS delivered an 84% TREO head-grade upgrade while maintaining 85% TREO recovery at 0.5 Tesla. At 1.8 Tesla the upgrade increased to 160%, but TREO recovery fell to 42%.
- For Type 2 apatite-monazite-dominant material, at a grind size of P80 passing 85 µm, WHGMS delivered a 129% TREO head-grade upgrade while maintaining 74% TREO recovery at 0.5 Tesla. At 1.8 Tesla the upgrade increased to 220%, but TREO recovery fell to 26%.
- The reported WHGMS results were achieved without de-sliming under the reported conditions.

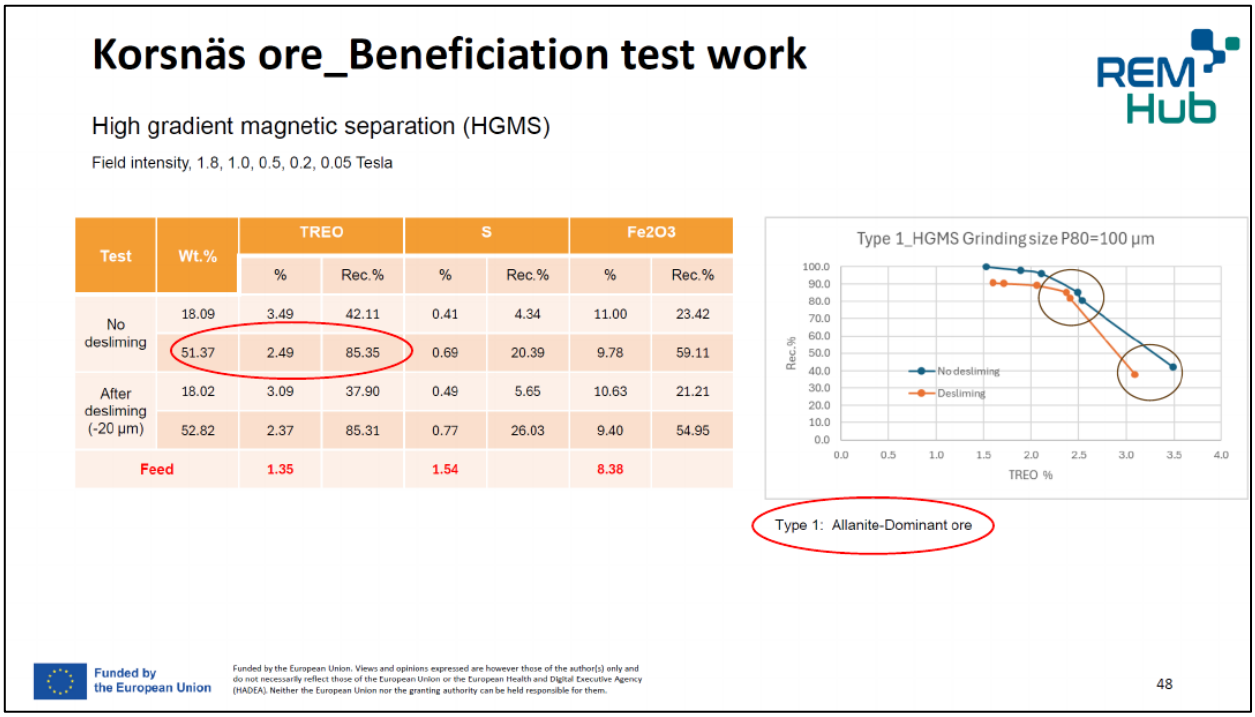

Figure 1 Magnetic separation upgrading test work on Type 1 Korsnäs main hardrock deposit sample.

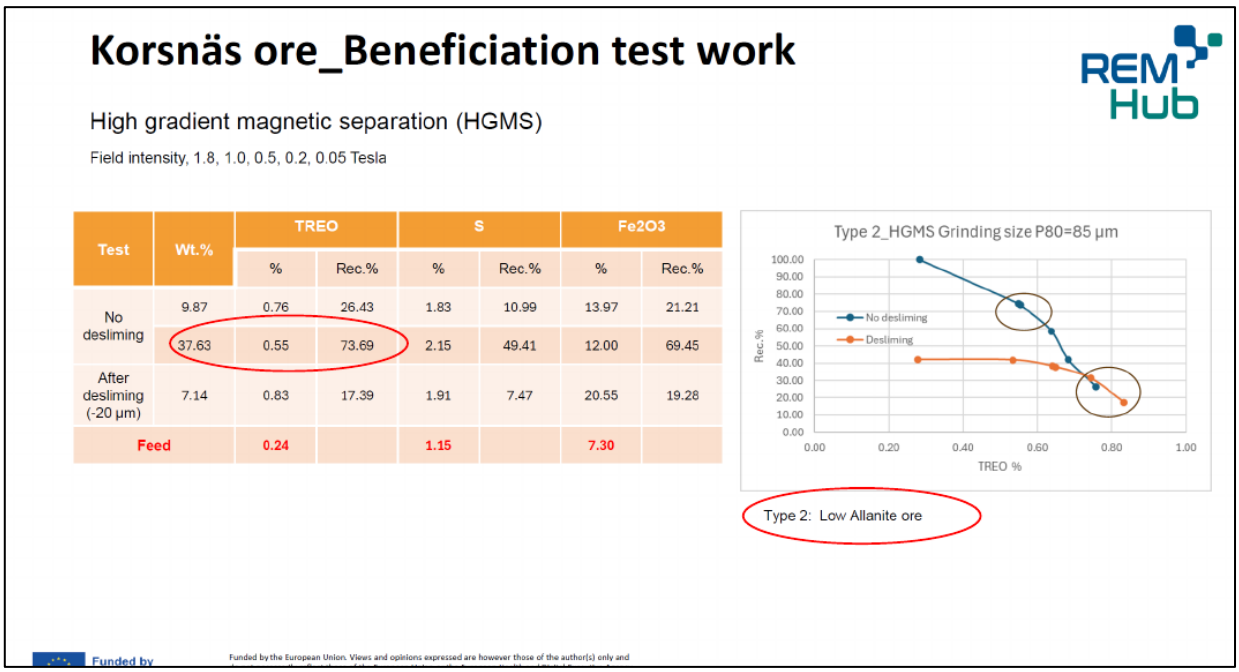

Figure 2 Magnetic separation upgrading test work on Type 2 Korsnäs main hardrock sample.

ANSTO's first progress report on the historical lanthanide concentrate materially improved the Company's understanding of downstream processing. The composite concentrate assayed 2.3 wt% TREY, including 0.7 wt% magnet rare earths. QEMSCAN mineralogical work identified monazite as the dominant rare earth host, with a further important contribution from apatite and only a limited contribution from allanite.

ANSTO concluded that approximately 60% to 70% of the rare earth inventory is hosted in monazite, while a smaller but significant portion sits in apatite. Importantly, only a small proportion of the neodymium and praseodymium in the concentrate was contained in allanite, indicating that the principal magnet rare earth value in this feed is associated with the monazite-apatite assemblage.

The initial pre-leach work established a practical framework for the next stage of optimisation. Calcite removal appears achievable at pH 4, apatite dissolution begins at around pH 1, and the leach response is broadly consistent with the mineralogical interpretation.

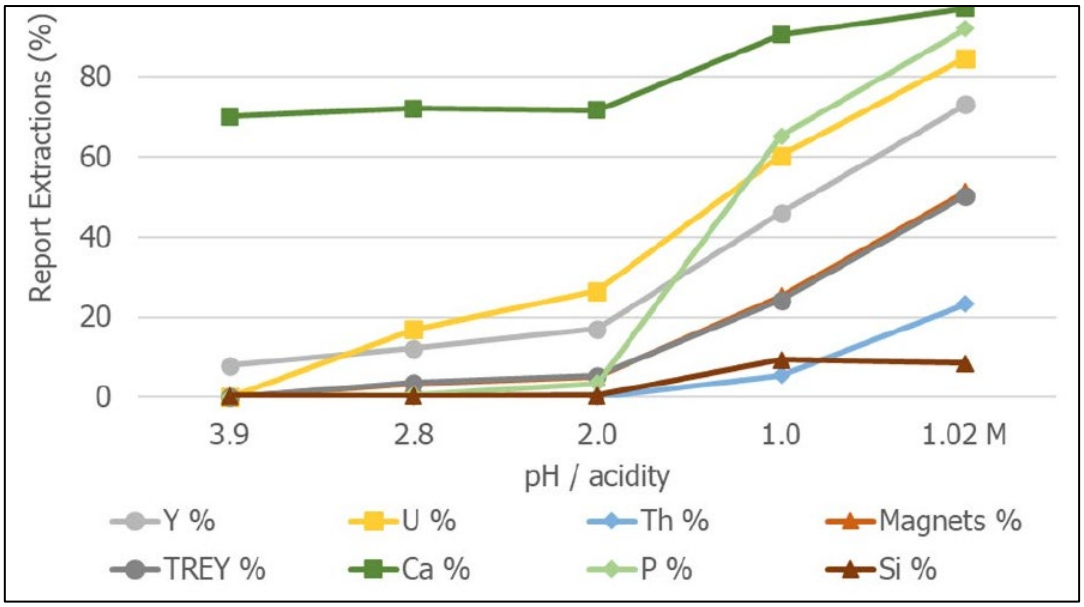

Figure 3 ANSTO pre-leach pH profile for EuR-1 composite concentrate.

Subsequent to quarter end, ANSTO direct acid-bake/water-leach testing achieved high extraction of key magnet rare earths from untreated historical Korsnäs lanthanide concentrate. Praseodymium and neodymium extracted at 88% and 83% respectively, combined magnet rare earth extraction was 83%, and TREY extraction was 86%.

The lower heavy rare earth extraction of terbium (49%), dysprosium (43%) and yttrium (43%) is consistent with a significant apatite-hosted component requiring complementary pre-leach optimisation. The next ANSTO work is therefore focused on optimising pre-leach conditions, combining them with acid bake/water leach, and advancing impurity removal, particularly aluminium, uranium and thorium.

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

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

Table 2 Solids-based extraction of REE element/group

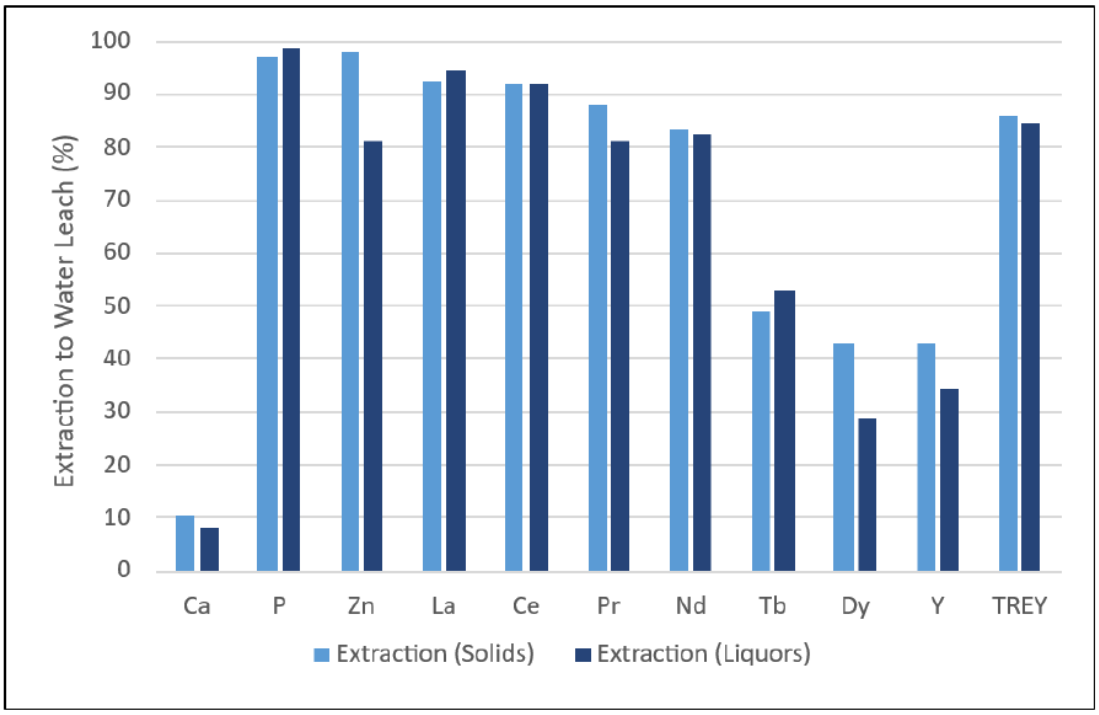

Figure 4 Post-quarter ANSTO Solids-based and liquor-based extractions for selected elements from the direct acid-bake/water-leach test.

2. Geophysics

Phase 2 passive seismic Horizontal-to-Vertical Spectral Ratio (HVSR) surveying at Korsnäs detected six new anomalies south and east of the historic Korsnäs mine and the current Mineral Resource area. Five of the six new HVSR anomalies lie outside the limits of historical gravity survey coverage, opening new areas for potential follow-up exploration.

At Korsnäs, HVSR surveying is being used to estimate depth to bedrock by measuring natural ground vibrations. The method is being applied to detect zones of deeper bedrock erosion and thicker glacial till accumulation, which may coincide locally with softer or more erodible bedrock including REE-mineralised or altered zones. Korsnäs REE mineralisation is known to be associated with gravity anomalies, and drill hole KR-316 has supported the usefulness of gravity-HVSR targeting in the southern target corridor.

- Two Phase 2 lines, located approximately 80 m north and 80 m south of the Phase 1 line that led to drill hole KR-316, returned strong anomalies along the expected strike direction.
- One of the strongest new anomalies occurs on the southernmost Phase 2 line, contributed to the Company's decision to apply for the 6.3 km^2 Poikel exploration permit Reservation Application area.
- The Poikel Reservation Application extends the Korsnäs project by approximately 2 km to the south and increases the project area to 19.9 km^2.
- Phase 3 passive seismic surveying commenced during the quarter to extend coverage across the broader tenement package and the Poikel Reservation Application area.

The Company does not consider passive seismic to be a substitute for drilling. The HVSR responses are geophysical anomalies only and will require follow-up geological review, infill geophysics and drilling to determine whether they are associated with REE mineralisation.

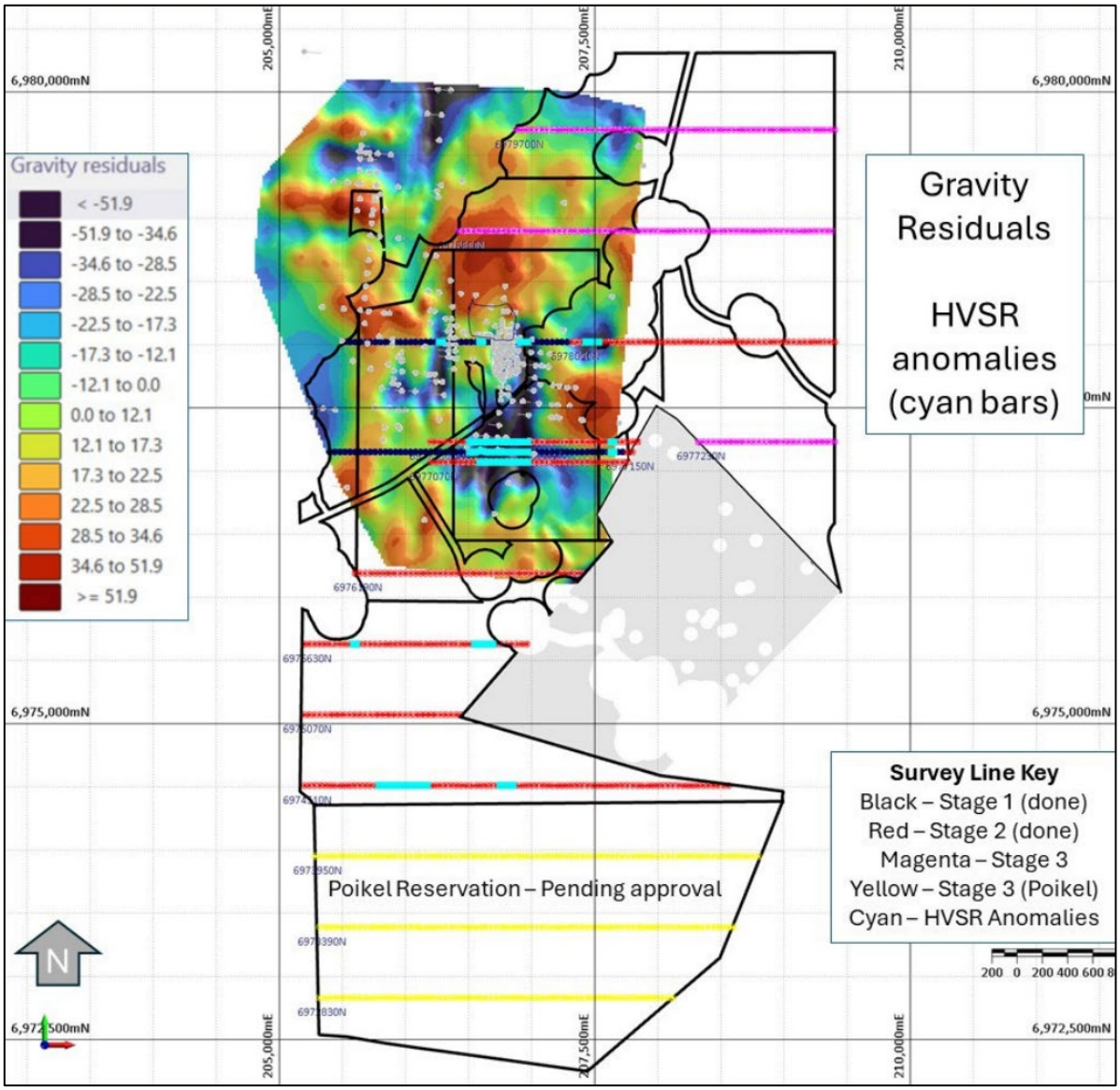

Figure 5 Korsnäs project map showing the historic mine, gravity anomalies, Phase 1, Phase 2 and Phase 3 passive seismic survey lines and the proposed Poikel Reservation Application area

3. Mineral Resource Estimate and Exploration Target

In April 2026, the Company announced an updated JORC Code (2012) Inferred Mineral Resource Estimate (MRE) for the 100%-owned Korsnäs REE project of 15.4 Mt @ 1.00% TREO at a 0.5% TREO cut-off.

The April 2026 MRE is based on an integrated dataset comprising re-assayed historical drill core, recent drilling by the Company, geological logging, structural observations and modern analytical data. Resource growth was driven by the incorporation of new drilling and assay data from holes KR-311 to KR-316 and refinement of the geological model, rather than any material relaxation of reporting criteria.

- The estimate is based on 42 modelled mineralised domains.
- The MRE is confined to hard-rock mineralisation interpreted within wireframe domains below the base of glacial till and above RL -400 m and excludes known historical underground stoping.
- At the 5,000 ppm TREO cut-off, the Inferred MRE has an average grade of 10,013 ppm TREO with 22.7% NdPr enrichment. Average grades include 1,754 ppm Nd2O3, 514 ppm Pr6O11, 221 ppm Sm2O3, 10.3 ppm Tb4O7 and 39.7 ppm Dy2O3.
- On a contained oxide basis, the estimate includes approximately 154.6 million kg TREO, 27.0 million kg Nd2O3 and 7.9 million kg Pr6O11.
- The MRE remains wholly classified as Inferred. The Company adopted a conservative approach, noting that metallurgical studies are still in progress and have not yet defined a sufficiently robust end-to-end process flowsheet, supported by recovery, concentrate and product assumptions, to justify a higher classification.

Korsnäs Project Inferred Mineral Resource Estimate (April 2026)
15.4Mt @ 1.00% TREO – lower cut-off 0.5% TREO

TREO Cut-Off (ppm)	Resource (Mt)	TREO (ppm)	NdPrO Enrichment (%)	Nd_2O_3 (ppm)	Pr_6O_{11} (ppm)	Sm_2O_3 (ppm)	Tb_4O_7 (ppm)	Dy_2O_3 (ppm)
10,000	5.2	16,360	20.7	2,586	807	286	12.2	48.1
9,000	6.1	15,288	21.1	2,469	759	281	12.1	47.6
8,000	7.4	14,122	21.4	2,317	705	270	11.7	46.0
7,000	9.3	12,797	21.7	2,139	644	255	11.3	44.3
6,000	11.6	11,503	22.1	1,962	584	240	10.9	42.4
5,000	**15.4**	**10,013**	**22.7**	**1,754**	**514**	**221**	**10.3**	**39.7**
4,000	21.6	8,427	23.2	1,515	437	197	9.3	35.9
3,000	31.9	6,823	23.6	1,256	356	168	8.1	31.0
2,000	48.8	5,311	23.8	985	276	134	6.6	25.3
1,000	80.7	3,804	24.0	713	198	99	5.0	19.8

Table 3 Korsnäs Project Inferred Mineral Resource Estimate, April 2026.

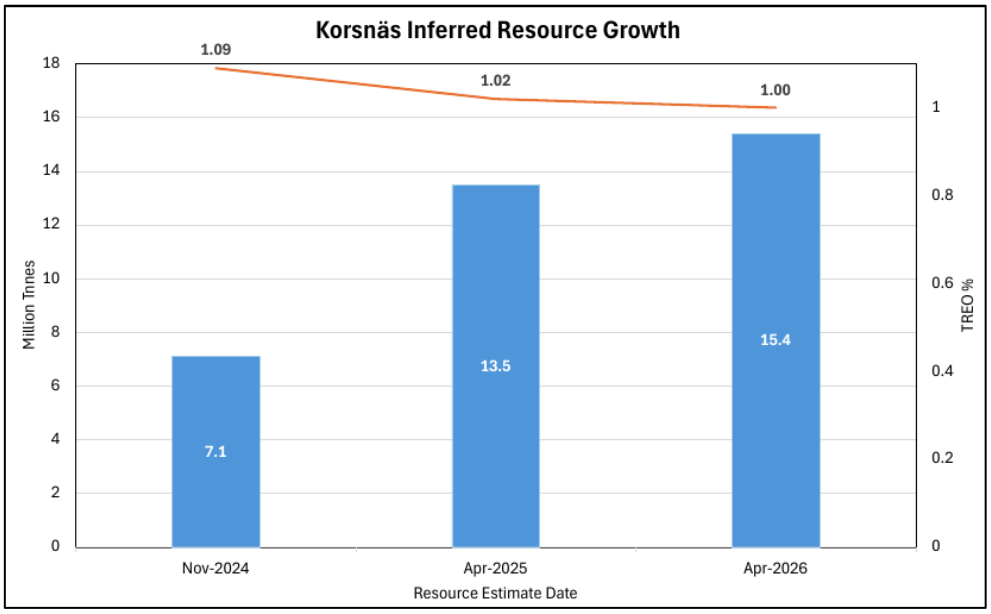

Figure 6 Korsnäs Inferred Mineral Resource growth from November 2024 to April 2026.

In June 2026, the Company announced an updated Exploration Target for Korsnäs of approximately 18 Mt to 32 Mt at 0.8% to 1.0% TREO. The potential quantity and grade of the Exploration Target are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource in respect of the Exploration Target and it is uncertain whether further exploration will result in the estimation of a Mineral Resource.

The updated Exploration Target is additional to, and separate from, the April 2026 Inferred Mineral Resource Estimate of 15.4 Mt at 1.0% TREO. The Exploration Target is not included in the Mineral Resource Estimate and no aggregate total of Mineral Resource plus Exploration Target is reported in this quarterly report.

The updated Exploration Target replaces the previously reported Exploration Target of 9 Mt to 11 Mt at 0.9% to 1.1% TREO announced on 22 April 2025. It comprises two separate components: new target areas defined by passive seismic interpretation, principally outside the immediate mine and Mineral Resource area; and projection of known mineralised zones within existing geological wireframes down to -400 m RL. There is no overlap between the April 2026 MRE, the known-zone projection component or the passive seismic target component, and historical underground stopes have been excluded.

Component	Tonnage range	Grade range
Passive seismic target areas	8 Mt to 15 Mt	0.8% to 1.1% TREO
Projection of known zones to -400 m RL	10 Mt to 17 Mt	0.7% to 0.9% TREO
Combined updated Exploration Target	18 Mt to 32 Mt	0.8% to 1.0% TREO

Table 4 Exploration Target components and total

The passive seismic target component is based on approximately 9 km of interpreted prospective structure outside the immediate mine and Mineral Resource area. The interpreted target corridors are based on Phase 2 passive seismic HVSR anomalies and associated geological interpretation. The target volume used a 400 m down-dip projection, an assumed average true thickness of 7 m and a bulk density of 2.77 t/m^3, consistent with the April 2026 MRE. The existing Resource model block-tonnage proportions above selected TREO cut-offs were then applied to the interpreted target volume.

The known-zone projection component was generated using a fourth interpolation pass designed to populate the remaining unestimated portions of the existing geological wireframes to -400 m RL. The first three interpolation passes underpin the April 2026 MRE, while blocks populated by the fourth pass were reported separately for Exploration Target purposes. As the interpolation passes are mutually exclusive, there is no overlap or double counting with the April 2026 MRE.

Further passive seismic surveying and drill testing are the required next steps to test the validity of the Exploration Target and determine whether any part of it can be converted to a Mineral Resource Estimate.

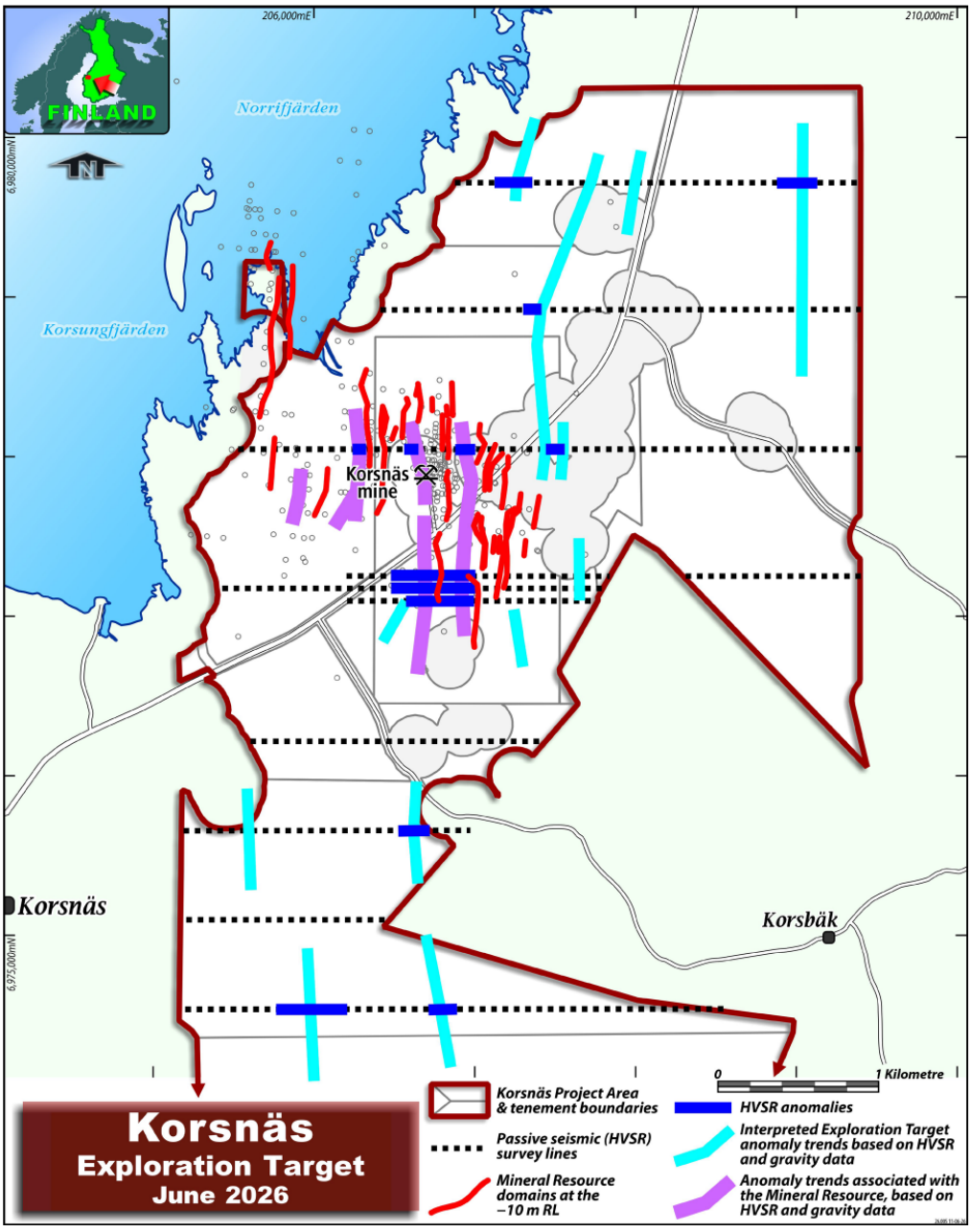

Figure 7 Korsnäs Exploration Target map showing April 2026 MRE domains, passive seismic lines and interpreted Exploration Target corridors.

Jokikangas HFSE-HREE Project (Finland)

During the quarter, the Company advanced its review of the Jokikangas area through two week-long sessions of drill core logging and sampling at GTK's Loppi core storage and processing facility in Finland. Selected intervals from historical drill core were identified for sampling, with the samples subsequently collected and dispatched to the assay laboratory.

Assay results are expected during the next quarter and will be reported once received and assessed.

Other Exploration Licences

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

Forward Program

- Continue work with ANSTO on historical lanthanide concentrate stockpile material, with emphasis on pre-leach optimisation, acid bake/water leach sequencing and impurity removal.
- Advance REMHub beneficiation work with GTK-Mintec and the University of Oulu, including flotation on WHGMS products and progression toward mini-pilot scale test work as suitable material becomes available.
- Generate representative concentrate from fresh drill core for downstream hydrometallurgical testing through the preferred ANSTO route, subject to concentrate availability.
- Complete and interpret Phase 3 passive seismic coverage, design Phase 4 infill lines and prioritise targets for future drill testing.
- Drill test priority targets as the necessary step to determine whether any portion of the Exploration Target can be converted to a Mineral Resource Estimate.

Corporate

Renounceable Rights issue

During the quarter, the Company undertook a renounceable rights issue, raising $2,571,045 before costs. A total of 171,402,980 shares at $0.015 per share and 171,402,980 attaching listed options were issued, with a further 5,142,090 listed options issued to the Lead Manager of the Offer, Mahe Capital Pty Ltd.

The net proceeds will be used for:

- exploration activities on the Company's Finnish and Slovakian projects;
- advancing the Company's Korsnäs project metallurgical programs; and
- general working capital and costs associated with the rights issue.

Expenditures

Expenditure on exploration activities during the quarter totalled $338,032 There were no expenditures on mine production and development activities during the quarter.

Related Party Expenditures

During the quarter, the aggregate amount of payments to related parties and their associates totalled $243,787, in payments to Directors for Directors' consulting fees.

Tenements

Project	Tenement Number	Country	Interest
Cejkov-Zemplin	11006/2022-5.[3]	Slovakia	100%
Hodruša-Hámre	7120/2023-5.[3]	Slovakia	100%
Jokikangas	ML2021:0017 Jokikangas[2] ML2023:0015 Honkamäki[2] ML2025:0024 Honkamäki 2[1] VA2025:0056-01 Jylhy[1]	Finland	100%
Kolba	9313/2022-5.[3]	Slovakia	100%
Korsnäs	ML2021:0019 Hägg[2] ML2025:0020 Hägg 2[2] ML2024:0087 Hägg 3[2] ML2024:0103 Petalax[1]	Finland	100%
Poikel	VA2026:0035-01 Application for Reservation Notification[1]	Finland	100%
Nová Baňa	P22/15[3]	Slovakia	100%
Pukanec	9313/2022-5.3[3]	Slovakia	100%
Zlatno	9355/2024-5.3	Slovakia	100%

Table 5 European Resource Limited Tenements

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

2 These are Exploration Permits approved by TUKES.

3 Undergoing re-granting.

No Material Changes

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

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

Competent Person's Statement

The information in this report that relates to Mineral Resources is based on information compiled by John Levings, who is a Director of European Resources Limited and a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Levings holds a Bachelor of Science degree in geology and geophysics and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

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

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

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

Forward-looking and cautionary statements

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

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Appendix A: Glossary of Terms and Acronyms

Term or acronym	Meaning
Acid bake	A hydrometallurgical treatment in which mineral concentrate is heated with acid to break down rare-earth-bearing minerals before leaching.
ANSTO	Australian Nuclear Science and Technology Organisation. ANSTO Minerals is undertaking downstream metallurgical test work on Korsnäs concentrate material.
ASX	Australian Securities Exchange.
Beneficiation	Physical processing used to separate valuable minerals from unwanted material and produce a higher-grade concentrate.
Competent Person	A suitably qualified and experienced minerals industry professional who accepts responsibility for technical information reported under the JORC Code.
Cut-off grade	The minimum grade used to determine which material is included in a Mineral Resource estimate.
EU	European Union.
Exploration Target	A conceptual estimate of the potential quantity and grade of mineralisation in an area where there has not yet been sufficient exploration to estimate a Mineral Resource.
Flotation	A mineral separation process that uses reagents and air bubbles to selectively recover particular minerals into a concentrate.
FSE	Frankfurt Stock Exchange.
Grade upgrade	The percentage increase in the concentration of the target commodity between the feed material and the resulting concentrate.
GTK	Geological Survey of Finland.
GTK-Mintec	GTK's mineral processing and metallurgical testing facility in Finland.
Head grade	The grade of the material entering a mineral processing test or plant.
HFSE	High-field-strength elements, a group of chemically resistant elements that includes zirconium, hafnium, niobium and tantalum.
HREE	Heavy rare earth elements. These generally include the heavier lanthanides terbium through lutetium and yttrium.
HVSR	Horizontal-to-Vertical Spectral Ratio, a passive seismic method that measures natural ground vibrations and can be used to estimate depth to bedrock.
Hydrometallurgy	The extraction and recovery of metals using water-based chemical processes such as leaching, precipitation and solvent extraction.
Inferred Mineral Resource	The lowest-confidence Mineral Resource classification under the JORC Code, based on geological evidence and sampling sufficient to imply, but not verify, geological and grade continuity.
JORC Code	The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.
Lanthanide concentrate	A mineral concentrate containing rare earth elements from the lanthanide series.
LREE	Light rare earth elements, generally comprising lanthanum through gadolinium.
Magnet rare earths	Rare earth elements important in permanent magnets, principally neodymium, praseodymium, terbium and dysprosium.
Mineral Resource Estimate (MRE)	An estimate of the quantity and grade of a mineral deposit that has reasonable prospects for eventual economic extraction.
NdPr	Neodymium and praseodymium, two high-value rare earth elements principally used in permanent magnets.

Term or acronym	Meaning
P80	The particle size at which 80% of a ground sample passes through a specified screen size.
Passive seismic	A geophysical method that records naturally occurring ground vibrations rather than vibrations generated by an active seismic source.
pH	A measure of acidity or alkalinity. Lower pH values indicate more acidic conditions.
ppm	Parts per million. A concentration of 10,000 ppm is equivalent to 1%.
Pre-leach	A preliminary leaching stage used to remove selected minerals or impurities before the principal extraction process.
QEMSCAN	An automated scanning-electron-microscope mineralogy system used to identify minerals and determine how elements are distributed between them.
Rare earth elements (REE)	A group of chemically similar metallic elements comprising the lanthanides together with yttrium and, in some definitions, scandium.
Recovery	The proportion of the target element contained in the feed that reports to the concentrate or extracted solution.
REMHub	The European Union funded research program under which Korsnäs beneficiation and mineral-processing test work is being undertaken.
RL	Reduced Level, representing elevation relative to a nominated survey datum.
Solids-based extraction	The proportion of an element removed from the original solid feed, calculated from the change in the solid material.
Tesla (T)	A unit of magnetic field strength used in magnetic separation testing.
TREO	Total rare earth oxides, being the combined concentration of the rare earth elements expressed in oxide form.
TREY	Total rare earth elements plus yttrium.
TUKES	Finnish Safety and Chemicals Agency, the government authority responsible for administering exploration permits under Finland's mining legislation.
WHGMS	Wet High Gradient Magnetic Separation, a mineral-processing technique that uses a strong magnetic field to separate weakly magnetic minerals from non-magnetic material.
Wireframe domain	A three-dimensional geological boundary used to define the interpreted shape and extent of mineralisation for resource estimation.
wt%	Weight percent, representing the mass of a substance as a percentage of the total sample mass.

Appendix 5B

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

Name of entity

European Resources Limited

ABN	Quarter ended ("current quarter")
24 602 043 265	30 June 2026

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(377)	(479)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(374)**	**(471)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(338)	(1,174)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(338)**	**(1,174)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,571	2,571
3.2	Proceeds from issue of convertible debt securities	(248)	(248)
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**2,323**	**2,323**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	148	1,085
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(374)	(471)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(338)	(1,174)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,323	2,323

Consolidated statement of cash flows		Current quarter $A'000	Year to date (6 months) $A'000
4.5	Effect of movement in exchange rates on cash held	(1)	(4)
4.6	**Cash and cash equivalents at end of period**	**1,759**	**1,759**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,759	149
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,759**	**149**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	154
6.2	Aggregate amount of payments to related parties and their associates included in item 2	90

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.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	**-**	**-**

7.5	**Unused financing facilities available at quarter end**	-

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(374)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(338)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(712)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,759
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,759
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.47

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.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

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

Answer: N/A

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: 17 July 2026

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.