Talonx Resources Limited

(Formerly Mount Burgess Mining NL)

ABN 31 009 067 476

Annual Report

for the year ended 30 June 2026

Directors	Dr Stephen Lennon Mr William Belbin - appointed on 13 October 2025 Mr Scott Glasson - appointed on 25 February 2026 Mr Harry Warries - resigned on 25 February 2026 Mr Robert Brougham - resigned on 4 July 2025 Mr Ian Barclay McGeorge - resigned on 4 July 2025 Mr Jacob Thamage - resigned on 13 October 2025
Company secretaries	Mr Chris Marshall - appointed on 17 November 2025 Jan Forrester - resigned on 17 November 2025 Serene Chau - resigned on 17 November 2025
Registered office and Principal place of business	Suite 2, Level 1, 1292 Hay Street West Perth WA 6005 Telephone: +61 478 19 665 Email: admin@talonx.com
Share register	Automic Group Level 5, 191 St Georges Tce Perth, Western Australia, 6000 Telephone: 1300 288 664 Email: hello@automicgroup.com.au
Auditor	Hall Chadwick WA Audit Pty Ltd 283 Rokeby Road Subiaco, Western Australia, 6008
Stock exchange listing	Talonx Resources Limited shares are listed on the Australian Securities Exchange (ASX code: TXR) (previously MTB)
Website	www.talonx.au

Review of operations and corporate

Talonx Resources Limited ("Talonx", "TXR" or the "Company") is listed on the Australian Securities Exchange (ASX: TXR). The Company was formerly named Mount Burgess Mining NL, with the change of name to Talonx Resources Limited taking effect on 2 January 2026. Talonx is a Western Australian–focused mineral exploration company pursuing early-stage gold discovery across its 100%-owned Blair North and Viking Gold Projects in the Western Australian Goldfields, while progressing the realisation of its Kihabe–Nxuu zinc–lead–silver project in Botswana. The Company had approximately 932 million ordinary shares on issue at the date of this report and has not reached a stage in its development at which it is generating an operating profit.

The 2026 financial year was transformational. During the year the Company completed a comprehensive balance-sheet restructure, acquired two quality Western Australian gold projects, changed its name and repositioned around a gold-focused exploration strategy in a tier-one jurisdiction, while commencing an orderly realisation process for its legacy Botswana asset.

The Company's principal objective is to build shareholder value through discovery-led exploration of its Western Australian gold portfolio and the Kihabe-Nxuu project.

Western Australian gold projects

Acquisition of Blair North and Viking
On 18 August 2025 the Company announced binding agreements to acquire 100% of the Blair North Project from Metal Hawk Limited (ASX: MHK) and 100% of the Viking Gold Project from Metal Hawk Limited and Falcon Metals Limited (ASX: FAL). Following shareholder approval at the Extraordinary General Meeting held on 13 October 2025, the acquisitions completed, with the Company issuing 216,666,667 fully paid ordinary shares and 108,333,334 unlisted options to the vendors as consideration — 54,166,667 Class A options exercisable at A$0.01 and expiring three years from issue, and 54,166,667 Class B options exercisable at A$0.015 and expiring four years from issue. Completion of the acquisitions was conditional upon, among other things, the debt-forgiveness transaction described under Corporate below.

Blair North Project (100%) — 25km east of Kalgoorlie
The Blair North Project sits within the prolific Eastern Goldfields, surrounded by established gold operations and infrastructure. Previous exploration by Metal Hawk Limited identified high-grade nickel sulphide at the Commodore Prospect in 2021 and, subsequently, high-grade primary gold mineralisation at the Commodore and Commodore North prospects. Best historic results include 5.9m @ 6.7 g/t Au from 244.4m and 2.5m @ 7.4 g/t Au from 255.4m at Commodore.

During the year the Company completed a maiden reverse circulation (RC) drilling programme at Blair North, comprising 12 holes for 1,897m testing the Commodore North and Snake Hill prospects. Drilling intersected anomalous gold mineralisation within broader zones of hydrothermal alteration, confirming a mineralised system and supporting follow-up exploration. Results are based on 4m composite samples, with 1m split assays pending. Significant new results include:

- 26BNRC001: 8m @ 0.70 g/t Au from 64m (Commodore North)
- 26BNRC012: 4m @ 0.77 g/t Au from 114m (Commodore North)
- 26BNRC003: 1m @ 0.86 g/t Au from 77m (Commodore North)
- 26BNRC007: 4m @ 0.68 g/t Au from 144m (Snake Hill)

Follow-up work will focus on the pending 1m split assays, refining geological controls and identifying vectors toward higher-grade mineralisation along the Commodore trend.

Viking Gold Project (100%) — 30km southeast of Norseman
The Viking Gold Project comprises granted tenure within the Albany–Fraser Province, a high-grade metamorphic terrane that hosts a number of significant orogenic gold systems. Gold mineralisation from historic drilling at the Beaker prospects has returned strong results, including 6m @ 64.0 g/t Au from 50m at Beaker 2.

The Company completed its maiden RC programme at the Beaker 2 prospect in December 2025, with assays reported to the ASX on 27 February 2026 returning 5m @ 7.4 g/t Au from 70m and 14m @ 2.0 g/t Au from 9m. Follow-up drilling at the Beaker 4 prospect returned further encouragement, including 1m @ 3.16 g/t Au from 64m (26VKRC013) and 5m @ 0.84 g/t Au from 39m together with 4m @ 1.28 g/t Au from 52m (26VKRC011). Results support the interpretation of a north-plunging gold shoot with mineralisation remaining open down-plunge, and gold mineralisation across the project area remaining open along strike and at depth.

Botswana — Kihabe–Nxuu (PL43/2016)
Consistent with its strategic focus on Western Australian gold, the Company advanced its exploration focus on Kihabe–Nxuu zinc–lead–silver project in Botswana, held through its subsidiary Mount Burgess (Botswana) (Proprietary) Limited. Having assessed the project's geological understanding, resource status, processing options and realisation pathways, the Board committed to advancing its highly prospective copper potential.

The Group have submitted the renewal of tenement license on 26 April 2026 for Kihabe-Nxuu that will expire on 31 December 2026. The Board are confident that the extension of license will be granted.

Corporate

Balance-sheet restructure
On 15 October 2025, following shareholder approval at the EGM held on 13 October 2025, the Company extinguished A$4.686 million of legacy debt. Approximately 95% of the debt was forgiven by lenders, with the balance converted to equity through the issue of 86,413,282 debt-conversion shares and 4,685,563 unlisted options. The restructure resolved long-standing balance-sheet constraints and cleared the way for the gold project acquisitions.

Change of name
At the Company's Annual General Meeting held on 17 November 2025, shareholders approved the change of name from Mount Burgess Mining NL to Talonx Resources Limited. The change of name, and the new ASX ticker TXR, took effect on 2 January 2026.

Capital management
During the year the Company issued 6,207,192 ordinary shares in lieu of directors' fees and under salary-sacrifice arrangements (approved at the 13 October 2025 EGM), and granted employee, consultant and director options under its Employee Securities Incentive Plan (see Unissued Shares Under Option in the Directors' Report). In March 2026 the Company undertook a placement of new fully paid ordinary shares at an issue price of A$0.010 per share (a 16.67% discount to the last close and approximately a 15% discount to the five-day VWAP) under ASX Listing Rules 7. to fund RC drilling and exploration at Blair North and Viking and for general working capital. The placement raised A$685,000 through the issue of 68,500,000 shares with $65,000/6,500,000 shares subject to shareholder approval at the AGM.

Result and financial position
The consolidated loss after income tax attributable to members of Talonx Resources Limited for the year ended 30 June 2026 was $683,563 (2025: $627,206). At 30 June 2026 the Group held cash of $715,308. The financial report has been prepared on a going-concern basis; refer to the Directors' Report and note 2 to the financial statements.

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of Talonx Resources Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2026.

The Company was formerly known as Mount Burgess Mining N.L., with the name change effective 2 January 2026.

Directors

The following persons were directors of Talonx Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Dr Stephen Lennon	(appointed 15 May 2025)
William Belbin	(appointed 13 October 2025)
Scott Glasson	(appointed 25 February 2026)
Robert Brougham	(resigned 4 July 2025)
Ian Barclay McGeorge	(resigned 4 July 2025)
Jacob Thamage	(resigned 13 October 2025)
Harry Warries	(resigned 25 February 2026)

Information on directors

Name:	Dr Stephen Lennon -appointed on 15 May 2025
Title:	Executive Chairman
Qualifications:	PhD, MSc (Eng), BSc (Chem)
Experience and expertise:	Dr Lennon is a seasoned executive with extensive leadership experience across several major sectors. These include power, gas, aboriginal commercial enterprises and public and private sector advisory. He is an experienced Independent Director and Chairman, with extensive Board experience in leadership, oversight, audit and risk, strategy, investment, finance and funding, performance monitoring, communications, business development and ESG.
Other current directorships:	South West Aboriginal Land and Sea Council Aboriginal Corporation and Shanduvan Pty Ltd
Former directorships (last 3 years):	Murujuga Commercial Limited
Interests in shares:	875,624
Interests in options:	40,000,000
Interests in rights:	Nil

Name:	William (Will) Belbin - appointed on 13 October 2025
Title:	Non-Executive Director
Qualifications:	Mr Belbin holds a geology degree from the University of Western Australia and a Master of Mineral Economics from the Curtin University Graduate School of Business.
Experience and expertise:	Mr Belbin has over 20 years' experience in gold and base-metals exploration, with extensive experience in project generation and evaluation. He was an integral part of the Fisher East nickel sulphide discoveries as Exploration Manager for Rox Resources Limited, and previously worked with Newexco, including as a senior geologist at Western Areas' Forrestania Nickel Project. Mr Belbin is a Member of the Australian Institute of Geoscientists and acts as the Company's Competent Person.
Other current directorships:	Managing Director Metal Hawk Limited (ASX: MHK), Director Daly Resources Limited (ASX: DLY).
Former directorships (last 3 years):	None
Interests in shares:	1,428,571
Interests in options:	40,000,000
Interests in rights:	Nil

Name:	Scott Glasson - appointed on 25 February 2026
Title:	Non-Executive Director
Experience and expertise:	Mr Glasson holds a Bachelor of Commerce from the University of Western Australia and is a Chartered Accountant with over 20 years' experience across the resources, oil & gas and retail sectors. He spent 10 years with KPMG and Ernst & Young advising listed and private companies on audit and transaction matters. Mr Glasson has extensive experience in corporate finance, capital management and governance, including acquisitions and divestments, joint ventures, capital raisings, financial reporting and ASX compliance.
Other current directorships:	Director of Daly Resources Limited (ASX: DLY)
Former directorships (last 3 years):	None
Interests in shares:	3,476,190
Interests in options:	40,000,000
Interests in rights:	Nil

Name:	Harry Warries - resigned on 25 February 2026
Title:	Non-Executive Director
Qualifications:	FAusIMM MS Mine Eng. Mining Engineer
Experience and expertise:	Mr Warries is a mining engineer with more than 34 years of experience in the mining industry and is a Fellow of the AusIMM. Prior to setting up his own mining consultancy business he worked on a wide range of projects, both in Australia and overseas, including a number of major feasibility studies. He has provided mining engineering services relative to copper, nickel, cobalt, gold, lead, zinc and graphite projects, as well as conducting numerous due diligence studies and technical audits.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	10,013,908
Interests in options:	60,237
Interests in rights:	Nil

Name:	Jacob Thamage — resigned 13 October 2025
Title:	Non-Executive Director
Qualifications:	MBA BEM / Mining Engineer
Experience and expertise:	Mr Thamage, a Mostwana National, is a Mining Engineer and was reappointed as CEO of Botswana's Diamond Hub in July 2021 and appointed as the International Chairman of the Kimberley Process in 2022. Mr Thamage was previously engaged as the Deputy Permanent Secretary to the Ministry of Minerals, Energy and Water Resources in May 2010. He was appointed Coordinator of Botswana's Diamond Hub to coordinate the relocation of DeBeers diamond sales functions from London to Gaborone, Botswana.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	5,514,331
Interests in options:	Nil
Interests in rights:	Nil

Name:	Robert Brougham — resigned on 4 July 2025
Title:	Non-Executive Director
Qualifications:	FAusIMM BSc / Metallurgist
Experience and expertise:	Mr Brougham is a Metallurgist with vast experience in commissioning, plant operations and maintenance of many base metal projects in Australia, Zambia, Eritrea and Indonesia. He has in-depth knowledge of the Company's Kihabe-Nxuu Project, having been the principal metallurgist involved in all the metallurgical test work conducted on the project by ProMet Engineering.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	6,329,808
Interests in options:	2,400,000
Interests in rights:	Nil

Name:	Ian Barclay McGeorge — resigned on 4 July 2025
Title:	Non-Executive Director
Qualifications:	CGeol MSc BSc / Geologist
Experience and expertise:	Mr McGeorge, a British national resident in Botswana, is a Fellow of the Geological Society of London and a chartered geologist. He is Principal Consultant and co-owner of iQuest Geology, a geological consultancy based in Gaborone, Botswana. Mr McGeorge has many years of experience of prospecting in Botswana, having been involved in exploration for diamonds, gold, copper, nickel, iron ore, lithium, and industrial minerals, as well as supervising exploration and resource development on the Company's Kihabe-Nxuu project. Mr McGeorge has also held senior positions in Government funded groundwater and mapping contracts. In addition to Botswana, Mr McGeorge has significant experience in exploring for copper in Zambia and the DRC, gold in Zimbabwe and diamonds in West Africa.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	4,180,998
Interests in options:	Nil
Interests in rights:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretaries

Mr Chris Marshall (BA, LLB) was appointed Company Secretary on 17 November 2025.

Jan Forrester (Ms S Chau, CPA MFin) resigned as Company Secretary on 17 November 2025.

Serene Chau (CPA MFin) resigned as Company Secretary on 17 November 2025.

Meetings of directors
The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2026, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Dr Stephen Lennon	15	15
William Belbin	6	6
Scott Glasson	3	3
Robert Brougham	2	2
Ian Barclay McGeorge	5	5
Jacob Thamage	9	9
Harry Warries	12	12

Held: represents the number of meetings held during the time the director held office.

The small size of the Board means that Members of the Board also meet informally on a regular basis to discuss the Company's operations, risks and strategies, and formalise key actions through circular resolutions as required. The audit and risk management, finance and environmental functions are handled by the full Board of the Company.

Principal activities
During the financial year, the principal activities of the Group consisted of mineral exploration and evaluation — the acquisition, exploration and evaluation of gold tenements in Western Australia (Blair North and Viking), together with the assessment and realisation of its zinc–lead–silver interests in Botswana (Kihabe–Nxuu).

Operating results
The loss for the Group after providing for income tax amounted to $683,563 (30 June 2025: $627,206).

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 intended activities will be achieved. No assurance can be given that the Group will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Group is able to realise value from its projects, it is likely to incur ongoing operating losses. The material business risks that could influence the Group's future prospects, and the manner in which they are managed, are set out below.

Exploration and development risk
The tenements are at various stages of exploration. Mineral exploration and development are speculative and high-risk undertakings. The Group's operations may be affected by factors including failure to locate or identify mineral deposits, failure to achieve predicted grades, loss of skilled personnel and contractors, and insufficient or unreliable infrastructure.

Further capital requirements
The Group's projects will require additional funding to progress activities. There can be no assurance that additional capital or other financing will be available when needed, or that the terms of any such financing will be favourable to the Group.

Jurisdictional and divestment risk
The Group's Botswana interest is subject to sovereign, regulatory and title risks associated with operating in an overseas jurisdiction. The realisation of value from the Kihabe–Nxuu project is dependent on completion of a divestment and is subject to counterparty, conditionality and timing risk.

Personnel risk
The loss of key personnel and reliance on agents and contractors could affect the Group's ability to execute planned work.

Global conditions
General economic conditions, movements in interest, inflation and foreign-exchange rates, and commodity-price volatility may adversely affect the Group's exploration activities and its ability to fund them, as may other risks generic to equity markets and the extractive industry.

Risk management
The Board as a whole is responsible for establishing and reviewing the Company's policies on risk profile, oversight and management, and for satisfying itself that a sound system of risk management and internal control has been developed and implemented.

Significant changes in the state of affairs
In the opinion of the Directors, the following matters significantly affected the state of affairs of the Group during the financial year: the extinguishment of A$4.686 million of legacy debt via forgiveness and equity conversion; the acquisition of 100% interests in the Blair North and Viking Gold Projects; the change of the Company's name to Talonx Resources Limited; and capital raisings undertaken to fund exploration and working capital. Other than these matters, and those referred to elsewhere in this report and in the financial statements, there were no significant changes in the state of affairs of the Group during the financial year.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Likely developments and expected results of operations
The Group will continue to pursue discovery-led exploration of its Western Australian gold projects — including assessment of the pending 1m split assays and follow-up drilling at Blair North, and further drilling at Viking — progress the divestment of the Kihabe–Nxuu project, and assess corporate growth opportunities and funding as required.

Environmental regulation
The Group is subject to 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.

Indemnity and insurance of officers
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, nor paid a premium in respect of a contract to insure the auditor. During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against liabilities to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liabilities covered and the amount of the premium.

Matters subsequent to the end of the financial year
The Group have submitted the renewal of tenement license on 26 April 2026 for Kihabe-Nxuu that will expire on 31 December 2026. The Board are confident that the extension of license will be granted.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Remuneration report (audited)
This Remuneration Report, which forms part of the Directors' Report, sets out information about the remuneration of the Company's Key Management Personnel ("KMP") for the year ended 30 June 2026. The information provided has been audited as required by section 308(3C) of the Corporations Act 2001. The report is presented under the following headings:

- Key Management Personnel
- Remuneration governance
- Remuneration policy and link to performance
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosure relating to key management personnel
- Additional information
- Voting and comments made at the Annual General Meeting

Key Management Personnel

The KMP of the Company during, and since the end of, the year were:

- Dr Stephen Lennon — Executive Chairman (appointed 15 May 2025)
- Mr William Belbin — Non-Executive Director (appointed 13 October 2025)
- Mr Scott Glasson — Non-Executive Director (appointed 25 February 2026)

Former KMP who served during the year:

- Mr Robert Brougham (resigned 4 July 2025)
- Mr Ian Barclay McGeorge (resigned 4 July 2025)
- Mr Jacob Thamage (resigned 13 October 2025)
- Mr Harry Warries (resigned 25 February 2026)

Remuneration governance

Given the size and stage of the Company, the full Board is responsible for reviewing and determining the remuneration of Directors and other KMP. The Board does not currently operate a separate remuneration committee; remuneration matters are dealt with by the full Board. The Board may seek external advice where appropriate. No remuneration consultant was engaged to make a remuneration recommendation during the year.

Remuneration policy and link to performance

The Company's remuneration policy is designed to attract and retain appropriately qualified Directors and executives, and to align remuneration with the creation of shareholder value. As an exploration-stage company that does not generate operating revenue, the Company does not link remuneration outcomes to measures such as earnings or share price through formal short-term incentive plans. A portion of remuneration is delivered through equity-based instruments (options and, where applicable, shares in lieu of fees) to conserve cash and to align the interests of KMP with those of shareholders. There is no guaranteed increase in any KMP's remuneration in any contract of employment or engagement

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the Group are set out in the following tables.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2026	Cash salary and fees $	Shares in lieu of salary $	Annual leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
William Belbin	21,000	-	-	2,520	-	419,528	443,048
Scott Glasson	24,000	-	-	-	-	421,326	445,326
Robert Brougham	12,000	12,000	-	-	-	36,824	60,824
Ian Barclay McGeorge	-	12,000	-	-	-	-	12,000
Jacob Thamage	-	12,000	-	-	-	-	12,000
Harry Warries	20,000	12,000	-	-	-	843	32,843
Executive Directors:							
Dr Stephen Lennon	42,679	13,453	3,622	9,157	-	613,734	682,645
	119,679	61,453	3,622	11,677	-	1,492,255	1,688,686

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2025	Cash salary and fees $	Shares in lieu of salary $	Annual Leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Harry Warries	-	12,000	-	-	-	-	12,000
Jacob Thamage	-	12,000	-	-	-	-	12,000
Robert Brougham	-	12,000	-	-	-	-	12,000
Ian Barclay McGeorge	-	12,000	-	-	-	-	12,000
Executive Directors:							
Dr Stephen Lennon	13,453	-	1,154	1,547	-	-	16,154
Nigel Raymond Forrester	155,421	-	14,136	17,873	6,405	-	193,835
	168,874	48,000	15,290	19,420	6,405	-	257,989

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Dr Stephen Lennon
Title:	Executive Chairman
Agreement commenced:	15 May 2025
Term of agreement:	$90,000 per annum in normal circumstances, converted to payment in shares at VWAP (excluding superannuation).
Details:	3 months notice period

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
Following shareholder approval at the Extraordinary General Meeting held on 13 October 2025, the Company issued fully paid ordinary shares in lieu of Directors' fees and under salary-sacrifice arrangements, at the volume-weighted average price of the five ASX trading days prior to issue. No cash was received. Allocations to KMP included.

Name	Shares	Issue price	Amount $
Dr Stephen Lennon	856,874	$0.0160	13,453
Robert Brougham	764,331	$0.0160	12,000
Ian Barclay McGoerge	764,331	$0.0160	12,000
Jacob Thamage	764,331	$0.0160	12,000
Harry Warries	764,331	$0.0160	12,000

Options
Following shareholder approval at the General Meeting held on 13 October 2025 and 17 November 2025, the Company granted options to directors as shown below. The options vested immediately and were valued using the Black-Scholes model.

Name	Number of options granted	Grant date	Vesting and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
William Belbin	10,000,000	17/11/2025	17/11/2025	24/11/2028	$0.0177	$0.0084
William Belbin	10,000,000	17/11/2025	17/11/2025	24/11/2029	$0.0236	$0.0084
Dr Stephen Lennon	40,000,000	13/10/2025	13/10/2025	13/10/2028	$0.0100	$0.0153
Robert Brougham	2,400,000	13/10/2025	13/10/2025	13/10/2028	$0.0100	$0.0153
Scott Glasson	10,000,000	20/11/2025	20/11/2025	24//11/2028	$0.0177	$0.0084
Scott Glasson	10,000,000	20/11/2025	20/11/2025	24/11/2029	$0.0236	$0.0084

Options granted carry no dividend or voting rights.

There were no options over ordinary shares granted to or vested by directors and other key management personnel as part of compensation during the year ended 30 June 2026.

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Dr Stephen Lennon (*)	18,750	856,874	-	-	875,624
William Belbin (**)	-	-	1,428,571	-	1,428,571
Scott Glasson	-	-	3,476,190	-	3,476,190
Robert Brougham (****)	5,565,477	764,331	-	-	6,329,808
Ian Barclay McGeorge (****)	3,416,667	764,331	-	-	4,180,998
Jacob Thamage (****)	4,750,000	764,331	-	-	5,514,331
Harry Warries (***)	8,412,955	764,331	836,622	-	10,013,908
	22,163,849	3,914,198	5,741,383	-	31,819,430

* Issue of 856,874 fully paid shares in lieu of directors' fees representing $13,453 as approved at the Company's Extraordinary General Meeting on 13 October 2025.
** 1,428,571 fully paid shares acquired through placement on 18 August 2025.
*** Issue of 836,622 fully paid shares representing approximately 5% of the debt owing to Mr Warries whilst the balance of the Debt will be forgiven. Approved at the Company's Extraordinary General Meeting on 13 October 2025.
Issue of 764,331 fully paid shares in lieu of directors' fees representing $12,000 as approved at the Company's Extraordinary General Meeting on 13 October 2025.
10,013,908 shares held on resignation date, 25 February 2026

**** Issue of 764,331 fully paid shares in lieu of directors' fees representing $12,000 as approved at the Company's Extraordinary General Meeting on 13 October 2025.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each director and other members of key management personnel of the Group, including their personally related parties, is set out below:

Options over ordinary shares	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Dr Stephen Lennon	-	40,000,000	-	-	40,000,000
William Belbin (*)	-	40,000,000	-	-	40,000,000
Scott Glasson (**)	-	40,000,000	-	-	40,000,000
Robert Brougham	-	2,400,000	-	-	2,400,000
Ian Barclay McGeorge	-	-	-	-	-
Jacob Thamage	-	-	-	-	-
Harry Warries (***)	-	60,237	-	-	60,237
	-	122,460,237	-	-	122,460,237

* 20,000,000 Unquoted options were issued as payment for services provided.
Issue of 20,000,000 unlisted options as approved by Shareholders at the Annual General Meeting held on 17 November 2025.
** Initial director's interest on appointment date, 24 February 2026.
*** 60,237 options were granted as part of settlement of debts owing to Mr Warries whilst the balance of the Debt will be forgiven. Approved at the Company's Extraordinary General Meeting on 13 October 2025.
60,237 held on resignation date, 25 Ferbuary 2026.

Loans to key management personnel and their related parties
Details of loans made from Directors/former Directors of Talonx Resources Limited and other key management personnel of the Group, including their close family members and entities related to them, are set out below:

Director / former director	Opening balance	Additions	Interest	Write off	Closing balance
Harry Warries	60,223	-	14	(60,237)	-

Loan from Harry Warries (former director)
The loan was provided by Mr Harry Warries, a former Director of the Company.

During the year ended 30 June 2026, the loan, including all accrued interest, was fully extinguished through debt forgiveness and settlement via issue of equity instruments, as following :
- 836,622 fully paid ordinary shares
- 60,237 unlisted options
- $46,008 debt forgiven

Additional information
The earnings of the Group for the five years to 30 June 2026 are summarised below:

	2026 $	2025 $	2024 $	2023 $	2022 $
Other income	3,237,707	730	386	111	5
Loss after income tax	(683,563)	(627,206)	(464,813)	(535,747)	(281,314)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2026	2025	2024	2023	2022
Share price at financial year end in cents	0.50	0.40	0.10	0.50	0.50
Basic loss per share (cents per share)	(0.09)	(0.08)	(0.05)	(0.06)	(0.04)
Diluted loss per share (cents per share)	(0.09)	(0.08)	(0.05)	(0.06)	(0.04)

This concludes the remuneration report, which has been audited.

Voting and comments made at the Company 's 2025 Annual General Meeting ('AGM')
At the Annual General Meeting held on 17 November 2025, the Company 99.91% of votes in favour of its Remuneration Report for the year ended 30 June 2025. The Company received no specific feedback on its remuneration practices at the meeting.

Shares under option
Unissued ordinary shares of Talonx Resources Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
9 Dec 2024	10 Dec 2026	$0.0200	1,250,000
13 Oct 2025	13 Oct 2028	$0.0100	126,566,667
13 Oct 2025	13 Oct 2029	$0.0015	84,166,667
13 Oct 2025	13 Oct 2030	$0.0050	3,546,179
13 Oct 2025	13 Oct 2029	$0.0053	76,981
17 Nov 2025 and 20 Nov 2025	24 Nov 2028	$0.0177	50,000,000
17 Nov 2025 and 20 Nov 2025	24 Nov 2029	$0.0236	50,000,000
13 Oct 2025	13 Oct 2028	$0.0050	1,062,403
			316,668,897

All unissued shares are ordinary shares of the Company. Option holders are not entitled to participate in any new issue of securities without first exercising their options.

Shares issued on the exercise of options
There were no ordinary shares of Talonx Resources Limited issued on the exercise of options during the year ended 30 June 2026 and up to the date of this report.

Auditor
Hall Chadwick WA Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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.

Officers of the Company who are former partners of Hall Chadwick WA Audit Pty Ltd
There are no officers of the Company who are former partners of Hall Chadwick WA Audit Pty Ltd.

Non-audit services
The Board has considered any non-audit services provided during the year by the auditor and is satisfied that the provision of those services is compatible with, and did not compromise, the auditor-independence requirements of the Corporations Act 2001, having regard to the Company’s corporate-governance procedures and the principles set out in APES 110 Code of Ethics for Professional Accountants.

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.

Proceedings 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

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Instrument to the nearest dollar.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

____
Scott Glasson
Director

16 September 2026

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the audit of the financial statements of Talonx Resources Limited for the year ended 30 June 2026, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

CHRIS NICOLOFF FCA
Director

Dated this 16th day of September 2026
Perth, Western Australia

	Note	Consolidated 2026 $	Consolidated 2025 $
Revenue			
Other income	5	3,237,707	730
Expenses			
Administration expenses	6	(394,335)	(347,850)
Depreciation and amortisation expense	12	(26,965)	-
Employee benefits expenses	7	(271,614)	(214,771)
Exploration expenses		(155,648)	-
Finance cost	8	(8,408)	(65,315)
Impairment of assets	13	(816,502)	-
Share-based payments	21	(2,247,798)	-
Loss before income tax expense		(683,563)	(627,206)
Income tax expense	9	-	-
Loss after income tax expense for the year attributable to the owners of Talonx Resources Limited		(683,563)	(627,206)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of Talonx Resources Limited		(683,563)	(627,206)
		Cents	**Cents**
Basic earnings per share	22	(0.09)	(0.08)
Diluted earnings per share	22	(0.09)	(0.08)

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

Talonx Resources Limited
Consolidated statement of financial position
As at 30 June 2026

	Note	Consolidated 2026 $	Consolidated 2025 $
Assets			
Current assets			
Cash and cash equivalents	10	715,308	240,964
Trade and other receivables	11	59,769	7,108
Total current assets		775,077	248,072
Non-current assets			
Property, plant and equipment		4,576	4,911
Right-of-use assets	12	91,006	-
Exploration and evaluation	13	8,258,067	3,512,624
Total non-current assets		8,353,649	3,517,535
Total assets		9,128,726	3,765,607
Liabilities			
Current liabilities			
Trade and other payables	14	695,228	2,997,638
Borrowings	15	-	1,708,630
Lease liabilities	16	37,341	-
Employee benefits	17	6,573	461,122
Total current liabilities		739,142	5,167,390
Non-current liabilities			
Borrowings	15	200,000	-
Lease liabilities	16	58,375	-
Total non-current liabilities		258,375	-
Total liabilities		997,517	5,167,390
Net assets/(liabilities)		8,131,209	(1,401,783)
Equity			
Issued capital	18	54,944,441	48,417,509
Reserves	19	4,179,640	490,017
Accumulated losses		(50,992,872)	(50,309,309)
Total equity/(deficiency)		8,131,209	(1,401,783)

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

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	48,081,022	490,017	(49,682,103)	(1,111,064)
Loss after income tax expense for the year	-	-	(627,206)	(627,206)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(627,206)	(627,206)
Transactions with owners in their capacity as owners:				
Shares issued (note 18)	336,487	-	-	336,487
Balance at 30 June 2025	48,417,509	490,017	(50,309,309)	(1,401,783)

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	48,417,509	490,017	(50,309,309)	(1,401,783)
Loss after income tax expense for the year	-	-	(683,563)	(683,563)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(683,563)	(683,563)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 18)	1,580,200	-	-	1,580,200
Debt conversion (note 15)	1,382,613	70,207	-	1,452,820
Acquisition of exploration assets (note 13)	3,466,667	1,371,618	-	4,838,285
Share-based payments (note 21)	97,452	2,247,798	-	2,345,250
Balance at 30 June 2026	54,944,441	4,179,640	(50,992,872)	8,131,209

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

	Note	Consolidated 2026 $	2025 $
Cash flows from operating activities			
Payments to suppliers and employees		(366,270)	(287,995)
Interest received		2,653	5
Other revenue		2,311	725
R&D tax incentives		-	11,766
Net cash used in operating activities	23	(361,306)	(275,499)
Cash flows from investing activities			
Payments for exploration and evaluation		(713,633)	(92,109)
R&D tax incentives		-	35,699
Net cash used in investing activities		(713,633)	(56,410)
Cash flows from financing activities			
Proceeds from issue of shares		1,585,000	276,551
Payments for share issue costs		(4,800)	(64)
Interest and other finance costs paid		(8,408)	-
Repayment of borrowings		-	(71,060)
Repayment of lease liabilities		(22,255)	-
Net cash from financing activities		1,549,537	205,427
Net increase/(decrease) in cash and cash equivalents		474,598	(126,482)
Cash and cash equivalents at the beginning of the financial year		240,964	367,265
Effects of exchange rate changes on cash and cash equivalents		(254)	181
Cash and cash equivalents at the end of the financial year	10	715,308	240,964

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

Note 1. General information

The financial statements cover Talonx Resources Limited as a Group consisting of Talonx Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Talonx Resources Limited's functional and presentation currency.

The Company was formerly known as Mount Burgess Mining N.L., with the name change effective 2 January 2026.

Talonx Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Suite 2, Level 1, 1292 Hay Street
West Perth WA 6005

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 18 September 2026. The directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standard and Interpretation is most relevant to the *Group*:

AASB 18 Presentation and Disclosure in Financial Statements
Effective for financial years commencing on or after 1 January 2027, AASB 18 replaces AASB 101 and standardises the classification of income and expenses into operating, investing, and financing activities while establishing mandatory subtotals.

The Group has not assessed the impact of AASB 18. Based on the nature of the requirements, the standard is expected to affect the presentation and disclosure of information in the Group's financial statements, particularly the statement of profit or loss and related notes. The standard is not expected to affect the recognition or measurement of assets, liabilities, income or expenses.

Going concern

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business.

For the year ended 30 June 2026 the Group incurred a net loss of $683,563 (2025: $627,206) and net cash outflows from operating activities of $361,306 (2025: $275,499). At 30 June 2026 the Group held cash and cash equivalents of $715,308 (2025: $240,964), had net current assets of $35,935 (2025: net current liabilities $4,919,318) and net assets of $8,131,209 (2025: net liabilities of $1,401,783).

Current liabilities at 30 June 2026 include trade payables, lease liabilities and provision of annual leaves.

The Group's cash and cash equivalents at 30 June 2026 are not sufficient to settle the trade and other payables of $739,142, as and when they fall due without the Group generating additional operating cash flows or obtaining additional funding.

Note 2. Material accounting policy information (continued)

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

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report as the Group is targeting a capital injection of sufficient size to enable the group to meet is commitments. If the amount raised is lower than that assumed in the forecast, the Group would need to secure alternative funding in order to continue as a going concern. The Directors are confident that sufficient funds will be raised to enable the company to meet its .commitments.as and when they fall Due.

Based on the cash flow forecasts and other factors referred to above, the Directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when they are required. Should the Group be unable to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Company's be unable to continue as a going concern and meet its debts as and when they fall due.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Talonx Resources Limited ('Company' or 'parent entity') as at 30 June 2026 and the results of all subsidiaries for the year then ended. Talonx Resources Limited and its subsidiaries together are referred to in these financial statements as the 'Group'.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Note 2. Material accounting policy information (continued)

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Talonx Resources Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Note 2. Material accounting policy information (continued)

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Right-of-use assets
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Exploration and evaluation expenditures in relation to each separate area of interest are recognised as exploration and evaluation assets in the year in which they are incurred where the following conditions are satisfied:

(i) the rights to tenure of the area of interest are current; and

(ii) at least one of the following conditions is also met:
- the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
- the exploration and evaluation in the area of interest has not, at the reporting date, reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploratory drilling, trenching and sampling and associated activities and an allocation of depreciation and amortisation of assets used in exploration and evaluation activities. General and administration costs are included in measurement of exploration and evaluation costs only when they are related directly to operational activities in a particular area of interest.

Note 2. Material accounting policy information (continued)

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years. Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment and the balance is then reclassified to development.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Extinguishment of financial liabilities through issue of equity

Where a financial liability is extinguished in whole or in part through the issue of equity instruments to the creditor, the equity instruments issued are measured at their fair value at the date the liability is extinguished. The difference between the carrying amount of the financial liability extinguished and the fair value of the equity instruments issued is recognised as a gain or loss in profit or loss, except to the extent the substance of the transaction reflects a contribution by, or distribution to, an owner in their capacity as owner, in which case it is recognised directly in equity.

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

Note 2. Material accounting policy information (continued)

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the Group receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

Note 2. Material accounting policy information (continued)

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital
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.

Earnings per share
Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Talonx Resources Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2026. The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Share-based payment transactions
The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Going Concern
The Company does not have a sustainable income base from which it can fund its continual exploration effort and resource development. Consequently, with regard to going concern, the Company is reliant upon raising funds through equity issues, debt, or from the sale of assets to fund its ongoing exploration and resource development. Alternatively, the Company can seek joint venture partners to fund exploration and resource development on its behalf.

Classification of gains arising from forgiveness of creditor loans
During the year, the Company extinguished $4,685,562 of legacy debt under Loan Settlement Agreements executed between 25 June 2025 and 7 July 2025, comprising $1,079,147 owed to creditors who were not related parties of the Company (Exchange Services Limited, a non-related company, and Mr Chris Campbell-Hicks, a former director who had ceased to hold that position, and to be a related party of the Company, well before the transaction), and $3,606,416 owed to current director and director-related creditors (Mr Harry Warries, and Mr Nigel and Ms Jan Forrester, the spouse of former Chairman and CEO Mr Nigel Forrester). In each case, 95% of the amount owing was forgiven, with the remaining 5% settled through the issue of ordinary shares and options at an identical deemed issue price and on identical terms, regardless of the creditor's relationship to the Company.

The Directors have assessed whether the resulting gain of $3,232,743 should be recognised in profit or loss or treated as a contribution of equity by owners in their capacity as owners. As the current director and director-related creditors were settled on materially identical commercial terms to the Company's non-related creditors, as part of a single, company-wide balance-sheet restructure that was approved by shareholders at the Extraordinary General Meeting held on 13 October 2025 — including specific approval under Chapter 2E of the Corporations Act 2001 and ASX Listing Rule 10.11 in respect of the amounts owed to current director and director-related creditors — the Directors have concluded that the forgiveness was not contingent on, or motivated by, the lenders' status as owners of the Company. Accordingly, the gain has been recognised in profit or loss in full.

Of the amount extinguished in respect of Mr Nigel and Ms Jan Forrester ($3,746,179, before a $200,000 residual amount retained on subordinated, non-interest-bearing terms), $3,166,173 represented accrued but unpaid remuneration (salary, superannuation, and annual and long service leave entitlements) rather than a cash loan, with the balance of $580,006 relating to a pre-existing cash loan. The Directors have concluded that, having been settled under the same restructure terms and mechanism as the Company's other creditor obligations described above, the gain arising on this amount is similarly recognised in profit or loss as a gain on extinguishment of a financial liability.

Measurement date for equity issued in settlement of creditor loans
The number of shares and options issued to settle the amounts described above was fixed under the terms of the Loan Settlement Agreements by reference to a deemed issue price of 90% of the 15-trading-day VWAP immediately prior to execution of the relevant agreement. For financial reporting purposes, the Directors have measured the fair value of the equity instruments issued as consideration by reference to the Company's share price at the date the instruments were actually issued (14 October 2025, following shareholder approval), being $0.016, on the basis that fair value is appropriately determined as at the date the extinguishment of each liability became unconditional. This is consistent with the measurement basis applied to other equity instruments issued on the same date (Note 13). Had the earlier contractual reference price instead been used, the gain recognised in profit or loss for the year would have been approximately $1.15 million higher, with a corresponding reduction in issued capital.

Commitments for exploration and evaluation expenditure not provided for
The Company has expenditure commitments in relation to its exploration licence. If any of these commitments fall into arrears through any funding inability, the Company has the choice to seek joint venture partners to meet these commitments or apply for expenditure exemptions.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

The carrying amount of the Exploration and Evaluation Assets
The write-off or carrying forward of exploration expenditure of the Company is based on a periodic assessment of the viability of an area of interest and/or the existence of economically recoverable reserves. This assessment is based on pre-determined impairment indicators, taking into account the requirements of the accounting standard, and with the information available at the time of preparing this report. Information may come to light in subsequent periods which requires the asset to be impaired or written down for which the Directors are unable to predict the outcome.

Note 4. Operating segments

AASB 8 Operating Segments requires that operating segments be identified based on internal reports that are regularly reviewed by the Chief Operating Decision Maker (CODM) to assess performance and allocate resources.

In the Company, the CODM is the Board of Directors, who review internal management reports on a monthly basis. These reports are consistent with the information presented in the Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income, Condensed Consolidated Statement of Financial Position, and Condensed Consolidated Statement of Cash Flows.

During prior years, the Company operated as a single operating segment, and no separate segment disclosures were required. During the current year, following the acquisition of an exploration project in Australia in October 2025, the Group now operates two operating segments based on project location:

- Australia – exploration focus on gold
- Botswana – exploration focus on base metals

Operating segment information

Consolidated - 2026	Australia $	Botswana $	Unallocated $	Total $
Revenue				
Other revenue	2,311	-	-	2,311
Interest income	2,653	-	-	2,653
Gain on forgiveness of debt	3,190,783	41,960	-	3,232,743
Total revenue	3,195,747	41,960	-	3,237,707
Depreciation and amortisation	(26,965)	-	-	(26,965)
Exploration expenses	(155,648)	-	-	(155,648)
Finance costs	(8,408)	-	-	(8,408)
Impairment	(816,502)	-	-	(816,502)
Other expenses	(643,278)	(33,236)	10,565	(665,949)
Share-based payments	(2,247,798)	-	-	(2,247,798)
Profit/(loss) before income tax expense	(3,898,599)	(33,236)	10,565	(3,921,270)
Income tax expense				-
Loss after income tax expense	(702,852)	8,724	10,565	(683,563)
Assets				
Segment assets	5,538,400	3,590,326	-	9,128,726
Total assets				9,128,726
Liabilities				
Segment liabilities	990,858	6,659	-	997,517
Total liabilities				997,517

Note 4. Operating segments (continued)

Geographical information

	Geographical non-current assets 2026 $
Australia	4,680,475
Botswana	3,582,168
	8,262,643

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 5. Other income

	Consolidated 2026 $	2025 $
Interest income	2,653	5
Other income	2,311	725
Gain on forgiveness of debt (*)	3,232,743	-
Other income	3,237,707	730

(*) Refer to note 3 for the Directors' assessment of the classification of this gain, and note 15 'Borrowings' for further details.

Note 6. Administration expenses

	Consolidated 2026 $	2025 $
Professionals and consultancy fees	43,768	14,050
ASX, ASIC and share registry fees	82,256	71,361
Auditors' remuneration	41,375	38,500
Insurance	17,156	318
Legal expenses	65,698	39,955
Office expenses	66,090	38,857
Foreign Exchange Loss(gain)	60,363	97,287
Other expenses	14,402	12,538
Short term rent	3,227	34,984
	394,335	347,850

Note 7. Employee benefits expenses

	Consolidated 2026 $	Consolidated 2025 $
Salaries and wages	123,166	140,549
Directors' fees	130,251	60,000
Superannuation	18,197	14,222
	271,614	214,771

Note 8. Finance cost

	Consolidated 2026 $	Consolidated 2025 $
Interest on loan	1,184	65,315
Interest on lease liability	7,224	-
	8,408	65,315

Note 9. Income tax expense

	Consolidated 2026 $	Consolidated 2025 $
Income tax expense		
Current tax	-	-
Deferred tax - origination and reversal of temporary differences	-	-
Aggregate income tax expense	-	-
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(683,563)	(627,206)
Tax at the statutory tax rate of 25% (2025: 27.5%)	(170,891)	(172,482)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Adjustments for tax-rate differences in foreign jurisdictions	1,583	-
Non deductible expenses	877,524	63,111
Share-based payment	(6,693)	60,000
Adjustments recognised in the current year in relation to the current tax of previous years	470,695	-
Initial recognition of (potential) DTAs on Leases & ROU assets	1,842	-
Effect of temporary differences that would be recognised directly in equity	(1,200)	-
Impact from change in tax rate on unrecognised DTAs	595,644	-
	1,768,504	(49,371)
Current year temporary differences not recognised	(1,768,504)	49,371
Income tax expense	-	-

Note 9. Income tax expense (continued)

	Consolidated 2026 $	Consolidated 2025 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Cash & cash equivalents	346	-
Exploration assets	125,081	-
Right of use assets	(22,752)	-
Lease Liabilities	23,929	-
Trade & other payables	23,185	-
Employee benefits	1,643	-
Other future deductions	960	-
Temporary differences	-	291,232
Total deferred tax assets not recognised	152,392	291,232

The above potential tax benefit, which excludes tax losses of $4,631,183 (30 June 2025: $6,260,848), for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 10. Cash and cash equivalents

	Consolidated 2026 $	Consolidated 2025 $
Cash on hand	1,030	2,112
Cash at bank	704,278	228,852
Cash on deposit	10,000	10,000
	715,308	240,964

Note 11. Trade and other receivables

	Consolidated 2026 $	Consolidated 2025 $
BAS/VAT receivable	59,769	7,108

Note 12. Right-of-use assets

	Consolidated 2026 $	Consolidated 2025 $
Office - right-of-use	117,971	-
Less: Accumulated depreciation	(26,965)	-
	91,006	-

The Group leases an office under agreement for 3 years. The leases have various escalation clauses. On renewal, the terms of the leases are renegotiated.

Note 12. Right-of-use assets (continued)

Reconciliations
Reconciliations of the values at the beginning and end of the current financial year are set out below:

Consolidated	Office $
Balance at 1 July 2025	-
Additions	117,971
Depreciation expense	(26,965)
Balance at 30 June 2026	91,006

Total cash outflow for leases during the year, including short-term lease payments, was $29,479 (2025: $nil), comprising repayment of lease liabilities of $22,255, interest paid on lease liabilities of $7,224 (note 8), and short-term lease expense of $3,227 (note 6). A maturity analysis of lease liabilities is included in note 24.

Note 13. Exploration and evaluation

	Consolidated	
	2026 **$**	**2025** **$**
Exploration and evaluation - at cost	8,258,067	3,512,624

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	$
Balance at 1 July 2024	3,249,956
Capitalised expenditure	298,367
R&D Tax incentives	(35,699)
Balance at 30 June 2025	3,512,624
Tenements acquisition via share based payments (i)	4,838,285
Capitalised expenditure	723,660
Impairment of assets (ii)	(816,502)
Balance at 30 June 2026	8,258,067

(i) On 14 October 2025, the Company issued $3,466,667 worth of fully paid shares to Metal Hawk Limited ("MHK") and Falcon Metals Limited ("FAL") to acquire a 100% interest in the Blair North Project and Viking Projects. The consideration comprised:

a. 216,666,667 fully paid ordinary shares (note 18); and

b. 108,333,334 unquoted options (note 21), consisting of:

i. 54,166,667 Consideration Options with an exercise price of $0.01 and expiring on a date that is three (3) years from the date of issue; and

ii. 54,166,667 Consideration Options with an exercise price of $0.015 and expiring on a date that is four (4) years from the date of issue.

(ii) Impairment on the amount of $816,502 was recorded in relation to the Blair North tenements P25/2716 & P26/4656 that were relinquished during the year.

Note 14. Trade and other payables

	Consolidated 2026 $	Consolidated 2025 $
Trade payables	569,882	96,861
Accrued expenses	78,500	2,898,647
Other payables	46,846	2,130
	695,228	2,997,638

Refer to note 24 for further information on financial instruments.

Trade payables are non-interest bearing and are normally settled on terms of 30 days from month end.

Note 15. Borrowings

	Consolidated 2026 $	Consolidated 2025 $
Loan from a former Director related company (i)	-	1,051,671
Loan from a former Director (ii)	200,000	580,006
Loan from a Director (iii)	-	60,223
Loan from a former Director (iv)	-	16,730
	200,000	1,708,630

Movements in loan:

	Balance at 1 July 25 $	Movement Additions (a) $	Movement Write off $	Balance at 30 June 26 $
Loan from a former Director related company (i)	1,051,671	10,732	(1,062,403)	-
Loan from a former Director (ii)	580,006	3,166,173	(3,546,179)	200,000
Loan from a former Director (iii)	60,223	14	(60,237)	-
Loan from a former Director (iv)	16,730	13	(16,743)	-
	1,708,630	3,176,932	(4,685,562)	200,000

(a) The addition refers to:
- Loan from a former Director related company (i) - amount being foreign currency translation.
- Loan from a former Director (ii) - amount being transferred from accruals and employee benefits.
- Loan from a Director (iii) - amount being interest accruals.
- Loan from a former Director (iv) - amount being interest accruals.

Breakdown of forgiveness of debt / write off loan:

Note 15. Borrowings (continued)

	Issued of shares No	Shares valuation $	Forgiveness of debt Issued of options No	Options valuation $	Gain on loan forgiveness $
Loan from a former Director related company (i)	19,674,126	314,786	1,062,403	15,936	731,681
Loan from a former Director (ii)	65,669,981	1,050,720	3,546,179	53,193	2,442,266
Loan from a former Director (iii)	836,622	13,386	60,237	843	46,008
Loan from a former Director (iv)	232,553	3,720	16,744	235	12,788
	86,413,282	1,382,612	4,685,563	70,207	3,232,743

(i) Loan from Exchange Services Limited
The loan comprised two components, both of which were extinguished during the year ended 30 June 2026: [retain existing (a)/(b) narrative — the GBP20,618 loan to Mount Burgess (Botswana) Proprietary Ltd and the GBP255,000 loan to MTB with accrued interest]. Exchange Services Limited is not a related party of the Company. Refer to Note 3 for the Directors' assessment of the classification of the resulting gain on extinguishment.

(ii) Loan from a Loan from Mr Nigel Forrester and Ms Jan Forrester
The amount comprised a pre-existing loan of $580,006 (principal and accrued interest) together with $3,166,173 of accrued but unpaid salary, superannuation, and annual and long service leave entitlements owed to Mr Nigel Forrester and Ms Jan Forrester as former officers of the Company. During the year, the combined balance was extinguished through debt forgiveness and settlement via the issue of equity instruments, on the terms described in Note 3. A balance of $200,000 remained outstanding at 30 June 2026, non-interest-bearing, fully subordinated, and repayable at the Company's discretion.

(iii) Loan from a forme director
The loan was provided by Mr Harry Warries, a former Director of the Company (resigned on 25 February 2026).

The loan, including all accrued interest, was fully extinguished during the year ended 30 June 2026, with no balance outstanding at reporting date.

(iv) Loan from Mr Chris Campbell-Hicks, a former Director
Mr Campbell-Hicks ceased to be a director, and to be a related party of the Company, well before this loan was settled. The loan, including all accrued interest, was fully extinguished during the year on the terms described in Note 3, with no balance outstanding at reporting date.

Extinguishment of Directors / former Directors' related loans
During the year, the Company extinguished loans payable to certain directors and director-related entities. The carrying value of the loans was $4,685,562.

The extinguishment was effected through a combination of debt forgiveness and settlement and provision for annual leave and long service leave via the issue of equity instruments.

Refer to note 24 for further information on financial instruments.

Note 16. Lease liabilities

	Consolidated 2026 $	2025 $
Current liabilities		
Lease liability	37,341	-
Non-current liabilities		
Lease liability	58,375	-

Refer to note 24 for further information on financial instruments.

Note 17. Employee benefits

	Consolidated 2026 $	2025 $
Annual leave	6,573	275,331
Long service leave	-	185,791
	6,573	461,122

The current provision for employee entitlements comprise of accrued annual leave. For long service leave it covers all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled pro-rata payments in certain circumstances. The entire amount of the provision is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations.

Note 18. Issued capital

	Consolidated 2026 Shares	2025 Shares	2026 $	2025 $
Ordinary shares - fully paid	931,996,901	425,638,332	54,944,441	48,417,509

Note 18. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	Amount $
Balance	1 July 2024	1,298,146,786		48,081,022
Share consolidation	5 December 2024	(973,609,340)		-
Share placement to professional investors	26 June 2025	73,935,637	$0.0030	221,807
Share placement to professional investors	23 April 2025	12,165,249	$0.0045	54,744
Issue of ordinary shares in lieu of directors' fees	11 December 2024	15,000,000	$0.0040	60,000
Capital raising cost				(64)
Balance	30 June 2025	425,638,332		48,417,509
Issued of shares in lieu of directors' fees (i)	14 October 2025	6,207,192	$0.0157	97,453
Issued of shares debt conversion (ii)	14 October 2025	86,413,282	$0.0160	1,382,612
Issued of shares to purchase exploration tenements (iii)	14 October 2025	216,666,667	$0.0160	3,466,667
Share placement to professional investors	15 October 2025	128,571,428	$0.0070	900,000
Share placement to professional investors	31 March 2026	68,500,000	$0.0100	685,000
Capital raising cost				(4,800)
Balance	30 June 2026	931,996,901		54,944,441

(i) Issue of ordinary shares in lieu of directors' fees
During the financial period, at the Extraordinary General Meeting held on 13 October 2025, shareholders approved the issue of fully paid ordinary shares in lieu of directors' fees and under salary sacrifice arrangements. The shares were issued at the volume weighted average price (VWAP) of the five ASX trading days prior to the issue. No cash was received. The allocation of shares was as follows:

Director / former Directors	Shares No	Value $
Dr S Lennon	856,874	13,453
Mr J Thamage	764,331	12,000
Mr I McGeorge	764,331	12,000
Ms J Forrester	764,331	12,000
M R Brougham	764,331	12,000
Mr H Warries	764,331	12,000
Ms S Chau	1,528,663	24,000
	6,207,192	97,453

(ii) Issue of ordinary shares – Debt conversion
During the financial period, the Company issued 86,413,282 ordinary shares to directors and director-related entities in settlement of loans. Details of the transaction are disclosed in note 15 'Borrowings'.

(iii) On 14 October 2025, the Company issued "Consideration Shares" forming part of consideration payable to Metal Hawk Limited and Falcon Metals Limited to acquire a 100% interest in the Blair North Project and Viking Projects. Please refer to note 13 'Exploration and evaluation' for details.

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 19. Reserves

	Consolidated 2026 $	Consolidated 2025 $
Asset realisation reserve	109,972	109,972
Options reserve	4,069,668	380,045
	4,179,640	490,017

Options reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Asset realisation reserve
Asset realisation reserve represents realised benefits transferred from a previous asset revaluation reserve.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Asset realisation reserve $	Options reserve $	Total $
Balance at 1 July 2024	109,972	380,045	490,017
Balance at 30 June 2025	109,972	380,045	490,017
Options issued for debt conversion	-	70,207	70,207
Options issued as part consideration on acquisition of tenements	-	1,371,618	1,371,618
Options issued to directors / consultants	-	2,247,798	2,247,798
Balance at 30 June 2026	109,972	4,069,668	4,179,640

Note 20. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 21. Share-based payments

The share-based payment expense included within the financial statements can be broken down as follows:

	Consolidated 2026 $	Consolidated 2025 $
Recognised in other income		
Forgiveness of debt	70,207	-
Expensed in share-based payments expenses		
Options issued to Directors	818,073	-
Options issued to Employees	167,515	-
General consultant fees	1,262,210	-
	2,247,798	-
Capitalised within exploration and evaluation		
Options issued to vendors	1,371,618	-

Note 21. Share-based payments (continued)

Recognised in Share options reserve	2,201,490	-
Recognised in Employee Equity Settled Benefits Reserve	1,488,133	-
	3,689,623	-

Set out below are summaries of options granted under the plan:

	Number of options 2026	Weighted average exercise price 2026	Number of options 2025	Weighted average exercise price 2025
Outstanding at the beginning of the financial year	2,500,000	$0.0300	1,250,000	$0.0400
Granted	315,418,897	$0.0146	1,250,000	$0.0200
Expired	(1,250,000)	$0.0400	-	$0.0000
Outstanding at the end of the financial year	316,668,897	$0.0147	2,500,000	$0.0300
Exercisable at the end of the financial year	316,668,897	$0.0147	2,500,000	$0.0300

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.74 years (30 June 2025: 0.95 years).

On 13 October 2025, the Company issued 42,400,000 options to a current Director and a former Director. The Company also issued 54,166,667 options as Consideration Options forming part of consideration payable to Metal Hawk Limited and Falcon Metals Limited for acquisition of a 100% interest in Blair North Project and Viking Projects. The Company also issued 30,000,000 options to consultants as a consideration for the provision of corporate advisory services. These options are exercisable at $0.01 per option and expire on 13/11/2028. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the year.

	Directors' options	Consideration options	Consultants options
Number of options	42,400,000	54,166,667	30,000,000
Exercise price (cents)	0.1	0.1	0.1
Grant date	13/10/2025	13/10/2025	13/10/2025
Expiry date	13/10/2028	13/10/2028	13/10/2028
Life of the options (years)	3	3	3
Volatility	126.53%	126.53%	126.53%
Risk free rate	3.47%	3.47%	3.47%
Fair value of the grant date (cents)	1.53	1.28	1.28
Share price of the grant date (cents)	1.6	1.6	1.6

The options vest immediately. The directors' options and the consultant options were valued at $650,558 and $383,430 respectively with the share-based payment expense of $1,033,988 recognised the Statement of Profit or Loss and Other Comprehensive Income. The Consideration options were valued at $692,305 with the share-based payment expense recognised as Exploration and Evaluation Asset.

Note 21. Share-based payments (continued)

On 13 October 2025, the Company issued 54,166,667 options as Consideration Options forming part of consideration payable to Metal Hawk Limited and Falcon Metals Limited for acquisition of a 100% interest in Blair North Project and Viking Projects. The Company also issued 30,000,000 options to consultants as a consideration for the provision of corporate advisory services. These options are exercisable at $0.015 per option and expire on 13/10/2029. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the year.

	Consideration options	Consultants options
Number of options	54,166,667	30,000,000
Exercise price (cents)	1.5	1.5
Grant date	13/10/2025	13/10/2025
Expiry date	13/10/2029	13/10/2029
Life of the options (years)	4	4
Volatility	117.32%	117.32%
Risk free rate	3.68%	3.68%
Fair value of the grant date (cents)	1.25	1.25
Share price of the grant date (cents)	1.6	1.6

The options vested immediately. The consultant options were valued at $376,235 with the share-based payment expense recognised to the Statement of Profit or Loss. The Consideration options were valued at $679,313 with the share-based payment expense capitalised to Exploration and Evaluation Asset.

Note 21. Share-based payments (continued)

On 13 October 2025, the Company issued 4,608,582 options to a former director related party and a former director related entity in settlement of a portion of loan. The remaining balance of the loan was forgiven. The options are exercisable at $0.005 per option and expire on 13/10/2028 and 13/10/2030 (see table below). No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the period have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the period.

	Debt forgiveness options	Debt forgiveness options
Number of options	1,062,403	3,546,179
Exercise price (cents)	0.5	0.5
Grant date	13/10/2025	13/10/2025
Expiry date	13/10/2028	13/10/2030
Life of the options (years)	3	5
Volatility	126.53%	179.8%
Risk free rate	3.47%	3.68%
Fair value of the grant date (cents)	1.5	1.5
Share price of the grant date (cents)	1.6	1.6

The options vested immediately. The options were valued at $69,129 with the share-based payment expense recognised in the Statement of profit or Loss.

The fair value of the options at the grant date was recognised as a reduction of the loan liability.

Details of the transaction are disclosed in note 15 'Borrowings'.

Note 21. Share-based payments (continued)

On 13 October 2025, the Company issued 76,981 options to a director and a former director in settlement of a portion of loan. The remaining balance of the loan was forgiven. The options are exercisable at $0.0053 per option and expire on 13/10/2029. No cash was paid for the options. The issue of options was approved by shareholders at an Extraordinary General Meeting held on 13 October 2025 in accordance with ASX Listing Rule 10.11 and section 208 of the Corporations Act 2001.

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the year.

	Debt forgiveness options
Number of options	76,981
Exercise price (cents)	0.53
Grant date	13/10/2025
Expiry date	13/10/2029
Life of the options (years)	4
Volatility	117.32%
Risk free rate	3.68%
Fair value of the grant date (cents)	1.4
Share price of the grant date (cents)	1.6

The options vested immediately. The options were valued at $1,078 with the share-based payment expense recognised in the Statement of profit or Loss.

The fair value of the options at the grant date was recognised as a reduction of the loan liability.

Details of the transaction are disclosed in note 15 'Borrowings'.

On 20 November 2025 the Company granted 10,000,000 options to a Director, as approved by shareholders at the Company's AGM held on 17 November 2025. The Company also granted 40,000,000 employee options to employees & consultant under the Company's Employee Securities Incentive Plan. These options are exercisable at $0.0177 each expiring on 24 November 2028.

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the year.

	Directors options	Employee options
Number of options	10,000,000	40,000,000
Exercise price (cents)	1.77	1.77
Grant date	20/11/2025	20/11/2025
Expiry date	24/11/2028	24/11/2028
Life of the options (years)	3	3
Volatility	128.34%	128.34%
Risk free rate	3.67%	3.67%
Fair value of the grant date (cents)	0.84	0.84
Share price of the grant date (cents)	1.2	1.2

The options vested immediately. The options were valued at $417,774 with the share-based payment expense recognised in the Statement of profit or Loss.

Note 21. Share-based payments (continued)

On 17 November 2025 the Company granted 10,000,000 options to a Director, as approved by shareholders at the Company's AGM held on 17 November 2025. The Company also granted 40,000,000 employee options to employees & consultant under the Company's Employee Securities Incentive Plan. These options are exercisable at $0.0236 each expiring on 24 November 2029.

Options granted during the year have been valued using the Black-Scholes Option Valuation model, which takes account of factors including the option exercise 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 option. See below for the assumptions used for grants made during the year.

	Directors options	Employee option
Number of options	10,000,000	40,000,000
Exercise price (cents)	2.36	2.36
Grant date	20/11/2025	20/11/2025
Expiry date	24/11/2029	24/11/2029
Life of the options (years)	4	4
Volatility	118.65%	118.65%
Risk free rate	3.85%	3.85%
Fair value of the grant date (cents)	0.84	0.84
Share price of the grant date (cents)	1.2	1.2

The options vested immediately. The options were valued at $419,801 with the share-based payment expense recognised in the Statement of profit or Loss.

Note 22. Earnings per share

	Consolidated	
	2026	2025
	$	$
Loss after income tax attributable to the owners of Talonx Resources Limited	(683,563)	(627,206)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	754,451,090	760,816,277
Weighted average number of ordinary shares used in calculating diluted earnings per share	754,451,090	760,816,277
	Cents	Cents
Basic earnings per share	(0.09)	(0.08)
Diluted earnings per share	(0.09)	(0.08)

Note 23. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2026	2025
	$	$
Loss after income tax expense for the year	(683,563)	(627,206)
Adjustments for:		
Depreciation and amortisation	26,965	-
Impairment of non-current assets	816,502	-
Share-based payments	2,318,005	60,000
Foreign exchange differences	-	(181)
Unrealised foreign exchange gain)/losses	60,363	97,057
Other expenses	-	(14,209)
Gain on forgiveness of debt	(3,232,743)	-
Interest and other finance costs	8,408	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(52,661)	4,836
Increase in trade and other payables	472,069	124,428
Increase/(decrease) in employee benefits	(94,651)	14,461
Increase on borrowing costs	-	65,315
Net cash used in operating activities	(361,306)	(275,499)

Note 24. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group does not use any form of derivatives as it is not at a level of exposure that requires the use of derivatives to hedge its exposure. Exposure limits are reviewed by management on a continual basis. The Group does not enter into or trade financial instruments, including derivatives financial instruments, for speculative purposes.

The Board of Directors has the overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risk relating to the operations of the Group through regular reviews of the risks.

Market risk

Foreign currency risk
Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise. The Company monitors relevant rates of exchange on a daily basis to determine as best as possible the more advantageous rates at which to transfer funds to overseas accounts.

The Group has not entered into any derivative financial instruments to hedge such transactions.

The Group is exposed to currency risk. At reporting date the Group holds significant amounts of financial assets or liabilities which are exposed to foreign currency risk.

Note 24. Financial instruments (continued)

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Currency	Liabilities 2026	Liabilities 2025	Assets 2026	Assets 2025
BWP	6,736	275,618	7,530	-

Sensitive analysis

A 10 percent strengthening of the Australian dollar against the following currency as at 30 June 2026 would have increased (decreased) equity and profit or loss by $79 (30 June 2025: $57,707). This analysis assumes that all other variables, in particular interest rates, remain constant. A 10 percent weakening of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect on the above currencies to the amount shown above, on the basis that all other variables remain constant.

Interest rate risk
The Group is exposed to interest rate risk (primarily on its cash and cash equivalents and variable rate borrowings), which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest-bearing financial instruments. The Group does not use derivatives to mitigate these exposures.

At the reporting date the interest rate profile of the Group's and the Company's interest-bearing financial instruments was:

	Weighted average effective interest rate %	2026 $	2025 $
Non-bearing interest			
Cash and cash equivalents	-	705,308	230,964
Trade and other receivables	-	59,769	7,108
Trade and other payables	-	(695,228)	(2,295,848)
Borrowings	-	(200,000)	(734,339)
Fixed rate instruments			
Cash and cash equivalents	0.05%	10,000	10,005
Lease liability	10.00%	95,716	-
Variable rate instruments			
Borrowings	6.86%	-	(974,291)

Sensitive analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable rate instruments at the end of the reporting period. The analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis point higher/lower and all other variables constant, the Group's loss for the year ended 30 June 2026 would decrease/increase by $0 (30 June 2025: decrease/increase by $4,559). This is mainly attributable to the Group's exposure to interest rates on its fixed rate on term deposit (30 June 2025: variable rate on borrowings).

Credit risk
Credit risk refers to the risk that a counter party will default on in relation to its contractual obligations, resulting in financial loss to the Group. The Group has adopted the policy of dealing with creditworthy counterparties and

Note 24. Financial instruments (continued)

obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company measures credit risk on a fair value basis.

The Group does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Non-trade receivables from wholly owned controlled entities are assessed for impairment by reference to any future prospects in relation to development of the tenements / resources.

Liquidity risk
Vigilant liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

Ultimate responsibility of liquidity risk management rests with the Board of Directors, which continually monitors the Company's future funding plans. Future funding plans are subject to change, according to prevailing and anticipated market conditions determining the ease at which further funding capital can be raised. Capital raisings are planned at times that the Company still holds adequate cash resources or has in place banking and resource borrowing facilities.

Remaining contractual maturities
The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2026	Weighted average interest rate %	1 year or less $	Between 1 and 5 years $	Total $
Non-derivatives				
Non-interest bearing				
Trade payables	-	695,228	-	695,228
Other loans	-	-	200,000	200,000
Interest-bearing - fixed rate				
Lease liability	10.00%	45,249	62,622	107,871
Total non-derivatives		740,477	262,622	1,003,099

Consolidated - 2025	Weighted average interest rate %	1 year or less $	Between 1 and 5 years $	Total $
Non-derivatives				
Non-interest bearing				
Trade payables	-	2,995,848	-	2,995,848
Borrowings	-	734,339	-	734,339
Interest-bearing - variable				
Borrowings	6.86%	974,291	-	974,291
Total non-derivatives		4,704,478	-	4,704,478

Note 24. Financial instruments (continued)

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

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

Capital Risk Management

The Group manages its capital to ensure that companies in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt to equity balance. The Group's focus has been to raise sufficient funds through equity to fund exploration and resource development activities.

The Group's overall strategy remains unchanged from 2025. Risk management policies and procedures are established with regular monitoring and reporting.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses as disclosed in Notes18 'Issued capital' and 19 'Reserves' respectively. The Group operates in Australia and Botswana. None of the Group's companies are subject to externally imposed capital requirements.

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Hall Chadwick WA Audit Pty Ltd, the auditor of the Company:

	Consolidated 2026 $	Consolidated 2025 $
Audit services - Hall Chadwick WA Audit Pty Ltd		
Audit or review of the financial statements	41,375	38,500

Note 26. Related party transactions

Parent entity
Talonx Resources Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in below:

Entity	Country of incorporation	Ownership interest 2026 %	Ownership interest 2025 %
MTB (Namibia) (Proprietary) Ltd	Namibia	100.00%	100.00%
Mount Burgess (Botswana) (Pty) Ltd	Botswana	100.00%	100.00%

Key management personnel
Disclosures relating to key management personnel are set out in and the remuneration report included in the directors' report and summarised below:

Note 26. Related party transactions (continued)

	Consolidated 2026 $	Consolidated 2025 $
Short term employee benefits ((including annual leave accrued)	123,301	184,164
Directors Fees' – shares issued in lieu of Directors' fees	61,453	48,000
Post-employment benefits	11,677	19,420
Other long term benefits – long service leave accrued	-	6,405
Share-based payment	1,492,255	-
	1,688,686	257,989

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Payment for other expenses:		
Consulting fees paid to key management personnel	24,000	-
Consulting fees paid to McG & M (entity related to director Ian Barclay McGeorge)	-	4,877
Office rental expenses (interets incurred)	7,224	-
Office rental expenses (depreciation incurred)	26,965	-
Other transactions:		
Interest on loan from directors	27	18,755

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Current payables:		
Trade payables to other related party (Metal Hawk Limited)	54,805	-
Unpaid salaries to director (Jan and Nigel Forrester)	-	2,860,767
Unpaid salaries to director (Dr Steven Lennon)	-	13,453

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2026 $	Consolidated 2025 $
Current borrowings:		
Loan from director (Jan and Nigel Forrester)	-	580,006
Loan from director (Harry Warries)	-	60,223

Note 26. Related party transactions (continued)

During the year, at the Extraordinary General Meeting of shareholders held on 13 October 2025, approval was given for the issue of fully paid ordinary shares in the Company in lieu of director fees to Directors or their nominees and their related party, as disclosed above in note 18 'Issued capital'.

During the year, the Company issued 86,413,282 ordinary shares and 4,685,563 options to directors and director-related entities in settlement of loans. Details of the transaction are disclosed in note 15 'Borrowings'.

The related party loans disclosed in note 15 above — being those owed to Mr Harry Warries and to Mr Nigel and Ms Jan Forrester (including the unpaid remuneration of Mr Nigel and Ms Jan Forrester included therein) — were extinguished during the year on the same commercial terms as applied to the Company's non-related creditors, Exchange Services Limited and Mr Chris Campbell-Hicks, as part of the broader debt restructure approved by shareholders at the Extraordinary General Meeting held on 13 October 2025. Refer to note 3 for the Directors' assessment of the classification of the resulting gain.

During the year, Company issued 42,400,000 options to a current Director. Dr Steve Lennon and a former Director, Mr Rob Brougham, as disclosed above in note 21 'Share-based payments'.

During the year, at the Annual General Meeting of shareholders held on 17 November 2025, approval was given for the issue of to issue up to 20,000,000 Options to Mr William Belbin (or his nominee/s), the Director of the Company, as disclosed above in note 21 'Share-based payments'.

During 2025 financial year, at the Annual General Meeting of shareholders held on 28 November 2024, approval was given for the issue of fully paid ordinary shares in the Company in lieu of Director fees to Directors or their nominees and their related party as follows:

Name	Description	Number of shares
J Thamage	$12,000 worth at 0.40 of a cent* =	3,000,000
I McGeorge	$12,000 worth at 0.40 of a cent* =	3,000,000
J Forrester	$12,000 worth at 0.40 of a cent* =	3,000,000
R Brougham	$12,000 worth at 0.40 of a cent* =	3,000,000
H Warries	$12,000 worth at 0.40 of a cent* =	3,000,000

Transactions with subsidiaries
All loans advanced to and payable by MTB (Namibia) (Pty) Ltd and Mount Burgess (Botswana) (Proprietary) Limited are interest free, unsecured and subordinate to other liabilities.

Note 27. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2026 $	Parent 2025 $
Loss after income tax	(660,895)	(885,497)
Total comprehensive income	(660,895)	(885,497)

Statement of financial position

	Parent 2026 $	Parent 2025 $
Total current assets	766,920	235,096
Total assets	5,538,426	235,121
Total current liabilities	732,484	5,134,414
Total liabilities	990,884	5,134,439
Equity		
Issued capital	54,944,441	48,417,509
Asset realisation reserve	109,972	109,972
Options reserve	4,069,668	380,045
Accumulated losses	(54,576,539)	(53,806,844)
Total equity/(deficiency)	4,547,542	(4,899,318)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2026 and 30 June 2025.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2026 and 30 June 2025.

Capital commitments - Property, plant and equipment
The commitments of the parent entity have been disclosed in note 29.

Note 28. Contingent assets and liabilities

As at reporting date there are no known contingent assets and liabilities.

Note 29. Commitments

Exploration Commitments
The Group has certain obligations to perform minimum exploration work on its Prospecting Licence PL 43/2016, in Western Ngamiland, Botswana and in Western Australia tenements, in order to maintain tenure. These obligations will vary over time, depending on the Group's priorities relative to exploration and resource development programmes.

The Group is required to outline minimum annual expenditure estimates as proposed by it when applying for or renewing its Prospecting Licence in Botswana and Westwern Australia. The Group may from time to time notify the Minister of any amendments it wishes to make to its proposed prospecting operations and relative expenditure. The Minister has the discretion to suspend or agree to vary the obligation to expend the minimum annual expenditure estimates as initially outlined when applying for or renewing its Prospecting Licence.

	Consolidated	
	2026	2025
	$	$
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	-	10,068
Exploration and evaluation - investing		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	292,993	133,282
One to five years	1,461,100	-
Total commitment	1,754,093	133,282

The above operating lease commitment is for the lease of the Company premises. The annual lease commitments are fixed and there are no contingent rental payments. The lease agreement contains an option to renew the lease.

Note 30. Events after the reporting period

The Group have submitted the renewal of tenement license on 26 April 2026 for Kihabe-Nxuu that will expire on 31 December 2026. The Board are confident that the extension of license will be granted.

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes required information for each entity that was part of the consolidated entity as at the end of the financial year.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
Talonx Resources Limited	Body corporate	Australia		Australia
MTB (Namibia) (Proprietary) Ltd	Body corporate	Namibia	100.00%	Namibia
Mount Burgess (Botswana) (Pty) Ltd	Body corporate	Botswana	100.00%	Botswana

Consolidated entity
This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

Determination of Tax Residency
Section 295 (3A) of the Corporations Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

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 Income tax: central management and control test of residency.

Foreign tax residency
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date;

- 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

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Scott Glasson
Director

16 September 2026

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF TALONX RESOURCES LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Talonx Resources Limited ("the Company") and its subsidiaries ("the Consolidated Entity"), 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 statements, including material accounting policy information, the consolidated entity disclosure statement and the director's declaration.

In our opinion:

a. the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2026 and of its financial performance for the year then ended; 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 Consolidated Entity 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 2 in the financial report which indicates that the Company incurred a net loss of $683,563 during the year ended 30 June 2026. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in this respect of this matter.

Key Audit Matters

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters which 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.

Key Audit Matter	How our audit addressed the Key Audit Matter

As disclosed in note 13 to the financial statements, as at 30 June 2026, the Consolidated Entity's capitalised exploration and evaluation assets was $8,258,067.
 	
Exploration and evaluation is a key audit matter due to:
 	
• The significance of the balance to the Consolidated Entity's financial position.
 	
The level of judgement required in evaluating management's application of the requirements of AASB 6 *Exploration for and Evaluation of Mineral Resources*. AASB 6 ('AASB 6') is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.
	Our procedures included, amongst others:
	
	• Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programs planned for those tenements.
	• For each area of interest, we assessed the Consolidated Entity's rights to tenure on a sample basis by performing a variety of verification to government registries, agreements or checking that exploration permits have been registered for renewal and their annual fees have been paid in accordance with regulatory provisions.
	• We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets.
	• Substantiated a sample of expenditure by agreeing to supporting documentation.
	• We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure:
	  ○ the licenses for the right to explore expiring in the near future or are not expected to be renewed;
	  ○ substantive expenditure for further exploration in the specific area is neither budgeted or planned;
	  ○ decision or intent by the Consolidated Entity to discontinue activities in the specific area of

Key Audit Matter	How our audit addressed the Key Audit Matter
	interest due to lack of commercially viable quantities of resources; and ○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale. • Examination of the disclosures made in the financial report.
Share-Based Payments As disclosed in note 21 to the financial statements during the year, the Consolidated Entity incurred share-based payments of $2,247,798. Share-based payments are considered to be a key audit matter due to the value and the complexities involved in recognition and measurement of these transactions.	Our procedures included, amongst others: • Analysed arrangements to identify key terms and conditions of the share-based payments and relevant vesting conditions in accordance with *AASB 2 Share-Based Payments*; • Assessed the valuations of the share-based payments granted during the year; • Assessed the amount recognised during the year in accordance with the relevant vesting conditions; and Assessed the disclosures included in the financial report.
Acquisition of Exploration and Evaluation Assets (Refer to note 13) The Consolidated Entity completed the acquisition of a 100% interest in the Blair North and Viking gold exploration tenements during the year. The purchase consideration of $4,838,285 was entirely non-cash (ordinary shares and unquoted options) and was capitalised as exploration and evaluation ("E&E") expenditure. This matter was significant to our audit because: • Management exercised significant judgement in assessing whether the acquisition met the	Our audit procedures in respect of this key audit matter included, amongst others: • Reviewing the sale and purchase agreements to understand the transaction, assets acquired and consideration transferred. • Evaluating management's assessment of whether the acquisition met the definition of a business under AASB 3 and to assess whether the asset acquisition (rather than business combination) conclusion was appropriate. • Agreeing the shares and options issued as consideration to the sale agreements, ASX announcements, share register and shareholder approvals, and recalculating their value by

Key Audit Matter	How our audit addressed the Key Audit Matter
definition of a business under AASB 3, applying the optional concentration test to the assets acquired (two exploration tenements with no employees, processes or other business inputs and outputs). This determines whether the transaction is accounted for as an asset acquisition or a business combination, and how consideration is allocated between the Blair North and Viking areas of interest. • Consideration transferred included non-cash shares and unquoted options valued using a Black-Scholes option pricing model, involving judgement and subjective inputs such as expected volatility, risk-free rate and expected life. • Judgement was also required in assessing whether the AASB 6 recognition criteria were satisfied for the Blair North and Viking areas of interest at the acquisition date.	reference to the quoted market price at the date of issue. • Testing the allocation of consideration transferred to the identifiable E&E assets acquired, and agreeing amounts capitalised in Note 13 to the underlying valuations and to the movements in the options reserve. • Evaluating management's basis for allocating consideration between the Blair North and Viking areas of interest, and whether the AASB 6 recognition criteria were satisfied for each. • Confirming, by inspection of tenement registers, that the Blair North and Viking tenements were held in the name of the Consolidated Entity (or its subsidiaries) and that rights of tenure remained current, consistent with the Consolidated Entity's E&E accounting policy. Assessing the appropriateness of the related disclosures in Notes 13, 18, 19 and 21, including the significant judgements disclosed in accordance with AASB 101.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity’s annual report for the year ended 30 June 2026, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon, with the exception of the remuneration report and our related assurance opinion.

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.

HALL CHADWICK

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, and 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 Consolidated Entity'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 Consolidated Entity 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Consolidated Entity audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of Company, 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 s 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.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

CHRIS NICOLOFF FCA
Director

Dated this 16th day of September 2026
Perth, Western Australia

ADDITIONAL SHAREHOLDER INFORMATION

1. Statement of issued capital

a) Distribution of fully paid ordinary shares as at 16 September 2026.

Size of Holding	Number of Shareholders	Shares Held	% of Shares Held
1–1,000	1,284	338,989	0.04%
1,001–5,000	343	768,411	0.08%
5,001–10,000	103	735,612	0.08%
10,001–100,000	386	15,390,240	1.65%
100,001 and over	333	914,763,649	98.15%
	2,449	931,996,901	100.00%

b) There are no restrictions on voting rights attached to the ordinary shares. On a show of hands every member present in person shall have one vote and upon a poll, every member present or by proxy shall have one vote for every share held. Unlisted options and Performance Rights do not carry voting rights.

2. Substantial shareholders

The name of substantial shareholder who had notified the Company in accordance with section 671B of the *Corporations Act 2001* is:

Holder Name	Holding	%
Metal Hawk Limited	150,000,000	16.09%
Falcon Metals Limited	64,666,667	6.94%
Mrs Janet Forrester	51,009,731	5.47%

3. Twenty Largest Shareholders as at 16 September 2026 - TXR

The twenty largest shareholders hold 63.95% of the total issued ordinary shares in the Company as at 16 September 2026:

Holder Name	Holding	%
METAL HAWK LIMITED	150,000,000	16.09%
FALCON METALS LTD	64,666,667	6.94%
MRS JANET EVELYN FORRESTER	51,009,731	5.47%
TREBLA ENTERPRISES PTY LTD	42,000,000	4.51%
MR PETER ANDREW PROKSA	36,392,857	3.90%
BERENES NOMINEES PTY LTD <BERENES SUPER FUND A/C>	30,000,000	3.22%
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	28,126,377	3.02%
ARMUK PTY LTD <RUSSELL B MCCRORY SUPER A/C>	25,000,000	2.68%
DR WOLF-GERHARD MARTINICK	21,000,000	2.25%
MS ADRIANA STIRLING	19,674,126	2.11%
BERNADINE HOLDINGS PTY LTD	19,285,714	2.07%
MR ALBERT ANTHONY BIGENI	13,100,000	1.41%
MS ERICA JOAN ALLAN <E ALLAN INVESTMENT A/C>	12,142,857	1.30%
CEN PTY LTD	11,342,858	1.22%
SZE LENG CHAU	11,274,118	1.21%
MR UDAYKUMAR RATILAL RANIGA	10,470,200	1.12%
MR PETER ANDREW PROKSA	10,416,667	1.12%
DAWN AND DUSK PTY LTD <L DOUGLAS INVESTMENT A/C>	10,104,857	1.08%
MR DAVID EDWARD PENNOCK	10,000,000	1.07%
JERD PTY LTD	10,000,000	1.07%
HARM WARRIES & ROSAMARIA WARRIES <WARRIES A/C>	9,971,408	1.07%
Total	**595,978,437**	**63.95%**
Total issued capital - selected security class(es)	**931,996,901**	**100.00%**