



ABX Group Limited

ABN 14 139 494 885

Annual Report - 31 December 2025

ABX Group Limited
Contents
31 December 2025

Corporate directory	2
Chair's letter	3
Directors' report	4
Auditor's independence declaration	27
Statement of profit or loss and other comprehensive income	28
Statement of financial position	29
Statement of changes in equity	30
Statement of cash flows	32
Notes to the financial statements	33
Consolidated entity disclosure statement	61
Directors' declaration	62
Independent auditor's report to the members of ABX Group Limited	63
Shareholder information	67

**ABX Group Limited
Corporate directory
31 December 2025**

Directors	Joycelyn Morton (Non-Executive Chair) Dr Mark Cooksey (Managing Director & CEO) Ian Levy (Executive Director)
Company secretary	Mathew Watkins
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Principal place of business	Suite 2, Level 11, 385 Bourke Street Melbourne, VIC 3000 Telephone: +61 3 9692 7222 Fax: +61 2 9956 7355 Website: www.abxgroup.com.au
Share register	Computershare Investor Services Pty Limited Level 3, 60 Carrington Street Sydney NSW 2000 Telephone: 1300 850 505
Auditor	K.S. Black & Co. Level 5, 350 Kent Street Sydney NSW 2000 Telephone: +61 2 8839 3000
Bankers	Australia & New Zealand Banking Group Limited 20 Martin Place Sydney NSW 2000 Telephone: +62 2 9227 1818 St George Bank Limited Level 14, 182 George St Sydney NSW 2200 Telephone: +61 2 9236 2230
Stock exchange listing	ABX Group Limited shares and options are listed on the Australian Securities Exchange (ASX code: ABX).

CHAIR'S LETTER

Dear fellow shareholders,

It has been a transformational year for ABX Group and I am pleased to present the Annual Report for 2025. Whether looking at our rare earth project in northern Tasmania, our industrial chemicals subsidiary ALCORE or our bauxite opportunities in Tasmania, QLD and NSW, all of our assets have substantially accelerated along the development pathway.

The progress at our Deep Leads rare earth project is particularly exciting, with ABX successfully producing a maiden mixed rare earth carbonate product (MREC) from material extracted from our Deep Leads project.

It is worth reiterating that the economics of rare earths differ from that of traditional commodities where grade is the conventional measure for success. At Deep Leads, we boast some of the highest grades of heavy rare earths in the Western world. However, the grade only tells half the tale. Extraction of these critical minerals is just as important, with many deposits requiring expensive processing to unlock the mineralisation. These requirements can make even high grade deposits uneconomic.

Deep Leads is significant as we have confirmed the unique properties of our ionic clay hosted deposit. These ionic clays have exceptional properties translating into simpler extractions. For ABX shareholders, this means our ore can be processed at ambient temperatures and pressures while using exceptionally benign acids. All of this equates to lower cost operations and higher production margins.

Aside from technical feasibility, the MREC is also significant as it demonstrates to potential customers that we can deliver a product which is rich in valuable heavy rare earths such as dysprosium and terbium. We have provided MREC samples to multiple customers for evaluation.

With fragmented supply chains across the world and increasingly protective trade policies affecting heavy rare earths, the emergence of Deep Leads is exceptionally well timed.

Concurrent with all of these developments, the team at ALCORE have been steadily developing our Bell Bay continuous pilot plant, which is poised for major advancements in 2026. The plant is another step in the commercialisation of some world-leading innovation to harvest an aluminium smelter by-product to produce high-value industrial chemicals.

With a prime location, adjacent to Rio Tinto's Bell Bay aluminium smelter and orders for key equipment being fulfilled, we are all looking forward to commencement of operations in the coming months. The technology has the potential to solve a global challenge and bring Australian ingenuity to the world-stage.

Finally, I am pleased to see the execution of our partnership with GIL to develop the Company's bauxite projects in QLD and NSW. GIL have been excellent partners with strong knowledge at both the project level and international customer procurement. Our partnership provides a real opportunity to bring our projects into production at a time when bauxite is particularly in demand, returning value to shareholders.

It has been an exciting year, and I look forward to another major period of success in 2026.

Yours faithfully,


Jocelyn Morton

ABX Group Limited
Directors' report
31 December 2025

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Consolidated entity' or 'the Group') consisting of ABX Group Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2025.

Review of Operations

ABX Group (ABX) is a uniquely positioned Australian company delivering materials for a cleaner future. The current areas of focus are:

- **Heavy rare earths:** Supplying light and heavy rare earths from Tasmania into Western supply chains
- **Clean fluorine chemical production:** Producing industrial chemicals from aluminium smelter by-product (ALCORE)
- **Near-term bauxite production:** Mining bauxite resources for the aluminium, cement and fertiliser industries

ABX endorses best practices on agricultural land and strives to leave the land and environment better than we find it. We only operate where welcomed.

Advancing Rare Earth Project in Tasmania

During 2025, a major achievement was the production of the maiden mixed rare earth carbonate (MREC) sample product from the Deep Leads resource in northern Tasmania. This involved a program of leaching, impurity removal and MREC precipitation tests at a range of scales in-house and at ANSTO, culminating in the production of an MREC that contained 4.0% dysprosium (Dy) and 0.7% terbium (Tb) as a percentage of total rare earth oxides (TREO), more than twice that of any other peer MREC. Samples of the maiden MREC were dispatched to multiple prospective customers.

Process options studies were conducted with engineering partners, which involved studies of several leaching options. The results from column leach tests, which are an industry standard simulation of a heap leach, exceeded expectations and confirmed that high extractions can be achieved from the Deep Leads rare earth resource using a range of flowsheet options. This provides ABX with significant flexibility and scope for optimisation.

ABX continued to advance its rare earth exploration program at its portfolio of tenements in northern Tasmania. One Exploration Licence was granted and two others are in progress.

The first drilling programs were conducted in tenements EL27/2022 and EL28/2022 located southeast of Launceston. This led to the designation of two new rare earth discoveries, 'T8' and 'T30'.

Piloting Fluorine Chemical Technology

ALCORE commenced the year securing a lease agreement with Rio Tinto Aluminium Limited for an industrial facility adjacent to its Bell Bay aluminium smelter in northern Tasmania to develop a continuous pilot plant.¹ The pilot plant will be used to demonstrate a world-first proprietary process to produce industrial chemicals from an aluminium smelter by-product.

All key equipment for the pilot plant was ordered in April 2025, including the oleum plant, bath reactors, and scrubbers.² By October, legacy equipment had been removed from the site and auxiliary systems had been manufactured by external suppliers, including the wastewater treatment plant, demineralised water system and air compressor package.³

Detailed mechanical designs and fabrication drawings have been completed for all major process equipment packages. These equipment packages are scheduled to be delivered and assembled from Q1 2026.⁴

Following a successful placement to sophisticated and professional investors in November, the continuous pilot plant is fully funded to operation, supported by an R&D tax offset of \$298,000 for ALCORE activities undertaken in FY2024, as well as receipt of Overseas Finding approval by AusIndustry which sees overseas R&D activities potentially become eligible if the R&D cannot be conducted in Australia, for example because it requires facilities, expertise or equipment not available within the country.

¹ ASX announcement, 15 January 2025

² ASX announcement, 9 April 2025

³ ASX announcement, 15 October 2025

⁴ ASX announcement, 28 November 2025

Progressing Bauxite Operations

ABx is progressing its Australian bauxite projects amid volatile global bauxite prices, influenced by supply disruptions in Guinea and China.

In September, ABx Group executed a series of agreements with Good Importing International Pty Ltd (GII) to develop the ABx bauxite projects in Queensland and, potentially, New South Wales (Proposed Transactions).⁵

In October, ABx received \$2.7 million in Stage 1 funding from GII, with GII now owning 70% of ABx3, the subsidiary developing the Sunrise Bauxite Project.⁶ The funds from Stage 1 Completion will be used to finalise the project design for the extraction of at least 800,000 tonnes of direct shipping ore bauxite from the Binjour mine and export through Bundaberg port. The Stage 1 program is expected to take 12-24 months.

Subject to Stage 1 completion, GII will invest a further \$2.7m by way of share subscription to increase its ownership in ABx3 to 75%.

In December, GII also paid a non-refundable fee of \$300,000 to extend the option period by six months to invest in ABx2, a wholly-owned subsidiary possessing the Taralga and Penrose Bauxite Projects in New South Wales.⁷

GII now retains an exclusive option to 11 June 2026, to invest A\$4.8m to acquire a 75% interest in the ABx Taralga and Penrose Bauxite Projects.

Rare Earths Project Advances Through Spectacular MREC

ABx is aiming to establish Australia's first ionic rare earths project by taking advantage of the location and unique mineralisation at Deep Leads, where a MREC with high heavy rare content will be produced and sold to rare earth separation plants.

During 2025, a major achievement was the production of the maiden MREC sample product from the Deep Leads resource in northern Tasmania. This involved a program of leach, impurity removal and MREC precipitation tests at a range of scales in-house and at ANSTO, culminating in the production of an MREC that contained 4.0% dysprosium (Dy) and 0.7% terbium (Tb) as a percentage of total rare earth oxides (TREO), more than twice that of any other peer MREC. The high proportions of Dy, Tb and other high value rare earths means that the ABx MREC has a high basket price.

ABx deposits are essentially free of uranium and thorium. Post period end, further testing by ANSTO confirmed that the specific radioactivity of the maiden MREC was sufficiently low to meet the exemption criteria for control as set by the International Atomic Energy Agency.⁸ Samples of the maiden MREC were dispatched to multiple prospective customers. The first formal feedback was highly favourable.⁹

A second major initiative was process options studies conducted with engineering partners, which involved studies of several leaching options. In tank leaching, the clay ore is added to tanks containing an ammonium sulfate solution. The tanks are stirred to produce a slurry, which ensures good contact between the ore and the ammonium sulfate.

Heap leaching is lower cost and quicker to build than tank leaching. It involves forming a heap of clay ore on an impermeable, gently sloping pad and irrigating from above with leachate. The leachate percolates downward through the heap and extracts rare earths into solution. The enriched solution is collected at the base. Heap leaching is potentially lower capital cost than tank leaching, because less capital equipment is required.

ABx engaged ANSTO to conduct two column leach tests, where are an industry standard simulation of a heap leach. These tests were completed just after period end. Both column tests achieved more than 80% extraction of total rare earths, including over 70% extraction of Dy and terbium Tb. The results exceeded expectations and confirm that high extractions can be achieved from the Deep Leads rare earth resource using a range of flowsheet options. This provides ABx with significant flexibility and scope for optimisation.

ABx engaged ANSTO to produce a second MREC from the liquor from these column leach tests. This MREC was found to be even better than the maiden MREC – more heavy rare earths and less of the most important impurities.¹⁰

⁵ ASX announcement, 12 September 2025

⁶ ASX announcement, 9 October 2025

⁷ ASX announcement, 9 December 2025

⁸ ASX Announcement, 2 March 2026

⁹ ASX Announcement, 20 March 2026

¹⁰ ASX Announcement, 16 March 2026

ABx continued to advance its rare earth exploration program at its portfolio of tenements in northern Tasmania (Figure 1). Exploration Licence EL25/2022 covering 18km² of highly prospective tenure, located between the existing Rubble Mound and Wind Break deposits, was granted for an initial five-year term.¹¹ Exploration Licence Applications EL14/2025 and EL1/2026 are in progress.

The first drilling programs were conducted in tenements EL27/2022 and EL28/2022 located southeast of Launceston. This followed development of a sophisticated exploration technology which ABx tested successfully at four sites. Many of the holes contained intercepts exceeding the 350 ppm TREO-CeO₂ cut-off grade used in previous resource estimates. This led to the designation of two new rare earth discoveries, 'T8' and 'T30'.

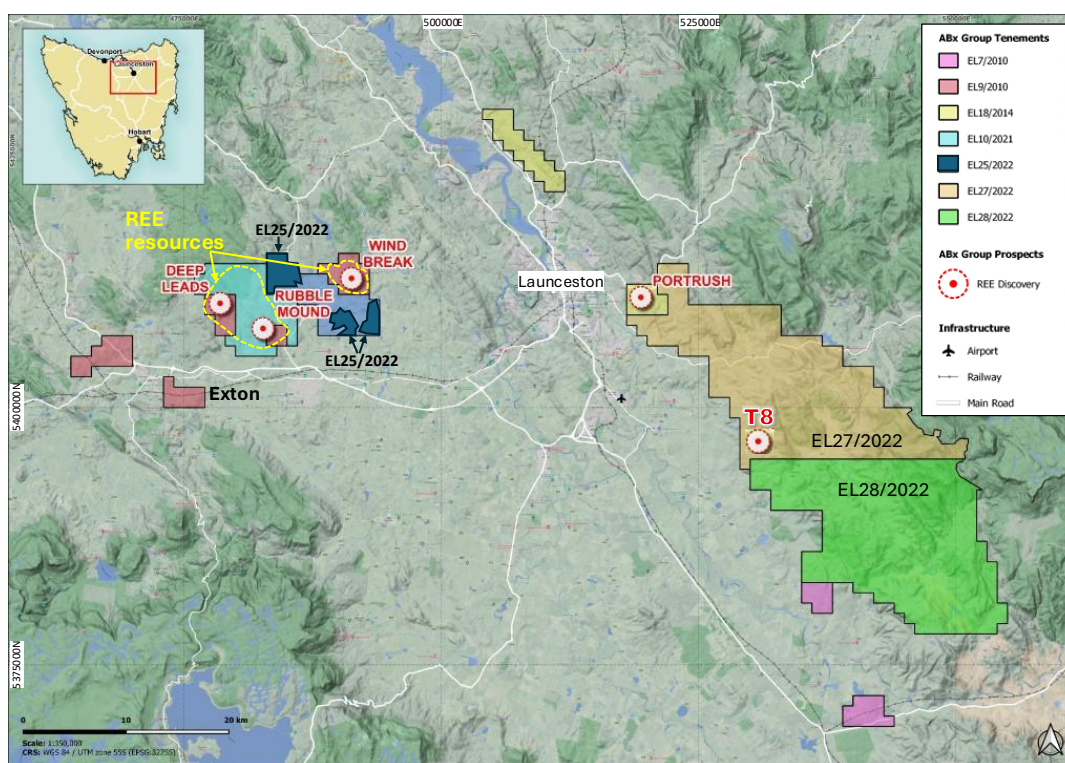


Figure 1: ABx Group tenements in northern Tasmania

Rare Earths Strategy

Rare earths have many applications in a wide variety of industries. Permanent magnets are the most valuable application, representing over 90% of the total value of rare earths demand. Permanent magnets are used in electric vehicles, wind turbines, robots, smartphones and military applications. The four most important rare earths for permanent magnets are neodymium (Nd), praseodymium (Pr), dysprosium (Dy) and terbium (Tb). The demand for these four rare earths is predicted to grow significantly in coming years, potentially leading to significant supply shortfalls. The supply risk is highest for dysprosium and terbium, the two heavy rare earths that enable permanent magnets to perform at high temperatures.

Most rare earths are sourced from hard-rock mineral deposits, typically requiring costly mining and processing plants with significant lead times to reach production.

An alternative source of rare earths is clay-hosted deposits. These typically contain a mixture of ionically adsorbed (ionic) rare earths and non-ionic rare earths. The relative proportion of each varies enormously in different deposits. The ionic rare earths can be leached using a low-cost three-step process that has been used commercially for many decades.

The other typical major advantages of ionic rare earths are:

- Higher proportion of heavy rare earths compared to mineral deposits
- Low concentrations of radioactive elements such as uranium and thorium
- Exist at shallow depth

¹¹ ASX Announcement, 12 December 2025

ABX Group Limited
Directors' report
31 December 2025

Existing and prospective rare earth refineries are seeking high quality MRECs produced at low cost. MRECs with high proportions of heavy rare earths such as Dy and Tb are in particular demand because these elements have the most acute supply risk.

Deposits of ionic rare earths have historically been mined predominantly in southern China.

ABx has reported a JORC-compliant mineral resource of 89 million tonnes¹² at its Deep Leads - Rubble Mound and Wind Break deposits.¹³ The resource contains 36 ppm Dy+Tb¹⁴ and Dy+Tb is 4.3% of TREO, the highest proportion of any clay-hosted rare earth deposit in Australia and among the highest globally. Furthermore, the level of radioactive elements is very low (2 ppm U₂O₃ and 6 ppm ThO₂). This is complemented by a portfolio of deposits and exploration tenements in northern Tasmania.

Leaching tests conducted by Australian Nuclear Science and Technology Organisation (ANSTO) found the highest ionic extractions reported from any clay-hosted resource in Australia.^{15,16}

ABx has produced its maiden MREC product from the Deep Leads resource.¹⁷ The MREC contains 4.0% Dy and 0.7% Tb as a percentage of TREO, more than twice that of any other peer MREC. Highly favourable feedback has been received from customers.

ABx has excellent prospects of meeting customer requirements because:

1. ABx achieved high extractions at ambient temperatures and pressures with minimal acid in a short time, which is likely to lead to lower cost and lower impurities in the MREC product. For most clay-hosted rare earth deposits globally, minimal rare earth extraction is achieved using these process conditions;
2. The ABx MREC has a significantly higher proportion of Dy and Tb compared to peers. Magnet rare earth prices remain high, with Benchmark¹⁸ reporting Dy oxide (DDP China) at over US\$200/kg and Tb oxide (DDP China) at over US\$900/kg. Furthermore, CIF Europe prices for Dy and Tb are over three times higher than Chinese domestic prices, illustrating the potential premium for non-China sources of rare earths.

The ABx rare earth deposits are in accessible forest plantations near major towns, highways, ports and grid hydropower.

ABx has executed a Memorandum of Understanding with Ucore Rare Metals Inc. (TSXV: UCU) (OTCQX: UURAF),¹⁹ which plans to develop heavy and light rare-earth processing facilities in the US and Canada. ABx is also in discussions with other potential offtake partners.

ABx is focusing on the following three areas that are the key to commencing commercial production of an MREC as soon as possible:

- **Resource Growth:** Continue exploration throughout its expanding tenement holdings in northern Tasmania to expand the resource size and identify optimum projects
- **Project Design:** Complete economic studies to optimise project design, supported by metallurgical studies conducted in-house and with partners such as ANSTO and engineering partners
- **Customer Engagement:** Grow the relationships and partnerships with several Australian and international customers, such as Ucore Rare Metals and Rare Earth Technologies

¹² 41 Mt inferred, 42 Mt indicated and 6 Mt measured

¹³ ASX Announcement, 2 May 2024

¹⁴ Dy+Tb = Dy₂O₃ + Tb₄O₇

¹⁵ ASX Announcement, 31 May 2022

¹⁶ ASX Announcement, 2 February 2023

¹⁷ ASX Announcement, 2 December 2025

¹⁸ Benchmark Mineral Intelligence, 27 November 2025

¹⁹ ASX Announcement, 4 September 2024

Clean Fluorine Chemical Production

ALCORE's vision is to establish the production of hydrogen fluoride and aluminium fluoride in Australia, using an aluminium smelter by-product as feed material.

The focus during 2025 was the design and construction of the continuous pilot plant at the ALCORE Technology Centre (ATC) in Bell Bay, Tasmania (Figure 2). All key equipment for the pilot plant was ordered in April, including the oleum plant, bath reactors, scrubbers and cooling tower.²⁰ Demolition and removal of legacy equipment was completed in October.²¹

Infrastructure upgrades, including power supply expansion, low-voltage electrical distribution, equipment foundations and hazardous chemical bunding were designed according to equipment specifications and Australian regulatory standards.

Auxiliary systems were manufactured by external suppliers, including the wastewater treatment plant, demineralised water system and air compressor package. These systems will be delivered to site and installed after equipment foundations and utilities are prepared.

Detailed mechanical designs and fabrication drawings were completed for all major process equipment packages. These are reviewed by Australian-registered professionals to ensure compliance with Australian Standards, safety regulations, site-specific criteria and process operability requirements. Manufacture of these major process equipment packages will commence immediately upon approval of the review.

In addition, ALCORE has begun recruiting additional staff to deliver the construction, commissioning and operation of the continuous pilot plant. A Site Operations Manager has been appointed, and the recruitment of two process engineers is in progress.

AusIndustry approved an Overseas R&D Finding application,²² which recognises that certain development activities with South African fluorochemical engineering consultant BFluor Chemicals and international equipment suppliers cannot be performed in Australia. The ruling covers overseas R&D expenditure for 2024–2026, including more than \$2 million of capital costs for the Bell Bay continuous pilot plant. This outcome strengthens ALCORE's technology development and underscores its collaboration with specialised international partners.

ALCORE submitted an application for a Commercialisation and Growth Grant of \$3.03 million from the Federal Government Industry Growth Program, which is designed to support small and medium enterprises (SMEs) undertaking innovative commercialisation and/or growth projects within the priority areas of the Australian Government's National Reconstruction Fund. It is expected that the application will be assessed by mid-2026.



(a) Satellite view

(b) Front view

²⁰ ASX Announcement, 9 April 2025

²¹ ASX Announcement, 15 October 2025

²² ASX Announcement, 4 September 2025



(c) 3D model

Figure 2: ALCORE Technology Centre in Bell Bay, Tasmania

Clean Fluorine Chemicals Strategy

The main applications of hydrogen fluoride are to produce fluorocarbons, such as refrigerants and polymers, and aluminium fluoride. It is also used in the manufacture of semi-conductors, solar cells and lithium-ion batteries, which is the most rapidly growing application. The global market for hydrogen fluoride is over US\$3 billion per year.

Hydrogen fluoride is mainly produced from fluorspar, which is obtained from the mineral fluorite. Fluorspar is relatively high cost and has been identified as a critical material by all major jurisdictions, including Australia.

Australia does not mine any fluorite, or produce any fluorspar, hydrogen fluoride or aluminium fluoride, and so must import all its requirements. The present Australian demand for hydrogen fluoride is small and it is imported at high cost. There are prospects for demand growth, but this will be difficult to satisfy without local production.

Aluminium fluoride is an essential chemical for aluminium metal production. Australia is the largest global producer of aluminium metal without its own domestic aluminium fluoride production, so Australian aluminium smelters rely entirely on imported aluminium fluoride, typically more than 80% from China.

Most modern aluminium smelters produce excess 'bath' as a by-product, a solid powder that contains about 50% fluorine, for which the only meaningful market is new smelters that require bath to commence operations. Aluminium industry forecasts suggest that the global bath market will increasingly be in surplus, because far fewer new smelters are being constructed. All the major global aluminium producers are eager for alternative applications for excess bath, to avoid the unpalatable options of on-site storage or landfill.

ALCORE has developed a world-first proprietary process to produce industrial chemicals from aluminium smelter bath. The major products are hydrogen fluoride and metal sulfates. The hydrogen fluoride is combined with aluminium hydroxide to produce aluminium fluoride via an existing commercial process. The combined approach is illustrated in Figure 3.

The metal sulfates can potentially be sold as a single industrial chemical or further processed into multiple industrial chemicals. A range of options is being assessed.

ALCORE intends to construct commercial hydrogen fluoride and aluminium fluoride plants in Bell Bay, Tasmania.

The process to produce hydrogen fluoride has been operated at pilot scale in a batch reactor. The next stage is to construct and operate a bath continuous pilot plant, the outcomes of which will be:

1. Selection of reactor designs and process conditions for the commercial plant
2. Production of saleable hydrogen fluoride for evaluation by customers

ALCORE has secured the support of Rio Tinto²³ and the Tasmanian Government²⁴ to locate the pilot plant in an existing industrial facility adjacent to the Bell Bay aluminium smelter in northern Tasmania.

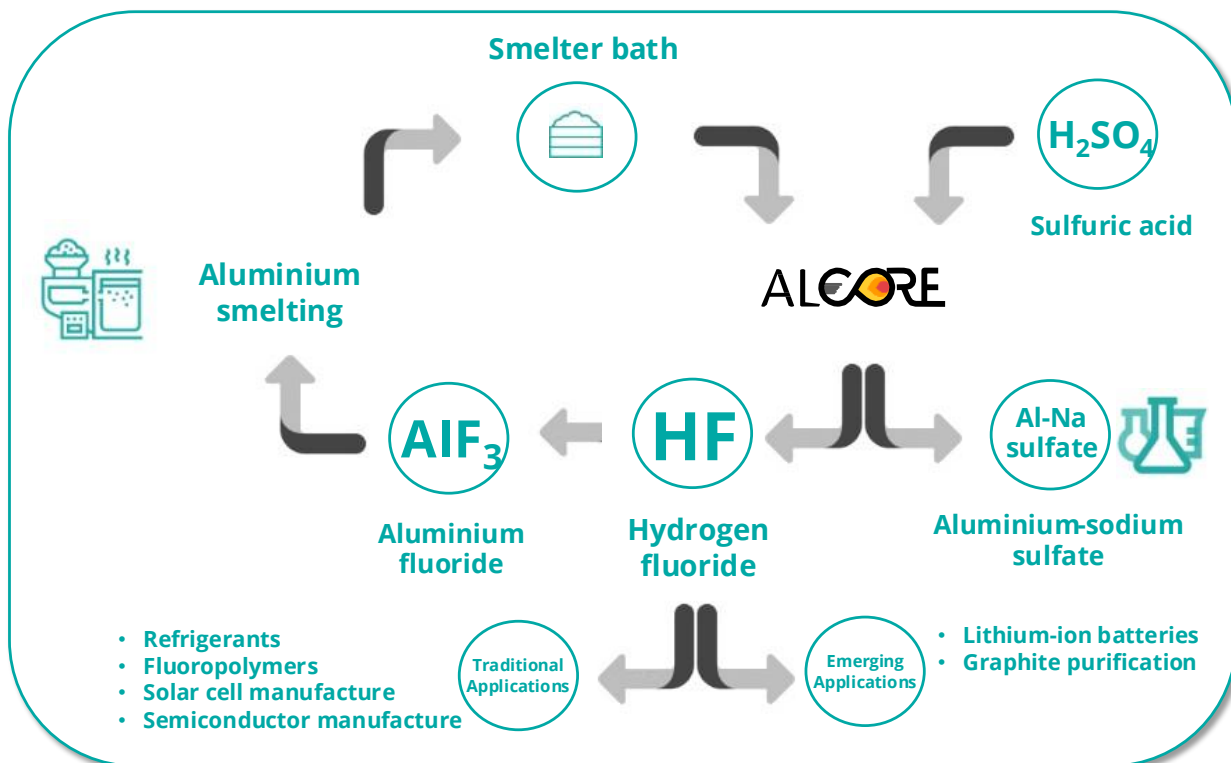


Figure 3: Circular economy approach of production of clean fluorine chemicals from aluminium smelter bath

²³ ASX Announcement, 15 January 2025

²⁴ ASX Announcement, 19 December 2024

Clean Fluorine Chemicals Project Development

ABX is focusing on the following three areas that are the key to commencing commercial production of hydrogen fluoride and aluminium fluoride as soon as possible:

- Pilot Plant: Construct and operate the continuous pilot plant to validate commercial design parameters
- Project Design: Complete economic studies to optimise project design, supported by international engineering partners
- Customer Engagement: Grow the relationships and partnerships with Australian and international customers

Bauxite Operations

The ABX strategy is to selectively produce metallurgical grade, cement grade and fertiliser grade bauxite, with a focus on profitability.

The Company has made substantial progress in executing this strategy at its projects in Queensland and, potentially, New South Wales via its agreements with Good Importing International (GII) in September 2025.²⁵

Sunrise Project, Queensland

The Sunrise Bauxite Project consists of a JORC-compliant resource of 37 million tonnes²⁶ of gibbsite-type metallurgical bauxite at Binjour and port operations at Bundaberg port (Figure 4).

GII will invest up to \$5.4m in two stages to acquire up to a 75% interest in ABx3 Pty Ltd (ABx3), which holds the Sunrise Bauxite Project assets. GII has made the Stage 1 \$2.7 million payment to earn 70% ownership of ABx3.²⁷

The funds are being applied to finalise mine planning, environmental and port approvals for the initial direct shipping ore (DSO) program. Stage 2 funding of a further \$2.7 million will follow upon completion of Stage 1 milestones.

The Stage 1 program is expected to be complete in 2027. The timing is mainly dependent on securing environmental approvals.

Taralga and Penrose Projects, New South Wales

The Taralga deposit consists of a JORC-compliant resource of 38 million tonnes²⁸ of gibbsite-type metallurgical bauxite, located 200 km inland from Port Kembla (Figure 5). The Penrose discovery is a layer of refractory-grade bauxite in Penrose state pine forest, adjacent to the Hume Highway, 90 kilometres from Port Kembla.²⁹

GII agreed to an exclusive option to invest \$4.8m to acquire a 75% interest in the ABx Taralga and Penrose Bauxite Projects. GII paid a non-refundable fee of \$300,000 fee to extend the option to 11 June 2026.³⁰ The fee will be credited against the \$4.8m investment if the option is exercised and completed. A portion of the \$300,000 fee is anticipated to be deployed on Taralga project studies being conducted jointly by ABx and GII.

Table 1: ABx bauxite resources subject to agreements with Good Importing International (GII)

Location	State	ABx Subsidiary	Resource (Mt)		
			Inferred	Indicated	Total
Binjour	QLD	ABx3	14.2	22.8	37.0
Taralga	NSW	ABx2	17.5	20.4	37.9
Penrose	NSW	ABx2	-	-	-

²⁵ ASX Announcement, 12 September 2025

²⁶ ASX Announcement, 18 June 2018 and Table 1

²⁷ ASX Announcement, 9 October 2025

²⁸ ASX Announcement, 31 May 2012 and Table 1

²⁹ ASX Announcement, 27 February 2017

³⁰ ASX Announcement. 9 December 2025



Figure 4: Sunrise Bauxite project (mine at Binjour and port at Bundaberg)

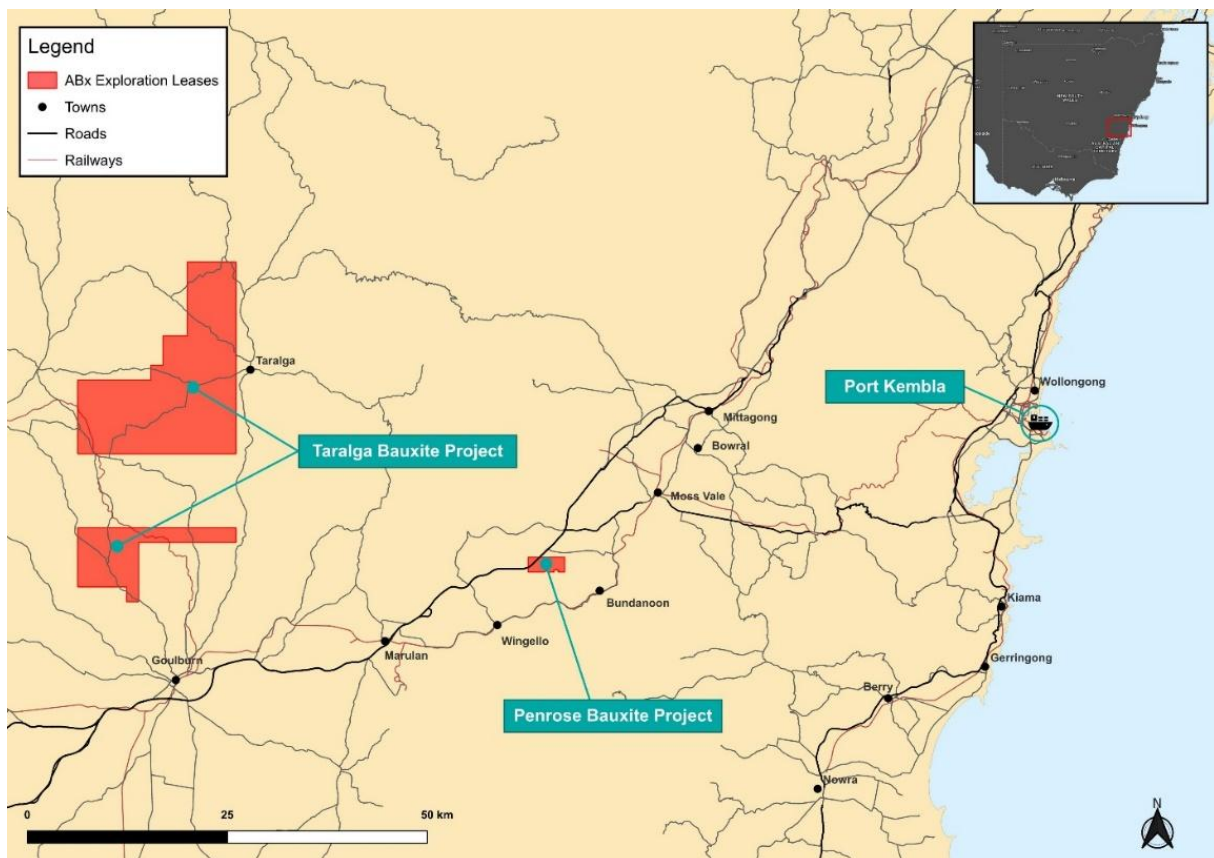


Figure 5: Taralga and Penrose Bauxite Projects, and port at Port Kembla

DL130 Bauxite Project: Tasmania

ABx plans to recommence bauxite mining at the DL130 Bauxite Project, located about 50 km west of Launceston.

In September 2023, an agreement was executed with Adelaide Brighton Cement Limited (ABCL) for the supply of cement-grade bauxite to ABCL's Birkenhead cement manufacturing operation in South Australia.³¹ The agreement forecasts supply of 90,000-120,000 tonnes of bauxite over a five-year term.

Throughout 2025, ABx Group continued to progress the project through the approval processes of Mineral Resources Tasmania, the EPA and Meander Valley Council.

ABx has completed all environmental approvals and Meander Valley Council approved the planning permit, subject to some conditions. ABx appealed some aspects of the Council decision to the Tasmanian Civil & Administrative Tribunal (TASCAT). A representor also appealed the decision. All parties are participating in mediation, which continues.

In Q4, Mineral Resources Tasmania granted Mining Lease 2142P/M for the project. This means that commencement of bauxite quarrying is only subject to resolution of the planning permit appeal.

Corporate

Risks

The Group's operating and financial results and performance are subject to various risks and uncertainties, some of which are beyond the Group's reasonable control. Set out below are matters which the Group has assessed as having the potential to have a material impact on its operating and/or financial results and performance:

- 1) **Fluctuations in external economic drivers including macroeconomics and metal prices:** The Group's primary focus is the advancement of its rare earth, fluorine and bauxite projects. Fluctuations in the relevant commodity prices can result from various aspects beyond the Group's control, including macroeconomic and geopolitical. Sustained lower commodity prices would adversely impact the viability of the Project.
- 2) **Failure to discover mineral resources and convert to ore reserves:** Exploration activities are speculative in nature and often require substantial expenditure on exploration surveys, drilling and sampling as a basis on which to establish the presence, extent and estimated grade (metal content) of mineralised material. Even if significant mineralisation is discovered, it may take additional time and further financial investment to determine whether a mineral resource has attributes that are adequate enough to support the technical and economic viability of mining projects and enable a financial investment and development decision to be made. During that time the economic viability of the project may change due to fluctuations in factors that affect both revenue and costs, including metal prices, foreign exchange rates, the required return on capital, regulatory requirements, tax regimes and future cost of development and mining operations.
- 3) **Renewal of tenements:** The consolidated entity has been granted tenements in Australia on the terms and conditions set out by the relevant government authorities. At the expiry of the lease term, the decision of renewal application to assign tenements to the consolidated entity remains with the government. A non-renewal of a tenement that makes up the Company's flagship projects would adversely affect the operational results and fulfilment of the aspirations of the consolidated entity.
- 4) **Technological Risk:** The Company's 83% owned subsidiary, ALCORE Limited, is developing chemical engineering processes to recover hydrogen fluoride and aluminium fluoride from an aluminium smelter by-product. This involves the control of feed material properties and process conditions to achieve suitable product quality at an acceptable rate and yield. There can be challenges in scaling-up from the existing laboratory-scale proof of concept to an industrial-scale process, because some phenomena exhibit different behaviour at larger scale. The ALCORE process requires feed materials, energy and labour. The cost of these can vary and affect the commercial viability of the process.
- 5) **Capital and Liquidity:** The consolidated entity will incur expenditures over the next several years in connection with its exploration objectives and development of its chemical engineering projects and relies on its ability to raise capital as its primary source of funding. The company is exposed to the risk that unfavourable macroeconomic and market conditions would preclude it from raising sufficient capital.

³¹ ASX Announcement, 11 September 2023

ABX Group Limited
Directors' report
31 December 2025

- 6) Failure to attract and retain key employees: The consolidated entity is heavily dependent for its continued operational success on its ability to attract and retain high calibre personnel to fill roles including Directors, Managing Director, Exploration Manager and geologists. A loss of key personnel or a failure to attract appropriately skilled and experienced personnel could affect its operations and performance.
- 7) Environmental Risk: Mining and exploration has become subject to increasing environmental responsibility and liability in Australia. The potential for liability is an "ever present" risk. The use and disposal of chemicals and other materials in the mining industry is under constant legislative scrutiny and regulation. A baseline environmental studies prior to certain exploration or mining activities for the environmental impact may constrain the Group's ability to operate on its existing or future licences. Further the general acceptance of certain stakeholder populations, for example indigenous communities and groups with native title, rights may be required, which may cause significant delay to the Group's plans.
- 8) Regulatory risks from climate Change: Climate change is a risk the Group has considered, particularly related to its operations in the mining industry. The climate change risks particularly attributable to the Group include the emergence of new or expanded regulations associated with the transitioning to a lower-carbon economy and market changes related to climate change mitigation. There is a risk that the Group may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts.

Schedule of tenements as at 31 December 2025

Description	Tenement Number	Holder	EL expiration date	Renewal expectations	Interest owned by ABX Group Ltd %
Penrose Quarry	EL9664	ABX2	12 Jun 2030	Note 1	100
Taralga	EL9798	ABX2	7 Aug 2031	Note 1	100
Conara	EL 7/2010	ABX4	13 Sep 2026	Renew	100
Deloraine	EL 9/2010	ABX4	13 Sep 2026	Renew	100
Prossers Road	EL 18/2014	ABX4	1 Dec 2026	Renew	100
Rubble Mound	EL 10/2021	ABX4	10 Feb 2027	Renew	100
Selbourne	EL 25/2022	ABX4	24 Nov 2030	Note 1	100
Temple Bar	EL 27/2022	ABX4	31 Aug 2028	Note 1	100
Triangle Flats	EL 28/2022	ABX4	31 Aug 2028	Note 1	100
DL130 Bauxite Project (related to EL9/2010 and EL10/2021)	ML 2142P/M	ABX4	30 Aug 2045	Note 1	100

Notes:

ABX2- ABX2 Pty Ltd, a wholly owned subsidiary of ABX Group Limited

ABX4- ABX4 Pty Ltd, a wholly owned subsidiary of ABX Group Limited

Note 1- The Group typically makes renewal decisions for its exploration licences or mining leases close to their respective expiry dates. As at 31 December 2025, these tenements have more than two years remaining on their current exploration licence or mining lease terms.

ABX Group Limited
Directors' report
31 December 2025

Directors

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

Joycelyn Morton (Non-Executive Chair)
Dr Mark Cooksey (Managing Director & CEO)
Ian Levy (Executive Director)

Principal activities

The principal continuing activities of the Consolidated entity for the financial year were conducting rare earths and bauxite exploration activities in Queensland, New South Wales and Tasmania and research and development programs in New South Wales and Tasmania.

Dividends

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

Operating and financial review

The loss for the Consolidated entity after providing for income tax and non-controlling interest amounted to \$6,471,000 (31 December 2024: \$2,002,000).

For information on Operating performance of the Consolidated entity, refer to the Review of Operations in the preceding section.

Significant changes in the state of affairs

On 15 January 2025, ABX Group Limited entered into a lease agreement with Rio Tinto Aluminium Limited for an industrial facility adjacent to its Bell Bay aluminium smelter in northern Tasmania. Alcore will establish a pilot plant at the facility to demonstrate its world-first proprietary process to produce industrial chemicals, including hydrogen fluoride, from a by-product created during the aluminium smelting process. In the planned subsequent commercial plant, hydrogen fluoride will be converted to aluminium fluoride, an essential chemical for aluminium smelting that is currently 100% imported.

On 7 March 2025 at the Extraordinary General Meeting, the shareholders ratified the prior issue of 370,000 convertible notes under Tranche-1 and approved to issue 3,630,000 convertible notes under Tranche-2 and 48 million free attaching options in connection with the placement.

Subsequent to the shareholders approval at the Extraordinary General Meeting, the Company issued 1,330,000 convertible notes and 20,400,000 free attaching options on 14 March 2025. These options have an exercise price of \$0.08, expiring on 14 March 2028. Each option entitles the holder to subscribe for one ordinary share upon exercise of the option.

On 25 March 2025, the Company issued 45,000 convertible notes and 540,000 free attaching options as approved by shareholders at the Extraordinary General Meeting held on the 7 March 2025. The options have an exercise price of \$0.08, expiring on 25 March 2028. Each option entitles the holder to subscribe for one ordinary share upon exercise of the option.

On 22 April 2025, the Company issued 639,657 ordinary shares in settlement of convertible notes including interest accrued, amounting to \$20,578.63.

In April 2025, the Group submitted its end of term report to the Department of Industry, Science and Resources (DISR) on the total Modern Manufacturing Initiative (MMI) grant funds spent and committed as at 31 March 2025. Based on the report, the Group would be required to repay \$2.78 million (GST Inclusive) of non-committed funds to DISR. DISR has confirmed that it wants the ALCORE project to continue and does not want the required repayment to impact the project's success. ALCORE has expressed its intention to repay the unspent grant money over a specified period of time. DISR, through its letter dated 2 September 2025, confirmed to a repayment schedule to pay the balance in monthly instalments by June 2026. The company has initiated the repayment with \$1.39 million (GST inclusive) paid as of 31 December 2025. Further in line with the repayment terms, the Company will be paying \$232,368 (GST inclusive) at the end of each month till June 2026.

On 11 June 2025, the Company issued 100,000 convertible notes and 1,200,000 free attaching options as approved by shareholders at the Extraordinary General Meeting held on the 7 March 2025. The options have an exercise price of \$0.08, expiring on 11 June 2028. Each option entitles the holder to subscribe for one ordinary share upon exercise of the option.

ABX Group Limited
Directors' report
31 December 2025

On 18 June 2025, the Company issued 1,000,000 options to Dr Mark Cooksey, 500,000 options to Mr Ian Levy and 500,000 options to Ms Joycelyn Morton subsequent to the shareholder approval obtained during the Annual General Meeting held on 26 May 2025. These options were issued at an exercise price of \$0.08, expiring on 26 May 2028. These options have vested immediately upon issue and each option entitles the holder to be issued one ordinary share in the Company upon conversion of that option.

On 19 June 2025, following shareholder approval on the 26 May 2025, the Company issued 948,413 ordinary shares to Ms Joycelyn Morton towards her Non-Executive Director and Non-Executive Chair Fees amounting to \$78,334 from 3 April 2024 up to 31 May 2025 in lieu of cash consideration.

On 30 June 2025, 150,000 conditional right to securities issued to employees lapsed as the conditions associated with the issue were not met.

On 10 September 2025 the Company initiated its Placement plan to raise \$3 million (before transaction costs) through issue of 46,875,000 shares at \$0.064 per share, as below:

- (i) Tranche 1 placement completed on 18 September 2025 with \$2.9 million (before costs) raised from placements of 45,312,500 shares to sophisticated and professional investors.
- (ii) The Tranche 2 placement completed on 17 November 2025 upon shareholders' approval at the Extraordinary General Meeting held on the 13 November 2025 with participation of Directors to subscribe to 1,562,500 shares to raise \$100,000 was raised before costs.
- (iii) Each participant received one free attaching option for each share issued under the Placement (Placement Options) on 17 November 2025 as approved by shareholders at the Extraordinary General Meeting with total of 46,875,000 free attaching options issued with an exercise price of \$0.10 per option for a fully paid ordinary share and an expiry date of 2 years from the issue date.
- (iv) Additionally, the Company issued 7,812,500 Placement Options to Alpine Capital Pty Ltd, the Lead Manager to the Placement, for services in connection with the Company's capital raising. The Placement Options had an exercise price of \$0.10 per option for a fully paid ordinary share and an expiry date of 2 years from the issue date.

On 11 September 2025, 13,221,625 listed options issued 2024, expired on 6 September 2025.

On 11 September 2025, the Company entered into an Exclusive Option Deed with GII for its investment through share subscription in ABX2 Pty Ltd. The arrangement is part of the strategic partnership to invest up to \$4.8 million in ABX2 Pty Ltd's Taralga and Penrose Bauxite Projects in New South Wales. On 9 December 2025, the Company received a non-refundable option fee of \$300,000 towards the exclusive option.

On 9 October 2025, the Company entered into a Shareholder Agreement and Subscription Agreement with Good Importing International (GII) as strategic investment partner. As part of the arrangement, under Tranche -1, GII paid \$2.7 million for 234 new shares issued by ABX3 Pty Ltd (ABX3) and gained 70% ownership in ABX3 Pty Ltd. Subject to the satisfaction or waiver of meeting key milestones for the utilisation of Stage 1 funding, GII has an option for Tranche-2 investment with 66 shares to be issued for \$2.7 million. The Tranche 2 investment would increase its ownership of ABX3 Pty Ltd to 75%.

With GII at controlling interest of 70% shareholding in ABX3, effective 9 October 2025, ABX Group Limited lost control over ABX3 as its subsidiary. The Group deconsolidated ABX3 from its consolidated reporting and started accounting its 30% holding in ABX3 as investment in associates under *AASB128-Investment in Associates and Joint Venture*, with initial recognition at fair value of \$1,157k.

On 10 October 2025, the Company issued 815,513 ordinary shares for the conversion of 30,000 convertible notes.

ABX Group Limited
Directors' report
31 December 2025

On 25 November 2025, the Company announced a Placement capital raising to raise \$6.05 million (before transaction costs). The raising represented the issue of 74,691,358 shares at an issue price of \$0.081 per share, as below:

- (i) The first tranche of the placement raised \$5.125 million (before costs) from placement of 63,276,131 shares to sophisticated and professional investors on 2 December 2025;
- (ii) For the second tranche of placement, the Shareholders at the Extraordinary General Meeting on 2 March 2026 approved the issue of 11,415,228 shares to non-related parties and Directors, raising \$924,633 before costs.
- (iii) Each participant will receive one free attaching option for every two shares allocated (Placement Options) and the Lead Manager, Alpine Capital Pty Ltd, will receive 11,245,638 Placement Options for services in connection with the Company's capital raising. The Placement Options will have an exercise price of \$0.10 for a fully paid ordinary share and expire on 14 November 2027.

There were no other significant changes in the state of affairs of the Consolidated entity during the financial year.

Matters subsequent to the end of the financial year

The Shareholders at the Extraordinary General Meeting held on 2 March 2026 approved the issue of 11,415,228 shares to non-related parties and Directors, raising \$924,633 before costs.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The Consolidated Entity will continue to pursue its objective of maximising value of its investments held in exploration assets through continued exploration of areas of interest and sale of interests in permits held, in addition pursuing its strategic plans in relation to its majority owned subsidiary Alcore Limited.

Environmental regulation

The Consolidated entity is subject to significant environmental regulation in respect of its exploration activities as follows:

- The Group's operations in the State of Queensland involve drilling operations. These operations are governed by the *Queensland Government Environmental Protection Act (1994)* as reprinted February 2007.
- The Group's operations in the State of NSW involve exploration activities including drilling. These operations are governed by the *Environment Planning and Assessment Act 1979*.
- The Group's operations in the State of Tasmania involve exploration activities including drilling. These operations are governed by the *Environmental Management and Pollution Control Act 1994*.
- The Group operates within the resources sector and conducts its business activities with respect for the environment while continuing to meet the expectations of the shareholders, employees and suppliers.
- The Group aims to ensure that the highest standard of environmental care is achieved, and that it complies with all relevant environmental legislation. The Directors are mindful of the regulatory regime in relation to the impact of the Company's activities on the environment.
- To the best of the directors' knowledge, the Group has adequate systems in place to ensure compliance with the requirements of all environmental legislation described above and are not aware of any breach of those requirements during the financial year and up to the date of the Directors' Report.

Environmental Code of Practice for Bauxite mineral exploration

The Company is committed to conducting its exploration programs by following industry best practice in accordance with published government guidelines and codes.

ABX Group Limited
Directors' report
31 December 2025

Information on Directors

Information on directors as at the date of this report is as follows:

Name:	Ms.Joycelyn Morton
Title:	Non-Executive Chair
Experience and expertise:	Ms Morton has extensive commercial experience having held senior positions at Shell Australia and Shell International, and prior to that Woolworths Limited. She is a Fellow and Life Member of CPA Australia, having served as the organisation's National President. She also represented both CPA Australia and the Institute of Chartered Accountants Australia and New Zealand on the Board of the International Federation of Accountants (IFAC). Ms Morton has previously served as a non-executive director on a diverse range of boards, including Australia's largest specialised naval defence company ASC Pty Ltd; Snowy Hydro Ltd and Argo Investments. She has been Chair of the Audit, Risk and Compliance Committee for multiple boards and currently for Infrastructure NSW.
Other current directorships:	Gelion Plc (UK AIM:GELN); Felix Group Holdings (ASX:FLX); SEC Victoria Pty Ltd;
Former directorships (last 3 years):	ASC Pty Ltd, Argo Investments Limited, Argo Global Listed Infrastructure Ltd, Epic Energy Group
Special responsibilities:	None
Interests in shares:	1,729,663
Interests in options:	150,000 Unquoted Options exercisable at \$0.0576 expiring on 29 May 2030 500,000 unlisted options under ESOP exercisable at \$0.080 (8.00 cents) expiring on 26 May 2028 1,200,000 free attaching unlisted options exercisable at \$0.08 (8.00 cents) expiring on 14 March 2028 781,250 free attaching unlisted options exercisable at \$0.08 (8.00 cents) expiring on 17 November 2027
Contractual rights to shares:	100,000 convertible notes with face value of \$1.00 per note maturing on 31 December 2026.
Name:	Dr Mark Cooksey
Title:	Managing Director and Chief Executive Officer
Experience and expertise:	Dr. Mark Cooksey is a highly experienced engineer with more than 25 years' experience in process improvement and process development leadership positions with Rio Tinto, GE and CSIRO. Mark has direct experience in aluminium smelting, commencing his career as an engineer at Comalco (now Rio Tinto Alcan) where he led process improvement initiatives at the aluminium smelter operations in Gladstone and New Zealand. Dr Cooksey also has substantial knowledge of the commercialisation process for new technologies, serving a number of roles, including Senior Principal Research Leader at the CSIRO for approximately 16 years. Mark holds a PhD (Chemicals & Materials Engineering) from the University of Auckland and a Bachelor of Engineering (Materials – First Class Honours) and Bachelor of Science (Information Technology and Applied Mathematics) from the University of Western Australia.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	535,000 ordinary shares
Interests in options:	300,000 unlisted options under ESOP exercisable at \$0.1692 (16.92 cents) expiring on 1 June 2028 1,000,000 unlisted options under ESOP exercisable at \$0.080 (8.00 cents) expiring on 26 May 2028 360,000 free attaching unlisted options exercisable at \$0.08 (8.00 cents) expiring on 14 March 2028.
Interests in rights:	None
Contractual rights to shares:	30,000 convertible notes with face value of \$1.00 per note maturing on 31 December 2026.

ABX Group Limited
Directors' report
31 December 2025

Name: Ian Levy
Title: Executive Director

Experience and expertise: Mr Levy is a geologist with more than forty years' experience developing mines from discovery through to production. Mr Levy has worked for a number of major resources companies, including WMC Limited, Pancontinental Mining, Gympie Gold and also served as CEO of Allegiance Mining. He has overseen the development of a number of gold, bauxite, base metals, nickel and industrial minerals projects. Ian was a member of the Joint Ore Reserves Committee (JORC) for 11 years including 4 years as Vice Chairman and Federal President, Australian Institute of Geoscientists.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 7,457,566 ordinary shares
Interests in options: 150,000 unlisted options under ESOP exercisable at \$0.1692 (16.92 cents) expiring on 1 June 2028
500,000 unlisted options under ESOP exercisable at \$0.080 (8.00 cents) expiring on 26 May 2028
1,200,000 free attaching unlisted options exercisable at \$0.08 (8.00 cents) expiring on 14 March 2028
781,250 free attaching unlisted options exercisable at \$0.08 (8.00 cents) expiring on 17 November 2027
Interests in rights: None
Contractual rights to shares: 100,000 convertible notes with face value of \$1.00 per note maturing on 31 December 2026.

'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 Secretary

Mathew Watkins

Mr Watkins is a Chartered Accountant who has extensive ASX experience within several industry sectors including Biotechnology, Bioscience, Resources and Information Technology. He specialises in ASX statutory reporting, ASX compliance, Corporate Governance and board and secretarial support. Mr Watkins is appointed Company Secretary on a number of ASX listed Companies. Mr Watkins is employed at Vistra Australia Pty Ltd (Vistra), a professional Company Secretarial and Accounting firm. Vistra is a prominent provider of specialised consulting and administrative services to clients in the Fund, Corporate, Capital Markets, and Private Wealth sectors.

Meetings of directors

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 31 December 2025, and the number of meetings attended by each director were:

	Full Board	
	Attended	Held
Joycelyn Morton (Non-Executive Chair)	11	11
Dr Mark Cooksey (Managing Director & CEO)	11	11
Ian Levy (Executive Director)	10	11

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

The Board fulfils the roles of the Audit & Risk and Remuneration & Nomination Committee.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the Consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the Consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration Committee (or in its absence the Board) is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the Consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration Committee (or in its absence the Board). The Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chair's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chair is not present at any discussions relating to the determination of their own remuneration.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 14 February 2024, where the shareholders approved a maximum annual aggregate remuneration of \$500,000.

Executive remuneration

The Consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

ABX Group Limited
Directors' report
31 December 2025

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- medium-long-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed periodically by the Remuneration Committee based on individual and business unit performance, the overall performance of the Consolidated entity and comparable market remunerations.

Incentives are payable to executives based upon the attainment of agreed corporate and individual milestones and are reviewed and approved by the Board of Directors. In 31 December 2025 no cash incentives were paid (31 December 2024: nil).

Executives are issued with equity instruments as Long-Term Incentives (LTI) in a manner that aligns this element of remuneration with the creation of shareholder wealth. LTI grants are made to Executives who are able to influence the generation of shareholder wealth and thus have a direct impact on the creation of shareholder wealth. During the year, there were no long-term equity-linked performance incentives issued to the Executives.

Use of remuneration consultants

During the financial year ended 31 December 2025, the consolidated entity did not engage any remuneration consultants.

Voting and comments made at the Company's 26 May 2025 Annual General Meeting ('AGM')

At the AGM held on 26 May 2025, 98.89% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

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

The key management personnel of the Consolidated entity consisted of the following directors of the Company:

- Joycelyn Morton (Non-Executive Chair)
- Dr Mark Cooksey (Executive Director & CEO)
- Ian Levy (Executive Director)

	Short-term benefits	Short-term benefits	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments	Total
	Salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	
31 December 2025	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
Joycelyn Morton	123,583	-	-	9,400	-	8,102	141,085
<i>Executive Director:</i>							
Dr Mark Cooksey	280,000	-	-	32,900	5,614	12,490	331,004
Ian Levy*	214,643	-	-	5,357	-	6,245	226,245
	<u>618,226</u>	<u>-</u>	<u>-</u>	<u>47,657</u>	<u>5,614</u>	<u>26,837</u>	<u>698,334</u>

* Mr Ian Levy's salary, fee and superannuation totalling \$220,000 comprised of \$50,000 director fees and \$170,000 as consulting service fee through his company Justevian Pty Limited.

Equity-settled share-based payments in the tables above represents the valuation of the options and/or performance rights granted to the relevant KMP, as required by Accounting Standard AASB 2- Share-based Payment to be accounted as the cost to the company. The amount disclosed for equity-settled share-based payments represents the accounting valuation recognised as cost to the company during the year and does not represent cash remuneration to the KMP.

ABX Group Limited
Directors' report
31 December 2025

31 December 2024	Short-term benefits	Short-term benefits	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments	Total
	Salary and fees \$	Cash bonus \$	Non-monetary \$	Super-annuation \$	Long service leave \$	Equity-settled \$	
<i>Non-Executive Directors:</i>							
Joycelyn Morton*	74,250	-	-	8,428	-	1,535	84,213
Paul Lennon**	97,125	-	-	-	-	(2,825)	94,300
Kenneth Boundy**	12,500	-	-	-	-	(6,774)	5,726
<i>Executive Director:</i>							
Dr Mark Cooksey	280,000	-	-	31,500	6,086	6,264	323,850
Ian Levy***	220,000	-	-	-	-	3,132	223,132
	683,875	-	-	39,928	6,086	1,332	731,221

* Ms. Joycelyn Morton was appointed as Non-Executive Director on 03 April 2024 and was further appointed as Non-Executive Chair on 30 September 2024 upon resignation of Mr Paul Lennon.

** Mr Kenneth Boundy resigned from his position as Non-Executive Director, effective 02 April 2024 and Mr Paul Lennon resigned from his position as Non-Executive Chair, effective 30 September 2024.

*** Mr Ian Levy's salary and fee comprised of \$50,000 director fees and \$170,000 as consulting service fee through his company Justevian Pty Limited.

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

Name	Fixed remuneration	Fixed remuneration	At risk - STI		At risk - LTI	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<i>Non-Executive Directors:</i>						
Joycelyn Morton	92%	98%	-	-	8%	2%
Paul Lennon	-	103%	-	-	-	(3%)
Kenneth Boundy	-	218%	-	-	-	(118%)
<i>Executive Director:</i>						
Dr Mark Cooksey	96%	98%	-	-	4%	2%
Ian Levy	97%	99%	-	-	3%	1%

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 Mark Cooksey
Title: Executive Director & CEO
Agreement commenced: 1 February 2022
Term of agreement: Total annual remuneration package of \$280,000 per annum plus superannuation

The Company or the Employee may terminate the agreement by providing 3 months written notice.

Name: Ian Levy
Title: Executive Director
Agreement commenced: 1 February 2022 to provide exploration related services through related entity Justevian Pty Limited
Term of agreement: Annual service fee (including Director fees) of \$220,000 plus GST.

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

ABX Group Limited
Directors' report
31 December 2025

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 31 December 2025.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Ian Levy	37,500	01/06/2022	31/05/2023	01/06/2028	\$0.1692	\$0.105
Ian Levy	37,500	01/06/2022	31/05/2024	01/06/2028	\$0.1692	\$0.105
Ian Levy	37,500	01/06/2022	31/05/2025	01/06/2028	\$0.1692	\$0.105
Ian Levy	37,500	01/06/2022	31/05/2026	01/06/2028	\$0.1692	\$0.105
Dr Mark Cooksey	75,000	01/06/2022	31/05/2023	01/06/2028	\$0.1692	\$0.105
Dr Mark Cooksey	75,000	01/06/2022	31/05/2024	01/06/2028	\$0.1692	\$0.105
Dr Mark Cooksey	75,000	01/06/2022	31/05/2025	01/06/2028	\$0.1692	\$0.105
Dr Mark Cooksey	75,000	01/06/2022	31/05/2026	01/06/2028	\$0.1692	\$0.105
Ms Joycelyn Morton	37,500	29/05/2024	29/05/2025	29/05/2030	\$0.0576	\$0.033
Ms Joycelyn Morton	37,500	29/05/2024	29/05/2026	29/05/2030	\$0.0576	\$0.033
Ms Joycelyn Morton	37,500	29/05/2024	29/05/2027	29/05/2030	\$0.0576	\$0.033
Ms Joycelyn Morton	37,500	29/05/2024	29/05/2028	29/05/2030	\$0.0576	\$0.033
Ms Joycelyn Morton	500,000	26/05/2025	26/05/2025	26/05/2028	\$0.0800	\$0.012
Dr Mark Cooksey	1,000,000	26/05/2025	26/05/2025	26/05/2028	\$0.0800	\$0.012
Ian Levy	500,000	26/05/2025	26/05/2025	26/05/2028	\$0.0800	\$0.012

Options granted carry no dividend or voting rights.

The number of options over ordinary shares vested by directors and other key management personnel as part of compensation during the year ended 31 December 2025 are set out below:

Name	Number of options granted during the year 31 December 2025	Number of options granted during the year 31 December 2024	Number of options vested during the year 31 December 2025	Number of options vested during the year 31 December 2024
Joycelyn Morton	50,000	150,000	537,500	-
Dr Mark Cooksey	100,000	-	1,075,000	75,000
Ian Levy	50,000	-	537,500	37,500

Additional information

The earnings of the Consolidated entity for the five years to 31 December 2025 are summarised below:

	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
Total income	1,988	2,638	1,685	1,800	556
Loss before income tax	(6,467)	(2,029)	(1,799)	(3,573)	(5,868)
Loss after income tax	(6,467)	(2,029)	(1,799)	(3,573)	(5,868)

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 Consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Others	Balance at the end of the year
<i>Ordinary shares</i>					
Dr Mark Cooksey	535,000	-	-	-	535,000
Ian Levy*	6,676,316	-	781,250	-	7,457,566
Joycelyn Morton**	-	-	1,729,663	-	1,729,663
	<u>7,211,316</u>	<u>-</u>	<u>2,510,913</u>	<u>-</u>	<u>9,722,229</u>

* Additions from participation in the Share Purchase Plan in November 2025.

** Additions comprise of 781,250 acquired from participation in the Share Purchase Plan in November 2025 and 1,729,663 share issued in lieu of Director fee of \$43,627.

Option holding

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

	Balance at the start of the year	Granted	Exercised	Forfeited/ Other	Balance at the end of the year
<i>Options over ordinary shares</i>					
Joycelyn Morton*	150,000	2,481,250	-	-	2,631,250
Dr Mark Cooksey**	487,500	1,360,000	-	(187,500)	1,660,000
Ian Levy***	337,500	2,481,250	-	(187,500)	2,631,250
	<u>975,000</u>	<u>6,322,500</u>	<u>-</u>	<u>(375,000)</u>	<u>6,922,500</u>

* Option granted during the year comprised of 500,000 Director options issued after shareholder approval obtained on 26 May 2025; 1,200,000 free attaching options issued along with along with the 100,000 convertible notes issued; and 781,250 free attaching options as part of participation under the Share Purchase plan for 781,250 shares.

** Option granted during the year comprised of 1,000,000 Director options issued after shareholder approval obtained on 26 May 2025 and 360,000 free attaching options issued along with 30,000 convertible notes issued.

*** Option granted during the year comprised of 500,000 Director options issued after shareholder approval obtained on 26 May 2025; 1,200,000 free attaching options issued along with 100,000 convertible notes issued; and 781,250 free attaching options as part of participation under the Share Purchase plan for 781,250 shares.

This concludes the remuneration report, which has been audited.

ABX Group Limited
Directors' report
31 December 2025

Shares under option

Unissued ordinary shares of ABX Group Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
1 June 2022	1 June 2028	\$0.1692	750,000
29 May 2024	29 May 2030	\$0.0576	150,000
26 May 2025	26 May 2028	\$0.0800	2,000,000
14 March 2025*	14 March 2028	\$0.0800	20,400,000
17 November 2025	17 November 2028	\$0.1000	7,812,500
25 March 2025*	25 March 2028	\$0.0800	540,000
11 June 2025*	11 June 2028	\$0.0800	1,200,000
17 November 2025*	17 November 2027	\$0.0800	46,875,000
			<u>79,727,500</u>

* Free attaching options issued.

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of the Company issued on the exercise of options during the year ended 31 December 2025 and up to the date of this report.

Indemnity and insurance of officers

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

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

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

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

Proceedings on behalf of 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.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 27 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

ABX Group Limited
Directors' report
31 December 2025

The directors are of the opinion that the services as disclosed in note 27 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of K.S. Black & Co.

There are no officers of the Company who are former partners of K.S. Black & Co..

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

K.S. Black & Co. continues in office in accordance with section 327 of the Corporations Act 2001.

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



Joycelyn Morton
Non-Executive Chair

30 March 2026

Lead Auditors' Independence Declaration under Section 307C of the Corporations Act 2001

To the Members of ABX Group Limited

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025 there has been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

The entities are in respect of ABX Group Limited and the entities it controlled during the period.

KS Black & Co
Chartered Accountants



Phillip Jones
Partner

Dated in Sydney on this ~~30~~ day of March 2026

ABX Group Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

		Consolidated	
	Note	31 December 2025	31 December 2024
		\$'000	\$'000
Revenue			
Revenue	6	115	58
Interest income		55	167
Other income	7	1,818	2,413
Expenses			
Administrative, development and exploration expenses	8	(3,058)	(2,884)
Depreciation and amortisation expense	14	(43)	(83)
Impairment of exploration assets	15	(1,130)	(1,700)
Loss on loss of control on subsidiary		(3,873)	-
Share of loss of associate accounting using the equity method	13	(10)	-
Fair value change in the derivative liability	18	(47)	-
Finance costs	18	(294)	-
Loss before income tax expense		(6,467)	(2,029)
Income tax expense	9	-	-
Loss after income tax expense for the year		(6,467)	(2,029)
Other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive loss for the year		(6,467)	(2,029)
Loss for the year is attributable to:			
Non-controlling interest		4	(27)
Owners of ABX Group Limited		(6,471)	(2,002)
		(6,467)	(2,029)
Total comprehensive income/(loss) for the year is attributable to:			
Non-controlling interest		4	(27)
Owners of ABX Group Limited		(6,471)	(2,002)
		(6,467)	(2,029)
		Cents	Cents
Basic earnings per share	34	(2.40)	(0.80)
Diluted earnings per share	34	(2.40)	(0.80)

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

ABX Group Limited
Statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 December 2025	31 December 2024
		\$'000	\$'000
Assets			
Current assets			
Cash and cash equivalents	10	3,906	561
Trade and other receivables	11	1,857	184
Restricted cash	12	2,650	2,974
Prepayments		66	273
Total current assets		<u>8,479</u>	<u>3,992</u>
Non-current assets			
Investments accounted for using the equity method	13	1,147	-
Property, plant and equipment	14	33	89
Mining Tenements	15	10,997	15,455
Total non-current assets		<u>12,177</u>	<u>15,544</u>
Total assets		<u>20,656</u>	<u>19,536</u>
Liabilities			
Current liabilities			
Trade and other payables	16	756	687
Contract liabilities	17	2,720	4,974
Borrowings	18	1,833	370
Employee benefits	19	142	141
Other liabilities	20	380	29
Total current liabilities		<u>5,831</u>	<u>6,201</u>
Non-current liabilities			
Employee benefits	19	115	122
Other liabilities	20	1,988	1,988
Total non-current liabilities		<u>2,103</u>	<u>2,110</u>
Total liabilities		<u>7,934</u>	<u>8,311</u>
Net assets		<u>12,722</u>	<u>11,225</u>
Equity			
Issued capital	21	39,410	34,582
Reserves	22	5,712	2,588
Accumulated losses		(32,325)	(25,866)
Equity attributable to the owners of ABX Group Limited		12,797	11,304
Non-controlling interest		(75)	(79)
Total equity		<u>12,722</u>	<u>11,225</u>

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

ABX Group Limited
Statement of changes in equity
For the year ended 31 December 2025

Consolidated	Issued capital \$'000	Share based payment reserve \$'000	Option Reserve \$'000	Other reserves \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 January 2024	34,050	118	-	2,504	(23,892)	(52)	12,728
Loss after income tax expense for the year	-	-	-	-	(2,002)	(27)	(2,029)
Other comprehensive income/(loss) for the year, net of tax	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	-	(2,002)	(27)	(2,029)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (note 21)	522	-	-	-	-	-	522
Share-based payments (note 35)	-	24	-	-	-	-	24
Options lapsed	-	(58)	-	-	28	-	(30)
Issue of shares in lieu of services	10	-	-	-	-	-	10
Balance at 31 December 2024	<u>34,582</u>	<u>84</u>	<u>-</u>	<u>2,504</u>	<u>(25,866)</u>	<u>(79)</u>	<u>11,225</u>

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

ABX Group Limited
Statement of changes in equity
For the year ended 31 December 2025

Consolidated	Issued capital \$'000	Share based payment reserve \$'000	Option Reserve \$'000	Other reserves \$'000	Retained profits \$'000	Non-controlling interest \$'000	Total equity \$'000
Balance at 1 January 2025	34,582	84	-	2,504	(25,866)	(79)	11,225
Profit/(loss) after income tax expense for the year	-	-	-	-	(6,471)	4	(6,467)
Other comprehensive income/(loss) for the year, net of tax	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the year	-	-	-	-	(6,471)	4	(6,467)
<i>Transactions with owners in their capacity as owners:</i>							
Contributions of equity, net of transaction costs (note 21)	4,731	-	-	-	-	-	4,731
Value of free attaching options issued with share placement	-	-	2,403	-	-	-	2,403
Share-based payments (note 35)	-	33	-	-	-	-	33
Transfers upon lapse of options	-	(12)	-	-	12	-	-
Issue of shares in lieu of services	44	-	-	-	-	-	44
Shares issued in settlement of convertible notes	53	-	-	-	-	-	53
Value of options issued with convertible notes	-	-	299	-	-	-	299
Options issued to lead manager	-	401	-	-	-	-	401
Balance at 31 December 2025	<u>39,410</u>	<u>506</u>	<u>2,702</u>	<u>2,504</u>	<u>(32,325)</u>	<u>(75)</u>	<u>12,722</u>

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

ABX Group Limited
Statement of cash flows
For the year ended 31 December 2025

		Consolidated	
	Note	31 December 2025 \$'000	31 December 2024 \$'000
Cash flows from operating activities			
Receipts from customers		116	101
Payments to suppliers and employees		(4,104)	(2,500)
		(3,988)	(2,399)
Research and Development tax incentives received		824	911
Interest received		55	167
Grant income received		994	653
Net cash (used in)/ from operating activities	33	(2,115)	(668)
Cash flows from investing activities			
Payments for exploration and evaluation		(1,793)	(1,940)
Payments for security deposits		(74)	(59)
(Repayment to)/ release of restricted cash	12	(2,000)	2,000
Net cash from/(used in) investing activities		(3,867)	1
Cash flows from financing activities			
Proceeds from issue of shares	21	8,125	616
Proceeds from issue of convertible notes		1,475	370
Share issue transaction costs		(573)	(94)
Advance from investors		300	-
Net cash from financing activities		9,327	892
Net increase in cash and cash equivalents		3,345	225
Cash and cash equivalents at the beginning of the financial year		561	336
Cash and cash equivalents at the end of the financial year	10	<u>3,906</u>	<u>561</u>

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

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 1. General information

The financial statements cover ABX Group Limited as a Consolidated entity consisting of ABX Group Limited ("the Company" or "Parent entity") and the entities it controlled (collectively "the Consolidated entity" or "the Group") at the end of, or during, the year. The financial statements are presented in Australian dollars, which is ABX Group Limited's functional and presentation currency.

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

Registered office and Principal place of business

Suite 2, Level 11, 385 Bourke Street
Melbourne, VIC 3000

A description of the nature of the Consolidated entity'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 30 March 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 Consolidated entity 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 Consolidated entity 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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Consolidated entity.

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

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 International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about the transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

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 Consolidated entity'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.

ABX Group Limited
Notes to the financial statements
31 December 2025

Going concern

The consolidated financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

For the year ended 31 December 2025, the Group incurred a net loss after tax of \$6,467k and experienced net cash outflows from operating and investing activities of \$5,982k. As at that date, the Group held cash and cash equivalents of \$3,906k and had net current assets of \$2,648k.

The Group is an exploration-stage entity and continues to rely on external funding to support its ongoing operations and development activities. The Group's ability to continue as a going concern is dependent on its ability to raise additional capital, secure alternative funding, and/or realise value from its exploration assets through development or sale.

In addition, the Group is subject to certain funding obligations and commitments, including the repayment of unspent government grant funding and ongoing operating expenditure requirements. These obligations contribute to the Group's expected cash outflows over the next 12 months.

The directors have prepared cash flow forecasts for a period of at least 12 months from the date of signing these financial statements. These forecasts indicate that additional funding will be required to meet planned expenditures and to maintain sufficient working capital.

The directors have considered the following mitigating factors in assessing the appropriateness of the going concern basis of preparation:

- The Group's demonstrated ability to raise capital, including:
 - \$8.125 million raised during the year through share placements;
 - \$1.475 million raised through convertible notes; and
 - \$924,633 raised subsequent to year end through share issuances approved on 2 March 2026;
- The Group's status as an ASX-listed entity, providing ongoing access to equity markets;
- The ability to reduce discretionary expenditure and manage operating costs, including employee and administrative costs;
- The potential to realise value from exploration assets through farm-out arrangements, joint ventures, or partial asset sales;
- Expected receipt of research and development tax incentives and access to R&D financing;
Continued support from strategic investors and the potential availability of additional funding, including from directors or related parties.

Notwithstanding the above mitigating factors, there remains uncertainty as to whether the Group will be able to obtain sufficient funding when required and on acceptable terms.

These conditions indicate the existence of material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

However, the directors believe that the Group will be able to continue as a going concern, and accordingly, the financial statements have been prepared on a going concern basis.

The financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

ABX Group Limited
Notes to the financial statements
31 December 2025

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated entity only. Supplementary information about the parent entity is disclosed in note 30.

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ABX Group Limited ('Company' or 'parent entity') as at 31 December 2025 and the results of all subsidiaries for the year then ended. ABX Group Limited and its subsidiaries together are referred to in these financial statements as the 'Consolidated entity'.

Subsidiaries are all those entities over which the Consolidated entity has control. The Consolidated entity controls an entity when the Consolidated entity 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. Specifically, the consolidated entity controls an investee if and only if the consolidated entity has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

When the consolidated entity has less than a majority of the voting or similar rights of an investee, the consolidated entity considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The consolidated entity's voting rights and potential voting rights

Subsidiaries are fully consolidated from the date on which control is transferred to the Consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Consolidated entity 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 Consolidated entity.

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.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated entity. Losses incurred by the Consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated entity 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 Consolidated entity 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.

Revenue recognition

The Consolidated entity recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Consolidated entity is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Consolidated entity: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Note 2. Material accounting policy information (continued)

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Sale of mineral

Revenue from the sale of mineral is recognised at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

Grant revenue

Grant revenue is recognised in the statement of profit or loss and other comprehensive income under AASB 15.

Income from grants accounted for under AASB 15 is recognised when the consolidated entity satisfies the performance obligation to the relevant bodies. This is recognised based on the consideration specified in the funding agreement and to the extent that it is highly probable a significant reversal of the revenue will not occur. The funding payments are received in advance or shortly after the relevant obligation is satisfied.

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.

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. For the statement of cash flows presentation purposes, cash and cash equivalents also includes bank overdrafts, which are shown within borrowings in current liabilities on the statement of financial position.

Associates

Associates are entities over which the Consolidated entity has significant influence but not control or joint control. Investments in associates are accounted for using the equity method. Under the equity method, the share of the profits or losses of the associate is recognised in profit or loss and the share of the movements in equity is recognised in other comprehensive income. Investments in associates are carried in the statement of financial position at cost plus post-acquisition changes in the Consolidated entity's share of net assets of the associate. Goodwill relating to the associate is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Dividends received or receivable from associates reduce the carrying amount of the investment.

When the Consolidated entity's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured long-term receivables, the Consolidated entity does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Consolidated entity discontinues the use of the equity method upon the loss of significant influence over the associate and recognises any retained investment at its fair value. Any difference between the associate's carrying amount, fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Note 2. Material accounting policy information (continued)

Mining tenements

Mining tenements in form of 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.

Contract liabilities

Contract liabilities represent the Consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Consolidated entity has transferred the goods or services to the customer.

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.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a non-current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost. The remainder of the proceeds are allocated to the conversion option that is recognised and included in shareholders equity as a convertible note reserve, net of transaction costs. The carrying amount of the conversion option is not remeasured in the subsequent years. The corresponding interest on convertible notes is expensed to profit or loss.

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.

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 Consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

Note 2. Material accounting policy information (continued)

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 Consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated entity 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.

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.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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.

Share-based payment transactions

The Consolidated entity 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 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. Refer to note 35 for details on the valuation model inputs.

Fair value measurement hierarchy

The Consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Exploration and evaluation costs

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

Revenue and Income for grants

When recognising revenue in relation to the grants agreements, management exercised judgment to determine the key performance obligation(s) and to establish whether these are sufficiently specific in accordance with the requirements of AASB 15.

Management considers the input method of recognition is the most appropriate method for revenue recognition as this best depicts the transfer of the performance obligation required by the company. Therefore, grant revenue is recognised under AASB15 over-time approach using the input method (i.e. as the expenses are incurred) and performance obligation is satisfied.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 4. Restatement of comparatives

Reclassification

There were changes in the presentation of the comparative balances in the statement of financial position as at 31 December 2025 due to the presentation of the convertible notes as current liabilities.

The impact of the change in the comparative as at 31 December 2024 is as below:

	31 December 2024 Reported	Change	31 December 2024 Restated
Borrowings- Current	-	370	370
Borrowings- non-current	370	(370)	-
	<u>370</u>	<u>-</u>	<u>370</u>

Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 January 2024. However, as there were no adjustments made as at 1 January 2024, the Consolidated entity has elected not to show the 1 January 2024 statement of financial position.

Note 5. Operating segments

Identification of reportable operating segments

The Consolidated entity operates in one operating segment being mineral, exploration and development of resources in Australia which is also the basis on which the board reviews the company's financial information.

AASB 8 requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In the current year the board reviews the consolidated entity as one operating segment being tin exploration within Australia.

All assets and liabilities and operations are based in Australia.

Accounting policy for 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.

The information reported to the CODM is on a monthly basis.

Note 6. Revenue

	Consolidated	
	31 December 2025 \$'000	31 December 2024 \$'000
Sale of mineral	<u>115</u>	<u>58</u>

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 7. Other income

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Research and Development tax incentives	824	911
MMI grant income*	987	551
Other grant	7	102
Other income**	-	849
	<u>1,818</u>	<u>2,413</u>
Other income	<u>1,818</u>	<u>2,413</u>

* The Consolidated entity through its subsidiary, Alcore Limited, has received \$5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") to support its proposed aluminum smelter bath recycling plant in Bell Bay, Tasmania. Under the terms of the grant, the Consolidated entity can utilise the grant to fund 42.37% of the eligible expenses. MMI grant income above represents the grant utilised towards the eligible expenses during the year ended 31 December 2025. Refer to note 17 for further details on MMI Grant.

** Other income in prior year 2024 includes impairment of payable that the Company assessed as no more a liability as of 31 December 2024.

Note 8. Administrative, development and exploration expenses

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Research and development expenses	1,052	924
Directors and employee salaries and on costs	454	730
Corporate and administrative expenses	1,520	1,236
Share based payments	32	(6)
	<u>3,058</u>	<u>2,884</u>
	<u>3,058</u>	<u>2,884</u>

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 9. Income tax expense

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Income tax expense</i>		
Current tax	-	-
Deferred tax	-	-
	<hr/>	<hr/>
income tax expense	<hr/> <hr/>	<hr/> <hr/>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(6,467)	(2,029)
	<hr/>	<hr/>
Tax at the statutory tax rate of 25%	(1,617)	(507)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
R&D tax incentive	268	71
Share based payment	8	(1)
Impairment of assets	283	425
Share of loss - associates	3	-
Fair value change in the derivative liability	12	-
Loss on loss of control of subsidiary	968	-
	<hr/>	<hr/>
	(75)	(12)
Current year tax losses not recognised	436	62
Current year temporary differences not recognised	(361)	(50)
	<hr/>	<hr/>
Income tax expense	<hr/> <hr/>	<hr/> <hr/>

Below set out deferred tax assets in respect of exploration activities, temporary differences to the extent of failure of the probability criteria.

Assets and liabilities	Temporary differences	Temporary differences
Consolidated	31 December 2025	31 December 2024
<i>Deferred tax assets for the year not recognised:</i>		
Deferred tax asset in respect of exploration activities not brought to account	15,455	15,213
Deferred tax liability in respect of exploration activities not recognised to the extent of unrecognised deferred tax asset	(10,997)	(15,455)
Other deductible temporary differences	(3,014)	1,058
	<hr/>	<hr/>
Total temporary differences	<hr/> <hr/>	<hr/> <hr/>
Tax effect on temporary differences at 25%	<hr/> <hr/>	<hr/> <hr/>

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 10. Cash and cash equivalents

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current assets</i>		
Cash at bank	3,906	521
Cash held as term deposits	-	40
	<u>3,906</u>	<u>561</u>

Note 11. Trade and other receivables

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current assets</i>		
Trade receivables	2	2
Security deposits	284	163
GST receivables	155	19
Advance for equipment purchase	1,416	-
	<u>1,857</u>	<u>184</u>

Note 12. Restricted cash

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current assets</i>		
Cash held in trust- grant funding	<u>2,650</u>	<u>2,974</u>

The Consolidated Entity through its subsidiary, Alcore Limited, had received \$5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") in 2023. The movement of \$0.324 million during the year comprise of \$0.987 million utilisation of funds towards MMI project and \$2.0 million short-term working capital loan received back from ABX group and \$1.337 million repayment of grant to the Department of Industry, Science and Resources (DISR).

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 13. Investments accounted for using the equity method

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Non-current assets</i>		
Investment in ABX3 Pty Ltd	1,147	-
<i>Reconciliation</i>		
Reconciliation of the carrying amounts at the beginning and end of the current and previous financial year are set out below:		
Opening carrying amount	-	-
Additions*	1,157	-
Share of loss of associate	(10)	-
Closing carrying amount	1,147	-

On 9 October 2025, ABX3 Pty Ltd (ABX3) issued 234 new shares to Good Importing International (GII) for a capital raising of \$2.7 million. This resulted into GII a controlling interest of 70% shareholding in ABX3. Due to this, effective 9 October 2025, ABX Group Limited lost control over ABX3 as its subsidiary. The Group deconsolidated ABX3 from its consolidated reporting and started accounting its 30% holding in ABX3 as investment in associates under *AASB128-Investment in Associates and Joint Venture*, with initial recognition at fair value of \$1,157k.

Note 14. Property, plant and equipment

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Non-current assets</i>		
Plant and equipment - at cost	768	768
Less: Accumulated depreciation	(768)	(757)
	-	11
Motor vehicles - at cost	126	181
Less: Accumulated depreciation	(93)	(103)
	33	78
	33	89

Reconciliations

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

Consolidated	Plant and equipment \$'000	Motor vehicles \$'000	Total \$'000
Balance at 1 January 2024	58	114	172
Depreciation expense	(47)	(36)	(83)
Balance at 31 December 2024	11	78	89
Transfer out*	-	(13)	(13)
Depreciation expense	(11)	(32)	(43)
Balance at 31 December 2025	-	33	33

*Transfer out represents carrying value of motor vehicles of ABX3 Pty Ltd that were deconsolidated from the Group upon ABX3 Pty Ltd ceased to be a subsidiary of the ABX Group Ltd effective from 9 October 2025. Refer to note 13 for further details.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 15. Mining Tenements

Consolidated	
31 December 2025	31 December 2024
\$'000	\$'000

Non-current assets

Mining Tenements at cost

<u>10,997</u>	<u>15,455</u>
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Reconciliations

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

Consolidated

\$'000

Balance at 1 January 2024

15,213

Additions

1,942

Impairment of assets

(1,700)

Balance at 31 December 2024

15,455

Additions

1,689

Impairment of assets

(1,130)

Transfer out*

(5,017)

Balance at 31 December 2025

10,997

The recoverability of the carrying amount of evaluation and exploration assets is dependent upon successful development and commercial exploitation, or alternatively the sale of the respective areas of interest. A review of the consolidated entity's exploration licenses was undertaken as at 31 December 2025 and an impairment charge of \$1.13 million was taken for the following:

- (i) \$120k provided for the exploration costs on Penrose Quarry (EL9664) tenement;
- (ii) \$150k provided for the exploration costs on Binjour (EPM18014) tenement;
- (iii) \$500k provided for the exploration costs on Conara (EL7/2010) tenement; and
- (iv) \$360k provided for the exploration costs on Prossers Road (EL18/2014) tenement.

Refer to Schedule of tenements in the Directors Report for details of tenements held by the Group.

* Transfer out represents exploration assets of ABX3 Pty Ltd that were deconsolidated from the Group upon ABX3 Pty Ltd ceased to be a subsidiary of the ABX Group Ltd effective from 9 October 2025. Refer to note 13 for further details.

Note 16. Trade and other payables

Consolidated	
31 December 2025	31 December 2024
\$'000	\$'000

Current liabilities

Trade payables

661	532
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Other payables

<u>95</u>	<u>155</u>
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<u>756</u>	<u>687</u>
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Refer to note 24 for further information on financial instruments.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 17. Contract liabilities

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current liabilities</i>		
Contract liabilities	<u>2,720</u>	<u>4,974</u>
<i>Reconciliation</i>		
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:		
Opening balance	4,974	5,525
Transfer to revenue during the year based on performance obligations satisfied	(987)	(551)
Repayment of grant fund during the year	<u>(1,267)</u>	<u>-</u>
Closing balance	<u>2,720</u>	<u>4,974</u>

Unsatisfied performance obligations

The Consolidated entity through its subsidiary, Alcore Limited, has received \$5.68 million grant funding under the Federal Government's Modern Manufacturing Initiative ("MMI") to support its proposed aluminum smelter bath recycling plant in Bell Bay, Tasmania. Under the terms of the grant, the Consolidated entity can utilise the grant to fund 42.37% of the eligible expenses. Transfer to revenue above represents the grant utilised towards the eligible expenses during the year ended 31 December 2025.

In April 2025, the Group submitted its end of term report to the Department of Industry, Science and Resources (DISR) on the total Modern Manufacturing Initiative (MMI) grant funds spent and committed as at 31 March 2025. Based on the report, DISR, through its letter dated 2 September 2025, confirmed a repayment schedule for the Group to repay \$2.53 million (\$2.78 million GST inclusive) of non-committed funds. As at 31 December 2025, the Company has paid back \$1.27 million (\$1.39 million GST inclusive) to DISR. The Company will continue the repayments in 2026 with \$211,243 (\$232,368 GST inclusive) per month till June 2026. Further the Company will also repay any remaining unutilised committed funds at the end of June 2026.

Note 18. Borrowings

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current liabilities</i>		
Convertible notes -- host debt liability at amortised cost	1,760	363
Embedded derivatives	<u>73</u>	<u>7</u>
	<u>1,833</u>	<u>370</u>

Refer to note 24 for further information on financial instruments.

- On 20 December 2024, the Company received binding commitments for the issue of convertible notes ("Notes") in the amount of \$1.8 million to professional and sophisticated investors, including directors, with convertible notes to be issued over tranches.
- On 30 December 2024, the company issued 370,000 Tranche 1 convertible notes and raised \$370,000.
- As part of Tranche 2, the company issued 1,475,000 Notes between 21 March 2025 and 16 June 2025 upon shareholder approval received at the Extraordinary General Meeting held on 7 March 2025 and raised \$1,475,000.
- As per the terms of issue and further on approval in EGM on 7 March 2025, Noteholders were issued 22.14 million free attaching unlisted options, representing 12 free attaching unlisted options ("Options") per Note held. The fair values of the Options were determined using Black-Scholes Options Pricing Model at \$298,625.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 18. Borrowings (continued)

The key terms and conditions of the Notes are as follows:

- (i) Face Value of \$1.00 per Note;
- (ii) Maturity date: 31 December 2026;
- (iii) Coupon rate of 12% per annum payable in cash every 6 months, with the flexibility to capitalise that interest on or prior to the relevant interest payment date;
- (iv) Notes are convertible into Shares at the election of Noteholders any time prior to maturity date. The conversion price will be the lower of (a) A fixed price of A\$0.04 (25 Shares per Note) (b) a 15% discount to the 15-day VWAP immediately prior to conversion, subject to a floor price of \$0.01.

The convertibles notes contain an embedded derivative representing the option to convert the convertible notes into equity shares. The conversion feature on this arrangement has a capped conversion price, the variable price also contains a floor. The existence of these caps and floors, means that this conversion feature is not considered to be an equity instrument in accordance with AASB 132, as it will not result in a fixed number of shares for fixed consideration. This conversion feature is a derivative and as a result changes in fair value are recognised through the profit and loss (FVTPL) in accordance with AASB 9. At initial recognition and subsequent reporting close, the derivative is required to be fair valued. The Black Scholes option pricing model assumes the option holder will exercise at expiry (i.e. the note will be converted on maturity) to predict the Group's possible future share prices, to determine the Variable Conversion Price.

At inception in 2024, the derivative liability for Tranche 1 was measured at a fair value of \$7,000. In the current year, the derivative liability for Tranche 2 was initially fair valued at \$19,564. As at 31 December 2025, the combined fair value of the derivative liabilities relating to the outstanding convertible notes from Tranches 1 and 2 amounted to \$73,451. The movement in fair value has been recognised in the statement of profit or loss.

Assumptions	Conversion Right of Tranche 2 at inception	Conversion Right Tranche 1 and 2 at 31 December 2025
Valuation date	21 March 2025	31 December 2025
Face value	\$1,475,000	\$1,795,000
Maturity date	31 December 2026	31 December 2026
Time to Maturity (Years)	1.78	1.00
Spot price	\$0.037	\$0.073
Risk free rate	3.72%	4.06%
Expected future volatility	100%	90.32%
Fair value of derivative liability	\$19,564	\$73,451

The fair value of host financial liability of Tranche-1 and Tranche-2 was determined at \$363,000 and \$1,455,436 respectively on their respective inception dates. The host financial liability is subsequently measured using the effective interest method.

The derivative liability is classified as level 3 in fair value measurement hierarchy as detailed in note 3 and note 25. The sensitivity analysis undertaken on the unobservable inputs identified no material impact to the valuation at 31 December 2025.

Total secured liabilities

Reconciliation of movement in convertible note:

	31 December 2025	
	Number	\$'000
Opening balance as at 01 January 2025	370,000	363
Convertible notes issued during the year	1,475,000	1,455
Transaction cost: value of free attaching unlisted option issued	-	(299)
Amortisation of interest expense	-	294
Convertible notes converted into shares	(50,000)	(53)
Closing balance as at 31 December 2025	<u>1,795,000</u>	<u>1,760</u>

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 18. Borrowings (continued)

Reconciliation of movement in derivative liability:

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Opening balance at 1 January	7	-
Derivative financial liability recognised on inception of convertible notes	19	7
Movement in fair value	47	-
	<u>73</u>	<u>7</u>
Opening balance at 31 December	<u>73</u>	<u>7</u>

Note 19. Employee benefits

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current liabilities</i>		
Annual leave	142	141
<i>Non-current liabilities</i>		
Long service leave	115	122
	<u>257</u>	<u>263</u>

Note 20. Other liabilities

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
<i>Current liabilities</i>		
Accrued expenses - other	80	29
Advance and deposits	300	-
	<u>380</u>	<u>29</u>
<i>Non-current liabilities</i>		
Payable to Directors*	1,988	1,988
	<u>2,368</u>	<u>2,017</u>

*Payable to Directors represents outstanding remuneration payable to Ian Levy (non-Executive Director) and Joycelyn Morton (Independent Non-Executive Director). For the year ended 31 December 2025, the outstanding balance payable is unsecured and interest free and not payable on demand for at least 12 months from the date of these financial statements.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 21. Issued capital

	Consolidated			
	31 December 2025 Shares	31 December 2024 Shares	31 December 2025 \$'000	31 December 2024 \$'000
Ordinary shares	362,848,153	250,293,439	39,410	34,582

Movements in ordinary share capital

Details	Date	Shares	\$'000
Balance	1 January 2024	242,340,814	34,050
Placement of shares	2 January 2024	7,699,500	616
Shares issued on exercise of listed options	26 November 2024	3,125	-
Shares issued in-lieu of payment for professional fees	09 December 2024	250,000	10
Capital raising cost		-	(94)
Balance	31 December 2024	250,293,439	34,582
Shares issued in settlement of convertible notes	22 April 2025	639,657	21
Shares issued in-lieu of payment for director's fees	19 June 2025	948,413	44
Share placement to institutional investors	18 September 2025	45,312,500	2,900
Shares issued in settlement of convertible notes	10 October 2025	815,513	32
Share placement to Directors	17 November 2025	1,562,500	100
Share placement to institutional investors	2 December 2025	63,276,131	5,125
Capital raising cost		-	(3,394)
Balance	31 December 2025	362,848,153	39,410

The capital raising cost in 2025 includes \$2.4 million fair value of 46,875,000 free attaching options (exercise price of \$0.10 per option and expiring on 14 November 2027) issued to the participants in the share placements during the year.

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.

Capital risk management

Refer to note 36 for the details.

Note 22. Reserves

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Share-based payments reserve	506	84
Options reserve	2,702	-
Other reserves	2,504	2,504
	5,712	2,588
	5,712	2,588

Share-based payments 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.

Option reserve

Option reserve represents the fair value of 22.14 million free attaching options issued to the convertible noteholders and fair value of 46.87 million free attaching option issued as part of the share placement in 2025. Refer to note 18 and note 21 for details.

Other reserves

Other reserves represents the common control acquisition reserve recognised in prior years when Alcore operations were spun-off into a separate company, Alcore Ltd, where the purchase price was less than the fair value of assets and liabilities acquired.

Note 23. Dividends

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

Note 24. Financial instruments

Financial risk management objectives

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The Groups' risk management policies and objectives are therefore designed to minimise the potential impacts of these risks on the results of the Group where such impacts may be material. The Board receives reports from the Chief Financial Officer through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The Group's finance function also reviews the risk management policies and processes and reports their findings to the Audit Committee.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the group's competitiveness and flexibility. Further details regarding these policies are set out below:

ABX Group Limited
Notes to the financial statements
31 December 2025

Categories of financial assets and financial liabilities

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Financial assets		
Cash and cash equivalents	3,906	561
Trade and other receivables	1,857	184
Restricted cash	2,650	2,974
	8,413	3,719
Financial liabilities		
Trade and other payables	756	687
Borrowings	1,833	370
Other liabilities	2,368	2,017
	4,957	3,074

Market risk

Price risk

The Consolidated entity is not exposed to any significant price risk.

Interest rate risk

The Group is constantly monitoring its exposure to trends and fluctuations in interest rates in order to manage interest rate risk. There is no bank borrowing at the balance date; therefore there is no material exposure to interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated entity. The Consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Consolidated entity does not hold any collateral.

The cash and cash equivalents and restricted cash are held with an Australian major banks. The Board believes the consolidated entity is not exposed to significant credit risk.

Currency risk

There were no material foreign currency transactions entered into by the consolidated entity and hence not exposed to material foreign currency risk during the year.

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties raising funds to meet commitments associated with financial instruments that is, borrowing repayments. There is no bank borrowing at the balance date. It is the policy of the Board of Directors that treasury reviews and maintains adequate committed credit facilities and the ability to close-out market positions.

Vigilant liquidity risk management requires the Consolidated entity 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.

The Consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 24. Financial instruments (continued)

Remaining contractual maturities

The following tables detail the Consolidated entity'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.

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Consolidated - 31 December 2025	%	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	756	-	-	-	756
Other liabilities	-	2,368	-	-	-	2,368
<i>Interest-bearing - fixed rate</i>						
Borrowings	12.00%	1,969	-	-	-	1,969
Total non-derivatives		<u>5,093</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,093</u>

	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
Consolidated - 31 December 2024	%	\$'000	\$'000	\$'000	\$'000	\$'000
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	687	-	-	-	687
Other loans	-	2,017	-	-	-	2,017
<i>Interest-bearing - fixed rate</i>						
Borrowings	12.00%	-	370	-	-	370
Total non-derivatives		<u>2,704</u>	<u>370</u>	<u>-</u>	<u>-</u>	<u>3,074</u>

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.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 25. Fair value measurement

Fair value hierarchy

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities are estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities. Embedded derivatives are measured at fair value in the statement of financial position.

The following tables detail the Consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 December 2025	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Liabilities</i>				
Embedded derivatives (note 18)	-	-	73	73
Total liabilities	-	-	73	73

Consolidated - 31 December 2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<i>Liabilities</i>				
Embedded derivatives (note 18)	-	-	7	7
Total liabilities	-	-	7	7

There were no transfers between levels during the financial year.

	Consolidated	
	31 December 2025	31 December 2024
Opening fair value	-	-
Addition of embedded derivatives of convertible note	-	7
	-	7

Valuation techniques for fair value measurements categorised within level 3

Unobservable inputs used in calculating the embedded derivative classified as level 3 were expected future volatility and the risk-free rate. The expected future volatility was calculated at 90.32% and the risk-free rate used was 4.06%.

Sensitivity analysis

The sensitivity analysis undertaken on the unobservable inputs identified no material impact to the valuation at 31 December 2025.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 26. Key management personnel disclosures

Directors

The following persons were directors of ABX Group Limited during the financial year:

Joycelyn Morton	Non-Executive Chair
Mark Cooksey	Managing Director and Chief Executive Officer
Ian Levy	Executive Director

Compensation

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

	Consolidated	Consolidated
	31 December	31 December
	2025	2024
	\$	\$
Short-term employee benefits	618,226	683,875
Post-employment benefits	47,657	39,928
Long-term benefits	5,614	6,086
Share-based payments	26,837	1,332
	<u>698,334</u>	<u>731,221</u>

Note 27. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by K.S. Black & Co., the auditor of the Company:

	Consolidated	Consolidated
	31 December	31 December
	2025	2024
	\$	\$
<i>Audit services - K.S. Black & Co.</i>		
Audit or review of the financial statements	49,515	40,985
<i>Other services - Taxation</i>		
	-	7,002
	<u>49,515</u>	<u>47,987</u>

Note 28. Commitments and contingent liabilities

	Consolidated	Consolidated
	31 December	31 December
	2025	2024
	\$'000	\$'000
<i>Tenement expenditure commitments</i>		
<i>Minimum payment over the remaining term of the tenements:</i>		
Minimum Tenement exploration expenditures	983	350
Tenement lease and levy payment	81	62

No other commitments and contingent liabilities as at 31 December 2025 and 31 December 2024.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 29. Related party transactions

Parent entity

ABX Group Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 31.

Key management personnel

Disclosures relating to key management personnel are set out in note 26 and the remuneration report included in the directors' report.

Transactions with related parties

There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date, other than the amount due to a director set out in note 20.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 30. Parent entity information

Statement of profit or loss and other comprehensive income

	Parent	
	31 December 2025	31 December 2024
	\$'000	\$'000
Loss after income tax	(8,074)	(222)
Total Comprehensive income	<u>(8,074)</u>	<u>(222)</u>

Statement of financial position

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Total current assets	3,520	656
Total non-current assets	28,640	32,132
Total assets	<u>32,160</u>	<u>32,788</u>
Total current liabilities	4,495	5,004
Total non-current liabilities	114	122
Total liabilities	<u>4,609</u>	<u>5,126</u>
Equity		
Issued capital	39,410	34,582
Reserves	3,208	85
Accumulated losses	(15,067)	(7,005)
Total equity	<u>27,551</u>	<u>27,662</u>

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 31 December 2025 and 31 December 2024.

ABX Group Limited
Notes to the financial statements
31 December 2025

Contingent liabilities

Refer to note 28.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 31 December 2025 and 31 December 2024.

Note 31. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 December 2025 %	31 December 2024 %
ABx 1 Pty Ltd	Australia	100.00%	100.00%
ABx 2 Pty Ltd	Australia	100.00%	100.00%
ABx 3 Pty Ltd*	Australia	100.00%	100.00%
ABx 4 Pty Ltd	Australia	-	100.00%
ABx3Ports Pty Ltd	Australia	100.00%	100.00%
Alcore Limited	Australia	83.00%	83.00%

* Effective 9 October 2025, ABX Group Limited lost control over ABX3 Pty Ltd as its subsidiary. Refer to note 13 for further details.

Note 32. Events after the reporting period

The Shareholders at the Extraordinary General Meeting held on 2 March 2026 approved the issue of 11,415,228 shares to non-related parties and Directors, raising \$924,633 before costs.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Consolidated entity's operations, the results of those operations, or the Consolidated entity's state of affairs in future financial years.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 33. Reconciliation of loss after income tax to net cash (used in)/from operating activities

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Loss after income tax expense for the year	(6,467)	(2,029)
Adjustments for:		
Depreciation and amortisation	43	83
Impairment of exploration assets	1,130	1,700
Sundry Income	-	(846)
Share of loss - associates	10	-
Share-based payments	32	(6)
Fair value change in the derivative liability	47	-
Loss on loss of control on subsidiary	3,873	-
Interest and other finance costs	294	-
Change in operating assets and liabilities:		
Decrease in trade and other receivables	-	40
Decrease/(increase) in prepayments	209	(55)
Increase in advance for equipment	(1,416)	-
Increase in trade and other payables and provisions	130	445
Net cash (used in)/from operating activities	<u>(2,115)</u>	<u>(668)</u>

Note 34. Earnings per share

	Consolidated	
	31 December 2025	31 December 2024
	\$'000	\$'000
Loss after income tax	(6,467)	(2,029)
Non-controlling interest	(4)	27
Loss after income tax attributable to the owners of ABX Group Limited	<u>(6,471)</u>	<u>(2,002)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>269,861,818</u>	<u>250,013,566</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>269,861,818</u>	<u>250,013,566</u>
	Cents	Cents
Basic earnings per share	(2.40)	(0.80)
Diluted earnings per share	(2.40)	(0.80)

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 35. Share-based payments

Share based payments expense during the year was \$32k (31 December 2024: (\$6k)) which relates to performance rights and options issued to KMP and other employees of the Company.

The Company has adopted an Employee Share Option Plan ("**ESOP**"). An eligible person is an employee of the Company or such other person meeting the eligibility criteria defined under the ESOP Rules .

The purpose of the ESOP is to provide an opportunity for all eligible person to participate in the growth and development of the Company through participation in the equity of the Company.

The Company believes it is important to provide incentives to eligible person in the form of options which provide the opportunity to participate in the share capital of the Company. The Company expects to apply the proceeds of exercise of the Options to working capital needs, asset or business acquisitions and general corporate purposes. All options to be issued must be consistent with any applicable Listing Rules and having regard to regulatory constraints under the Corporations Act 2001, ASIC policy or any other law applicable to the Company.

Unlisted options:

Set out below are summaries of options outstanding:

As at 31 December 2025

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted*	Exercised	Forfeited**	Balance at the end of the year
01/06/2022	01/06/2028	\$0.1692	900,000	-	-	(150,000)	750,000
29/05/2024	29/05/2030	\$0.0576	150,000	-	-	-	150,000
26/05/2025	26/05/2028	\$0.0800	-	2,000,000	-	-	2,000,000
17/11/2025	17/11/2027	\$0.1000	-	7,812,500	-	-	7,812,500
			1,050,000	9,812,500	-	(150,000)	10,712,500
Weighted average exercise price			\$0.1533	\$0.0959	\$0.0000	\$0.1692	\$0.1005

* On 26 May 2025, the Company issued 1,000,000 options to Dr Mark Cooksey, Managing Director & CEO, 500,000 options to Ms Joycelyn Morton, Non-Executive Chair and 500,000 options to Mr Ian Levy, Non- Executive Director. These options have vested immediately upon issue and each option entitles the holder to be issued one ordinary share in the Company upon conversion of that option.

On 17 November 2025, the Company issued 7,812,500 options to the lead manager of the capital raising in connection with lead manager services provided.

** Forfeited/lapse options relate to 150,000 options lapsed upon the conditions associated with the issue were not met.

For the unlisted options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
26/05/2025	26/05/2028	\$0.0400	\$0.0800	72.00%	-	3.42%	\$0.012
17/11/2025	17/11/2028	\$0.1050	\$1.0000	86.00%	-	3.70%	\$0.513

In addition to the above, the company issued the following free attaching options which were not included in the above tables:

- (i) 22,140,000 free attaching options (exercise price of \$0.08 per option with various expiry dates) to the Convertible Noteholders. Refer to note 18 for further details.
- (ii) 46,875,000 free attaching options (exercise price of \$0.10 per option and expiring on 14 November 2027) to the shareholder participated in the share placement on 10 October 2025. Refer to note 21 for further details.

ABX Group Limited
Notes to the financial statements
31 December 2025

Note 35. Share-based payments (continued)

As at 31 December 2024

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted*	Exercised	Forfeited**	Balance at the end of the year
01/06/2022	01/06/2028	\$0.1692	1,650,000	-	-	(750,000)	900,000
29/05/2024	29/05/2030	\$0.0576	-	150,000	-	-	150,000
			<u>1,650,000</u>	<u>150,000</u>	<u>-</u>	<u>(750,000)</u>	<u>1,050,000</u>
Weighted average exercise price			\$0.1692	\$0.0576	\$0.0000	\$0.1692	\$0.1533

* On 29 May 2024, 150,000 unlisted options were granted to Joycelyn Morton as sign-on options upon her appointment as Non-Executive Director effective 03 April 2024.

** Forfeited option related to 150,000 options forfeited upon resignation of Kenneth Boundy as Non-Executive Director effective 02 April 2024, 150,000 options forfeited upon resignation of Paul Lennon (Non-Executive Chair) effective 30 September 2024 and balance 450,000 forfeited upon resignation of 3 employees

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	31 December 2025 Number	31 December 2024 Number
01/06/2022	01/06/2028	562,500	450,000
29/05/2024	29/05/2030	37,500	-
26/05/2025	26/05/2028	2,000,000	-
17/11/2025	17/11/2027	7,812,500	-
		<u>10,412,500</u>	<u>450,000</u>

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.05 years (31 December 2024: 3.70 years).

Listed options:

In 2024, upon Shareholders approval at the general meeting held on the same date, 13,224,750 listed options were issued exercisable at \$0.12 per option on or before 6 September 2025. These free attaching options relate to securities under a Placement on 13 September 2023 and under a Share Purchase Plan on 17 January 2024. 3,125 listed options were exercised in 2024 with balance at 31 December 2024 at 13,221,625 options. With no further options exercised 2025, these listed options expired on 6 September 2025.

Note 36. Capital management

The Group's policy is to maintain and develop a strong flexible capital base in order to maintain investor and creditor confidence as well as sustain the future development of the business.

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 retained earnings as disclosed in the statement of financial position. The Group operates primarily through subsidiary companies established in the markets in which the consolidated entity trades. None of the consolidated entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand the Group's assets. The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The issuance of new shares can have an impact on shareholder dilution, which is a key consideration in capital risk management. The Company manages this risk through:

- Staged capital raising to match growth needs and raising equity in smaller, well timed tranches, rather than large upfront issuances, to prevent unnecessary dilution and ensure capital is only raised when needed to generate value.
- Issuing shares when the company's valuation is strong to reduce the number of shares required to raise a given amount of capital, thereby minimising dilution; and
- Monitor and control of Convertible Instruments: Setting conversion floors, caps, or adjusting conversion ratios prevents unexpected dilution from convertible notes.

The capital risk management policy remains unchanged from the 31 December 2024 Annual Report.

ABX Group Limited
Consolidated entity disclosure statement
As at 31 December 2025

Basis of Preparation

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.

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.

Partnerships and Trusts

Australian tax law does not contain specific residency tests for partnerships and trusts. Generally, these entities are taxed on a flow-through basis so there is no need for a general residence test. There are some provisions which treat trusts as residents for certain purposes but this does not mean the trust itself is an entity that is subject to tax. Additional disclosures on the tax status of partnerships and trusts have been provided where relevant.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
ABx 1 Pty Ltd	Body Corporate	Australia	100.00%	Australia
ABx 2 Pty Ltd	Body Corporate	Australia	100.00%	Australia
ABx 4 Pty Ltd	Body Corporate	Australia	100.00%	Australia
ABx3Ports Pty Ltd	Body Corporate	Australia	100.00%	Australia
Alcore Limited	Body Corporate	Australia	83.00%	Australia

ABX Group Limited
Directors' declaration
31 December 2025

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 International Financial Reporting 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 Consolidated entity's financial position as at 31 December 2025 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



Joycelyn Morton
Non-Executive Chair

30 March 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of ABX Group Limited

Opinion

We have audited the financial report of ABX Group Limited (the company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

- i) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis of opinion

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

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Group incurred a net loss of \$6.47 million and recorded net cash outflows from operating and investing activities of \$5.98 million for the year ended 31 December 2025. As stated in Note 2, the Group is dependent on raising additional capital and securing alternative funding to meet its obligations and to continue its operations.

The Group is also subject to funding obligations, including the repayment of government grant funding and ongoing operating expenditure commitments. The directors' cash flow forecasts indicate that additional funding will be required within the next 12 months.

As stated in Note 2, these conditions, along with other matters set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other Matter – Valuation Methodology and Impairment Assessment

We draw attention to the methodology applied by management in assessing the carrying value of the Group's exploration and evaluation assets.

As described in the financial report, the valuation of exploration and evaluation assets involves significant judgement due to the early-stage nature of the Group's projects. Management has assessed impairment in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* and AASB 136 *Impairment of Assets*, including consideration of whether facts and circumstances indicate that the carrying amount may exceed recoverable amount.

In forming this assessment, management has considered an independent valuation of mineral assets. That valuation applied methodologies including Comparable Market Transactions and Modified Replacement Value approaches, which are commonly used for early-stage exploration assets where reliable estimates of future cash flows are not available.

Management has also considered ongoing exploration results, tenure status, and prevailing market conditions in determining whether impairment indicators exist.

This matter is presented to assist users in understanding the basis of valuation of exploration and evaluation assets and the level of judgement involved.

Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of 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

Mining Tenements Refer to Note 15 (Mining Tenements).

As at 31 December 2025, the Group had capitalised mining tenement costs amounting to \$10.997 million.

The Group's market capitalisation as at 26 March 2026 was \$26.9 million (2024: \$10.2 million).

How our audit addressed the key audit matter

Notwithstanding the key audit matters identified, we have determined that impairment is not required based on the following procedures:

- **Ownership Confirmation:** We verified the Group's ownership of the mining tenements.
- **Independent Valuation Review:** We examined the independent valuation report prepared by Michael Leu and Eric Kam, dated 18 March 2021 which applied the VALMIN Code 2015 methodologies and was reported in accordance with JORC 2012, confirming a lower

In accordance with AASB 136 *Impairment of Assets*, the recoverable amount of an asset or its associated cash-generating unit must be assessed whenever indicators of impairment are present.

Given the material impact of mining tenements on the financial statements, they have been identified as a Key Audit Matter and warrant specific attention in this report.

valuation of \$43.1 million. This had included AB X 3 mining tenements in Queensland.

Committed Expenditure Compliance: We reviewed the Group's committed expenditure for tenements to ensure compliance with AASB 6.

Assessment of disclosures in the financial statements.

Test additions for appropriateness of capitalisation.

Review of minutes, agreements and announcements for indicators of sale or abandonment of operations.

Other Information

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

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

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

Directors' responsibility for the financial report

The directors 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 controls as the directors determine are necessary to enable the presentation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility 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 individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our representation of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report include in pages 20 to 24 of the directors' report for the year ended 31 December 2025.

In our opinion, the Remuneration Report for the year ended 31 December 2025 complies with section 300A of the Corporation Act 2001.

Responsibilities

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

KS Black & Co
Chartered Accountants



Phillip Jones
Partner
Dated: 30 March 2026
Sydney

ABX Group Limited
Shareholder information
31 December 2025

The shareholder information set out below was applicable as at 19 March 2026.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares % of total		Unquoted options over ordinary shares	Unquoted options over ordinary shares % of total Unquoted	Unquoted convertible notes over ordinary shares	Unquoted convertible notes over ordinary shares % of total Unquoted
	Number of holders	shares issued	Number of holders	options issued	Number of holders	options issued
1 to 1,000	103	0.01	-	-	-	-
1,001 to 5,000	373	0.35	-	-	1	0.28
5,001 to 10,000	476	1.06	3	0.02	-	-
10,001 to 45,000	765	4.89	5	0.11	4	7.80
45,001 and over	977	93.69	139	99.87	9	91.92
	2,694	100.00	147	100.00	14	100.00
Holding less than a marketable parcel*	661	-	-	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities as at 19 March 2026 are listed below:

	Ordinary shares % of total shares issued
	Number held
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	18,072,106
CITICORP NOMINEES PTY LIMITED	13,084,849
MR PETER PALAN + MRS CLARE PALAN <NAPLA PROVIDENT FUND A/C>	9,505,000
AFTRON PTY LTD <C E VRISAKIS FAMILY AC A/C>	7,350,000
JUSTEVIAN PTY LIMITED <SUPERANNUATION FUND A/C>	7,216,850
YARRAANDOO PTY LTD <YARRAANDOO SUPER FUND A/C>	7,192,500
BNP PARIBAS NOMS PTY LTD	6,535,238
WHALE WATCH HOLDINGS LIMITED	6,000,000
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	5,847,309
MR LOUIS GHIRARDELLO	4,353,421
NOVWOOD HOLDINGS PTY LTD <CREST S/F A/C>	4,235,000
MR JAN KOPECNY	4,014,722
SHAREHOLDERS MUTUAL ALLIANCE PTY LTD <SHMA SUPER FUND A/C>	4,000,000
IQ SOFTWARE PTY LTD <THE LEVI FAMILY A/C>	3,978,939
SHAREHOLDERS MUTUAL ALLIANCE PTY LTD <SHMA SUPER FUND A/C>	3,500,000
BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	3,068,909
MR BO CAI	3,049,776
PALISADES INVESTMENTS LTD	3,000,000
MR ROBERT DOBSON MILLNER	2,916,793
HANKATRON PTY LTD <CASPERIUS SUPER FUND A/C>	2,591,906

ABX Group Limited
Shareholder information
31 December 2025

Substantial holders

No substantial holders notice advising of substantial shareholder under the Corporations Act 2001 (Cth) was received since the information was last reported in the 2024 annual report. As at 19 March 2026, the Company is not aware of any shareholders holding a substantial interest in the Company.

Escrowed Securities

As at 19 March 2026, the Company had 948,413 fully paid ordinary shares on issue that were subject to voluntary escrow.

On-market buy-back

There is presently no on-market buy-back in place.

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

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.

Quoted and Unquoted options

Quoted and unquoted options do not have voting rights.

Corporate Governance Statement

The Company's Corporate Governance Statement is available on the Company's website at <https://www.abxgroup.com.au/site/about/corporate-governance>.

Annual General Meeting

The Annual General Meeting will be held on Tuesday, 26 May 2026 at 12.00pm (Melbourne time).

In accordance with clause 47.4.2 of the Company's constitution, the Closing Date for Nomination of Directors is Tuesday, 7 April 2026.