Elk Range Mining Pty Ltd (formerly Yellowstone Mining Pty Ltd)

ACN 684 549 620

Financial Report

For the period from incorporation 16 February 2025 to 31 December 2025

Contents

CORPORATE DIRECTORY

Directors

Mr Campbell Clement Baird
Mr Charles Frazer Tabeart
Mr Rafael Moreno
Ms Leanne Kite

Company Secretary

Ms Leanne Kite

Registered and Postal Address

Automic Group Pty Ltd
Level 5, 191 St Georges Terrace
Perth WA 6000

Telephone: 1300 288 664 (within Australia)

Principal Place of Business

Unit 11, 12-14 Thelma Street
West Perth WA 6005

Auditor

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
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Website and Email

Website: www.elkrange.com.au
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REVIEW OF OPERATIONS

Elk Range Mining Pty Ltd ("Elk Range" or the "Company") is an Australian company focused on the exploration and redevelopment of the Idaho Gold Project near Elk City, Idaho, USA.

The Idaho Gold Project comprises:

- a fully permitted underground gold mine and a 150-tonne-per-day processing plant, both currently on care and maintenance ("the **Friday Gold Project**"); and
- two other projects, the Buffalo Gulch project ("the **Buffalo Gulch Project**") and the Deadwood project ("the **Deadwood Project**"), which are each advanced exploration projects.

On 17 November 2025, the Company signed an agreement to acquire the Idaho Gold Project ("IGP') located near Elk City, Idaho, USA from Endomines Finland Plc for a total consideration of A$20 million, payable in staged milestone payments over five years. The transaction includes a mix of cash and equity, with Endomines to retain an approximate 9.95% equity interest upon the Company's listing. To date, the project has seen more than US$40 million in historical investment, including around US$20 million at the fully permitted Friday Gold Mine and associated processing infrastructure.

During the reporting period, the Company maintained a conservative capital structure and continued preparations for a planned Initial Public Offering (IPO) on the Australian Securities Exchange (ASX). The IPO is targeted for mid-2026 and is expected to raise between A$6 million and A$10 million to support ongoing exploration, resource conversion, and project development initiatives. On a pro forma basis, the IPO is projected to imply a market capitalisation of between A$20.35 million to A$24.82 million and an enterprise value of between A$13.51 million and A$8.58 million.

The Company's significant infrastructure position—including an existing, fully permitted processing facility with an estimated replacement value of US$20 million—provides a strong platform for both near-term operational readiness and long-term growth. Elk Range retains the capability to recommence small-scale production from the Friday Mine within 9–12 months, supporting early cash flow generation once market conditions permit.

Subsequent to the end of the reporting period, Elk Range completed a Pre-IPO capital raising, securing approximately A$5 million through the issue of convertible notes to professional and sophisticated investors. The notes carry an annual interest rate of 8% (capitalised) and will convert to fully paid ordinary shares at a 20% discount to the IPO price or at the valuation cap conversion rate, whichever is lower.

Proceeds from the raising were applied to meet the Milestone 1 cash payment of A$3.5 million to Endomines Finland Plc, as stipulated under the IGP acquisition agreement. The remaining funds are being directed toward initial high-grade exploration at the Friday Gold Mine, IPO preparation costs, and general working-capital purposes.

The completion of the Milestone 1 payment marks a significant project milestone, confirming transfer completion under the acquisition terms and positioning Elk Range for continued advancement of its Idaho operations ahead of the planned ASX IPO.

DIRECTORS' REPORT

The Directors present their report on the Company, comprising Elk Range Mining Pty Ltd (formerly Yellowstone Mining Pty Ltd) (referred to in these financial statements as "the Company"), together with the financial report for the period ended 31 December 2025 and the auditor's report thereon. The Company was incorporated on 16 February 2025.

DIRECTORS

The Directors of the Company at any time during or since the end of the financial period are noted below. Directors were in office for the entire period unless otherwise stated.

Name and independence status	Experience, qualifications, special responsibilities and other directorships
Mr Campbell Clement Baird Non-Executive Chairman Appointed: 16 February 2025 Interests: Shares: 5,526,001 Performance Rights: 5,000,000 Options: Nil	Mr Baird has over 30 years' experience in the Australian and global mining industry, spanning operational, technical and corporate leadership roles. He was formerly CEO of Focus Minerals Ltd and has held senior roles within a number of small and mid-tier mining and exploration companies as well as SRK Consulting. Mr Baird is a Council Member and Treasurer of AMEC, and a Fellow of the AusIMM, and holds a Bachelor of Mining Engineering (UNSW) and a Master of International Finance (Curtin University).
Other current listed directorships	None
Past listed directorships within the last 3 years	None
Dr Charles Frazer Tabeart Non-Executive Director Appointed: 16 February 2025 Interests: Shares: 5,526,001 Performance Rights: 1,500,000 Options: Nil	Dr Tabeart is a geologist with over 30 years' international experience across copper, gold, uranium, nickel and coal projects. He is currently Managing director of Alma Metals in Africa and Australia and previously spent 16 years with Western Mining Corporation as Principal Geoscientist. Dr Tabeart holds a PhD and First-Class Honours degree from the Royal School of Mines and is a member of the AIG and SEG.
Other current listed directorships	Non-Executive Director of Polarx Limited (ASX: PXX) and Managing Director of Alma Metals Limited (ASX: ALM)
Past listed directorships within the last 3 years	Arrow Minerals Limited (resigned 15 February 2024)

Mr Rafael Moreno Non-Executive Director Appointed: 16 February 2025 Interests: Shares: 5,526,001 Performance Rights: 1,500,000 Options: Nil	Mr Moreno is a Chartered Professional Engineer with over 20 years' international experience in the mining and petrochemical sectors. He has led multi-billion-dollar project teams across five continents, including the Rincon Lithium, Barossa and Ichthys projects. Mr Moreno was formerly COO of Argosy Minerals and is currently CEO & MD of Viridis Mining and Minerals. He holds a Bachelor of Engineering (Chemical) and a Bachelor of Science (Applied Chemistry) from Curtin University.
Other current listed directorships	Managing Director & CEO of Viridis Mining & Minerals Ltd (ASX: VMM) and Non-Executive Director of Bayan Mining Minerals (ASX: BMM)
Past listed directorships within the last 3 years	None
Ms Leanne Kite Executive Director Appointed: 16 February 2025 Interests: Shares: 5,526,001 Performance Rights: 5,000,000 Options: Nil	Ms Kite is an experienced non-executive director and finance leader with extensive governance and strategic management experience across ASX-listed and private companies in the resources and biotech sectors. She is a Chartered Accountant, Chartered Secretary and Fellow of the Governance Institute, and a Graduate of the AICD. Ms Kite also serves as a Non-Executive Director and Chair of the Finance, Investment & Audit Committee for Mosaic Community Care.
Other current listed directorships	Non-Executive Director of Patrys Limited (ASX: PAB)
Past listed directorships within the last 3 years	None

COMPANY SECRETARY

Leanne Kite has held the role of Company Secretary since 16 February 2025.

DIRECTORS' MEETINGS

The small size of the Board means that members of the Board meet informally on a regular basis to discuss company operations, risks and strategies, and as required, formalise key actions through circular resolutions.

The audit and risk management, finance and environmental functions are handled by the full Board of the Company.

PRINCIPAL ACTIVITIES

During the period, the principal activities of the Company consisted of exploration and evaluation of the Company's exploration tenements situated in Idaho, USA.

OPERATING RESULTS

The loss for the period ended 31 December 2025 attributable to members of Elk Range Mining Pty Ltd after income tax was $201,864.

OPERATIONS REVIEW

Information on the operations of the Company and its strategies is set out in the Review of Operations at the beginning of this Financial Report.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors there were no matters that significantly affected the state of affairs of the Company during the financial period, other than those matters referred to in the overview above.

DIVIDENDS

The Directors recommend that no dividend be provided for the period ended 31 December 2025.

LIKELY DEVELOPMENTS

The Company will continue to pursue the exploration and evaluation of resources over its base metals tenement interests and assess corporate growth opportunities via an IPO in Q2 2026.

ENVIRONMENTAL REGULATION

The Company is subject to significant environmental regulation in relation to its exploration activities. It aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are not aware of any breaches during the period covered by this report.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

No insurance premiums have been paid, during or since the end of the financial period, for any person who is or has been an officer or executive of the Company.

AUDITOR

BDO Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

INDEMNIFICATION AND INSURANCE OF AUDITOR

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

The company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity, during or since the end of financial period.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company is important.

The Board has considered the non-audit services provided during the period by the auditor and are satisfied that the provision of these non-audit services during the period by the auditor is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services were subject to the corporate governance procedures adopted by the Company; and
- the non-audit services provided do not undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.
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EVENTS SUBSEQUENT TO REPORTING DATE

Subsequent to the end of the reporting period, Elk Range completed a Pre-IPO capital raising, securing approximately A$4.95 million through the issue of convertible notes to professional and sophisticated investors. The notes carry an annual interest rate of 8% (capitalised) and will convert to fully paid ordinary shares at a 20% discount to the IPO price or at the valuation cap conversion rate, whichever is lower.

Proceeds from the raising were applied to meet the Milestone 1 cash payment of A$3.5 million to Endomines Finland Plc, as stipulated under the IGP acquisition agreement. The remaining funds are being directed toward initial high-grade exploration at the Friday Gold Mine, IPO preparation costs, and general working-capital purposes.

On 16 February 2026, shareholder loans initially provided by Directors, Campbell Baird and Leanne Kite of $49,292 were repaid.

On 31 March 2026, the Company issued 13,000,000 Performance Rights to Directors granted on 17 October 2025.

There have been no other matters or circumstances that have arisen since the end of the financial period that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial periods.

PROCEEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Corporations Instrument 2016/191, 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 dollar.

SHARES ISSUED ON EXERCISE OF OPTIONS

There were no options exercised during the reporting period, and nil options exercised subsequent to the end of the reporting period.

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 immediately after this Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001.*

Signed in accordance with a resolution of the Directors.

Campbell Baird
Campbell Baird (May 4, 2026 22:17:34 GMT)

Campbell Clement Baird

Dated at Perth
5 May 2026

AUDITOR’S INDEPENDENCE DECLARATION

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DECLARATION OF INDEPENDENCE BY JOHN CHRISTIDES TO THE DIRECTORS OF ELK RANGE MINING PTY LTD

As lead auditor of Elk Range Mining Pty Ltd for the period ended 31 December 2025, 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.

John Christides

Director

BDO Audit Pty Ltd

Perth

5 May 2026

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD FROM 16 FEBRUARY 2025 TO 31 DECEMBER 2025

	Note	Period from 16 Feb 2025 to 31 Dec 2025 $
Legal expenses		128,891
Travel and marketing expenses		50,200
General and administrative expenses		22,773
Loss before income tax		**(201,864)**
Income tax expense	2.1	-
Loss after income tax		**(201,864)**
Other comprehensive income		-
Total comprehensive loss for the period attributable to the owners of the Company		**(201,864)**

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

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	31 Dec 2025 $
Current assets		
Cash and cash equivalents	3.1	227,499
Other receivables	3.2	35,500
GST receivable		1,262
Total current assets		**264,261**
Non-current assets		
Exploration and evaluation	4.1	31,320
Total non-current assets		**31,320**
Total assets		**295,581**
Current liabilities		
Trade and other payables	3.3	116,421
Total current liabilities		**116,421**
Total liabilities		**116,421**
Net assets		**179,160**
Equity		
Share capital	5.1	381,024
Accumulated losses		(201,864)
Total equity		**179,160**

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

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD FROM 16 FEBRUARY 2025 TO 31 DECEMBER 2025

	Note	Issued capital $	Accumulated losses $	Total $
Balance at 16 February 2025		-	-	-
Loss for the period		-	(201,864)	(201,864)
Other comprehensive income for the period		-	-	-
Total comprehensive loss for the period		**-**	**(201,864)**	**(201,864)**
Transactions with owners				
Issue of ordinary shares, net of costs		381,024	-	**381,024**
		381,024	**-**	**381,024**
Balance at 31 December 2025		**381,024**	**(201,864)**	**179,160**

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

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM 16 FEBRUARY 2025 TO 31 DECEMBER 2025

	Note	Period from 16 Feb 2025 to 31 Dec 2025 $
Cash flows from operating activities		
Payments to suppliers and employees		(86,705)
Net cash used in operating activities		**(86,705)**
Cash flows from investing activities		
Payments for exploration assets		(31,320)
Net cash used in investing activities		**(31,320)**
Cash flows from financing activities		
Proceeds from issue of shares		345,524
Net cash from financing activities		**345,524**
Net increase in cash and cash equivalents		227,499
Cash and cash equivalents at 16 February 2025		-
Cash and cash equivalents at 31 December 2025	3.1	**227,499**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2025

SECTION 1 BASIS OF PREPARATION

The financial report of the Company comprising Elk Range Mining Pty Ltd for the period since incorporation from 16 February 2025 to 31 December 2025.

Elk Range Mining Pty Ltd presents its financial statements in a format and style that is relevant and clear to shareholders and other users. In preparing the 31 December 2025 financial statements, we have grouped notes into sections under seven key categories:

1. Basis of preparation
2. Results for the year
3. Working capital disclosures
4. Assets and liabilities supporting exploration and evaluation
5. Equity and funding
6. Other disclosures

Material accounting policies specific to one note are included within that note and where possible, wording has been simplified to provide clearer commentary on the financial report of the Company. Accounting policies determined non-material are not included in the financial statements. There have been no changes to the Company's accounting policies that are no longer disclosed in the financial statements.

1.1 GENERAL INFORMATION

The Company is a for-profit, public company domiciled in Australia. The Company's registered office is located at Level 5, 191 St Georges Terrace, Perth WA 6000.

The Company is primarily involved in the mineral exploration industry in Elk City, Idaho, USA.

The financial statements are general purpose financial statements which:

- have been prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the Corporations Act 2001. The financial statements comply with International Financial Reporting Standards (IFRS's) as issued by the International Accounting Standards Board;
- have been prepared on a historical cost basis, except for share-based payments which are measured at fair value. The basis of measurement is discussed further in the individual notes;
- are presented in Australian Dollars, being the Company's functional currency;
- adopts all new and revised Australian Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Company and effective for reporting periods beginning on or after 1 January 2025. Refer to note 1.3 for further details; and
- does not early adopt any Australian Accounting Standards and Interpretations that have been issued or amended but not yet effective. Refer to note 1.3 for further details.

1.2 MATERIAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements and information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment are included in the following notes:

Exploration and evaluation costs

Exploration and evaluation costs are capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. Refer note 4.1.

1.3 ADOPTION OF NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS

The Company has adopted all of new or amended Accounting Standards and Interpretations issued by the Australia Accounting Standards Board (“AASB”) that are mandatory for the current reporting period. The adoption of the new or amended Accounting Standards and Interpretations did not result in any significant changes to the Company’s accounting policies in the current or future period.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the Financial Reporting period ended 31 December 2025. The Compant has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027 and early adoption is permitted.

The standard replaces AASB 101 'Presentation of Financial Statements', with many of the original disclosure requirements retained and there will be no impact on the recognition and measurement of items in the financial statements. But the standard will affect presentation and disclosure in the financial statements, including introducing five categories in the statement of profit or loss and other comprehensive income: operating, investing, financing, income taxes and discontinued operations. The standard introduces two mandatory sub-totals in the statement: 'Operating profit' and 'Profit before financing and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on grouping of information (aggregation and disaggregation), including whether to present this information in the primary financial statements or in the notes. The Company will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

1.4 GOING CONCERN

The financial report has been prepared on a going concern basis which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the normal course of business. For the period ended 31 December 2025, the Company incurred a net loss before tax of $201,864 and had net cash outflows from operating activities of $86,705. On 31 December 2025, the Company had net assets of $179,160 with total cash on hand of $227,499.

The Company is conducting a capital raise under a prospectus to raise between A$6 million and A$10 million. The ability of the Company to continue as a going concern is dependent upon the success of the fundraising under the prospectus or alternatively, financial support from its shareholders which the Company can successfully raise additional capital from.

These conditions indicate a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors are satisfied that at the date of signing of the financial report, there are reasonable grounds to believe that the Company will be able to raise additional funds to meet its debts as and when they fall due and it is appropriate for the financial report to be prepared on a going concern basis as the Company is currently in the process of preparing for an IPO. Should the IPO not proceed or be delayed, the Company may:

- Scale back certain activities that are non-essential so as to conserve cash;
- Undertake a whole or partial sale of interests in mineral exploration project, and
- Raise capital by means other than the IPO.

Should the Company not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Company not continue as a going concern.

SECTION 2 RESULTS FOR THE PERIOD

This section focuses on the results and performance of the Company.

2.1 INCOME TAX EXPENSE

(a) Reconciliation of effective tax rate

	16 Feb 2025 to 31 Dec 2025 $
Loss for the period	(201,864)
Income tax using the Company's domestic tax rate of 25%	(50,466)
Unrecognised timing differences	(2,330)
Tax losses not brought to account	52,796
Income tax expense	-

All unused tax losses were incurred in Australia.

Potential future income tax benefits of up to $211,184 attributed to tax losses have not been brought to account.

The benefit of these tax losses will only be obtained if:

i) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
ii) the conditions for deductibility imposed by tax legalisation continue to be complied with;
iii) no changes in tax legislation adversely affect the Company in realising the benefit; and
iv) Satisfaction of either the continuity of ownership or the same business test.

(b) Unrecognised deferred tax assets and liabilities

Deferred tax assets and liabilities have not been recognised in respect of the following items:

	31 Dec 2025 $
Deferred tax assets	
Trade and other payables	5,500
Carry forward tax losses	52,796
Total deferred tax assets	**58,296**
Deferred tax liabilities	
Exploration and evaluation	(7,830)
Total deferred tax liabilities	(7,830)
Net unrecognised deferred tax assets	**50,466**

The DTA / DTL have not been brought to account.

SECTION 3 WORKING CAPITAL DISCLOSURES

This section focuses on the cash funding available to the Company and working capital position at period end.

3.1 CASH AND CASH EQUIVALENTS

Accounting Policy

Cash comprises cash at bank and in hand.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(a) Reconciliation of cash recorded in Statement of Financial Position to Statement of Cash Flows

	31 Dec 2025 $
Cash and cash equivalents in the statement of cash flows	227,499

(b) Reconciliation of cash flows from operating activities

	Note	16 Feb 2025 to 31 Dec 2025 $
Cash flows from operating activities		
Loss for the period		(201,864)
Adjustments for:		
Change in other receivables		(1,262)
Change in trade and other payables		116,421
Net cash used in operating activities		**(86,705)**

3.2 OTHER RECEIVABLES

		31 Dec 2025 $
Current		
Share capital receivable	(i)	35,500
		35,500

(i) Share capital was issued during the period ended 31 December 2025, with funds received in January 2026.

3.3 TRADE AND OTHER PAYABLES

Accounting Policy

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

		31 Dec 2025 $
Current		
Trade payables	(ii)	45,129
Other payables and accruals		22,000
Shareholder loans	(iii)	49,292
		116,421

(ii) Trade payables are non-interest bearing and are normally settled on 30-day terms. All amounts are short-term. The net carrying amount of trade payables is considered a reasonable approximation of fair value.

(iii) Loans initially provided by Directors, Campbell Baird and Leanne Kite, were interest-free and had no fixed repayment terms and were repaid subsequent to 31 December 2025.

Information regarding the interest rate, foreign exchange and liquidity risk exposure is set out in note 6.2.

SECTION 4 ASSETS AND LIABILITIES SUPPORTING EXPLORATION AND EVALUATION

This section focuses on the assets and liabilities which form the core of the ongoing business, including those assets and liabilities which support ongoing exploration and evaluation as well as capital and other commitments existing at period end.

Accounting Policy

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource. Accordingly, exploration and evaluation expenditures are those expenditures incurred by the Company in connection with the exploration for and evaluation of mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest'. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Exploration and evaluation costs are capitalised on the basis that the entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

4.1 EXPLORATION AND EVALUATION EXPENDITURE

	31 Dec 2025 $
Exclusivity fee paid on Idaho Gold Project	31,320
Exploration and evaluation expenditure	**31,320**

On 17 November 2025, the Company signed an agreement to acquire the Idaho Gold Project ("IGP') located near Elk City, Idaho, USA from Endomines Finland Plc for a total consideration of A$20 million, payable in staged milestone payments over the following value-related milestones:

Milestone 1:

- A$3.5 million on the completion date of the transaction, paid within 90 days of signing the agreement (the "Completion Date"), during which time the Company finalised its financing arrangements.
- Plus, the greater of:

  i) 9.95% of the shares of the Company listed on a public securities exchange, or

  ii) the Company's shares valued at A$1.5 million at the time of listing. If the listing does not occur within 12 months from the Completion Date, the Company will pay A$1.5 million in cash on the one-year anniversary of the Completion Date.

4.1 EXPLORATION AND EVALUATION EXPENDITURE (CONT'D)

Milestone 2: A$6 million upon the JORC compliant gold resources at the IGP reaching a level of 0.5 million ounces, or no later than two years after signing the agreement.

Milestone 3: A$5 million upon the JORC compliant gold resources at the IGP reaching a level of 1.0 million ounces, or no later than four years after signing the agreement.

Milestone 4: A$4 million one year after the start of commercial production at the IGP, or no later than five years from the signing of the agreement. If the initial production level is below 15,000 ounces per annum, Endomines Finland Plc will be paid US$500 per ounce as compensation for gold sold after the first 3,000 ounces. This compensation will reduce the agreed instalment amount.

SECTION 5 EQUITY AND FUNDING

This section focuses on the debt and equity funding available to the Company at period end, most notably covering share capital, loans and borrowings.

5.1 Capital and Reserves

Share capital

	Ordinary shares	
	Number of shares	Amount in $
	31 Dec 2025	31 Dec 2025
Balance at incorporation		
Shares issued during the period:		
Initial capital @ $1 on 16 February 2025	4	4
Director capital @ 0.5c on 12 May 2025	22,104,000	110,520
Adviser capital @ 0.5c on 22 July 2025	4,100,000	20,500
Seed capital @ 8c on 17 December 2025	3,125,000	250,000
On issue at 31 December 2025	**29,329,004**	**381,024**

The holders of ordinary shares are entitled to receive dividends as declared from time and are entitled to one vote per share at meetings of the Company. Option holders cannot participate in any new share issues by the Company without exercising their options.

In the event of a winding up of the Company, ordinary shareholders rank after all other shareholders (if any) and creditors and are fully entitled to any proceeds on liquidation.

All issued shares were fully paid at 31 December 2025 except for $35,500, which was paid in January 2026.

SECTION 6 OTHER DISCLOSURES

The disclosure in this section focuses on share schemes in operation and financial risk management of the Company. Other mandatory disclosures, such as details of related party transactions, can also be found here.

6.1 SHARE-BASED PAYMENT PLANS

Accounting Policy

The share option and performance rights programme allows Directors, employees and consultants to receive rights to acquire shares of the Company. The grant date fair value of share-based payment awards granted to employees is recognised as a personnel expense or professional fees expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do not meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where the fair value of an employee share option or performance right has been recognised as a share-based payment and the option lapses on expiry, the total amount of the share-based payment expense is transferred from the share-based payment reserve to accumulated losses.

Performance Rights granted during the period ended 31 December 2025

On 17 October 2025, the Company granted 5,000,000 Tranche A Performance Rights, 6,000,000 Tranche B Performance Rights and 2,000,000 Tranche C Performance Rights expiring on 30 November 2030 to the Directors under the Company's Employee Securities Incentive Plan.

The Performance Rights have the following vesting terms:

1) Tranche A shall vest upon:

    a) the delineation of a Mineral, prepared and reported in accordance with the JORC Code Resource of at least 0.5Moz of gold, collectively, across the Projects (including any expansion of the Projects to adjacent areas); and
    b) the Company's share price being at least $0.20 per share.

2) Tranche B shall vest upon:

    a) the delineation of a Mineral Resource, prepared and reported in accordance with the JORC Code, of at least 1.0Moz of gold, collectively, across the Projects (including any expansion of the Projects to adjacent areas); and
    b) the Company's share price being at least $0.20 per share.

3) Tranche C shall vest upon:

    a) the acquisition by the Company of low-grade rights currently held by Premium Exploration; and
    b) the Company's share price being at least $0.20 per share.

6.1 SHARE-BASED PAYMENT PLANS (CONT'D)

Performance Rights granted have been valued using the Trinomial Barrier Option Valuation model, which takes account of factors including the right subscription price and barrier price, the current level and volatility of the underlying share price, the risk-free interest rate, expected dividends on the underlying share, current market price of the underlying share and the expected life of the right. See below for the assumptions used for grants made during the year.

	Tranche A Performance Rights	Tranche B Performance Rights	Tranche C Performance Rights
Number of rights	5,000,000	6,000,000	2,000,000
Subscription price (cents)	0.5 and 2	1 and 2	1
Barrier price (cents)	20	20	20
Grant date	17-Oct-25	17-Oct-25	17-Oct-25
Expiry date	30-Nov-30	30-Nov-30	30-Nov-30
Life of the rights (years)	5	5	5
Volatility	100%	100%	100%
Risk free rate	3.49%	3.49%	3.49%
Fair value at grant date (cents)	0.0020	0.0020	0.0020
Share price at grant date (cents)	0.5	0.5	0.5
Total valuation at grant date ($)	10,000	12,000	4,000

Given the early stage of the Company, it is not possible to predict if the non-market vesting conditions required for the Performance Rights will be met. The vesting factors will be reviewed at each subsequent period end and the value of the Performance Rights and corresponding expense will be adjusted as appropriate.

6.2 FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings.

The Company is not subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Financial risk management objectives

The Company is exposed to market risk (including interest rate risk) and liquidity risk.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed on a continuous basis to reflect changes in market conditions and the Company's activities. The Company does not trade financial instruments, including derivative financial instruments, for speculative purposes.

6.2 FINANCIAL INSTRUMENTS (CONT'D)

Market risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. As there are no foreign operations or sales of commodities at present, the Company is not exposed to foreign exchange risk or commodity price risk. Fair value risk is managed by monitoring interest rate movements and limiting the duration of term deposits.

There has been no change to the Company's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

Foreign currency exchange rate risk management
The Company is not exposed to foreign currency risk.

Interest rate risk management
The Company is not exposed to interest rate risk as it presently does not have outstanding borrowings.

The Company's exposure to interest rate on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Interest rate risk sensitivity analysis
At 31 December 2025, the interest rate risk is minimal.

The Company's sensitivity to interest rates has remained constant during the year due to having minimal exposure to interest rates at the current time. The Company's only exposure to interest rates is through term deposits held with financial institutions and implicit interest calculated on lease liabilities.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements.

The Company manages liquidity risk by maintaining adequate funding by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

	Weighted average interest rate %	Less than 6 months $	6 months to 1 year $	1 – 5 years $
31 December 2025				
Trade and other payables	-	116,421	-	-
		116,421	**-**	**-**

Fair value measurement

The Directors consider that the carrying amounts of current receivables and current payables, approximate their fair values.

6.3 RELATED PARTY TRANSACTIONS

Accounting Policy

Key management personnel compensation

Directors' remuneration is expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount because of past service provided by the employee and the obligation can be estimated reliably.

During the period ended 31 December 2025, the Company granted 5,000,000 Performance Rights to Campbell Baird, 1,500,000 Performance Rights to Frazer Tabeart, 1,500,000 Performance Rights to Rafael Moreno and 5,000,000 Performance Rights to Leanne Kite as Directors of the Company, as disclosed above in note 6.1.

There were no other related party transactions during the current financial period.

As at 31 December 2025, loans from Directors, Campbell Baird and Leanne Kite were $22,197 and $27,095 respectively. These loans were interest-free, unsecured and had no fixed repayment terms. The loans were repaid subsequent to 31 December 2025.

6.4 AUDITORS' REMUNERATION

	31 Dec 2025 $
Audit and other assurance services	
Audit services - BDO Audit Pty Ltd	22,000
TOTAL AUDITORS' REMUNERATION	**22,000**

6.5 SUBSEQUENT EVENTS

Subsequent to the end of the reporting period, Elk Range completed a Pre-IPO capital raising, securing approximately A$4.95 million through the issue of convertible notes to professional and sophisticated investors. The notes carry an annual interest rate of 8% (capitalised) and will convert to fully paid ordinary shares at a 20% discount to the IPO price or at the valuation cap conversion rate, whichever is lower.

Proceeds from the raising were applied to meet the Milestone 1 cash payment of A$3.5 million to Endomines Finland Plc, as stipulated under the IGP acquisition agreement. The remaining funds are being directed toward initial high-grade exploration at the Friday Gold Mine, IPO preparation costs, and general working-capital purposes.

On 16 February 2026, shareholder loans initially provided by Directors, Campbell Baird and Leanne Kite of $49,292 were repaid.

On 31 March 2026, the Company issued 13,000,000 Performance Rights to Directors granted on 17 October 2025.

There have been no other matters or circumstances that have arisen since the end of the financial period that have significantly affected, or may significantly affect, the operations of the Company, the results of these operations, or the state of affairs of the Company in future financial periods.

6.6 COMMITMENTS AND CONTINGENCIES

The Company's commitments are detailed in Milestones 1 to 4 in note 4.1.

The Company had no contingent liabilities as at 31 December 2025.

DIRECTORS' DECLARATION

1. In the opinion of the Directors of Elk Range Mining Pty Ltd (the "Company"):

   (a) the accompanying financial statements and notes are in accordance with the *Corporations Act 2001* including:

      (i) giving a true and fair view of the Company's financial position as at 31 December 2025 and of its performance for the period then ended; and

      (ii) complying with Australian Accounting Standards, the *Corporations Regulations 2001*, professional reporting requirements and other mandatory requirements.

   (b) Subject to the matters described in note 1.4, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the *Corporations Act 2001* for the financial period ended 31 December 2025.

This declaration is signed in accordance with a resolution of the Board of Directors.

Campbell Baird
Campbell Baird (May 4, 2026 22:17:34 GMT)

Campbell Clement Baird

Dated at Perth
5 May 2026

INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

To the members of Elk Range Mining Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Elk Range Mining Pty Ltd (the Company), which comprises the statement of financial position as at 31 December 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, and notes to the financial report, including material accounting policy information and the directors' declaration.

In our opinion the accompanying financial report of Elk Range Mining Pty Ltd, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Company's financial position as at 31 December 2025 and of its financial performance for the period 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 Company in accordance with 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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

Material uncertainty related to going concern

We draw attention to Note 1.4 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the entity's ability to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Director's report, but does not include the financial report and our auditor's report thereon.

INDEPENDENT AUDITOR'S REPORT

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

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

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

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or 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:

http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf
This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO
JCh

John Christides
Director

Perth, 5 May 2026