

PARABELLUM
RESOURCES

PARABELLUM RESOURCES LIMITED

ACN: 645 149 211

**Annual Report For The Year Ended
30 June 2026**

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Peter Ruse (Non-Executive Chairman)
Fabio Vergara (Non-Executive Director)
Shaun Menezes (Non-Executive Director)

COMPANY SECRETARY

Shaun Menezes

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

52 Ord Street
West Perth WA 6005

Telephone: (+61 8) 6313 3950

SHARE REGISTRY

Automatic Registry Services
Level 5
191 St Georges Terrace
Perth WA 6000

Investor Enquiries: 1300 288 664

AUDITOR

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth WA 6000

Telephone: (+61 8) 6382 4600

STOCK EXCHANGE

ASX Limited (Australian Securities Exchange)
ASX Code: PBL

PARABELLUM RESOURCES LIMITED

A.C.N. 645 149 211

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PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors present their report on Parabellum Resources Limited (the "Company") and the entities it controlled at the end of, or during (the "Group") the year ended 30 June 2026.

Directors

The names, qualifications and experience of the directors in office at any time during, or since the end of, the period are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Peter Ruse (Non-Executive Chairman) BCom, GradCertAppFin

Mr Ruse is a finance professional with over 12 years extensive experience in Equity Funds Management and Private/Institutional Wealth Management specialising in Mining/Minerals and Industrial related sectors. Mr Ruse has extensive private and public equity market experience as a former Executive Director/Portfolio Manager of ALR Investments Pty Limited, a Western Australian family office investment company.

Other Current Listed Directorships: Gunsynd PLC (LON:GUN) (since November 2019)

Former Directorships in Last Three Years: Mont Royal Resources Limited (March 2018 – October 2025)

Fabio Vergara (Non-Executive Director) MSc, MAusIMM (appointed 31 October 2024)

Mr Vergara is geologist with over 15 years of experience in the mining industry primarily in exploration and consulting roles across Australia, North America, Africa and Europe. He has been involved at management level with listed and unlisted entities including with the Bass Group family office and at Eagle Mountain Mining Limited (ASX:EM2).

Other Current Listed Directorships: Eagle Mountain Mining Limited (since February 2025).

Shaun Menezes (Non-Executive Director, Company Secretary and CFO) BCom, LLB

Mr Menezes is an accounting and finance professional with over 20 years' experience. He has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm.

Mr Menezes is currently the company secretary for a number of ASX listed companies. In his past career, he has held the position of Finance Director and Company Secretary of a Company listed on the Singapore Exchange Limited.

Mr. Menezes is a member of the Governance Institute of Australia and the Chartered Accountants Australia and New Zealand.

Company Secretary

Shaun Menezes BCom, LLB

Directors Meetings

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2026 attended by each director:

	Number Eligible to Attend	Number Attended
Peter Ruse	4	4
Fabio Vergara	4	4
Shaun Menezes	4	4

Principal Activities

The principal activity of the Group during the year was the exploration for minerals. No significant change in the nature of these activities occurred during the year.

Review of Operations

The consolidated loss after tax of the consolidated group for the financial year was \$431,624 (2025: \$1,488,811).

NSW Projects

The Company's NSW Projects comprise the Redlands/Whitbarrow, Recovery and Lunns Dam Projects in the Tottenham-Girilambone district (Figure 1). The projects cover approximately 690km².

**PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT**

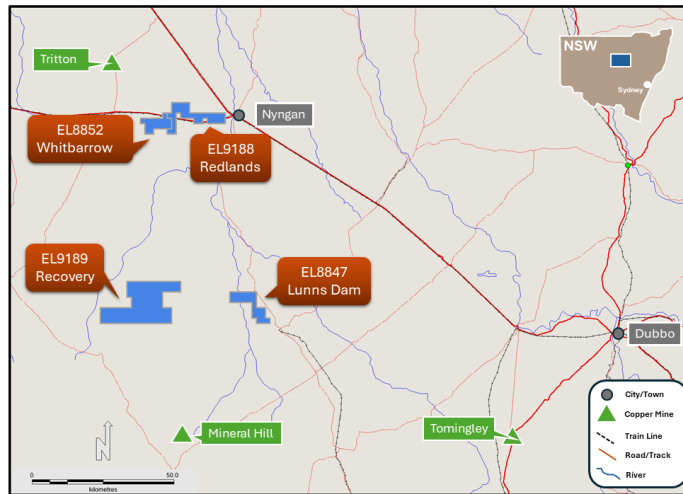


Figure 1: PBL Project Location

The Company has identified the Miandetta/Redlands Cu prospect in the Redlands Project area as being the next area to continue exploration. A review of previous exploration of the Redlands Project (EL9188) highlighted the Miandetta/Redlands Cu prospect as having excellent potential for hosting Ni/Co/Cu mineralisation. Limited historic drilling identified that anomalous Ni-Cu mineralisation is hosted in the oxide profile above ultramafic rocks. The ultramafic rocks have a distinct strong magnetic signature and a systematic drilling program has been developed in order to test the magnitude of this target.

Phase 3 Drilling Program

During the December 2025 Quarter, the Company completed the Phase 3 Air Core / Reverse Circulation drilling program at the Miandetta Ni-Co prospect ('Miandetta'), part of the Redlands Project.

A total of 26 holes were completed for an aggregate of 968 metres. Depths of several Air Core drill holes were shallower than target and these holes were re-drilled with Reverse Circulation drilling.

The targeted ultramafic unit was intersected in a majority of drillholes with a variable oxide (weathering) profile that reached a maximum thickness of 43m. Phase 3 confirmed the shallow and continuous, higher-grade nickel-cobalt mineralisation was previously intersected within the oxide profile in Phase 1 and Phase 2 drilling.

Phase 3 significant results (e.g. > 0.5% Ni) are shown in Figure 2.

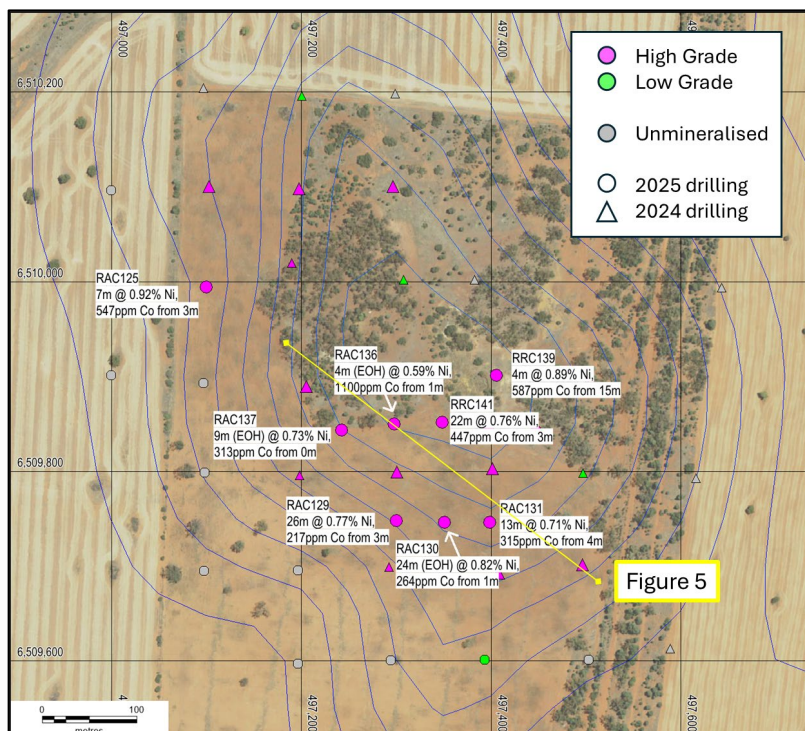


Figure 5

Figure 2: Miandetta Prospect— Air Core & Reverse Circulation drilling: Significant nickel results Phase 3 drilling

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Exploration Target

The Miandetta-Redlands Exploration Target has been prepared and reported in accordance with the JORC Code (2012) and consists of between 10 and 17 million tonnes at a grade of between 0.8% and 0.9% Nickel and 0.04% and 0.05% Co.

Cautionary Statement: The potential tonnage, grade and quantity of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource for the target area reported. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

Mineral Resource Estimate

In June 2026, the Company engaged a well-credentialled consultancy to complete the first Mineral Resource Estimate at the Redlands-Miandetta Project.

Business development opportunities

In addition to its NSW Projects, the Company continues to evaluate new corporate and asset acquisition opportunities in the resource sector that align with its current mineral exploration strategy. These new opportunities may take the form of direct project acquisitions, joint ventures, farm-ins and direct equity participation. The Company's current focus is on precious and base metals projects.

COMPETENT PERSONS REPORT

Where the Company references previous exploration results including technical information from previous ASX announcements, JORC Table 1 disclosures are included within them. The Company confirms that it is not aware of any new information or data that materially affects the information included in those announcements, and all material assumptions and technical parameters underpinning the results within those announcements continue to apply and have not materially changed. In addition, the form and context in which the Competent Persons findings are presented have not been materially modified from the original reports.

Operating and Financial Risks

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and the Group manages these risks, are detailed below:

Operational risks

The Company may be affected by various operational factors. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

The operations of the Company may be affected by various factors, including failure to locate or identify mineral deposits and failure to achieve predicted grades in exploration and mining.

The tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

Further capital requirements

The Company's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

The Company's activities are subject to Government regulations and approvals

The Company is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Australia that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Global conditions

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Significant Changes in the State of Affairs

No significant changes in the Group's state of affairs occurred during the financial period.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the Group and the expected results of those operations in future financial periods are set out in the review of operations.

Environmental Regulation

The Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Dividends

No dividends were paid or declared since the start of the financial year (2025: Nil).

Company Securities

The Company has the following securities on issue as at the date of the Directors' Report.

Security Description	Number of Securities
Fully paid shares	62,300,001
Unissued shares	

As at the date of this report, there were the following unissued shares on issue:

Security Description	Number of Securities	
	2026	2025
Ordinary shares under options	-	5,000,000

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

Shares issued as a result of the exercise of options or performance shares

During the financial year there were no ordinary shares issued as a result of the exercise of options (2025: Nil).

Directors' Interests in Shares and Options of the Company

As at the date of this report, the directors' interest in shares and options of the Company were:

	Number of Ordinary Shares
Peter Ruse	1,225,001
Fabio Vergara	101,949
Shaun Menezes	155,000

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained in the annual report.

Indemnification of Officers

The Company has, during or since the financial period, in respect of any person who is or has been an officer of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Indemnity and insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the period.

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 11.

Non-Audit Services

There were no fees paid or payable to BDO Audit Pty Ltd during the year ended 30 June 2026 (2025: \$Nil) in relation to non-audit services.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT
REMUNERATION REPORT (AUDITED)

Remuneration Policy

The remuneration policy of the Company has been designed in order to ensure that the Group is able to attract and retain executives and Directors who will create value for shareholders, having regard to the amount considered to be commensurate for an entity of the Group's size and level of activity as well as the relevant directors' time, commitment and responsibility. Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australia executive reward practices.

The Board's policy for determining the nature and amount of remuneration for board members and other senior executives of the Group is as follows:

The remuneration policy setting out the terms and conditions of any executive director was developed by the Board.

All senior executives will be subject to an annual performance evaluation against an established set of performance targets which are aligned to overall business goals and the Group's requirement of the position. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

Remuneration packages for executive directors and other senior executives include an appropriate balance of fixed remuneration and performance-based remuneration. Fixed remuneration takes into account the Group's obligations at law and labour market conditions, and is relative to the scale of the Group's business.

Non-executive directors are remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity). Levels of fixed remuneration for non-executive directors reflect the time commitment and responsibilities of the role.

Remuneration and other terms of employment for the executive director and other senior executives have been formalised in service agreements as follows:

The Company has entered into an agreement with non-executive Chairman, Mr Peter Ruse. The terms of the agreement are set out as follows:

- Commencement date: 15 October 2020
- Term: no fixed
- Fixed remuneration: \$100,000 per annum plus superannuation
- Long-term incentive options:
 - Class C - 2,000,000 options at an exercise price of \$0.50, expiring 30 November 2025
- Termination for cause: no notice period
- Termination without cause: no notice period

The Company has entered into an agreement with non-executive director, Mr Fabio Vergara. The terms of the agreement are set out as follows:

- Commencement date: 31 October 2024
- Term: no fixed
- Fixed remuneration: \$50,000 per annum plus superannuation
- Termination for cause: no notice period
- Termination without cause: no notice period

The Company has entered into an agreement with non-executive director, Mr Shaun Menezes. The terms of the agreement are set out as follows:

- Commencement date: 3 June 2021
- Term: no fixed
- Fixed remuneration: \$60,000 per annum plus superannuation
- Long-term incentive options:
 - Class C - 1,000,000 options at an exercise price of \$0.50, expiring 30 November 2025
- Termination for cause: no notice period
- Termination without cause: no notice period

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by shareholders from time to time which currently stands at \$500,000 per annum.

The Board undertakes an annual review of its performance and may exercise discretion in relation to approving incentives, bonuses and options.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

Performance-based remuneration

The Company currently has not granted any performance-based remuneration during the year.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT
REMUNERATION REPORT (AUDITED)

The table below summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the period from incorporation to 30 June 2026.

	2026	2025	2024	2023	2022
Loss after income tax attributable to shareholders (\$)	(431,624)	(1,488,811)	(4,498,155)	(3,144,390)	(790,671)
Share price at year end (\$)	0.06	0.054	0.039	0.345	0.175
Total dividends declared (cents per share)	-	-	-	-	-
Returns on capital (cents per share)	-	-	-	-	-
Basic earnings/(loss) per share (cents)	(0.69)	(2.39)	(7.22)	(5.41)	(2.61)

Key management personnel

The directors and other key management personnel of the Group during or since the end of the financial year were:

Mr Peter Ruse	Non-Executive Chairman
Mr Fabio Vergara	Non-Executive Director
Mr Shaun Menezes	Non-Executive Director, Company Secretary and Chief Financial Officer

Key management personnel compensation

Details of the nature and amount of emolument paid for each director and executive Parabellum Resources Limited for the year ended 30 June 2026 are set out below:

	Primary Benefits			Post Employment		Share Based Payments	Other Benefits	TOTAL	Options Based
	Salary & Fees	Consulting Fee	Non-Monetary	Super-annuation	Retirement Benefits	Options			
Directors	\$	\$	\$	\$	\$	\$	\$	\$	%
2026									
P Ruse	112,000	-	-	-	-	-	-	112,000	-
S Menezes	109,200 ¹	-	-	-	-	-	-	109,200	-
F Vergara	56,000	11,760	-	-	-	-	-	67,760	-
Total	277,200	11,760	-	-	-	-	-	288,960	-
2025									
P Ruse	105,925	-	-	-	-	-	-	105,925	-
F Vergara	37,167	14,520	-	-	-	-	-	51,687	-
S Menezes	108,900 ¹	-	-	-	-	-	-	108,900	-
M Hohnen ²	18,583	-	-	-	-	-	-	18,583	-
P Secker ²	16,667	-	-	-	-	-	-	16,667	-
Total	287,242	14,520	-	-	-	-	-	301,762	-

¹ Includes \$42,000 for company secretarial fees.

² Resigned 31 October 2024

Remuneration Options

During the year ended 30 June 2026, no options (2025: Nil) were issued as part of director remuneration.

During the period ended 30 June 2026, 3,000,000 remuneration options held by the directors expired unexercised.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT
REMUNERATION REPORT (AUDITED)

Shareholdings by Directors

2026	Balance 01/07/25 (No. of Shares)	Received Remuneration (No. of Shares)	No. of Options Exercised	Net Other Change (No. of Shares)	Balance 30/06/26 (No. of Shares)
P Ruse	1,225,001	-	-	-	1,225,001
F Vergara	101,949	-	-	-	101,949
S Menezes	155,000	-	-	-	155,000
Total	1,481,950	-	-	-	1,481,950

Options Holdings by Directors

2026	Balance 01/07/25 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Expired	Net Change Other (No. Options)	Balance 30/06/26 (No. Options)	Vested and exercisable 30/06/26 (No. Options)
P Ruse	2,000,000	-	-	(2,000,000)	-	-	-
S Menezes	1,000,000	-	-	(1,000,000)	-	-	-
Total	3,000,000	-	-	(3,000,000)	-	-	-

The options issued to directors as remuneration were not subject to any performance conditions.

The Company received 100% of "yes" votes on its remuneration report for the 2025 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of remuneration report (audited).

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' REPORT

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Shaun Menezes
Non-Executive Director
28 July 2026

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF PARABELLUM RESOURCES LIMITED

As lead auditor of Parabellum Resources Limited for the year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Parabellum Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', with a long, sweeping horizontal stroke extending to the right.

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

28 July 2026

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Note	2026 \$	2025 \$
Interest income		43,472	69,299
Expenses			
Corporate	3	(465,936)	(490,839)
Exploration expensed		(9,160)	-
Impairment of investment in associate		-	324,828
Impairment of exploration	6	-	(1,392,099)
Loss before tax		(431,624)	(1,488,811)
Income tax expense	4	-	-
Loss for the period		(431,624)	(1,488,811)
Other comprehensive income		-	-
Total comprehensive loss for the period attributable to the members		(431,624)	(1,488,811)
Loss per share attributable to the shareholders of the Company arises from:			
Basic and diluted loss per share (cents per share)	10	(0.69)	(2.39)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	30 June 2026 \$	30 June 2025 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	841,472	1,430,319
Other assets		40,000	50,000
Trade and other receivables		12,812	15,314
Prepayments		12,026	13,801
TOTAL CURRENT ASSETS		906,310	1,509,434
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	6	1,363,814	1,201,804
TOTAL NON-CURRENT ASSETS		1,363,814	1,201,804
TOTAL ASSETS		2,270,124	2,711,238
LIABILITIES			
CURRENT LIABILITIES			
Trade creditors and other accruals	7	63,514	73,004
TOTAL CURRENT LIABILITIES		63,514	73,004
TOTAL LIABILITIES		63,514	73,004
NET ASSETS		2,206,610	2,638,234
EQUITY			
Issued capital	8	9,976,233	9,976,233
Reserves	9	2,533,187	2,533,187
Accumulated losses		(10,302,810)	(9,871,186)
TOTAL EQUITY		2,206,610	2,638,234

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2025	9,976,233	2,533,187	(9,871,186)	2,638,234
Loss for the period	-	-	(431,624)	(431,624)
Total comprehensive loss for the period	-	-	(431,624)	(431,624)
Equity transactions	-	-	-	-
Balance at 30 June 2026	9,976,233	2,533,187	(10,302,810)	2,206,610

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$
Balance at 1 July 2024	9,976,233	2,533,187	(8,382,375)	4,127,045
Loss for the period	-	-	(1,488,811)	(1,488,811)
Total comprehensive loss for the period	-	-	(1,488,811)	(1,488,811)
Equity transactions	-	-	-	-
Balance at 30 June 2025	9,976,233	2,533,187	(9,871,186)	2,638,234

The above consolidated statement of change in equity should be read in conjunction with the accompanying notes.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

		2026 \$	2025 \$
	Note		
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		43,472	69,299
Payments to suppliers and employees		(461,149)	(550,246)
Net cash used in operating activities	5	<u>(417,677)</u>	<u>(480,947)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from return of capital on investments		-	324,828
Payments for exploration and evaluation expenditure		(171,170)	(48,493)
Net cash used in investing activities		<u>(171,170)</u>	<u>276,335</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds / (repayment) from borrowings		-	-
Net cash from / (used in) financing activities		<u>-</u>	<u>-</u>
Net increase / (decrease) in cash held		(588,847)	(204,612)
Cash and cash equivalents at beginning of the period		1,430,319	1,634,931
Effect of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at end of the period	5	<u>841,472</u>	<u>1,430,319</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

1. CORPORATE INFORMATION

Parabellum Resources Limited is a public company limited by shares incorporated on 15 October 2020 and domiciled in Australia.

These consolidated financial statements and notes represent Parabellum Resources Limited and its controlled entities (together 'Consolidated Group', 'Group').

The Group is principally engaged in the business of mineral exploration in Australia. The registered office and principal place of business of the Company is, 52 Ord Street, West Perth WA 6005.

The financial statements of the Group for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the directors on 28 July 2026.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

Both the functional and presentation currency of the Company is in Australian dollars.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (IFRS). Compliance with IFRS ensures that the financial statements and notes comply with International Financial Reporting Accounting Standards (IFRS).

(c) New accounting standards and interpretations

The Group has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2025. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

Accounting standards and interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the reporting year ended 30 June 2026. The Directors have not early adopted any of these new or amended standards or interpretations. The Directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Group) and interpretations.

(d) Cash and cash equivalents

Cash and cash equivalents in the Consolidated Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(e) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant,

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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FOR THE YEAR ENDED 30 JUNE 2026

equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly, the costs have been determined on the basis that the restoration will be completed within one period of abandoning the site.

(f) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(g) Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting judgements and estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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FOR THE YEAR ENDED 30 JUNE 2026

3. EXPENSES

	2026	2025
	\$	\$
Corporate expenses consist of:		
- Directors' fees	246,960	259,762
- Corporate and administrative expenses	218,976	231,077
Total corporate expenses	<u>465,936</u>	<u>490,839</u>

4. INCOME TAX EXPENSE

The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2026	2025
	\$	\$
Loss before income tax	(431,624)	(1,488,811)
Income tax calculated at 30%	(129,487)	(446,643)
Add back:		
Accruals	(750)	750
Impairment of exploration	-	417,629
Capital raising costs	(59,026)	(59,026)
Capitalised exploration immediately deductible	(48,603)	403,082
Adjustments in respect of income tax of previous year	(416,232)	31,873
Future income tax benefit not brought to account	654,098	(347,665)
Income tax expense	<u>-</u>	<u>-</u>

	2026	2025
	\$	\$
Deferred tax assets:		
Capital raising costs	75,214	75,214
Accruals	7,500	8,250
Carry forward tax losses	2,942,900	2,288,801
	<u>3,025,614</u>	<u>2,372,265</u>

	2026	2025
	\$	\$
Deferred tax liabilities:		
Capitalised exploration costs	(409,144)	(360,541)
	<u>(409,144)</u>	<u>(360,541)</u>

Net deferred tax asset position not brought to account	<u>(2,616,470)</u>	<u>(2,011,724)</u>
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PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

5. CASH AND CASH EQUIVALENTS

	2026 \$	2025 \$
Cash at bank and on hand	841,472	1,430,319

(a) Reconciliation of loss after income tax to net cash from operating activities

	2026 \$	2025 \$
Loss for the period	(431,624)	(1,488,811)
Impairment of investment in associate	-	(324,828)
Impairment of exploration	-	1,392,099
<i>Movement in assets and liabilities:</i>		
(Increase)/Decrease in other receivables	2,502	14,757
Increase/(Decrease) in trade and other payables	11,445	(74,164)
Net cash used in operating activities	(417,677)	(480,947)

(b) Non-cash investing and financing activities

There were no non-cash investing and financing activities during the year ended 30 June 2026 and 2025.

(c) Changes in liabilities arising from financing activities

There were no changes in liabilities arising from financing activities.

6. EXPLORATION AND EVALUATION EXPENDITURE

	2026 \$	2025 \$
Balance at the beginning of the period	1,201,804	2,545,410
Exploration and evaluation expenditure incurred during the period	162,010	48,493
Exploration expenditure impaired	-	(1,392,099)
Balance at the end of the period	1,363,814	1,201,804

The Company had no planned future exploration expenditure on the Obley, Lunns Dam and Recovery projects and has therefore impaired the carrying value of exploration expenditure capitalised up to 30 June 2025. Subsequent exploration expenditure on these projects is expensed as incurred.

The value of the exploration tenements carried forward is dependent upon:

- (a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;
- (b) The results of future exploration; and
- (c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

7. TRADE AND OTHER PAYABLES

	2026 \$	2025 \$
Trade payables and accruals	63,514	73,004

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

8. ISSUED CAPITAL

(a) Issued Capital

	2026	2025
	\$	\$
Fully paid ordinary shares	10,960,001	10,960,001
Less: capital raising costs	(983,768)	(983,768)
	<u>9,976,233</u>	<u>9,976,233</u>

(b) Movement in ordinary share capital of the Company:

Date	Details	No. of Shares	Issue Price	\$
1/7/2025	Opening balance	62,300,001		9,976,233
30/6/2025	Closing balance	<u>62,300,001</u>		<u>9,976,233</u>
30/6/2026	Closing balance	<u>62,300,001</u>		<u>9,976,233</u>

(c) Movement in performance shares of the Company:

Date	Details	No. of Performance Shares	Fair Value	\$
1/7/2024	Opening balance	2,500,000		-
29/11/2024	Lapsed – Class B Performance Shares	(2,500,000)	-	-
30/06/2025	Closing balance	<u>-</u>		<u>-</u>

(d) Capital risk management

The Company does not have a defined share buy-back plan.

No dividends were paid in 2026 (2025: Nil).

There is no current intention to incur further debt funding on behalf of the Company as on-going expenditure will be funded via cash reserves or equity.

The Company is not subject to any externally imposed capital requirements.

9. RESERVES

(a) Share based payments and option reserve

	2026	2025
	\$	\$
Share based payments reserve	2,532,519	2,532,519
Options reserve	668	668
Total	<u>2,533,187</u>	<u>2,533,187</u>

(b) Movement in options

Date	Details	No. of Unlisted Options	Fair Value of Options Granted	Exercise Price	Expiry Date
01/07/2024	Opening balance	19,800,000			
12/11/2024	Founder options	(5,000,000)	N/A	\$0.25	12/11/2024
19/11/2024	Lead Manager options	(1,800,000)	N/A	\$0.30	19/11/2024
29/11/2024	Director options	(875,000)	N/A	\$0.25	29/11/2024
29/11/2024	Director options	(1,125,000)	N/A	\$0.30	29/11/2024
13/12/2024	Corporate Advisor options	(6,000,000)	N/A	\$0.50	13/12/2024
30/06/2025	Closing balance	<u>5,000,000</u>			
30/11/2025	Director options	(5,000,000)	N/A	\$0.50	30/11/2025
30/06/2026	Closing balance	<u>-</u>			

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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FOR THE YEAR ENDED 30 JUNE 2026

(c) Nature and purpose of reserves

Share based payments reserve

The share based payments reserve is the value of equity benefits provided to directors, employees and consultants by the Company as part of their remuneration.

Option reserve

The option reserve is the value paid for the options that were issued to founders of the company for cash consideration and the Lead Manager as part of the capital raising fee for the IPO.

10. LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted earnings/(loss) per share:

	2026	2025
	\$	\$
Loss per share (cents)	(0.69)	(2.39)
Loss used in calculating basic and diluted loss per share	(431,624)	(1,488,811)
	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	62,300,001	62,300,001

The options on issue at 30 June 2026 were anti-dilutive, and therefore diluted loss per share was the same as basic loss per share.

11. SHARE BASED PAYMENTS

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price	Number of Options	Weighted average exercise price	Number of Options
	30 June 2026		30 June 2025	
Outstanding at beginning of the period	\$0.50	5,000,000	\$0.384	19,800,000
Expired during the period	\$0.50	(5,000,000)	\$0.36	(14,800,000)
Outstanding at end of the period	-	-	\$0.50	5,000,000
Exercisable at end of the period	-	-	\$0.50	5,000,000

12. INVESTMENT IN SUBSIDIARIES

Interests are held in the following subsidiary companies:

Name	Principal Activity	Country of Incorporation	Ownership Interest 2026	Ownership Interest 2025
Lachlan Minerals Pty Ltd	Mineral Exploration	Australia	100%	100%
PBL Mongolia Pty Ltd	Mineral Exploration	Australia	100%	100%

13. CONTINGENT LIABILITIES, COMMITMENTS AND CONTINGENT ASSETS

As at 30 June 2026 there were no contingent liabilities, lease commitments or contingent assets.

14. RELATED PARTY TRANSACTIONS

The Group's main related parties are as follows:

a. Subsidiaries

Interest in subsidiaries are set out in Note 12.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2026

b. Key management personnel

Disclosures relating to key management personnel are set out in note 15.

c. Transactions with other related parties:

There were no transactions with other related parties during the year ended 30 June 2026 (2025: Nil).

15. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation:

The aggregate compensation made to directors and other members of key management personnel of the Company is set out below:

	2026	2025
	\$	\$
Directors' remuneration	288,960	301,762
Other key management salaries	-	-
Share based payments	-	-
Aggregate compensation	<u>288,960</u>	<u>301,762</u>

16. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, and accounts receivable and payables.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments is cash flow interest rate risk and liquidity risk. Other minor risks are either summarised below or disclosed at Note 8 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

(a) Cash flow interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

The following table sets out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets or liabilities held by the Group.

2026	Non Interest Bearing \$	Floating Interest Rate \$	Total \$	Weighted Average Effective Interest Rate %
Financial Assets				
- Cash and cash equivalents	7,293	834,178	841,471	3.83
- Deposits held	40,000	-	40,000	
Total Financial Assets	<u>47,293</u>	<u>834,178</u>	<u>881,471</u>	
Financial Liabilities				
- Trade creditors	(63,514)	-	(63,514)	
Total Financial Liabilities	<u>(63,514)</u>	<u>-</u>	<u>(63,514)</u>	
Net Financial Assets / (Liabilities)	<u>(16,221)</u>	<u>834,178</u>	<u>817,957</u>	

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
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2025	Non Interest Bearing \$	Floating Interest Rate \$	Total \$	Weighted Average Effective Interest Rate %
Financial Assets				
- Cash and cash equivalents	3,113	1,427,206	1,430,319	4.52
- Deposits held	50,000	-	50,000	
Total Financial Assets	53,113	1,427,206	1,480,319	
Financial Liabilities				
- Trade creditors	(73,004)	-	(73,004)	
Total Financial Liabilities	(73,004)	-	(73,004)	
Net Financial Assets / (Liabilities)	(19,891)	1,427,206	1,407,315	

Interest rate sensitivity

At 30 June 2026, if interest rates had changed by 10% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been \$4,347 lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 10% increase sensitivity would move short term interest rates at 30 June 2026 from around 4.3% to 4.7% (10% decrease: 3.9%) representing a 40 basis points shift. This would represent one increase which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move up than down in the coming period.

Based on the sensitivity analysis, only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

(b) Fair values

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

(c) Credit risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

(d) Contractual maturities

The contractual maturities for all the Group's financial liabilities is less than six months.

17. AUDITOR'S REMUNERATION

The disclosures include amounts received or due and receivable by BDO Audit Pty Ltd and their respective related entities.

	2026 \$	2025 \$
Amounts paid or payable to BDO Audit Pty Ltd for:		
Audit services	47,819	38,907

18. SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there is one identifiable business segments.

The operations and assets of Parabellum Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Australia.

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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(a) Segment performance

The segment performance of the group in 2026 and 2025 all relates to the Australian segment.

(b) Segment financial position

The segment financial position of the group as at 30 June 2026 and 2025 all relate to the Australian segment.

19. INFORMATION RELATING TO PARABELLUM RESOURCES LIMITED (PARENT)

	2026	2025
	\$	\$
Current assets	866,309	1,459,433
Total assets	2,270,125	2,711,238
Current liabilities	63,514	73,004
Total liabilities	63,514	73,004
Issued capital	9,976,233	9,976,233
Reserves	2,533,187	2,533,187
Accumulated losses	(10,302,810)	(9,871,187)
Total equity	<u>2,206,610</u>	<u>2,638,233</u>
Loss of the parent entity	(583,633)	(1,492,186)
Total comprehensive loss of the parent entity	(583,633)	(1,492,186)

The parent entity has not provided any material guarantees, contingent liabilities or contractual commitments as at 30 June 2026.

The parent entity applies the same accounting policies as the group, except for its investment in subsidiaries at carrying value.

20. EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to the financial period end that will affect the results as disclosed in this report.

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name of entity	Type of entity	Trustee, partnership or participant in joint venture	% of share capital held	Country of incorporation	Tax residency
Parabellum Resources Limited	Body corporate	n/a	n/a	Australia	Australia
Lachlan Minerals Pty Ltd	Body corporate	n/a	100	Australia	Australia
PBL Mongolia Pty Ltd	Body corporate	n/a	100	Australia	Australia

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of a foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. These amendments apply for financial years beginning on or after 1 July 2024. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Determination of Tax Residency

Section 295(3B)(a) of the *Corporation Acts 2001* defines Australian resident as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. Section 295 (3A)(a)(vii) requires the determination of tax residency in a foreign jurisdiction to be based on the law of the foreign jurisdiction relating to foreign income tax.

In determining tax residency, the consolidated entity has applied the following interpretations:

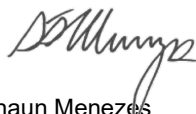
- Australian tax residency - The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Parabellum Resources Limited, we state that:

1. In the opinion of the directors:
 - (a) the financial statements and notes of the Consolidated Group for the financial year ended 30 June 2026 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Consolidated Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*;
 - (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(b); and
 - (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
 - (d) the consolidated entity disclosure statement is true and correct.
2. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and the chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2026.

On behalf of the Board



Shaun Menezes
Non-Executive Director
28 July 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Parabellum Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Parabellum Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Key audit matters

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

Carrying Value of Exploration and Evaluation Expenditure

Key audit matter	How the matter was addressed in our audit
The carrying value of the capitalised exploration and evaluation asset as at 30 June 2026 is disclosed in Note 6 of the financial report. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Reviewing the forecast prepared by the Group to agree that substantive expenditure on further exploration and evaluation of the mineral resources in the areas of interest were planned; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Reviewing management's assessment and factors supporting the outcome of its impairment review for the year ended 30 June 2026; • Assessing the adequacy of the related disclosures in Note 6 to the financial report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2026 but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf



This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 7 to 9 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Parabellum Resources Limited, for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', is written over a faint, stylized 'BDO' logo.

Glyn O'Brien

Director

Perth, 28 July 2026

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ASX ADDITIONAL INFORMATION

QUOTED SECURITIES

ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 24 JULY 2026:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	11	1,892	0.00%
1,001 - 5,000	37	108,494	0.17%
5,001 - 10,000	20	168,268	0.27%
10,001 - 100,000	109	4,672,229	7.50%
100,001+	77	57,349,118	92.05%
	254	62,300,001	100.00%

The number of shareholdings held in less than marketable parcels is 56.

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
1	CITICORP NOMINEES PTY LIMITED	8,643,845	13.87%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,378,936	5.42%
3	ALITIME NOMINEES PTY LTD <HONEYHAM FAMILY A/C>	2,680,075	4.30%
4	SP CAPITAL PTY LTD	2,392,654	3.84%
5	MS PEI JUNE CHUAH	2,245,000	3.60%
6	MR FARIS SALIM CASSIM	2,107,625	3.38%
7	SML CONTRACTING PTY LTD	2,100,000	3.37%
8	RESOURCEFUL INVESTMENTS PTY LTD	1,760,000	2.83%
9	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	1,645,000	2.64%
10	BASS FAMILY FOUNDATION PTY LTD <BASS FAMILY FOUNDATION A/C>	1,400,000	2.25%
11	ZYWIEC INVESTMENTS PTY LTD	1,390,500	2.23%
12	QUARTZ MOUNTAIN MINING PTY LTD <THE BASS FAMILY A/C>	1,350,000	2.17%
13	PETERLYN PTY LTD <RPC SALMON SUPER FUND A/C>	1,289,111	2.07%
14	BORANDO PTY LTD <BORANDO S/F A/C>	1,250,000	2.01%
14	BATELLO PTY LTD <BATELLO S/F A/C>	1,250,000	2.01%
15	PETER JAMES RUSE	1,100,001	1.77%
16	GREENSEA INVESTMENTS PTY LTD	1,000,000	1.61%
16	MR JUSTIN ALBERT TREMAIN & MRS SASHA TARA TREMAIN <J & S TREMAIN SUPERFUND A/C>	1,000,000	1.61%
16	VYNBEN PTY LTD <MARK HOHNEN SUPER FUND>	1,000,000	1.61%
17	MR RICHARD ARTHUR LOCKWOOD	975,000	1.57%
18	CRANPORT PTY LTD <NO 10 A/C>	951,262	1.53%
19	VIDOG CAPITAL PTY LTD	900,000	1.44%
20	FLUE HOLDINGS PTY LTD	850,000	1.36%
	Total	42,659,009	68.47%

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
ASX ADDITIONAL INFORMATION

ASX ADDITIONAL INFORMATION (continued)

QUOTED SECURITIES (continued)

ORDINARY FULLY PAID SHARES (continued)

(iii) VOTING RIGHTS

Article 15 of the Constitution specify that on a show of hands every member present in person, by attorney or by proxy shall have:

- (a) for every fully paid share held by him one vote; and
- (b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

Name

Ordinary Shares

No.	%
8,643,845	13.87%
3,378,936	5.42%
12,022,781	19.29%

CITICORP NOMINEES PTY LIMITED
 HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED

SCHEDULE OF TENEMENT INTERESTS AT 30 JUNE 2026

Tenement	Name	Location	Parabellum Interest
EL 8847	Lunns Dam	NSW	100%
EL 8852	Whitbarrow	NSW	100%
EL 9188	Redlands	NSW	100%

PARABELLUM RESOURCES LIMITED AND ITS CONTROLLED ENTITIES CORPORATE GOVERNANCE STATEMENT

Parabellum Resources Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Parabellum Limited has its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2026 corporate governance statement was approved by the Board on 28 July 2026 and is current as at 28 July 2026. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.parabellumresources.com.au/about-us/corporate-governance/.

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