Lefroy Exploration

LEFROY EXPLORATION LIMITED

ANNUAL REPORT

30 June 2026

Incorporated in the British Virgin Islands IBC No 29457

Australian Registered Body Number 052 123 930

Corporate Directory

Directors

Graeme Gribbin | Managing Director

David Kelly | Non-Executive Chairman

Michael Davies | Non-Executive Director

Tara French | Non-Executive Director

James Knowles | Non-Executive Director

Company Secretary

Susan Park

Share Registry

Level 17, 221 St George's Terrace
Perth WA
6000 Australia
Computershare Investor Services Pty Ltd
+61 8 9323 2000
Investor Queries (within Australia): 1300 850 505
Investor Queries (Overseas): +61 3 9415 5000
Fax: +61 3 9473 2500

Registered Office, Australia

Level 3, 7 Rheola St
West Perth WA
6005 Australia

Registered Office, British Virgin Islands

Road Reef Marina Road
Town, Tortola VG1110
British Virgin Islands

Auditor

Hall Chadwick Audit WA Pty Ltd
283 Rokeby Road
Subiaco, WA 6008, Australia

CHAIRMAN'S LETTER

I am pleased to present the Annual Report for Lefroy Exploration Limited for the financial year ended 30 June 2026. This was an important year for Lefroy, marked by our transition from explorer to gold producer and the continued advancement of our broader gold portfolio.

The defining achievement of the year was the commencement of mining and production at the Lucky Strike Gold Mine under our profit-sharing agreement with BML Ventures Pty Ltd. Mining commenced in December 2025, followed by the extraction of first ore and the commencement of toll milling early in the new year. In February 2026, Lefroy achieved the significant milestone of producing its first gold, with the initial three gold doré bars delivered to the Perth Mint Refinery.

This achievement represented the culmination of many years of exploration, resource definition and development work by the Lefroy team. Importantly, the profit-sharing structure enabled Lucky Strike to advance into production without Lefroy funding the capital and operating costs associated with mining, providing a disciplined pathway to commercialise the Company's Mineral Resources while preserving capital for investment across our wider portfolio.

Operational and exploration activities at Lucky Strike continued throughout the year. Grade control and exploration drilling supported the geological interpretation of the deposit and demonstrated potential for additional mineralisation beyond the existing resource envelopes, particularly in the area of the proposed Stage 2 South Pit.

Beyond Lucky Strike, the Company made important progress at the Mt Martin Gold Deposit. An updated Mineral Resource Estimate increased the combined Indicated and Inferred resource by 5%, or **21,000oz,** to **9.1Mt at 1.6 g/t gold** for **460,000oz**. The updated estimate, together with the commencement of a targeted reverse circulation drilling program, reinforced Mt Martin's position as one of Lefroy's most important advanced gold assets.

In June 2026, Lefroy commenced a Scoping Study at Mt Martin, designed to assess potential development scenarios, including open-pit mining options, processing strategies, infrastructure requirements and project economics.

The Company also advanced the high-grade gold opportunity at Burns Central. Resource extension and metallurgical drilling confirmed the continuity of the mineralised system and returned encouraging high-grade gold results. Subsequent metallurgical test work achieved approximately 97% gold recovery from oxide and fresh rock domains using conventional cyanide leaching, together with gravity gold recoveries ranging from 38% to 57%. These results supported planned works to update the high-grade Burns Mineral Resource Estimate and will assist the Company in assessing future development pathways for the deposit.

To support these initiatives, Lefroy completed a $3.6 million placement before costs during May 2026. The funds were raised to accelerate the evaluation of Mt Martin, progress the Scoping Study and associated drilling and advance resource extension and estimation work at Burns. The support received from existing and new investors reflected confidence in the Company's strategy and provided Lefroy with the financial capacity to maintain momentum across its priority gold assets.

The year also saw the strengthening of Lefroy's leadership. Graeme Gribbin was appointed Managing Director in February 2026 after serving as Chief Executive Officer since February 2024. Graeme's leadership was instrumental in advancing Lucky Strike into production and progressing the Company's broader strategy. After the end of the financial year, we also welcomed James Knowles as an independent Non-Executive Director. James brings extensive technical, project evaluation and strategic experience that will assist the Board as Lefroy continues to advance its gold portfolio.

Our priorities going forward are to progress the Mt Martin Scoping Study, evaluate the results of ongoing drilling, update the high-grade Burns Mineral Resource Estimate and work with BML to advance the next phase of operations at Lucky Strike.

On behalf of the Board, I acknowledge the considerable efforts of our management team, employees, contractors and advisers throughout the year. The commitment and professionalism of this small but dedicated team enabled Lefroy to achieve the important milestone of first gold production while continuing to advance our broader portfolio.

Finally, I thank our shareholders for their continued support and confidence in Lefroy. Your support has been integral to the Company's progress, and we remain focused on responsibly advancing our assets and delivering sustainable long-term value.

Yours sincerely,

David Kelly

Non-Executive Chairman

Perth, 23 September 2026

DIRECTORS' REPORT

Your directors submit their report on Lefroy Exploration Limited ('Lefroy' or the 'Company') and its consolidated entities (referred to hereafter as the 'Group') for the year ended 30 June 2026.

DIRECTORS

The names and details of the Company's directors in office during the year and until the date of this report follow. Each director was in office for this entire period unless otherwise stated.

David Kelly, (Non-Executive Director) – Appointed 1 January 2024, Appointed Non-Executive Chairman 1 June 2024.

BSc. (Hons)

Mr Kelly is a highly qualified geologist and mining executive with extensive gold and nickel experience across the entire value chain from exploration to development. Mr Kelly has served in various senior executive roles in the resources sector for the last 30 years including as an investment banker and corporate advisor. In addition, Mr Kelly has previously served as a director of ASX-listed companies Turaco Gold Limited, Predictive Discovery Limited, Ridge Resources Limited, Renaissance Minerals Limited and Pacific Ore Limited and is currently a Non-Executive Director of Westgold Resources Ltd (ASX:WGX).

Other current directorships:

Westgold Resources - Appointed 5 November 2022.

Medallion Metals - Appointed 15 October 2025.

Former directorships in the last 3 years:

Nil

Michael Davies, (Non-Executive Director) – Appointed 1 July 2010.

BA (Hons); MBA

Michael is a specialist in resource financing, with over 20 years' experience in investment banking (Barclays, BZW and ABN AMRO), originating, structuring, and arranging debt and providing corporate advice to natural resources companies internationally. Michael also has had extensive commercial experience more broadly in the mining industry, having been involved in the negotiation of joint venture agreements, participating on joint venture committees, and negotiating the acquisition and sale of mining tenements. Michael is also a founding Principal and Director of Taurus Funds Management Pty Ltd.

Other current directorships:

NuCoal Resources Ltd - Appointed 5 February 2010

QMETCO Ltd (Unlisted) - Appointed 20 October 2011

Former directorships in the last 3 years:

Nil

Tara French, (Non-Executive Director) – Appointed 1 July 2022.

BSc. (Hons) MAIG

Tara is a geologist with over 25 years mining and exploration experience and is currently the Managing Director of Cazaly Resources Limited. Previously she held the position of General Manager of Exploration for Regis Resources Limited, where she was employed for 14 years and played a key role in the transition and growth of the company. Tara has multiple commodity experience in project evaluation, resource estimation, open cut and underground mining. Tara is a member of the Australian Institute of Geoscientists and a Graduate Member of the Australian Institute of Company Directors.

Other current directorships:

Cazaly Resources Limited - Appointed 19 April 2021.

Former directorships in the last 3 years:

Nil

DIRECTORS' REPORT (CONTINUED)

Graeme Gribbin, (Managing Director) – Appointed 27 February 2026.

BSc. (Hons) MAIG GAICD

Mr Gribbin, who has held the position of Chief Executive Officer at Lefroy since February 2024, is a highly experienced geologist with an extensive exploration, mining and management background spanning over 25 years, across both gold and nickel projects, from greenfields exploration through to resource, project development and mining. He has extensive knowledge of gold exploration across a diverse range of projects throughout the WA Goldfields.

Other current directorships:

NIL

Former directorships in the last 3 years:

Nil

James Knowles, (Non-Executive Director) – Appointed 7 July 2026.

BSc. (Hons) MAIG MAusIMM

James is a geologist with over 27 years' experience across the mining industry, including roles in technical strategy, exploration, resource evaluation, Mineral Resource estimation, project development, operational geology, technical and financial due diligence and mineral asset valuation. He has worked across a broad range of commodities, including gold, copper, iron ore, coal, lithium, battery metals and critical minerals, throughout Australia and internationally. Mr Knowles holds a Bachelor of Science (Geology) from the University of Sydney and is a Competent Person under the JORC Code.

Other current directorships:

High Peak Royalties Limited – Appointed 27 August 2021

Emu NL – Appointed 1 December 2025

Former directorships in the last 3 years:

Nil

COMPANY SECRETARY

Susan Park (appointed 6 December 2016).

BCom; ACA; F Fin; GAICD; FCG

Susan has over 28 years' experience in the corporate finance industry and has held Company Secretarial and Non-Executive Director roles for ASX, AIM and TSX listed companies. Susan is founder and Managing Director of consulting firm Park Advisory Pty Ltd, specialising in corporate governance and company secretarial advice to ASX, AIM and TSX listed companies. Previously, Susan has held senior management roles at EY, PricewaterhouseCoopers and Bankwest in Perth and Sydney. Ms Park holds a Bachelor of Commerce degree majoring in accounting and finance, is a Chartered Accountant, a Fellow of the Financial Services Institute of Australasia and the Chartered Governance Institute and is a Graduate Member of the Australian Institute of Company Directors.

DIRECTORS' REPORT (CONTINUED)

Interests in the shares and options of the Company and related bodies

As at the date of this report, the relevant interests of the directors and their related parties in shares, Share Plan Shares and options of Lefroy Exploration Limited were:

	Ordinary Shares	Share Plan Shares	Performance Rights	Options
David Kelly	1,469,399	-	-	1,750,000
Michael Davies	22,481,073	1,200,000	-	-
Tara French	1,226,072	-	-	-
Graeme Gribbin	262,858	-	1,598,837	3,500,000
James Knowles	1,029,914	-	-	-

PRINCIPAL ACTIVITIES

The principal activities of the Group during the year were:

- Exploration and evaluation of the Lefroy Project, approximately 50km southeast of Kalgoorlie and consisting of a commanding contiguous land package of 635km^2, with a growing mineral resource inventory currently standing at 1.1 million ounces of gold, 58,000 tonnes of contained copper and 14,780 tonnes of contained nickel (as of August 2023).
- At the Western Lefroy Project, a Joint Venture with Gold Fields Limited ('Gold Fields').
- Mineral rights to freehold property East Location 45 ('Location 45'), located 25km north of Kambalda and 35km southeast of Kalgoorlie through a Mineral Rights Agreement with Franco Nevada Australia Pty Ltd.
- Exploration and evaluation of the Group's nickel portfolio across various assets.
- The general administration of the Group.

Review of Operations

Lefroy Project

Project Overview

The Company's flagship Lefroy Project represents a contiguous land package of 635km^2 located in the heart of the world-class Kalgoorlie and Kambalda gold and nickel mining districts. The Project is surrounded by multiple gold operations and processing plants including the 10-million-ounce St Ives Gold Camp, owned and operated by Gold Fields.

Lefroy is advancing a commercialisation strategy to unlock value from its shallow, high-grade gold deposits across the broader Lefroy Gold Project. Pursuing a low-cost gold production strategy through a profit-sharing mining agreement, commencement of mining at the Lucky Strike Deposit in FY26 (which has a contained mineral resource estimate of **79,600oz**[1] is subject to the first of such agreements. Additional deposits Mt Martin (**460,000oz** at **1.60g/t Au**)[19] and the high-grade portion of the Burns resource (**159,285oz** at **1.18g/t Au**)[14] represent additional gold projects which the Company is seeking to advance and unlock value through ongoing exploration, resource extension and studies.

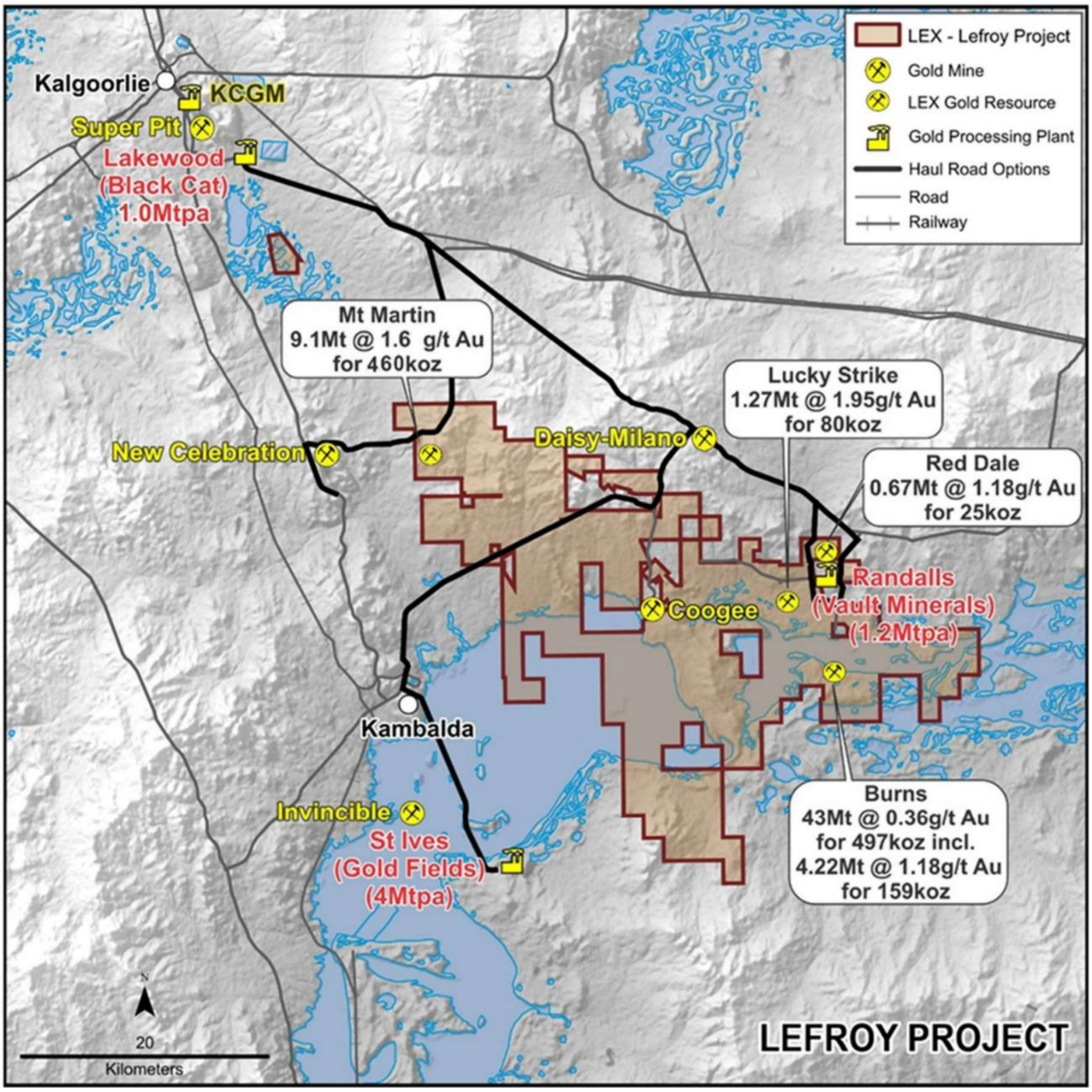

Figure 1: Regional location map of the Lefroy Gold Project

Lucky Strike Gold Deposit

Project Overview

Lefroy Exploration progressed production, operations and drilling activities at its Lucky Strike Gold Mine near Kalgoorlie in Western Australia during the year. Lucky Strike contains a Mineral Resource Estimate (MRE)[1] of **1.27Mt @ 1.95 g/t Au for 79,600** ounces (Indicated **0.70Mt @ 1.93 g/t Au** for **43,400oz**. Inferred **0.57Mt @ 1.97 g/t Au for 36,200oz**).

High grade mineralisation at the Lucky Strike Project is concentrated around the hinge of a tight fold within the host Banded Iron Formation unit (BIF) and demonstrates a shallow plunge to the south.

The Mineral Resource at the Lucky Strike Project is located on a granted mining lease (M25/366) and is located just 5km west of Mt Monger Road and the haulage corridor.

[1] LEX ASX Announcement 9 April 2026 – Lucky Strike Reveals Positive Mining and Exploration Results

Profit-Sharing Mining Agreement[2]

During the year, Lefroy progressed key milestones for its profit-sharing mining agreement with BML Ventures Pty Ltd (BML) for the Lucky Strike Gold Deposit, 60km southeast of Kalgoorlie. The material commitments of the Agreement include a 50/50 profit-sharing split, while BML is authorised and responsible for the mine site, mining approvals and is to act as the statutory Mine Operator responsible for all mining activities. Additionally, BML provides capital for operational expenses and manages all mining-related activities at Lucky Strike.

Grade Control Drilling (Stage 1)[3]

The Company completed the final stage of its Stage 1 grade control drilling program during the September 2025 quarter, targeting the northern pit. The entire grade control program comprised 421 Reverse Circulation (RC) drill holes for a total of 16,476m.

Results from grade control drilling returned robust near-surface assays, demonstrating the significant high-grade mining opportunity at the Lucky Strike Gold Deposit. Results included:

- **9m @ 9.80 g/t Au** from 25m (LEFR723), incl **2m @ 36.95 g/t Au** from 27m
- **2m @ 64.37 g/t Au** from 37m (LEFR772), incl **1m @ 120 g/t Au** from 37m
- **8m @ 8.14 g/t Au** from 23m (LEFR910), incl **1m @ 27.5 g/t Au** from 26m
- **14m @ 2.96 g/t Au** from 25m (LEFR764), incl **1m @ 22.0 g/t Au** from 37m
- **10m @ 2.68 g/t Au** from 46m (LEFR763), incl **2m @ 4.92 g/t Au** from 51m
- **5m @ 5.52 g/t Au** from 18m (LEFR862), incl **2m @ 12.83 g/t Au** from 18m
- **14m @ 1.91 g/t Au** from 28m (LEFR730), incl **3m @ 4.77 g/t Au** from 30m

[2] LEX ASX Announcement 12 February 2025 – LEX Executes Agreement with BML to Mine Lucky Strike
[3] LEX ASX Announcement 29 July 2025 – Further outstanding assay results confirm high-grade gold model at Lucky Strike

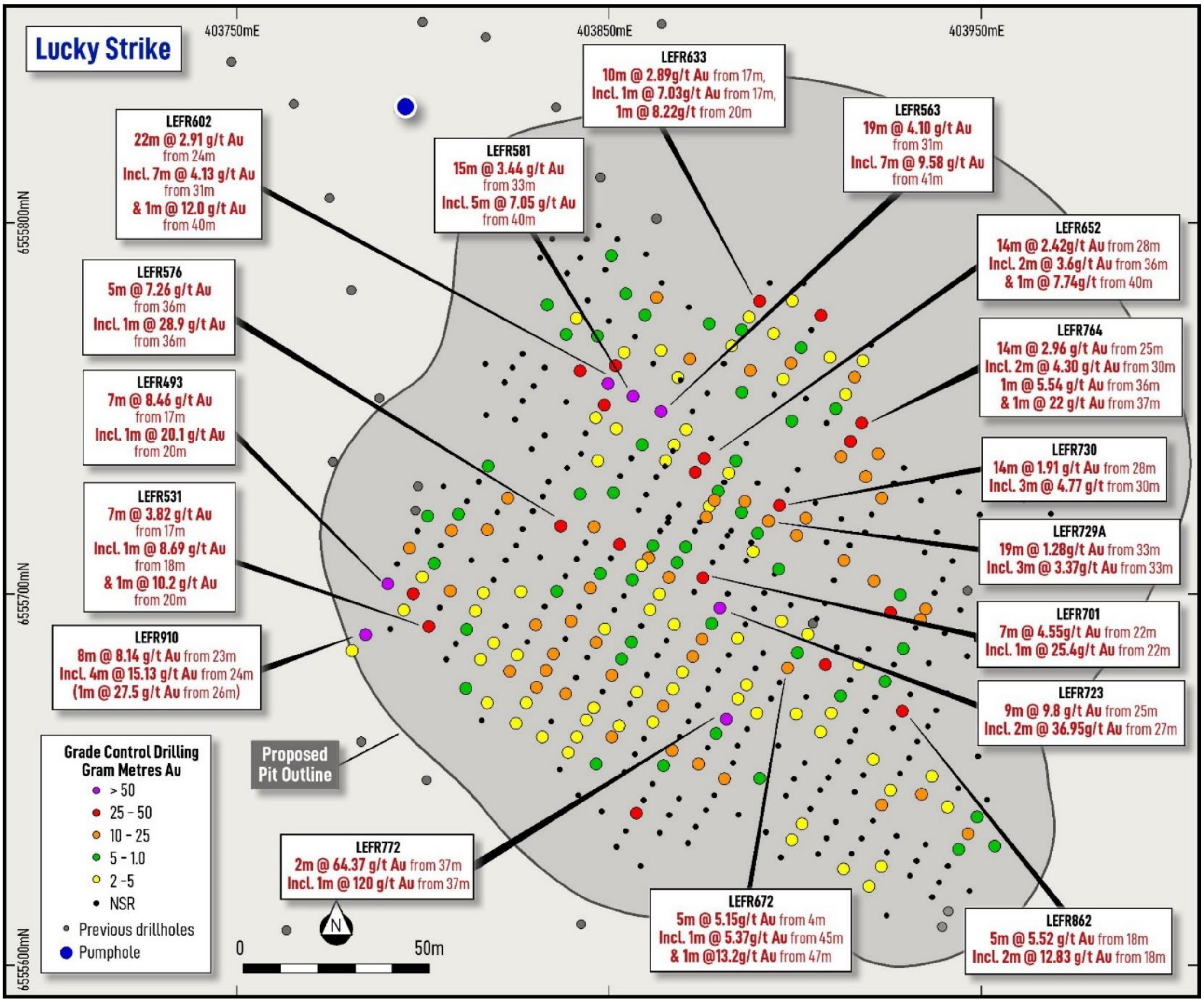

Figure 2: Grade Control RC Drilling Program (Plan View) – Significant Gold Results (Northern Pit)

Reverse Circulation and Diamond Drilling (Stage 2)[4]

The RC Stage 2 drilling program targeted a high-grade zone plunging below the Stage 1 southern pit, with drill holes testing both within and on the peripheries of the current Mineral Resource envelopes.

Similarly to Stage 1 grade control drilling, the Stage 2 holes validated, solidified, and in some cases, exceeded grade expectations from the Company's existing MRE at Lucky Strike.

[4] LEX ASX Announcement 25 September 2025 – High grade gold assays support Lucky Strike expansion

Significant gold intersections returned from the RC program included:

- **24m @ 5.24 g/t Au** from 134m (LEFR915), incl **2m @ 29.85 g/t Au** from 153m
- **9m @ 8.59 g/t Au** from 155m (LEFR917), incl **1m @ 39.7 g/t Au** from 155m
- **8m @ 2.60 g/t Au** from 133m (LEFR918), incl **1m @ 13.1 g/t Au** from 135m
- **7m @ 1.92 g/t Au** from 141m and **1m @ 27.2 g/t Au** from 151m (LEFR919)

Results received from two diamond drill holes, also completed during the September 2025 quarter, delineated mineralisation along the northern up-plunge extents with significant intersections from both diamond holes, including:

- **9m @ 1.86 g/t Au** from 176m (GTD01), incl **1m @ 17.63 g/t Au** from 178.7m.
- **7m @ 1.05 g/t Au** from 152m (GTD02), incl **1m @ 4.01 g/t Au** from 153m

The diamond drilling was designed to inform a potential Stage 2 pit shell design at Lucky Strike, and additionally, to test the margins of the northern up-plunge limits of mineralisation within the current Mineral Resource envelopes.

Permitting and Approvals[5,6,7,8]

Ahead of the earthworks completed on Lucky Strike in December 2025, Lefroy advanced permitting and approval works during the September 2025 quarter. In consultation and collaboration with the Kakarra (Part A) Native Title Holders (WAD297/2020 [WC2020/005]), Lefroy undertook a work program clearance heritage survey covering mine tenement M25/366.

Following survey completion and retrieval of the heritage report, the Kakarra Heritage Consultants found no evidence of any tangible or intangible cultural heritage values likely to impede proposed developments.

During the December 2025 quarter, Lefroy received all final mine and environmental approvals for the Lucky Strike Gold Mine. This included the approval of the Mine Development and Closure Plan (MDCP) from the Department of Mines, Petroleum and Exploration (DMPE), and an approval for a clearing permit for mining tenement M25/366. Lefroy was also granted a miscellaneous licence L26/317 to allow preliminary earthworks to commence on the accessway and haul road corridor for Lucky Strike.

Mining activities commenced in December 2025, with a total of 253,400 Bank Cubic Meters (BCM) of pre-strip waste material mined within the Stage 1 pit.

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[5] LEX ASX Announcement 5 November 2025 – Lucky Strike Mine approved clearing pathway for operations to commence
[6] LEX ASX Announcement 9 September 2025 – Lucky Strike Gold Deposit Advances Towards Operations
[7] LEX ASX Announcement 4 December 2025 – Mining Commences at Lucky Strike Deposit
[8] LEX ASX Announcement 23 December 2025 – Strong start to mining at high-grade Lucky Strike Gold Mine

First Gold Produced and Toll Milling[9,10,11]

During the March quarter 2026, Lefroy progressed the Lucky Strike Gold Mine through its first toll milling campaign to first gold production.

First gold was produced with an initial three gold doré bars delivered to the Perth Mint Refinery weighing **27.2kg** for an estimated (unreconciled) **584oz Au**.

Ore stockpiles grew to a total of 13,069 ore tonnes in support of toll milling allotments being secured and scheduled. The Company was engaged in advanced negotiations to secure toll milling slots for a further 250,000 ore tonnes from Lucky Strike.

Toll milling commenced in February 2026 utilising the Greenfields Mill in Coolgardie. The first campaign processed a total of 31,796 dry tonnes for a reconciled head grade of **1.42 g/t Au** for **1,392 recovered ounces of gold**. The calculated reconciled gold recovery was 96.2%. The Company reported that both the mine claim to mill and the resource to mine claim grades both reconciled strongly.

Grade Control Drilling (Stage 2)[1]

During the March 2026 quarter, Lefroy Exploration completed its second phase of grade control drilling, targeting potential for a Stage 2 South Pit.

Grade control and exploration drilling to the south was designed to confirm and refine the known mineralisation resource envelopes while also to increase understanding about the potential for an additional mineralisation corridor along the north and eastern flanks of the proposed South Pit, predominantly within the top 50-70m from surface.

Figure 3: Lucky Strike Stage 1 Pit, April 2026

[9] LEX ASX Announcement 20 January 2026 – Mining of First Ore Underway at Lucky Strike Gold Deposit
[10] LEX ASX Announcement 12 February 2026 – First Toll Milling Underway from Lucky Strike Gold Mine
[11] LEX ASX Announcement 23 February 2026 – First Gold Produced from the Lucky Strike Gold Mine

DIRECTORS' REPORT (CONTINUED)

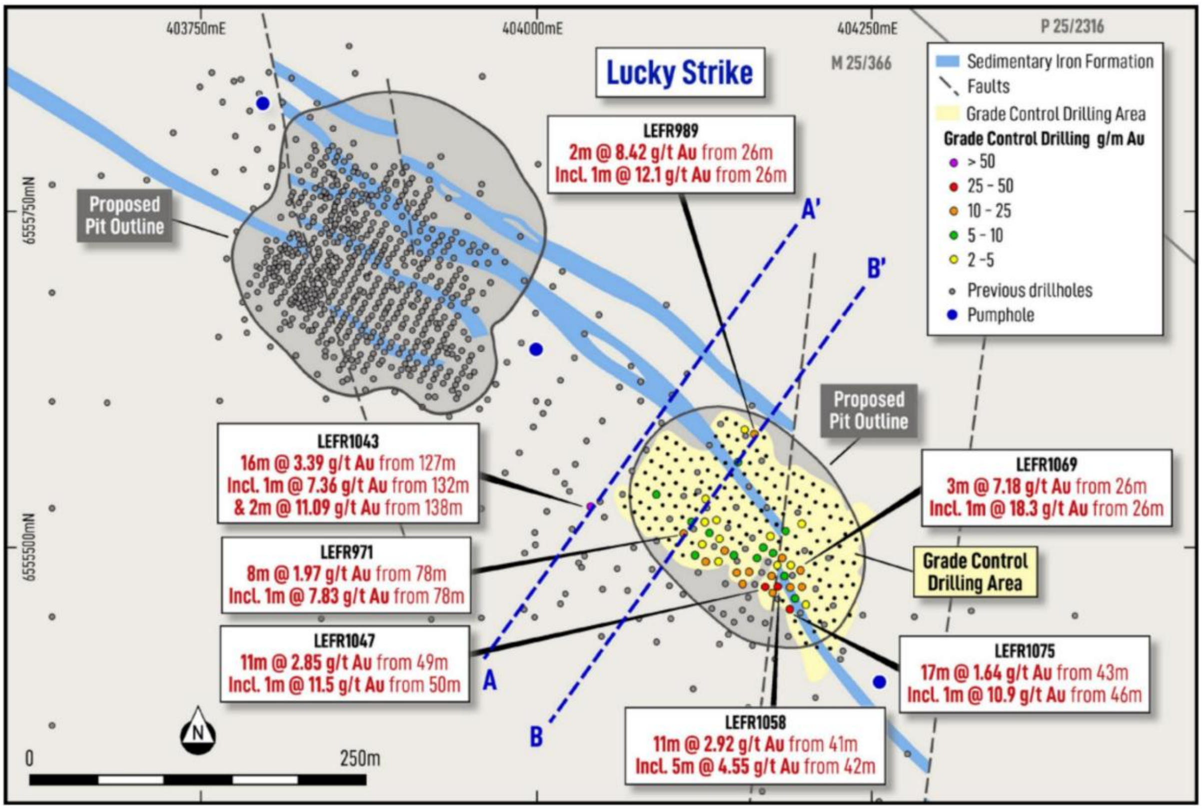

Figure 4: Grade Control Drilling and significant assay results targeting the proposed South Pit at Lucky Strike

Notable intersections returned that validated the geological and mineralisation interpretation of the southern Lucky Strike deposit included:

- **16m @ 3.39 g/t Au** from 127m, incl **2m @ 11.09 g/t Au** from 138m (LEFR1043)
- **11m @ 2.92 g/t Au** from 41m, incl **5m @ 4.55 g/t Au** from 42m (LEFR1058)
- **17m @ 1.64 g/t Au** from 43m, incl **1m @ 10.9 g/t Au** from 46m (LEFR1075)
- **11m @ 2.85 g/t Au** from 49m, incl **1m @ 11.5 g/t Au** from 50m (LEFR1047)

Several significant intersections were recorded well outside the current resource wireframe, with notable intersections including:

- **3m @ 7.18 g/t Au** from 26m, incl **1m @ 18.3 g/t Au** from 26m (LEFR1069)
- **8m @ 1.97 g/t Au** from 78m, incl **1m @ 7.83 g/t Au** from 78m (LEFR971)
- **2m @ 8.42 g/t Au** from 26m, incl **1m @ 12.1 g/t Au** from 26m (LEFR989)

Profit-share partner, BML, has been advancing open pit waste mining at Lucky Strike since receiving these results.

In early June, BML received a works approval (W3217/2026/1) from the Department of Water and Environmental Regulation (DWER), authorising BML to complete the construction of a 2.5km dewatering pipeline for the purposes of discharging saline groundwater.

This will significantly bolster dewatering rates at Lucky Strike, supporting the next phase of grade control drilling and full-scale mining.

Burns Central Gold Deposit

The Burns Deposit lies within the broader Lefroy Gold Project located 70km southeast of Kalgoorlie, close to the St Ives gold camp (Gold Fields Ltd JSE: GFI) and the Daisy Milano and Mt Monger gold operations (Vault Minerals Ltd ASX: VAU).

The Burns Central MRE[12] contains a significant, structurally controlled high-grade gold zone, including **4.22Mt @ 1.18 g/t Au** for **159,285 contained ounces**, reported within 200m of surface.

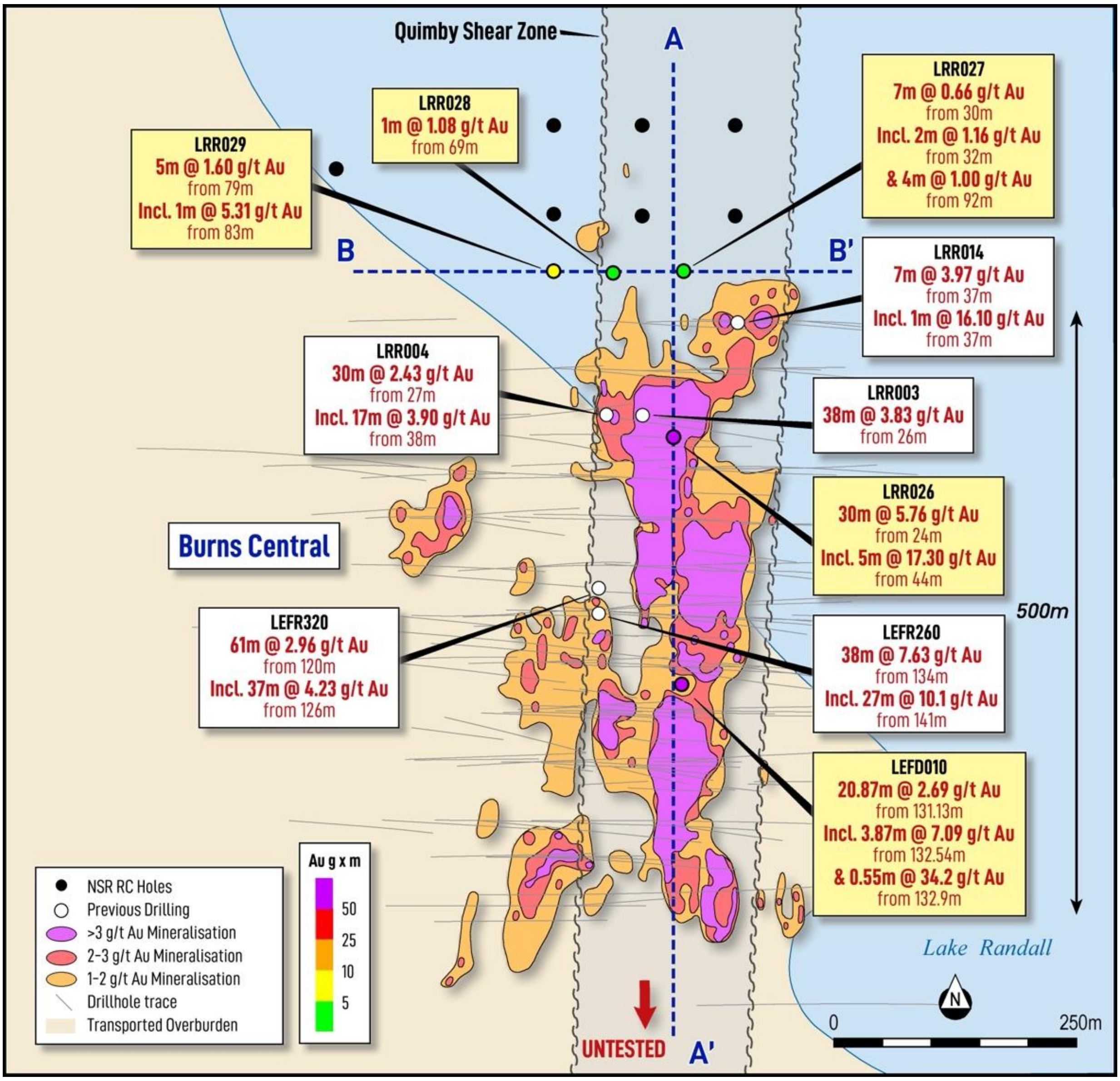

Figure 5: Burns Central Location map depicting resource cut to 0.5g/t Au

[12] LEX ASX Announcement 3 October 2024 – High Grade Shallow Resource to unlock value at Burns Central

Resource Extension Drilling[13,14]

During the December 2025 quarter, Lefroy completed RC drilling targeting the high-grade corridor at Burns Central. The RC drill program comprised a total of 10 drill holes for 1,681m.

Drilling was performed across three drill sections, with a specialist RC lake rig, stepping out on 50m spaced sections immediately north of the existing Burns Mineral Resource.

Lefroy received all assays in January 2026. Notable results included:

- **5m @ 1.6 g/t Au** from 79m, incl **1m @ 5.31 g/t Au** from 83m (LRR029)
- **7m @ 0.66 g/t Au** from 30m, incl **2m @ 1.16 g/t Au** from 32m (LRR027)

Drilling confirmed the existing Burns geological and mineralisation model, with the main mineral system remaining shallow and continuing to extend to the north.

Metallurgical Drilling and Results[14,15,16]

Earlier this year, the Company reported the results of its diamond drill program completed in December 2025, confirming previous preliminary metallurgical test work on the Burns Deposit. The December 2025 drilling consisted of a single HQ-sized, 270m diamond hole (LEFD010), which successfully intersected the high-grade core at Burns.

The prior metallurgical test work confirmed significant gravity recoverable gold averaging 41%, with total leach recoveries averaging approximately 97%, suggesting that the samples tested were free-milling and amenable to recovery through conventional Carbon-in-Leach (CIL) processing circuits.

Following the completion of diamond drill hole LEFD010, it was noted that a localised section of the oxide zone was stripped by a paleochannel sand sequence and subsequently absent from this drill hole. To ensure oxide material was available, as part of this metallurgical test work program, an additional RC drill hole (LRR026) was designed and drilled through a portion of oxide mineralisation.

The new RC drill hole returned excellent results, validating the Burns resource model within the oxide zone. Significant results within LRR026 included:

- **30m @ 5.76 g/t Au** from 24m, incl **5m @ 17.3 g/t Au** from 44m
- **7m @ 1.15 g/t Au** from 71m, incl **2m @ 2.9 g/t Au** from 76m

Lefroy engaged the services of Independent Metallurgical Operations Pty Ltd (IMO) to conduct metallurgical test work on representative material obtained from diamond drill core samples from LEFD010 along with RC samples collected from LRR026 within the high-grade zones of the Burns Gold Prospect.

[13] LEX ASX Announcement 9 December 2025 – Resource extension drilling underway at Burns Gold Deposit
[14] LEX ASX Announcement 8 January 2026 – Drilling Confirms High-Grade Gold Zone at Burns Gold Deposit

DIRECTORS' REPORT (CONTINUED)

Key findings from the test work included:

- High gravity gold recoveries were returned across all composite averages ranging from 38% to 57%.
- **Composite samples 1 (Fresh Ore)** reported a 30% increase in gold recovery (from 67.4% to 96.9%) with an increased sodium cyanide (NaCN) concentration (increased from 500/300ppm to 1000/750ppm).
- **Composite samples 2 (Fresh Ore)** and **3 (Oxide Ore)** contained low cyanide (CN) soluble copper (below 0.01%), with total gold recoveries of 97.1% and 97.9% respectively, achieved at NaCN concentrations of 500/300ppm (initial/maintained concentrations).
- **Composite 4 (Transitional Ore)** contained the highest CN soluble copper content (0.36%), with gold recoveries increasing from 20.7% to 53.4%.

These strong results confirmed the Company's view that the high-grade ore zones at Burns represent a significant growth opportunity for Lefroy, scheduled to commence review in the September quarter.

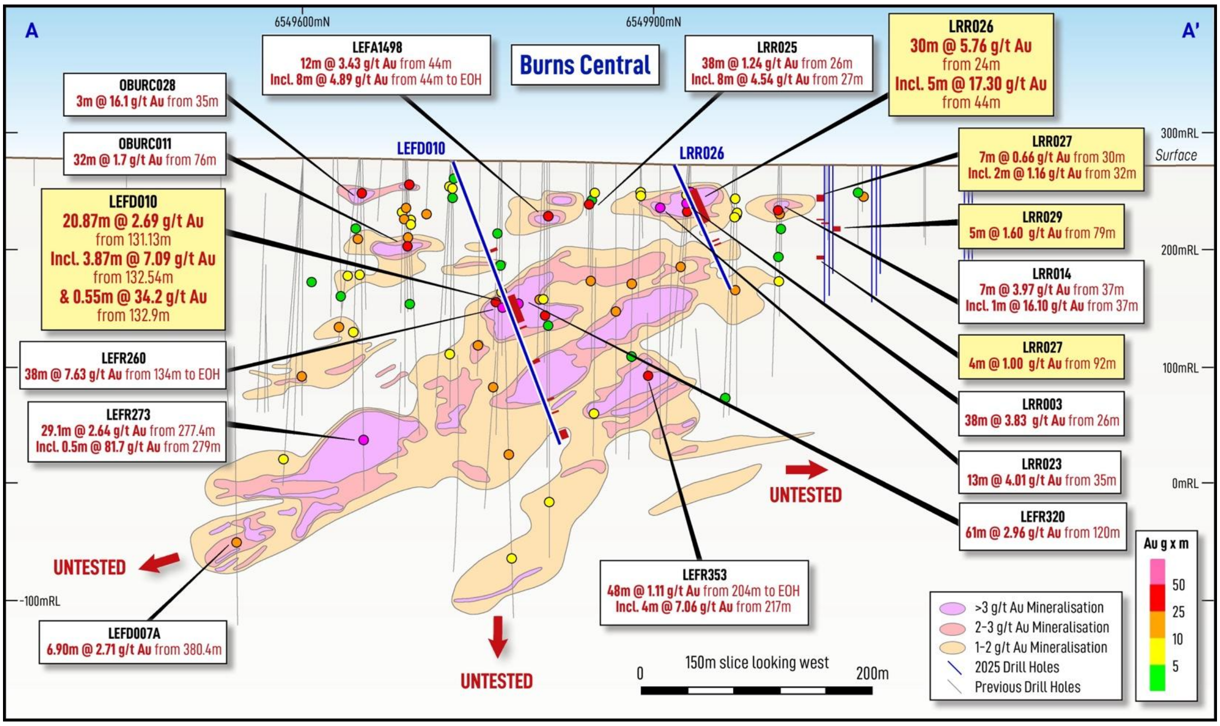

Figure 6: Burns Central High-Grade (Long Section View)

Mt Martin Gold Deposit

Project Overview

The Mt Martin Gold Project is located within Lefroy Exploration's Greater Lefroy Gold Project (LGP), approximately 35km southwest of Kalgoorlie in Western Australia. Strategically positioned within the highly prospective Kalgoorlie Terrane, the project benefits from its proximity to established mining infrastructure, processing facilities and haul roads servicing several operating gold mines throughout the prolific Kalgoorlie–Kambalda mining district.

Mineral Resource Estimate[15]

During the year, Lefroy updated the Mt Martin Gold Deposit's MRE[15], which now comprises a combined Indicated and Inferred estimate at **9.1Mt @ 1.6 g/t Au** for **460,000 contained ounces of gold**, representing a 5% increase (21,000 ounces) on the 2024 MRE.

The revised MRE reported in accordance with the JORC Code (2012 Edition), was completed with no additional drilling undertaken since reporting of the last MRE update. Resources reported in Table 1 are constrained within an A$7,000/oz gold price optimised pit shell and reported above a 0.5 g/t Au block cut-off.

The revised MRE differed from the 2024 MRE update, which the previous 2024 MRE only reporting gold ounces within the top 200m from surface.

Table 1: Mineral Resource estimate for Mt Martin as at May 2026, reported at a 0.5g/t cut-off grade

	Category	Tonnes	Au	Oz
			g/t	
Mt Martin*	Indicated	3,885,000	1.6	200,500
	Inferred	5,209,000	1.6	259,500
	Total	**9,094,000**	**1.6**	**460,000**

- ### *Resource Drilling Campaign[16,17,18]*

During the June 2026 quarter, the Company commenced a comprehensive resource drilling campaign at Mt Martin designed to assess the potential for expanding and upgrading the Project's MRE[16].

The campaign included an initial 4,000m RC drilling program targeting shallow, high-grade resource additions within the Main, East and Adelaide Shear Zones, with programs focused on both near-surface growth opportunities and down-plunge extensions where mineralisation remains open.

[15] LEX ASX Announcement 5 May 2026 – Mt Martin Resource Update. Scoping study to commence
[16] LEX ASX Announcement 23 April 2026 – Drilling Targets Mt Martin Resource Growth
[17] LEX ASX Announcement 5 August 2026 – High-Grade Results at Mt Martin Demonstrate Growth Potential
[18] LEX ASX Announcement 30 June 2026 – Mt Martin Scoping Study Commences

DIRECTORS' REPORT (CONTINUED)

The program followed up on numerous significant high-grade gold intersections that had remained undertested along strike and down-plunge. After the reporting period, the Company returned high-grade gold intersections demonstrating the potential for resource growth, with results including:

- **8m @ 3.93 g/t Au** from 141m, incl **3m @ 9.44 g/t Au** (LEFR1161)
- **9m @ 3.36 g/t Au** from 94m, incl **1m @ 9.88 g/t Au** (LEFR1145)
- **6m @ 5.48 g/t Au** from 69m, incl **2m @ 12.8 g/t Au** (LEFR1148)
- **15m @ 1.29 g/t Au** from 90m, incl **3m @ 3.27 g/t Au** (LEFR1151)
- **8m @ 1.95 g/t Au** from 83m, incl **2m @ 4.91 g/t Au** (LEFR1174)

Significant gold intersections returned from within the North Shaft Shear which included **8m @ 3.93 g/t Au** from 141m, including **3m @ 9.44 g/t Au** in LEFR1161 and the Main Shear within LEFR1174 (8m @ 1.95 g/t Au from 83m) are located outside of the existing MRE. The success of this drilling program demonstrates the broader growth potential of the Mt Martin resource beyond its **460,000 ounces** (Indicated **3.9Mt @ 1.60 g/t Au for 200,500oz**. Inferred **5.2Mt @ 1.6 g/t Au** for **259,500oz**)[15].

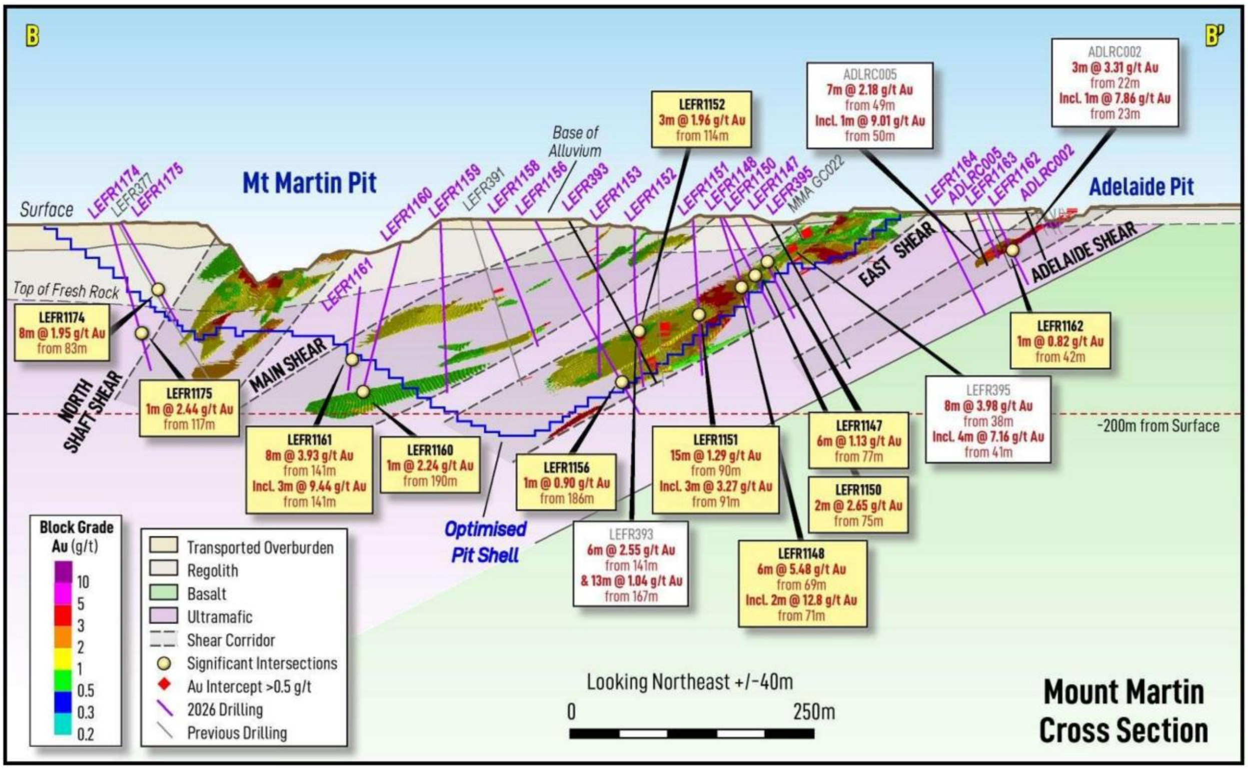

Figure 7: Mt Martin Gold Project (Cross Section View) with recent significant assay results

In addition to the drilling program, following the delivery of the updated Mt Martin MRE, Lefroy commenced its Scoping Study led and coordinated by the Measured Group. The Study represents a key step in advancing the Company's portfolio of highly prospective gold assets and unlocking value through systematic exploration, resource growth and disciplined technical evaluation.

Corporate

Board Changes[19,20]

During the year, Lefroy appointed Mr Graeme Gribbin as Managing Director of the Company. Mr Gribbin, who has held the position of Chief Executive Officer at Lefroy since February 2024, has been instrumental in several developments that have greatly enhanced shareholder value.

After the year, the highly experienced geologist Mr James Knowles was appointed Non-Executive Director, Mr Knowles is a seasoned professional with over 27 years' experience across the mining industry, including roles in technical strategy, exploration, resource evaluation, Mineral Resource estimation, project development, operational geology, technical and financial due diligence, and mineral asset valuation.

$3.6 Million Placement[21]

Lefroy received firm commitments to raise approximately $3.6 million (before issue costs) through a placement to institutional and sophisticated investors. This included $317,570 from Lefroy Directors.

Funding allowed Lefroy to expedite scoping studies at Mt Martin. Additionally, proceeds will be used to undertake resource extension drilling and resource estimation work at Burns, with the aim of upgrading the existing 160koz[14] high-grade core.

Disclaimer Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Lefroy Exploration Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the Company's beliefs, opinions and estimates of Lefroy Exploration Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

[19] LEX ASX Announcement 27 February 2026 – Appointment of Managing Director
[20] LEX ASX Announcement 07 July 2026 – Appointment of James Knowles as Non-Executive Director
[21] LEX ASX Announcement 22 May 2026 – $3.6 Million Placement for Evaluation of Mt Martin Deposit

Competent Person Statement

The information in this announcement that relates to exploration targets and exploration results is based on information compiled by Graeme Gribbin, a competent person who is a member of the Australian Institute of Geoscientists (AIG). Mr Gribbin is employed by Lefroy Exploration Limited. Mr Gribbin has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the JORC Code. Mr Gribbin consents to the inclusion in this announcement of the matters based on his work in the form and context in which it appears.

Annual Statement of Mineral Resources

Table 2: Total Indicated and Inferred Mineral Resources (small discrepancies may occur due to the effect of rounding)

Orogenic Gold Style									
	Indicated			Inferred			Total Resource		
Deposit	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz	Mt	Au (g/t)	Oz
Red Dale	0.64	1.21	24,660	0.03	0.6	570	0.67	1.18	25,230
Lucky Strike	0.70	1.93	43,400	0.57	1.97	36,200	1.27	1.95	79,600
Mt Martin	3.89	1.6	200,500	5.2	1.6	259,500	9.1	1.6	460,000
TOTAL	**5.23**	**1.6**	**268,560**	**5.8**	**1.59**	**296,270**	**11.03**	**1.59**	**564,830**

Porphyry Gold-Copper Style													
	Indicated					Inferred					Total Resource			
Deposit	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Cu (%)	Au (Oz)	Cu (t)	Mt	Au (g/t)	Au (Oz)	Cu (t)
Burns Central	32.31	0.38	0.16	394,308	50,253	10.65	0.3	0.08	103,165	8,047	42.96	0.36	497,472	58,300
Total	**32.31**	**0.38**	**0.16**	**394,308**	**50,253**	**10.65**	**0.3**	**0.08**	**103,165**	**8,047**	**42.96**	**0.36**	**497,472**	**58,300**
Inclusive of														
Burns High Grade	4.11	1.19	0.22	157,215	9,119	0.1	0.63	0.18	2,070	184	4.22	1.18	159,285	9,303

Nickel									
	Indicated			Inferred			Total Resource		
Deposit	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal	tonnes	Ni (%)	Ni metal
Goodyear	-	-	-	392,000	3.78	14,780	392,000	3.78	14,780
TOTAL	**-**	-	-	**392,000**	**3.78**	**14,780**	**392,000**	**3.78**	**14,780**

Lefroy Exploration

DIRECTORS' REPORT (CONTINUED)

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement. In the case of estimates of the Mineral Resources, the Company confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed.

- The Lucky Strike and Red Dale Mineral Resource Estimates are reported using a 0.5g/t Au cut off and have not changed since the May 2020 resource statement (ASX Announcement 20 May 2020). The information in this report that relates to the Mineral Resource estimates at the Lucky Strike and Red Dale deposits is based on, and fairly represents, information which has been compiled by Mr Stephen Godfrey. Mr. Godfrey is Principal Resource Geologist at Resource Evaluation Services, a Fellow of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists.
- The Mt Martin Mineral Resource Estimate is reported using a 0.5g/t Au cut off and was updated on October 10, 2025 (refer ASX Announcement 10 October 2025). The information in this report that relates to the Mineral Resource estimates at the Mt Martin deposit is based on, and fairly represents, information which has been compiled by Graeme Gribbin a competent person who is a member of the Australian Institute of Geoscientists (AIG).
- The Burns Central Mineral Resource Estimate is reported using a 0.1g/t Au and 0.1% Cu cut offs and has not changed since the May 2023 resource statement (ASX Announcement 4 May 2023). The information in this report that relates to the Mineral Resource estimates at the Mt Martin deposit is based on, and fairly represents, information which has been compiled by Mr Chris Grove of Measured Group Pty Ltd, who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM).
- The Goodyear Mineral Resource Estimate is reported using a 1% Ni cut off and has not changed since the May 2023 resource statement (ASX Announcement 23 May 2023). The information in this report that relates to the Mineral Resource estimates at the Mt Martin deposit is based on, and fairly represents, information which has been compiled by Mr Lindsay Farley. Mr Lindsay Farley is a full-time employee of CSA Global and is a Member of the Australian Institute of Geoscientists (AIG) and a Member of The Australasian Institute of Mining and Metallurgy (The AusIMM).

Operating Results for the Year	**2026 $000**	**2025 $000**
Revenue & Other income	**54**	92
(Loss)	**(2,136)**	(2,573)

Shareholder Returns	**2026**	**2025**
Basic (loss) per share (cents)	**(0.88)**	(1.16)
Diluted (loss) per share (cents)	**(0.88)**	(1.16)

DIVIDENDS

No dividends were paid or declared during the year. No recommendation for payment of dividends was made.

DIRECTORS' REPORT (CONTINUED)

RISK MANAGEMENT

The Board is responsible for ensuring that risks and opportunities are identified on a timely basis and that activities are aligned with the stated intentions of the Group. Risk Management is a recurring item on the agenda of Board meetings. The Board is also responsible for

- Monitoring and assessing the risk exposure of the Group;
- Conducting comprehensive reviews and making recommendations on the risk of fraud and the Groups internal controls; and
- Reviewing the adequacy of the Groups insurance programs.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than as disclosed in the Operating and Financial Review above, no significant changes in the state of affairs of the Group occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 7 July 2026, Mr James Knowles was appointed as a Non-Executive Director of the Company.

On 31 July 2026, the Company held a General Meeting. All resolutions put forward at the General Meeting were passed, including approval for the Directors to participate in the placement as announced on 22 May 2026. 2,540,560 fully paid ordinary shares were issued by the Company on 27 August 2026 as a result of the participation of Directors in the placement, raising gross proceeds of $317,570.

No other matters or circumstances have arisen since the end of the financial year which have significantly affected or in the opinion of directors may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Comments on expected likely developments and expected results are disclosed in the Operating and Financial review above.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Group is subject to significant environmental regulation in respect to its exploration activities. The Group aims to ensure the appropriate standard of environmental care is achieved, and in doing so, that it is aware of and is in compliance with all environmental legislation. The directors of the Company are not aware of any breach of environmental legislation for the year under audit.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

The names and position of key management personnel ('KMP') for the year were as follows:

David Kelly (Non-Executive Chairman) – Appointed 1 June 2024
Michael Davies (Non-Executive Director) – Appointed 1 July 2010
Tara French (Non-Executive Director) – Appointed 1 July 2022
Graeme Gribbin (Managing Director) – Appointed Managing Director on 27 February 2026, prior to this Mr Gribbin was Chief Executive Officer of the Group since 6 February 2024.

Mr James Knowles was appointed with effect from 7 July 2026. There are no reporting amounts for Mr Knowles for the financial year ended 30 June 2026.

Remuneration Policy

The remuneration policy of Lefroy Exploration Limited is designed to align key management personnel objectives with shareholder and business objectives by providing a fixed remuneration component and offering long-term incentives when considered appropriate. The Board of Lefroy Exploration Limited believes the remuneration policy is effective in its ability to attract and retain suitable key management personnel to manage the Company's activities.

The Board will review executive packages as and when it considers it appropriate to do so in accordance with its remuneration policy and by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries. The Board may exercise discretion in relation to approving incentives, bonuses and shares under the Company's Share Plan Trust from time to time. The policy is designed to reward executives for performance that results in long-term growth in shareholder wealth.

The Managing Director and the Chief Executive Officer receive superannuation guarantee contribution required by the government of Australia, which was 12.0% for the 2026 financial year, but is not entitled to receive any other retirement benefits.

The Board's policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought as and when required. To align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the Share Plan when considered appropriate by the Board.

Performance based remuneration

The Group utilises performance based remuneration to attract and motivate directors and employees and has the Lefroy Exploration Ltd Share Plan which was approved by shareholders on 12 September 2016 and Lefroy Exploration Limited Incentive Rewards Plan, as approved by shareholders on 6 December 2022.

Shares and other equity instruments issued under the Plan do not vest until certain hurdles have been met. The hurdles are based around future events that will advance the Company towards its objectives.

Use of remuneration consultants

The Group did not employ the services of any remuneration consultants during the financial year ended 30 June 2026.

Service Agreements:

Michael Davies, Non-Executive Director

- Term of agreement – Commenced on 1 July 2010, fee of $35,000 pa, no notice period for termination, and no monies are payable on termination.
- Remuneration was increased to $50,000 pa effective 1 November 2020

Tara French, Non-Executive Director

- Term of agreement – Commenced 1 July 2022, fee of $50,000 pa, no notice period of termination is required, and no monies are payable on termination.

David Kelly, Non-Executive Director (Appointed 1 January 2024), Non-Executive Chairman from 1 June 2024

- Term of agreement – Commenced 1 January 2024, fee of $70,000 pa, no notice period of termination is required, and no monies are payable on termination.

Graeme Gribbin, Managing Director (Appointed 27 February 2026), Chief Executive Director (Appointed 6 February 2024 – 26 February 2026)

- Term of agreement – Commenced 6 February 2024
- Annual salary of $275,000, increasing to $300,000 excluding superannuation from 27 February 2026
- The agreement may be terminated by the Company giving 3 months' notice in writing, or by Mr Gribbin giving 3 month's written notice, or applicable shorter periods upon breach of contract by either party. No benefits are payable on termination other than entitlements accrued to the date of termination.

DIRECTORS' REPORT (CONTINUED)

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

	Short-Term		Post-Employment			Total
	Salary & Fees	Non-Monetary	Superannuation	Retirement benefits	Share based payments	
Key Management Personnel	$	$	$	$	$	$
David Kelly						
2026	**67,567**	**-**	**8,108**	**-**	**13,738**	**89,413**
2025	61,950	-	8,050	-	60,964	130,964
Michael Davies						
2026	**45,045**	**-**	**5,405**	**-**	**50,451**	**100,901**
2025	44,250	-	5,750	-	105,475	155,475
Tara French						
2026	**50,000**	**-**	**-**	**-**	**16,496**	**66,496**
2025	50,000	-	-	-	38,845	88,845
Graeme Gribbin						
2026	**283,333**	**-**	**30,000**	**-**	**(6,219)***	**307,114**
2025	275,000	-	31,625	-	96,663	403,288
Total key management personnel compensation						
2026	**445,945**	**-**	**43,513**	**-**	**74,466**	**563,924**
2025	431,200	-	45,425	-	301,947	778,572

**** Credit amount namely relates to revised probability of Incentive Awards Plan. Refer below for further information.***

Share Plan Trust shares

As of 30 June 2026, there were 7,657,500 ordinary shares (2025: 7,657,500 ordinary shares) held by the Lefroy Exploration Share Plan (the 'Share Plan Trust', on behalf of Directors, employees and consultants, held in conformity with the Share Plan Trust rules. A reconciliation of Share Plan Trust ordinary shares held by Directors and other non-KMP employees and consultants is as follows. No Share Plan ordinary shares held by Directors had vested as at 30 June 2026:

Director	1 July 2025	Grants	Exercised and Vested	Forfeited	Other	30 June 2026
Michael Davies	1,200,000	-	-	-	-	1,200,000
Other non-KMP employees and consultants	*6,457,500*	-	-	-	-	*6,457,500*
Total	7,657,500	-	-	-	-	7,657,500

Share Plan Trust shares issued have no set expiry date; however, they are subject to a fixed vesting period of five years, concluding on 2 December 2026. Directors, employees and consultants are not entitled to the shares held by the Share Plan Trust until the relevant vesting conditions are met.

Ordinary shares held by the Share Plan Trust by the Directors were granted in three equal tranches and subject to the same vesting conditions, outlined below and as approved by the Company's shareholders on 12 September 2016:

(i) Tranche one (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.60 per share for 5 consecutive ASX trading days;

(ii) Tranche two (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.70 per share for 5 consecutive ASX trading days; and

(iii) Tranche three (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.80 per share for 5 consecutive ASX trading days.

DIRECTORS' REPORT (CONTINUED)

The total amount expensed during the year ended 30 June 2026 in relation to the 7,657,500 Share Plan Trust shares outlined above was $65,733 (30 June 2025: $127,814).

Incentive Plan options

As at 30 June 2026 there were 5.7 million incentive options (30 June 2025: 11.3 million options) held by the Lefroy Exploration Incentive Awards Plan (the 'Incentive Plan'), on behalf of Directors and employees.

A reconciliation of Incentive Plan options is as follows:

Director	1 July 2025	Grants	Lapsed	Other	30 June 2026
Michael Davies	1,200,000	-	(1,200,000)	-	-
Tara French	1,200,000	-	(1,200,000)	-	-
David Kelly	1,750,000	-		-	1,750,000
Graeme Gribbin	3,500,000	-		-	3,500,000
Other non-KMP employees and consultants	3,650,000		(3,200,000)	-	450,000
Total	11,300,000	-	(5,600,000)	-	5,700,000

Directors and employees are not entitled to exercise options held within the Incentive Plan until the relevant vesting conditions are met.

All Incentive Plan options, other than those issued to Mr Kelly and Mr Gribbin, were issued in three equal tranches and subject to the same vesting conditions, outlined below and as approved by the Company's shareholders on 6 December 2022:

(i) Tranche one (33.33%) – when the Company's share price (as traded on the ASX) exceeds $0.50 per share for five consecutive ASX trading days;

(ii) Tranche two (33.33%) – when the Company's share price (as traded on the ASX) exceeds $0.60 per share for five consecutive ASX trading days; and

(iii) Tranche three (33.33%) – when the Company's share price (as traded on the ASX) exceeds $0.70 per share for five consecutive ASX trading days.

Messrs Kelly's and Gribbin's Incentive Plan Options were issued on 19 December 2023 and 28 February 2024 in three equal tranches and are subject to the following vesting conditions, outlined below:

(i) Tranche one (being one third of the Incentive Options) will vest on issue.

(ii) Tranche two (one third of Incentive Options) will vest on 30 November 2024 subject to continuous employment by the Company up until that date; and

(iii) Tranche three (one third of the Incentive Options) will vest on 30 November 2025 subject to the continuous employment by the Company up until that date.

The total amount expensed during the year ended 30 June 2026 in relation to the Incentive Plan Options for Directors and Key Management Personnel was $62,575 (30 June 2025: $213,252).

DIRECTORS' REPORT (CONTINUED)

Incentive Awards Plan

As at 30 June 2026, there were 3,404,069 performance rights granted to eligible employees of Lefroy Exploration as part of the Incentive awards plan approved by shareholders on 17 September 2024 general meeting.

A reconciliation of Incentive Awards Plan movements during the year is as follows:

Director	1-Jul-25	Grants	Vested	30-Jun-26
Graeme Gribbin	1,598,837	-	-	1,598,837
Other non-KMP participants	1,805,232	-	-	1,805,232
Total	**3,404,069**	**-**	**-**	**3,404,069**

Incentive Awards Plan Performance Rights have an expiry date of 31 December 2026. Directors, employees and consultants are not entitled to the Incentive Awards Plan Performance Rights until the relevant vesting conditions are met.

Performance rights granted during the years were subject to the same vesting conditions as outlined below:

(i) Achievement of first gold production under profit sharing agreement; and
(ii) Achievement of positive cashflow to Lefroy from profit share agreement of not less than $5m; and
(iii) Continuous employment from date of issue.

By no later than 30 September 2026.

The fair value of performance rights granted on 9 April 2025 was measured at $0.075, being the closing market price of Lefroy Exploration Limited ordinary shares on the grant date. As the awards are subject only to non-market performance conditions and service conditions, these conditions are not factored into the grant-date fair value, in accordance with IFRS 2.

As at 30 June 2026, it was determined that the vesting conditions are unlikely to be met by 30 September 2026.

As such a credit of $46,976 (30 June 2025: $46,976 expense) was recognised in relation to these equity-settled share-based payments.

Shareholdings

The number of shares in the Company held during the financial year by each director of Lefroy Exploration Limited, including their personally related parties, are set out below.

	Balance at start of the year	Shares Acquired (i)	Other changes during the year	Balance at end of the year
Lefroy Exploration Limited				
Ordinary shares				
David Kelly	1,189,399	-	-	1,189,399
Michael Davies	20,500,513	-	-	20,500,513
Tara French	1,066,072	-	-	1,066,072
Graeme Gribbin	-	-	142,858(i)	142,858

(i) Represents Mr Gribbin's holdings as at the time of his appointment to Managing Director

Option holdings

Director	1 July 2025	Grants	Lapsed	Other	30 June 2026
Michael Davies	1,200,000	-	(1,200,000)	-	-
Tara French	1,200,000	-	(1,200,000)	-	-
David Kelly	1,750,000	-		-	1,750,000
Graeme Gribbin	3,500,000	-		-	3,500,000
Other non-KMP employees and consultants	3,650,000		(3,200,000)	-	450,000
Total	11,300,000	-	(5,600,000)	-	5,700,000

DIRECTORS' REPORT (CONTINUED)

Performance Rights holdings

	Balance at start of the year	Options Acquired (i)	Other changes during the year	Balance at end of the year
Lefroy Exploration Limited **Options**				
Graeme Gribbin	1,598,837	-	-	1,598,837
Other non-KMP Participants	1,805,232	-		1,805,232
Total	**3,404,069**	**-**	-	**3,404,069**

(i) Performance rights were granted to Graeme Gribbin during the year under the Lefroy Exploration Incentive Awards Plan. On 11 June 2025, a total of 1,598,837 performance rights were issued, expiring on 31 December 2026.

Loans to key management personnel

There were no loans to key management personnel during the year (2025 $Nil).

Other transactions with Key Management Personnel

Mr Michael Davies is a directors of New Holland Capital Pty Ltd ('New Holland Capital'), a subsidiary of Taurus Funds Management Pty ltd. On 1 January 2022, the Group entered into a deed of sub-lease for leasehold premises occupied in West Perth. $141,286 (exc. GST) (30 June 2025: $140,085 exc. GST) has been paid to Taurus Funds Management Pty Ltd in relation to rent and variable outgoings in accordance with the terms and conditions of the deed of sub-lease.

As at 30 June 2026 and 30 June 2025, no amounts were due and payable to New Holland Capital or Taurus Funds Management Pty Ltd in respect of the above arrangement.

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

DIRECTORS' MEETINGS

The number of Directors' Meetings held and attended by each of the Directors for the year were as follows:

	Directors Meetings	
	Eligible to Attend	Attended
David Kelly	10	9
Tara French	10	10
Michael Davies	10	9
Graeme Gribbin [1]	5	5
James Knowles [2]	-	-

[1] Chief Executive Officer Mr Graeme Gribbin was appointed Managing Director on 27 February 2026. Mr Gribbin attended the five Board meetings held from 1 July 2025 up to his Managing Director appointment date of 27 February 2026 in his capacity as Chief Executive Officer.
[2] James Knowles appointed as a Non-executive Director post financial year end on 7 July 2026.

SHARES UNDER OPTION

There are 5,700,000 (30 June 2025: 11,300,000) unissued ordinary shares of Lefroy Exploration Limited under option at the date of this report with a weighted average exercise price of $0.30 per share and expiry date of and 30 November 2027.

No options were exercised during the year ended 30 June 2026 (30 June 2025: Nil).

DIRECTORS' REPORT (CONTINUED)

INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, in accordance with each director's Deed of Indemnity, Insurance and Access with Lefroy Exploration Limited, the Group has paid premiums insuring all the directors of Lefroy Exploration Limited against all liabilities incurred by the director acting directly or indirectly as a director of the Company to the extent permitted by law, including legal costs incurred by the director in defending proceedings, provided that the liabilities for which the director is to be insured do not arise out of conduct involving a wilful breach of the director's duty to the Company.

NON-AUDIT SERVICES

The following details any non-audit services provided by the entity's current audit, Hall Chadwick WA Audit Pty Ltd ("Hall Chadwick"), and previous auditor, Ernst & Young or associated entities. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of professional pronouncements and standards for the following reasons:

- All non-audit services have been reviewed by the Board to ensure they do not impact the impartiality and objectivity of the auditor;
- None of the services undermines the general standard of independence for auditors.

	2026 $	2025 $
Ernst & Young - Taxation compliance services	NIL	43,000

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Hall Chadwick, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for unspecified amounts). No payment has been made to indemnify Hall Chadwick during or since the financial year.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court 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 any part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court.

ROUNDING OF AMOUNTS

All amounts in the consolidated financial statements and in the Directors' Report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar (where indicated).

CORPORATE GOVERNANCE STATEMENT

The Board of Lefroy is committed to Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate with Shareholders. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at https://www.lefroyex.com/corporate-governance.

David Kelly
Chairman
Perth, 23 September 2026

To the Board of Directors

AUDITOR'S INDEPENDENCE DECLARATION

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

- the independence requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours Faithfully,

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 23rd day of September 2026
Perth, Western Australia

Lefroy Exploration

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Consolidated 2026 $000	2025 $000
INCOME			
Interest Income		**53**	91
Other income		**1**	1
		54	92
EXPENDITURE			
Accommodation expenses		**(33)**	(88)
Legal, professional and consulting expenses		**(391)**	(374)
Directors fees		**(431)**	(455)
Travel expenses		**(29)**	(30)
Interest Expense		**(131)**	(5)
Depreciation expense		**(91)**	(72)
Amortisation expense	10	**(627)**	-
Salaries and wages expenses		**(149)**	(192)
Share based payment expense	15	**(81)**	(388)
Other expenses		**(227)**	(279)
Impairment Expense	9	**-**	(782)
		(2,190)	(2,665)
LOSS FOR THE YEAR BEFORE INCOME TAX		**(2,136)**	(2,573)
Income tax benefit/(expense)	5	**-**	-
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF LEFROY EXPLORATION LIMITED		**(2,136)**	(2,573)
OTHER COMPREHENSIVE INCOME		**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF LEFROY EXPLORATION LIMITED		**(2,136)**	(2,573)
Basic loss per share attributable to the ordinary equity holders (cents per share)	23	**(0.88)**	(1.16)
Diluted loss per share attributable to the ordinary equity holders (cents per share)	23	**(0.88)**	(1.16)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

Lefroy Exploration

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

		Consolidated	
		2026	2025
	Notes	$000	$000
CURRENT ASSETS			
Cash and cash equivalents	6	**3,105**	1,680
Other receivables	7	**137**	57
Other current assets		**4**	4
TOTAL CURRENT ASSETS		**3,246**	1,741
NON-CURRENT ASSETS			
Plant and equipment		**39**	43
Right of use assets	8	**113**	102
Exploration and evaluation assets	9	**24,183**	23,862
Mine Properties	10	**3,308**	-
TOTAL NON-CURRENT ASSSETS		**27,643**	24,007
TOTAL ASSETS		**30,889**	25,748
CURRENT LIABILITIES			
Trade and other payables	11	**138**	303
Lease liabilities	8	**78**	75
Provisions	13	**90**	69
TOTAL CURRENT LIABILITIES		**306**	447
NON-CURRENT LIABILITIES			
Lease liabilities	8	**34**	39
Loan payables	12	**2,622**	-
Provisions	13	**1,930**	283
TOTAL NON-CURRENT LIABILITIES		**4,586**	322
TOTAL LIABILITIES		**4,892**	769
NET ASSETS		**25,997**	24,979
EQUITY			
Contributed equity	14	**58,103**	55,030
Foreign currency translation reserve	15	**(111)**	(111)
Share-based payment reserve	15	**3,733**	3,652
Accumulated losses		**(35,728)**	(33,592)
TOTAL EQUITY		**25,997**	24,979

The above Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Contributed equity $000	Share-Based Payments Reserve $000	Foreign Currency Translation Reserve $000	Accumulated Losses $000	Total $000
BALANCE AT 1 JULY 2024		**51,885**	**3,264**	**(111)**	**(31,019)**	**24,019**
Loss for the year		-	-	-	(2,573)	(2,573)
Other comprehensive loss, net of income tax		-	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	-	(2,573)	(2,573)
Issue of ordinary shares	**14**	3,361	-	-	-	3,361
Share-based payments	**15**	-	388	-	-	388
Share issuance costs	**14**	(216)				(216)
BALANCE AT 30 JUNE 2025		**55,030**	**3,652**	**(111)**	**(33,592)**	**24,979**
BALANCE AT 1 JULY 2025		**55,030**	**3,652**	**(111)**	**(33,592)**	**24,979**
Loss for the year		-	-	-	(2,136)	(2,136)
Other comprehensive loss, net of income tax		-	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	-	(2,136)	(2,136)
Issue of ordinary shares	**14**	3,283	-	-	-	3,283
Share-based payments	**15**	-	81	-	-	81
Share issuance costs	**14**	(210)		-	-	(210)
BALANCE AT 30 JUNE 2026		**58,103**	**3,733**	**(111)**	**(35,728)**	**25,997**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

Lefroy Exploration

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2026

	Notes	Consolidated 2026 $000	2025 $000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		**(1,759)**	(1,535)
Interest paid		**(9)**	(5)
Interest received		**53**	91
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	**22**	**(1,715)**	(1,449)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation activities		**(2,333)**	(1,989)
Research and development tax incentive received		**-**	756
Payments for plant and equipment		**(98)**	(9)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		**(2,431)**	(1,242)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares	**14**	**3,283**	3,300
Proceeds from borrowings	**12**	**2,500**	-
Payments of share issue costs	**14**	**(210)**	(216)
Principal payment for lease liabilities		**(2)**	(61)
NET CASH INFLOW FROM FINANCING ACTIVITIES		**5,571**	3,023
NET INCREASE IN CASH AND CASH EQUIVALENTS		**1,425**	332
Cash and cash equivalents at the beginning of the financial year		**1,680**	1,348
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**6**	**3,105**	1,680

The above Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Consolidated Financial Statements.

1: SUMMARY OF MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. The financial statements are for the consolidated entity consisting of Lefroy Exploration Limited and its subsidiaries ("the Group" or "consolidated entity"). The financial statements are presented in Australian dollars. Lefroy Exploration Limited is a company limited by shares, incorporated in and under the laws of the British Virgin Islands on 14 May 1990 under the BVI Business Companies Act. The Company maintains registered offices in Western Australian and the British Virgin Islands. The financial statements were authorised for issue by the directors on 23 September 2026. The directors have the power to amend and reissue the financial statements.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Lefroy Exploration Limited is a for-profit entity for the purpose of preparing the financial statements.

(i) New and amended standards adopted by the Group

There were no new and amended Accounting Standards and Interpretations that were effective 1 July 2025 which had a material impact on the Group.

(ii) Early adoption of standards

The Group did not elect to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2025.

(iii) Historical cost convention

Except for certain financial assets which have been measured at fair value these financial statements have been prepared under the historical cost convention.

(iv) 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 the settlement of liabilities in the normal course of business.

The Group has incurred a net loss after tax for the year ended 30 June 2026 of $2,136,000 (30 June 2025: $2,573,000) and had a net cash outflow from operating and investing activities of $4,146,000 (30 June 2025: $2,691,000). The net assets of the Group as at 30 June 2026 were $25,997,000 (30 June 2025: $24,979,000).

The Group's cash flow forecasts to 30 September 2027 incorporates expected cash inflows from anticipated profit distributions under a Profit-Sharing Agreement with BML Ventures Pty Ltd in relation to the mining of the Lucky Strike project. The timing and amount of these profit distributions remain subject to the achievement of operational milestones and conditions, with there being uncertainty around the timing of these inflows.

In the event of delays in receiving funds under the Profit-Sharing Agreement, the Group may need to raise additional working capital to meet its committed administration, exploration, and operational expenditures.

The Directors are satisfied that the Group will be able to secure additional funding if required through one or a combination of equity placements, option conversions, rights issues, joint venture arrangements, or asset sales.

Notwithstanding the above, in the event that there are delays in receiving funds from the Profit-Sharing Agreement and the Group is unable to raise additional working capital, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business.

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

(b) Principles of consolidation

(i) Subsidiaries

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

Subsidiaries are all entities over which the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group 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
- The ability to use its power over the investee to affect its return

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

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one of more of the three elements of control. Subsidiaries are fully consolidated from the date on which the Group obtains control over the subsidiary and ceases when the Group loses control.

Intercompany transactions, balances and unrealised gains on transactions between Group companies 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 aligned where necessary to ensure consistency with the policies adopted by the Group.

(ii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Lefroy Exploration Limited.

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or other financial asset accounted for in accordance with IFRS 9. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(c) Segment reporting

An operating segment is defined as a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the full Board of Directors.

(d) Income tax

The income tax expense for the year is the tax payable on the current year's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or a deferred income tax liability is settled.

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The company and all its wholly owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Current and Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities, when the deferred tax balances relate to the same taxation authority and the Group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(e) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low value assets

The Group applies the short-term lease recognition exemption to its short-term leases of office rental and accommodation rental (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group also applies the low value assets recognition exemption to its low value assets.Lease payments made in relation to leases of 12months or less and leases of low value assets (for which a lease asset and a lease liability has not been recognised) are recognised as an expense on a straight-line basis over the lease term.

(f) Impairment of non-current assets

Non-current assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Cash and cash equivalents

For statement of cash flows presentation purposes, 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 not subject to significant risk of changes in value, and bank overdrafts.

(h) Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit and loss.

The classification of financial instruments at initial recognition depends on the financial asset's contractual cashflow characteristics and the Group's business model for managing them. The Group initially measures the financial asset at its fair value plus, in the case of a financial asset not at fair value through profit and loss, less transaction costs.

Receivables at amortised cost

For financial assets measured at amortised cost, these assets are subsequently measured using the effective interest method. The amortised cost is reduced by impairment losses. The Group recognises a loss allowance based on lifetime ECLs at each reporting date. In determining the provision required, the Group utilises its historical credit loss experience, adjusted only where appropriate for forward-looking factors specific to the debtors and economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 120 days past due.

There are no material trade receivable for the Group as it does not generate revenues.

(i) Plant and equipment

All plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting period in which they are incurred.

Depreciation of plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives and, in the case of leasehold improvements, the shorter of lease term and asset's useful life. The rates vary between 25% and 40% per annum.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 1(f)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

(j) Exploration and evaluation costs

Exploration and evaluation costs incurred are accumulated in respect of each identifiable area of interest. Exploration and evaluation costs include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities in relation to evaluating the technical feasibility and commercial viability of extracting a mineral resource. Exploration and evaluation costs related to each identifiable area of interest are recognised as exploration and evaluation assets in the year in which they are incurred and carried forward to the extent that the following conditions are satisfied:

- rights to tenure of the identifiable area of interest are current; and
- at least one of the following conditions is also met:
    - the expenditure is expected to be recouped through the successful development of the identifiable are of interest, or alternatively, by its sale; or
    - where activities in the identifiable area of interest have not at the reporting date reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and activities in, or in relation to, the area of interest are continuing.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest. Accumulated costs in relation to an abandoned area are written off in full in the statement of profit or loss and other comprehensive income in the year in which the decision to abandon the area is made.

Restoration costs arising from exploration activities are provided for at the time of the activities which give rise to the need for restoration.

Exploration and evaluation assets are reviewed at each reporting date for indicators of impairment and tested for impairment where such indicators exist. If the test indicates that the carrying value might not be recoverable, the asset is written down to its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, recoverable amount is determined for the cash-generating unit to which the asset belongs. Any such impairment arising is recognised in the statement of profit or loss and other comprehensive income for the year.

(k) Mine development properties

Mine development properties represent expenditure in respect of exploration, evaluation, feasibility, and pre-production operating costs incurred by the Group. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining lease.

These costs are amortised once production commences, using the units of production (UoP) method to align amortisation expenses with the rate of resource extraction.

Units of Production (UoP) Amortisation Method

The Group uses the units of production method when amortising mine development assets, resulting in an amortisation charge proportional to the depletion of the anticipated remaining life of mine production. This requires the use of estimates and assumptions, and changes in ore reserves and mineral resources driving the remaining life of mine production are accounted for prospectively.

(l) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured, non-interest bearing and are paid on normal commercial terms. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Employee benefits

Wages and salaries and short-term benefits

Liabilities for wages and salaries, including non-monetary benefits, and other short term benefits expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised and measured as 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 that match, as closely as possible, the estimated future cash outflows.

Superannuation

Contributions made by the Group to employee superannuation funds, which are defined contribution plans, are charged as an expense when incurred.

(n) Share-based payments

The Group may provide benefits to employees (including directors) of the Group, and to vendors and suppliers, in the form of share-based payment transactions, whereby employees render services, or where vendors sell assets to the Group, in exchange for equity instruments ('equity-settled transactions').

The cost of these equity-settled transactions in the case of employees and others providing similar services are measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of the option is determined by using a Black-Scholes (or other industry accepted) option pricing model. The fair value of Share Plan shares is determined by reference to market price for Lefroy's ordinary shares.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has transpired and (ii) the number of equity instruments that, in the opinion of the directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for rights that do not ultimately vest, except for rights where vesting is conditional upon a market condition.

Where an equity instrument is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the equity instrument is recognised immediately. However, if a new option is substituted for the cancelled equity instrument, and designated as a replacement equity instrument on the date that it is granted, the cancelled and new equity instrument are treated as a modification of the original award.

(o) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to equity holder of the company, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for any bonus elements in ordinary shares issued.

(ii) Diluted earnings per share

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

(p) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

Cash flows are presented on a gross basis.

(q) Non-current assets held for sale and distribution

Non-current assets and disposal groups are classified as held for sale and generally measured at the lower of carrying amount and value less costs to sell, where the carrying amount will be recovered principally through sale as opposed to continued use. No depreciation or amortisation is charged against assets classified as held for sale.

Classification as 'held for sale' occurs when management has committed to a plan for immediate sale, the sale is expected to occur within one year and active marketing of the asset has commenced. Such assets are current assets.

(r) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received, and the Group will comply with all attached conditions. Government grants received in relation to exploration activities are recognised as a reduction in the carrying amount of exploration and evaluation assets.

(s) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result, and that outflow can be reliably measured.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(t) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(u) Joint Arrangements

A joint arrangement is an arrangement over which two or more parties have joint control. Joint control is the contractually agreed sharing of control over an arrangement which exists only when the decisions about the relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. A joint operation (JO) is a type of joint arrangement in which the parties with joint control of the arrangement have rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interests in JOs, the financial statements of the Group includes:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to the Group's interest in each asset and liability, income and expense of the JO.

(v) New and amended accounting standards and interpretations issued but not yet effective

International accounting standards and Interpretations that have recently been issued or amended but are not yet effective and have not been adopted by the Group for the year ended 30 June 2026 that are relevant to the Group are listed below. Relevant Standards and Interpretations are outlined in the table below. The potential effect of these standards is still being assessed by management and whether a material impact to the Group's financial statements.

New/revised pronouncement	Explanation of amendments	Application Date of Standard	Application Date of Group
Classification and Measurements of Financial Instruments – Amendments to IFRS 9 and IFRS 7	The amendments clarify that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice to derecognise financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.	1 January 2026	1 July 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	IFRS 18 replaces IFRS 1 Presentation of Financial Statements to improve how entities communicate in their financial statements, with a focus on information about financial performance in the profit or loss. IFRS 18 has also introduced changes to other accounting standards including IAS 1, IFRS 7 Financial Instruments: Disclosures, IAS 7 Statement of Cash Flows, IAS 33 Earnings Per Share and IAS 34 Interim Financial Reporting. They key presentation and disclosure requirement are:	1 January 2027	1 July 2027

	(a) the presentation of two newly defined subtotals in the statement or profit or loss, and the classification of income and expenses into operating, investing and financing categories – plus income taxes and discontinuing operations; (b) the disclosure of management-defined performance measures; and enhanced requirements for grouping (aggregation and disaggregation) of information.		

(w) Critical accounting judgements, estimates and assumptions

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

Rehabilitation provision

The ultimate rehabilitation costs are uncertain, and cost estimates can vary in response to many factors, including estimates of the extent and costs of rehabilitation activities, technological changes, regulatory changes and cost increases. These uncertainties may result in future actual expenditure differing from the amounts currently provided. Therefore, significant estimates and assumptions are made in determining the provision for rehabilitation. As a result, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future rehabilitation costs required. Rehabilitation of areas disturbed by exploration is progressive, ongoing, and compliant with statutory regulations but dependent on the stage of exploration at an individual prospects. Final closure is dependent on the stage of exploration at individual prospects.

Exploration and evaluation costs

The application of the accounting policy for exploration expenditure requires judgement to determine whether an area of interest is considered likely to be recoverable by future exploitation or sale or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

Management is required to make certain judgements in determining what constitutes an area of interest. Area of interest relates to geological and geographical areas that have characteristics conducive to containing a mineral reserve. Management determines areas of interest with reference to a number of factors, including: -

- Geographical location
- Geological structure and similarities in mineral composition

Management makes certain estimates and assumptions as to future events and circumstances, in particular when making quantitative assessment of whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised the expenditure under the policy, a judgement is made that the recovery of the expenditure is unlikely, the relevant capitalised amount will be written off to profit and loss.

Impairment

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed only when a trigger is identified using the directors' best estimate of the asset's fair value, which can incorporate various key assumptions.

Any amounts in excess of the fair value are impaired, in line with accounting policy disclosures in parts 1(f).

Share-based payments

The Group measures the cost of equity-settled transactions with reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Monte Carlo simulation method for market-based conditions, or the Black Scholes option valuation methodology for non-market-based conditions. The Group had no share-based payment arrangements during the financial year ended 30 June 2026. For performance rights and options issued in the financial year ended 30 June 2025, the assumptions detailed as per Note 15 were used.

Unit-of-production method of amortisation

The Group uses the unit-of-production basis when amortising life of mine specific assets which results in a amortisation charge proportionate to the depletion of the anticipated remaining life of mine production. Each asset's economic life, which is assessed annually, has due regard for both its physical life limitations and to present assessments of economically recoverable mine plan of the mine property at which it is located. These calculations require the use of estimates and assumptions.

(x) Rounding of amounts

All amounts in the consolidated financial statements and in the directors' report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar (where indicated).

2: FINANCIAL RISK MANAGEMENT

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

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all board members to be involved in this process.

(a) Market risk

(i) Foreign exchange risk

The Group operates entirely in Australia and is not significantly exposed to foreign exchange risk.

(ii) Commodity price risk

Given the current level of operations, the Group's financial statements for the year ended 30 June 2026 are exposed directly to commodity price risk through its Profit Share Mine Agreement with BML Ventures Pty Ltd.

(iii) Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to six months to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. $3,034,000 (2025: $1,680,000) of cash and cash equivalents for the Group were subject to interest rate risk.

The table below summarises the sensitivity of the consolidated Group's variable rate instruments to inherent risk rate. A change of 100 basis points (bp) in interest rates at the end of the reporting period would have increase/(decreased) profit or loss after tax by the amounts shown below.

Financial Assets	**Effect of decrease or increase of interest rate on profit or loss and equity**			
	100 bp decrease		**100 bp increase**	
	Profit or Loss	**Equity**	**Profit or Loss**	**Equity**
	$000	**$000**	**$000**	**$000**
30 June 2026	**(30)**	**30**	**(30)**	**30**
30 June 2025	(16)	16	(16)	16

(b) Credit risk

The Group has no significant concentrations of credit risk. The maximum exposure to credit risk at balance date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements.

(c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitor the state of equity markets in conjunction with the Group's current and future funding requirements, with a view to initiating appropriate capital raisings.

(d) Maturity analysis

The tables below represent the undiscounted contractual settlement terms for financial liabilities and management's expectation for settlement of undiscounted maturities

	< 6 Months	6-12 Months	1-5 years	Total contractual cash flows	Carrying amount
Year ended 30 June 2026	$000	$000	$000	$000	$000
Payables	(138)	-	-	(138)	(138)
Loan payable	(2,622)			(2,622)	(2,622)
Lease liabilities	(64)	(26)	(35)	(125)	(112)
	(2,824)	**(26)**	**(35)**	**(2,885)**	**(2,872)**
Year ended 30 June 2025					
Payables	(303)	-	-	(303)	(303)
Lease liabilities	(39)	(39)	(39)	(117)	(114)
	(342)	**(39)**	**(39)**	**(420)**	**(417)**

(d) Fair value estimation

The fair value (not market value) of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the Group at the balance date are recorded at amounts approximating their carrying amount due to their short term nature.

3: SEGMENT INFORMATION

For management purposes, the Group has identified only one reportable segment, being exploration, development, and production activities undertaken in Western Australia. This segment includes activities associated with the determination and assessment of the existence of commercial economic reserves, from the Group's mineral assets in this geographic location.

4: LOSS FROM CONTINUING OPERATIONS

	Consolidated	
	2026	2025
	$000	$000
Loss before income tax includes the following specific expenses:		
Defined contribution superannuation expense	**49**	52
Short term lease expense	**33**	88
Depreciation expense – property, plant and equipment	**12**	13
Depreciation expense – right-of-use lease assets	**79**	59
Amortisation of mine properties	**627**	-

5: INCOME TAX

(a) Income tax expense

	Consolidated 2026 $000	Consolidated 2025 $000
Current tax	-	-
Deferred tax	-	-

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	2026 $000	2025 $000
Profit/(loss) from continuing operations before income tax expense	(2,136)	(2,573)
Prima facie tax benefit at the Australian tax rate of 25% (2025: 25%)	(534)	(643)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
• Entertainment	-	1
• Share-based payments	21	97
• R&D Tax Incentive		(50)
Tax assets not recognised	513	595
Income tax expense	-	-

Tax consolidation

The company and its 100% owned controlled entities have formed a tax consolidated group. Members of the Consolidated Entity have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned controlled entities on a pro-rate basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At balance date, the possibility of default is remote. The head entity of the tax consolidated group is Lefroy Exploration Limited.

(c) Deferred taxes

	Consolidated 2026 $000	Consolidated 2025 $000
Deferred tax assets/(liabilities) have been recognised in respect of the following items:		
Deferred tax assets:		
Leases	**1**	3
Provisions	**23**	18
Capital raising costs	**158**	133
Trade and other payables	**-**	23
Business related costs	**-**	3
Tax losses	**9,113**	7,937
Deferred tax liability:		
Capitalised exploration expenditures	**(5,469)**	(5,485)
Mine properties	**(494)**	-
Net deferred tax asset	**3,332**	2,632
Deferred tax assets not recognised	**(3,332)**	(2,632)
Net deferred tax asset / (liability)	**-**	**-**

Net deferred tax assets have not been brought to account as it is not probable within the immediate future that tax profits will be available against which deductible temporary differences and tax losses can be utilised.
The Group's ability to use losses in the future is subject to the Group satisfying the relevant tax authority's criteria for using these losses.

6: CASH AND CASH EQUIVALENTS

	Consolidated 2026 $000	Consolidated 2025 $000
Cash at bank and in hand	**3,105**	1,680
Short-term deposits	**-**	-
	3,105	1,680

Cash at bank and in hand earns interest at floating rates based on daily bank deposit rates.
Short-term deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

7: OTHER RECEIVABLES

	Consolidated 2026 $000	Consolidated 2025 $000
Current		
GST receivable	**137**	57
	137	57

All amounts are short-term. The net carrying value of other receivables is considered a reasonable approximation of fair value.

8: RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The Group has a lease for leasehold premises occupied in West Perth. The lease is for a fixed period of 60 months. The statement of financial position shows the following amounts relating to this lease:

Right-of-use assets	Consolidated 2026	Consolidated 2025
Leasehold premises	$000	$000
Beginning of the financial year	**102**	171
Additions	**96**	-
Depreciation expense	**(85)**	(69)
End of the financial year	**113**	102

Lease liabilities	2026	2025
Leasehold premises	$000	$000
Beginning of the financial year	**114**	175
Additions	**96**	-
Accretion of interest	**7**	6
Payments	**(105)**	(67)
End of the financial year	**112**	114
Represented as follows:		
Current	**78**	75
Non-current	**34**	39
End of the financial year	**112**	114

Lease expenses and cashflows		
Interest expense on lease liabilities	**9**	6
Expenses relating to leases of 12 months or less	**-**	67
Depreciation expense on lease assets	**79**	69
Total cash outflow in relation to leases	**100**	67

The Group also has the ability to execute an extension of term over leasehold premises for a further 2 years. The undiscounted potential future rental payments of $114,000 are not included in the lease term reflected above.

9: EXPLORATION AND EVALUATION ASSETS

	Consolidated 2026 $000	Consolidated 2025 $000
Beginning of the financial year	**23,862**	22,522
Other exploration costs incurred during the year	**2,609**	2,164
Change in rehabilitation provision	**313**	(1)
Research and development tax incentive recognised/received	**-**	(41)
Impairment Expense[1]	**-**	(782)
Transfer to Mine Properties – Note 10	**(2,601)**	-
End of the financial year	**24,183**	23,862

[1]During the 30 June 2025 year, the Group conducted a review of its exploration and evaluation assets, the group forfeited tenure and has impaired the carrying value of the exploration and evaluation assets for the Glenayle project to nil with $782,192 written off as an impairment expense in the Statement of Profit or Loss. The impairment loss is a non-cash adjustment and does not impact the Group's cash flows. No indicators of impairment were identified for the Group's remaining exploration and evaluation assets.

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent upon successful development and commercial exploitation.

On 22 May 2023, the Group acquired 100% of the mineral rights freehold property "East Location 45" ("LOC 45"). Under the terms of the acquisition the Group has granted the vendor a perpetual net-smelter return ("NSR") royalty of 4% per annum. Commencing 1 July 2026, the Group is required to pay an aggregate royalty of at least $100,000 per annum from gold production. Should the NSR royalty be less than $100,000, the Group is required to pay an amount equal to $100,000 to the vendor, less any NSR royalty already paid.

The Group is also required to incur a minimum of $100,000 per annum in exploration expenditure on LOC 45. Should the Group spend less than $100,000 per annum in exploration expenditure on LOC 45, it is required to pay an amount equal to $100,000 to the vendor, less any exploration expenditure incurred in the year. Exploration expenditure in excess of $100,000 per annum may be carried forward and applied against the exploration expenditure commitment in the year following. The Group can terminate the arrangement at any time by giving notice to the vendor and will only be required to remove all the fixtures from the land and make good any damage cause by such removal and complete all remediation and rehabilitation required as a result of exploration, development, mining operations and any other activities that it has undertaken. As at 30 June 2026, management has determined that any payments greater than $100,000 per annum under the NSR arrangement is contingent on successful exploration and development (i.e., when reserves have been proven to exists or production commence).

10: MINE PROPERTIES

	Consolidated 2026 $000	Consolidated 2025 $000
Beginning of the financial year	**-**	-
Transfer from exploration and evaluation assets - Lucky Strike	**2,601**	-
Movement in provision for rehabilitation	**1,334**	-
Amortisation expense	**(627)**	-
End of the financial year	**3,308**	-

As announced to the ASX, on 4 December 2025 the Group commenced mining activities at the Lucky Strike Gold Project, tenement M25/366. Mining activities for the Lucky Strike Gold Project are conducted under the Profit Share Mine Agreement between the Group, and BML Ventures Pty Ltd ("BML"). In accordance with the agreement, BML have been appointed as the statutory Mine Operator, and manage all mining activities and approvals, including funding of capital and operating costs. The Group is entitled to 50% of the net surplus cash from the Lucky Strike Gold Project, after deduction of all expenses and recover of all costs from mining related activities.

11: TRADE AND OTHER PAYABLES

	Consolidated	
	2026	2025
	$000	$000
Current		
Trade Payables	**80**	92
Other payables and accruals	**58**	359
	138	303

Trade payables and accruals are non-interest bearing and generally settled within 30–60-day terms. The carrying amount of trade payables approximate their fair values. Included within trade and other payables are balances to related parties totalling $Nil inc. GST (2025: $Nil).

12: LOANS PAYABLE

	Consolidated	
	2026	2025
	$000	$000
Current		
Beginning of the financial year	**-**	-
Cash advances recevied under BML Ventures Pty Ltd facility agreement	**2,500**	-
Interest payable	**122**	-
End of the financial year	**2,622**	-

As announced on 16 July 2025, the Group entered into a Profit Cash Advance Facility Agreement ("the facility") with BML Ventures Pty Ltd ("BML") in relation to the Lucky Strike Gold Project.

The material commercial terms under the facility were as follows:
- BML to provide cash advances to the Group of up to $2,500,000 upon provision of a drawdown notice by the Group
- Fixed interest rate of 8% p.a., applied monthly and capitalised in arrears, to be paid (deducted) from the Group's 50% entitlement under the Profit-Sharing Agreement between the Group and BML
- Maturity date for repayment initially 31 December 2026, subsequently varied to 31 December 2027
- Security granted to BML over Lucky Strike Gold Deposit tenement M25/366

As at 30 June 2026, the Group had drawn down the full $2,500,000 on the facility (30 June 2025: $NIL).

13: PROVISIONS

	Consolidated	
	2026	2025
Current	$000	$000
Provision for annual leave	**90**	69
	90	69
Non- Current		
Provision for long service leave	**1**	1
Provision for rehabilitation (i)		
Beginning of the financial year	**282**	283
Increase in rehabilitation estimate	**1,647**	(1)
End of the financial year	**1,929**	282
	1,930	283

(i) The Group makes full provision for the future cost of rehabilitating sites on a discounted basis at the time of developing the mines. During the year, the Group's recognised an increase in its provision for rehabilitation, primarily associated with the disturbances on site for the Lucky Strike Gold Deposit. Whilst in accordance with the Profit-Sharing Agreement with BML these costs are to be covered by BML, the Group has the statutory obligation within Western Australia as the tenement holder to rectify disturbances, thus has recognised a full provisional amount for such costs. The rehabilitation provision represents the present value of rehabilitation costs relating to mine sites. The discount rate used in the calculation of the provision as at 30 June 2026 was 4.83% (30 June 2025: 4.21%).

14: CONTRIBUTED EQUITY

(a) Share capital

Lefroy Exploration Limited is a company limited by shares, incorporated in and under the laws of the British Virgin Islands. The Company has authorised share capital of 1,000,000,000 ordinary no par value shares.

	2026		2025	
	Number of shares	Consolidated $000	Number of shares	Consolidated $000
Issued share capital - Ordinary shares fully paid	**267,022,077**	**58,103**	**240,762,637**	**55,030**

(b) Movements in issued capital

Fully Paid Ordinary Share

Balance at 1 July 2024	**192,800,981**	**51,885**
Issue of placement shares to raise $3.03 million (before costs) on 5 November 2024.	43,285,725	3,030
Issue of shares in lieu of payment of drilling fees and consulting fees on 11 December 2024.	818,786	61
Issue of fully paid ordinary shares at $0.07 per share to Directors 12 February 2025. (i)	3,857,145	270
Share issue costs	-	(216)
Balance at 30 June 2025	**240,762,637**	**55,030**
Issue of placement shares to raise $3.283 million (before costs) on 1 June 2026. (ii)	26,259,440	3,283
Share issue costs	-	(210)
Balance at 30 June 2026	**267,022,077**	**58,103**

(i) Issue of 3,857,145 fully paid ordinary shares at $0.07 per share in a placement to the Directors of the Company as approved by shareholder a the General Meeting of Shareholders held on 13 January 2025.

(ii) As announced to the ASX, the Group issued 26,259,440 fully paid ordinary shares at $0.125 per share to raise proceeds of $3,283,000 (before costs).

(c) Ordinary shares

Ordinary fully paid shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of the shares held.

On a show of hands every holder of ordinary fully paid shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll is entitled to one vote for each share held.

(d) Capital risk management

The Group defines capital as issued share capital. The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it may strive to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet exploration programmes and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2026 and 30 June 2025 are as follows:

	Consolidated 2026 $000	Consolidated 2025 $000
Cash and cash equivalents	**3,105**	1,680
Other receivables	**137**	57
Trade and other payables	**(138)**	(303)
Working capital position	**3,104**	1,434

15: RESERVES

(a) Reserves	Consolidated 2026 $000	Consolidated 2025 $000
Foreign currency translation reserve	**(111)**	(111)
Share-based payments reserve (d)	**3,733**	3,652
	3,622	3,541

(b) Nature and purpose of reserves

(i) Foreign currency translation reserve

The foreign currency translation reserve is used to record historical exchange differences arising from the translation of the financial statements in the functional currency to the reporting currency for the periods when the functional and presentation currencies were different.

(ii) Share-based payments reserve

The share-based payments reserve is used to recognise the fair value of options and shares issued under employee Share Plan and Lefroy Incentive Plan.

(c) Movements in options on issue	Number of options 2026	Number of options 2025
Beginning of the financial year	11,300,000	11,300,000
Lapsed unexercised on 20 January 2026	(5,600,000)	-
End of financial year	5,700,000	11,300,000

(d) Share Plan Shares

As at 30 June 2026, there were 7.657 million ordinary shares (2025: 7.657 million ordinary shares) held by the Lefroy Exploration Share Plan (the 'Share Plan Trust'), previously named the U.S. Masters Executive Plan Trust, on behalf of Directors, employees and consultants, held in conformity with the Share Plan Trust rules.

A reconciliation of Share Plan ordinary shares during the year is as follows:

Director	1 July 2025	Grants	Exercised and Vested	Forfeited	Other	30 June 2026
Michael Davies	1,200,000	-	-	-	-	1,200,000
Other employees and consultants	6,457,500	-	-	-	-	6,457,500
Total	7,657,500	-	-	-	-	7,657,500

Share Plan Trust shares issued have no set expiry date. Directors, employees and consultants are not entitled to the shares held by the Share Plan Trust until the relevant vesting conditions are met.

The Lefroy Exploration Share Plan (the "Share Plan Trust"), previously named the U.S. Masters Executive Plan Trust, holds on behalf of Directors, employees and consultants, held in conformity with the Share Plan Trust rules.

7.650 million shares held on behalf of Directors, Employees and Consultants by the Share Plan Trust, were issued in three equal tranches and subject to the same vesting conditions, outlined below and as approved by the Group's shareholders on 2 December 2021:

(i) Tranche one (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.60 per share for 5 consecutive ASX trading days;

(ii) Tranche two (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.70 per share for 5 consecutive ASX trading days; and

(iii) Tranche three (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.80 per share for 5 consecutive ASX trading days.

6.300 million shares in the Share Plan Trust were issued/assigned to the Directors on 2 December 2021. A further 1.350 million shares were issued to an employee and consultant on 6 January 2022.

These shares were valued using an option pricing model with the following inputs:

Measurement date	2-Dec-21	6-Jan-22
Volatility	109%	109%
Expected term	5 years	5 years
Expected vesting period	5 years	5 years
Share price at grant date	$0.36	$0.31
Expected dividends	$Nil	$Nil
Risk-free rate	1.32%	1.32%
Notional exercise price	$0.60 $0.70 $0.80	$0.60 $0.70 $0.80
Expected director exit rate per year	NIL%	NIL%
Market based vesting conditions	As outlined above	As outlined above
Fair value at grant date	**$0.291**	**$0.229**
	$0.282	**$0.220**
	$0.275	**$0.214**

*Volatility was calculated based on historical volatility of the similar expected term share price movement prior to the measurement date

The total amount expensed during the year ended 30 June 2026 in relation to the 7.650 million Share Plan Trust shares outlined above was $65,733 (30 June 2025: $127,814).

(e) Incentive Plan Options

As at 30 June 2026 there were 5.7 million incentive options (30 June 2025: 11.3 million options) held by the Lefroy Exploration Incentive Awards Plan (the 'Incentive Plan'), on behalf of Directors and employees.

A reconciliation of Incentive Plan options is as follows:

Director	1-Jul-25	Grants	Lapsed	Other	30-Jun-26
Michael Davies	1,200,000	-	(1,200,000)	-	-
Tara French	1,200,000	-	(1,200,000)	-	-
David Kelly	1,750,000	-	-	-	1,750,000
Graeme Gribbin	3,500,000	-	-	-	3,500,000
Other participants	3,650,000	-	(3,200,000)	-	450,000
Total	11,300,000	-	(5,600,000)	-	5,700,000

All other Directors and employees are not entitled to the options held by the Incentive Plan until the relevant vesting conditions are met.

All incentive Plan options, other than those issued to Messrs Kelly and Gribbin, were issued in three equal tranches and subject to the same vesting conditions, outlined below and as approved by the Company's shareholders on 6 December 2022

(i) Tranche one (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.50 per share for five consecutive ASX trading days;
(ii) Tranche two (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.60 per share for five consecutive ASX trading days; and
(iii) Tranche three (33.33%) – When the Company's share price (as traded on the ASX) exceeds $0.70 per share for five consecutive ASX trading days.

Messrs David Kelly and Graeme Gribbin Incentive Plan Options were issued on 19 December 2023 and 28 February 2024 in three equal tranches and are subject to the following vesting conditions, outlined below:

(i) Tranche one (being one third of the Incentive Options) will vest on issue.
(ii) Tranche two (one third of Incentive Options) will vest on 30 November 2024 subject to continuous employment by the Company up until that date; and
(iii) Tranche three (one third of the Incentive Options) will vest on 30 November 2025 subject to the continuous employment by the Company up until that date.

The Incentive Plan shares issued to the Directors were valued using an option pricing model with the following inputs:

Measurement date	6-Dec-22	19-Dec-23	28-Feb-24
Volatility	67% 132% 128%	111%	111%
Expected term	3 years	4 years	4 years
Expected vesting period	3 years	4 years	4 years
Share price at grant date	$0.28	$0.17	$0.1
Expected dividends	$Nil	$Nil	$Nil
Risk-free rate	3.07%	3.86%	3.86%
Exercise price	$0.45	$0.30	$0.30
Barrier price	$0.50 $0.60 $0.70	N/A	N/A
Expected director exit rate per year	Nil%	Nil%	Nil%
Market based vesting conditions	As outlined above	No	No
Fair value at grant date	$0.0987 $0.0977 $0.0952	$0.11	$0.0569

The total amount expensed during the year ended 30 June 2026 in relation to the Incentive Plan Options was $62,575 (30 June 2025: $213,252).

(f) Incentive Awards Plan

As at 30 June 2026, there were 3,404,069 (30 June 2025: 3,404,069) granted to eligible employees of Lefroy Exploration as part of the Incentive awards plan approved by shareholders on 17 September 2024 general meeting. During the year ended 30 June 2026:

A reconciliation of Incentive Awards Plan movements during the year is as follows:

Director	1-Jul-25	Grants	Vested	30-Jun-26
Graeme Gribbin	1,598,837	-	-	1,598,837
Other participants	1,805,232	-	-	1,805,232
Total	**3,404,069**	**-**	**-**	**3,404,069**

Incentive Awards Plan Performance Rights have an expiry date of 31 December 2026. Directors, employees and consultants are not entitled to the Incentive Awards Plan Performance Rights until the relevant vesting conditions are met.

Performance rights granted during the years were subject to the same vesting conditions as outlined below:

(i) Achievement of first gold production under profit sharing agreement; and
(ii) Achievement of positive cashflow to Lefroy from profit share agreement of not less than $5m; and
(iii) Continuous employment from date of issue.

By no later than 30 September 2026.

The fair value of performance rights granted on 9 April 2025 was measured at $0.075, being the closing market price of Lefroy Exploration Limited ordinary shares on the grant date. As the awards are subject only to non-market performance conditions and service conditions, these conditions are not factored into the grant-date fair value, in accordance with IFRS 2.

As at 30 June 2026, it was determined that the relevant vesting conditions are unlikely to be met by 30 September 2026. As such a credit of $46,976 was recognised in relation to the equity-settled share-based payments, reversing all amounts expensed to date in relation to the Incentive Awards Plan (30 June 2025: $46,976).

16: DIVIDEND

No dividends were paid during the financial year. No recommendation for payment of dividends was made.

17: REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	Consolidated	
	2026	2025
Amounts received or due and receivable:	$000	$000
(a) Audit services		
Ernst & Young Australia – audit and review of financial reports	**-**	85
Hall Chadwick WA Audit Pty Ltd – audit and review of financial reports	**55**	-
(b) Non-audit services		
Ernst & Young Australia – taxation compliance services	**-**	43
	55	128

18: CONTINGENCIES

There are no material contingent liabilities or contingent assets of the Group at the reporting date.

19: COMMITMENTS

(a) Exploration commitments

The Group has certain commitments to meet minimum expenditure requirements on the mining exploration assets it has an interest in. Outstanding exploration commitments are as follows:

	Consolidated	
	2026	2025
	$000	$000
- within one year	**1,191**	1,798
- later than one year but not later than five years	**1,526**	1,711
	2,717	3,509

The expenditure commitment of the Group for later than 1 year but not later than 5 years is uncertain. It is not possible to accurately forecast the nature or amount of future tenement expenditure commitments required to maintain areas of interest, although it will be necessary to incur expenditure.

The amount included is considered by management to be a conservative estimate of future costs in order to maintain the Group's interest in present tenement areas. If the Group decides to relinquish, farm out, vary, convert or otherwise change its areas of interests that are in good standing with the Department of Mines & Petroleum (subject to receipt of approval), such amounts that are committed will also change.

Mineral Rights Agreement
On 22 May 2023, the Group acquired 100% of the mineral rights freehold property "East Location 45" ("LOC 45"). Under the terms of the acquisition the Group has granted the vendor a perpetual net-smelter return ("NSR") royalty of 4% per annum. Commencing 1 July 2026, the Group is required to pay an aggregate royalty of at least $100,000 per annum from gold production. Should the NSR royalty be less than $100,000, the Group is required to pay an amount equal to $100,000 to the vendor, less any NSR royalty already paid. The Group can terminate the arrangement at any time by giving notice to the vendor and will only be required to remove all the fixtures from the land and make good any damage cause by such removal and complete all remediation and rehabilitation required as a result of exploration, development, mining operations and any other activities that it has undertaken.

As at 30 June 2026, management has determined that any payments greater than $100,000 per annum under the NSR arrangement is contingent on successful exploration and development (i.e., when reserves have been proven to exists or production commence).

20: RELATED PARTY TRANSACTIONS

(a) Parent entity

The ultimate parent entity within the Group is Lefroy Exploration Limited

(b) Subsidiaries

Interests in subsidiaries are set out in Note 21.

(c) Key management personnel compensation

	Consolidated	
	2026	2025
	$000	$000
Short-term benefits	**446**	431
Post-employment benefits	**44**	45
Other long-term benefits	**-**	-
Termination benefits	**-**	-
Share-based payments	**74**	302
	564	778

(d) Transactions and balances with other related parties

The following related party transactions occurred during the year ended 30 June 2026:

Mr Michael Davies is a directors of New Holland Capital Pty Ltd ('New Holland Capital'), a subsidiary of Taurus Funds Management Pty ltd.

On 1 January 2022, the Group entered into a deed of sub-lease for leasehold premises occupied in West Perth. $141,286 (exc. GST) (30 June 2025: $140,085 exc. GST) has been paid to Taurus Funds Management Pty Ltd in relation to rent and variable outgoings in accordance with the terms and conditions of the deed of sub-lease.

As at 30 June 2026 and 30 June 2025, no amounts were due and payable to New Holland Capital or Taurus Funds Management Pty Ltd in respect of services rendered.

Transactions with other related parties are made on normal commercial terms and conditions and at market rates.

Outstanding balances are unsecured and are repayable in cash.

21: SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1(b):

Name	Country of Incorporation	Class of Shares	Equity Holding	
			2026 %	2025 %
Hogans Resources Pty Limited	Australia	Ord	100	100
Monger Exploration Pty Ltd	Australia	Ord	100	100
Lefroy Exploration Share Plan Pty Ltd	Australia	Ord	100	100
Hampton Metals Pty Ltd	Australia	Ord	100	100

22: STATEMENT OF CASH FLOWS

	Consolidated	
	2026 $000	2025 $000
Reconciliation of (loss) / profit after income tax to net cash outflow from operating activities		
Net (loss) / profit for the year	**(2,136)**	(2,573)
Non-cash, non-operating activities		
Depreciation and impairment expense	**718**	854
Share-based payment expenses	**81**	417
Accrued interest payable	**122**	-
Change in operating assets and liabilities		
(Increase)/decrease in other receivables	**(80)**	98
(Increase)/decrease in other current assets	**-**	-
Increase/(decrease) in trade and other payables	**(440)**	(262)
Increase/(decrease) in provisions	**20**	(17
Net cash outflow from operating activities	**(1,715)**	(1,449)

Non-cash investing and financing activities:

Non-cash investing and financing activities are listed in Notes 9 and 14.

Lefroy Exploration

23: EARNINGS PER SHARE

(a) Reconciliation of earnings used in calculating loss per share

(Loss) attributable to the owners of the Company used in calculating basic and diluted loss per share	**(2,136)**	(2,573)

(b) Weighted average number of shares used as the denominator

	Number of shares	
	2026	**2025**
Weighted average number of ordinary shares used as the denominator in calculating basic (loss) / profit per share	242,189,380	222,288,044
Weighted average number of ordinary shares used as the denominator in calculating diluted (loss) / profit per share	242,189,380	222,288,044
Basic (loss) / profit per share attributable to ordinary equity holders in cents	(0.88)	(1.16)
Diluted (loss) / profit per share attributable to ordinary equity holders in cents	(0.88)	(1.16)

(c) Information on dilutive options

For the year ended 30 June 2026 and 30 June 2025, the Incentive Plan options and Share Plan shares were anti-dilutive and have not been included in the calculation of diluted earnings per share.

24: PARENT ENTITY INFORMATION

The following information relates to the parent entity, Lefroy Exploration Limited, at 30 June 2025. The information presented here has been prepared using accounting policies consistent with those presented in Note 1.

	2026	2025
	$000	$000
Current assets	3,222	1,717
Investment in subsidiaries	1,697	2,029
Other non-current assets	25,929	21,823
Total assets	30,848	25,569
Current liabilities	(2,901)	(268)
Non-current liabilities	(1,950)	(322)
Total liabilities	(4,851)	(590)
Net Assets	25,997	24,979
Issued capital	58,103	55,030
Foreign currency translation reserve	(111)	(111)
Share-based payments reserve	3,733	3,652
Accumulated losses	(35,728)	(33,592)
Total equity	25,997	24,979
Profit/(loss) for the year	(2,136)	-
Total comprehensive income for the year	(2,136)	(2,573)

25: EVENTS AFTER THE REPORTING PERIOD

On 7 July 2026, Mr James Knowles was appointed as a Non-Executive Director of the Company.

On 31 July 2026, the Company held a General Meeting. All resolutions put forward at the General Meeting were passed, including approval for the Directors to participate in the placement as announced on 22 May 2026. 2,540,560 fully paid ordinary shares were issued by the Company on 27 August 2026 as a result of the participation of Directors in the placement, raising gross proceeds of $317,570.

No other matters or circumstances have arisen since the end of the financial year which have significantly affected or in the opinion of directors may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Lefroy Exploration Limited (the Company), I state that:

In the opinion of the directors:

a) The financial statements and notes of the Group are in accordance with the International Financial Reporting Standards, including:

   (i) Giving a true and fair view of the financial position of the Group as at 30 June 2026 and its performance, for the year ended on that date; and

   (ii) Complying with International Financial Reporting Standards.

b) Subject to the matters set out in note 1(a)(iv) to the financial report there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This statement has been made in accordance with a resolution of directors.

David Kelly
Chairman

Perth, 23 September 2026

HALL CHADWICK

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LEFROY EXPLORATION LIMITED

Report on the Audit of the Financial Report

Opinion

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

In our opinion, the accompanying financial report presents fairly, in all material respects, the consolidated financial position of the Consolidated Entity as at 30 June 2026, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial report which indicates that the Consolidated Entity incurred a net loss of $2,136,000 during the year ended 30 June 2026. As stated in Note 2(a), these events or conditions, along with other matters as set forth in Note 2(a), indicate that a material uncertainty exists that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. 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 the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the Key Audit Matter
Exploration and Evaluation Expenditure (Note 9)	
As disclosed in note 9 of the financial statements as at 30 June 2026 the Consolidated Entity had a capitalised exploration and evaluation expenditure balance of $24,183,000. Exploration and evaluation expenditure is a key audit matter due to: • The significance of the balance to the Consolidated Entity's financial position; and • The level of judgement required in evaluating management's application of the requirements of IFRS 6 Exploration for and Evaluation of Mineral Resources ("IFRS 6"). IFRS 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset.	Our audit procedures included but were not limited to: • Assessing management's determination of its areas of interest for consistency with the definition in IFRS 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programmes planned for those tenements; • For each area of interest, we assessed the Company's rights to tenure by corroborating on a sample basis to government registries and evaluating agreements in place with other parties as applicable; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of IFRS 6; • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: ○ the licenses for the right to explore expiring in the near future or are not expected to be

<table>
<tr><th>Key Audit Matter</th><th>How our audit addressed the Key Audit Matter</th></tr>
<tr><td></td><td>renewed;
○ substantive expenditure for further exploration in the specific area is neither budgeted or planned;
○ decision or intent by the Company to discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and
○ data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.
• Examination of the disclosures made in financial report.</td></tr>
<tr><td>Mine Properties (Note 10)</td><td></td></tr>
<tr><td>As disclosed in Note 10 of the financial statements as at 30 June 2026, the Consolidated Entity had a mine properties balance of $3,308,000.
During the year, $2,601,000 was transferred from exploration and evaluation expenditure and $1,334,000 was recognized as part of provision for rehabilitation of mine properties .
Accounting for mine development assets requires management to exercise significant judgement in determining the appropriate estimates to be applied in the application of the Consolidated Entity's accounting policy, including:
• the allocation of mining costs between operating and capital expenditure;
• determining the point at which an exploration and evaluation project has progressed to the development phase, and the resulting classification of expenditure as mine development assets;
• assessing whether an impairment loss has occurred. The recoverable amount is assessed for the cash-generating unit as a</td><td>Our procedures included, but were not limited to:
• obtaining an understanding of the key controls management has in place in relation to capitalisation of development expenditure and testing on a sample basis to source documents;
• assessing the appropriateness of the allocation of costs between operating and capital expenditure based on the nature of the underlying activity, and recalculating the allocation based on the underlying physical data;
• testing the mathematical accuracy of the capitalisation schedules; and
• evaluating management's cashflow model and the relevant inputs used in calculating the value in use of the cash generating unit to assess whether the recoverable amount exceeded the carrying amount.
• evaluating managements unit of production amortisation calculations, testing the mathematical accuracy of the rates applied</td></tr>
</table>

Key Audit Matter	How our audit addressed the Key Audit Matter
whole (of which mine development assets are the most significant component) on a value-in-use basis using a discounted cash flow model.	and agreeing the inputs to supporting documentation; We also assessed the adequacy of the disclosures included in the financial statements.
Provision for rehabilitation (Note 13)	
As disclosed in Note 13 of the financial statements as at 30 June 2026, the carrying value of the provision for rehabilitation was $1,930,000. Judgement is required in the determination of the provision for rehabilitation including; • assumptions relating to the manner in which rehabilitation will be undertaken; • scope and quantum of costs, and timing of rehabilitation activities; and • the determination of appropriate inflation and discount rates to be adopted.	Our procedures included, but were not limited to: • obtaining an understanding of, and assessing the process management has in place to estimate the provision; • agreeing rehabilitation cost estimates to underlying support, including where applicable management's reports; • comparing the inflation and discount rates to available market information; and • testing the mathematical accuracy of the rehabilitation provision model. We also assessed the adequacy of the disclosures included in the financial statements.

Other Information

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

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

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

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

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation and fair presentation of the financial report in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Consolidated Entity as a basis for forming an opinion on the financial report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 23rd Day of September 2026
Perth, Western Australia

ASX ADDITIONAL INFORMATION

The following additional information is required by the Australian Securities Exchange. The information is current as at 18 September 2026.

(a) Distribution schedule and number of holders of fully paid ordinary shares (ASX:LEX) as at 18 September 2026

Range	Total holders	Fully Paid Ordinary Shares	% Units
1 - 1,000	185	72,167	0.03
1,001 - 5,000	349	1,061,298	0.38
5,001 - 10,000	262	2,149,730	0.78
10,001 - 100,000	436	16,417,991	5.92
100,001 Over	189	257,518,952	92.89
Total	1,421	277,220,138	100.00

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 18 September 2026 is 435 holding a total of 680,500 fully paid ordinary shares.

(b) Distribution schedule and number of holders of unquoted securites as at 18 September 2026

	1 – 1,000	1,001 – 5,000	5,001 – 10,000	10,001 – 100,000	100,001 – and over	Total
Unlisted Options Exercisable at $0.30 each, Expiring 30 November 2027	0 0.00%	0 0.00%	0 0.00%	0 0.00%	3 100.00%	3 100.00%
Performance Rights, Expiring 31 December 2026	0 0.00%	0 0.00%	0 0.00%	0 0.00%	5 100.00%	5 100.00%

(b) 20 Largest holders of quoted equity securities as at 18 September 2026

The names of the twenty largest holders of fully paid ordinary shares (ASX code: LEX) as at 18 September 2026 are:

Rank	Name	Fully Paid Ordinary Shares	% of Total Shares
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	50,813,554	18.33
2	MR MICHAEL DAVIES	22,481,073	8.11
3	ST IVES GOLD MINING COMPANY PTY LTD	21,613,910	7.80
4	MR COLIN PETROULAS	14,800,000	5.34
5	CLARKSON'S BOATHOUSE PTY LTD <CLARKSON SUPER FUND A/C>	13,935,944	5.03
6	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	10,823,727	3.90
7	LEFROY EXPLORATION SHARE PLAN PTY LTD	7,650,000	2.76
8	NOONTIDE INVESTMENTS LIMITED	6,590,306	2.38

Rank	Name	Fully Paid Ordinary Shares	% of Total Shares
9	MR GORDON THOMAS GALT + MRS MARIA VERONICA GALT <THE GALT SUPER FUND A/C>	4,693,216	1.69
10	SUPER SEED PTY LTD <THE WERSMAN SUPER FUND A/C>	4,684,882	1.69
11	ROOKHARP CAPITAL PTY LTD	4,608,334	1.66
12	DIXTRU PTY LIMITED	3,297,025	1.19
13	MR MATTHEW ALAN FAHEY	3,000,000	1.08
14	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	3,000,000	1.08
15	CITICORP NOMINEES PTY LIMITED	2,795,301	1.01
16	MR WADE JOHNSON + MS JENNIFER JOHNSON <INJIGOLD FAMILY A/C>	2,627,084	0.95
17	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	2,547,613	0.92
18	DAWNEY & CO LTD	2,500,000	0.90
19	NOONTIDE SECURITIES PTY LTD	2,058,831	0.74
20	PEBADORE PTY LTD <WELLER FAMILY S/FUND A/C>	2,000,000	0.72
	TOTAL	**186,520,800**	**67.28**

Stock Exchange Listing – Listing has been granted for 277,220,138 fully paid ordinary shares of the Company on issue on the Australian Securities Exchange.

There were 5,700,000 unlisted options exercisable at $0.30 each, expiring on 30 November 2027 and 3,404,069 performance rights expiring 31 December 2026 on issue as at 18 September 2026. All unquoted securities were issued under an employee incentive scheme.

(c) Substantial shareholders

Substantial shareholders in Lefroy Exploration Limited and the number of equity securities over which the substantial shareholder has a relevant interest as disclosed in substantial holding notices provided to the Company are listed below:

Name	Shares	% of Total Shares	Date lodged with ASX
Noontide Investments Ltd	57,937,691	21.09%	4 June 2026
St Ives Gold Mining Company Pty Ltd	21,613,910	11.01%	18 October 2023
Michael Davies & Associates	16,718,370	8.52%	4 October 2023

(d) Restricted Securities as at 18 September 2026

The Company had no restricted securities on issue as at 18 September 2026.

(e) Voting Rights

All fully paid ordinary shares carry one vote per ordinary share without restriction.

Unquoted options have no voting rights. Voting rights will be attached to the issued fully paid ordinary shares when options have been exercised.

Performance rights have no voting rights. Voting rights will be attached to the issued fully paid ordinary shares when performance rights have been exercised.

(f) Corporate Governance

The Board of Lefroy Exploration Limited is committed to Corporate Governance. The Board is responsible to its Shareholders for the performance of the Company and seeks to communicate with Shareholders. In accordance with ASX Listing Rule 4.10.3, the Company has elected to disclose its Corporate Governance policies and its compliance with them on its website, rather than in the Annual Report. Accordingly, information about the Company's Corporate Governance practices is set out on the Company's website at https://www.lefroyex.com/corporate-governance.

(g) Schedule of Mining Tenements

- ## LEFROY EXPLORATION – TENEMENT SCHEDULE (as at 30 June 2026)

Tenement Id	Project	Status	Holder	Interest %
E15/1447	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E15/1615	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E26/131	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E26/134	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E26/150	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E26/184	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
E26/193	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
M26/842	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
P26/3764	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
P26/3765	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100(1)
M26/850	Western Lefroy JV	Pending	HOGANS RESOURCES PTY LTD	100(1)
M26/851	Western Lefroy JV	Pending	HOGANS RESOURCES PTY LTD	100(1)
E15/1497	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E15/1715	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E15/1954	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E15/1955	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E25/517	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E25/518	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E25/524	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E25/587	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/176	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/182	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/183	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/195	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/240	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/241	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/260	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/261	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/264	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
L25/63	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
L25/70	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
L26/317	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
M25/362	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)

Tenement Id	Project	Status	Holder	Interest %
M25/363	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
M25/366	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P25/2316	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P25/2317	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P25/2488	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P25/2855	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4391	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4392	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4393	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4394	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4423	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4437	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4438	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4798	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4799	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4800	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/270	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L15/527	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L25/61	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L25/71	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L25/74	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L26/318	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
M15/1907	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
M25/379	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
P25/2889	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
E63/2395	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100(1)
E63/2396	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100(1)
E63/2402	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100(1)
E74/792	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100(1)
E63/2073	Lake Johnston	Live	HAMPTON METALS PTY LTD	100(1)
E63/1722	Lake Johnston – CHR (Li rights)	Live	HAMPTON METALS PTY LTD	100(2)
E63/1723	Lake Johnston – CHR (Li rights)	Live	HAMPTON METALS PTY LTD	100(2)
E63/1777	Lake Johnston – CHR (Li rights)	Live	HAMPTON METALS PTY LTD	100(2)

E = Exploration Licence
M = Mining Lease
P = Prospecting Licence
L = Miscellaneous Licence

Notes to accompany tenement listing:

(1) Hogans Resources Pty Ltd, Monger Exploration Pty Ltd and Hampton Metals Pty Ltd are wholly owned subsidiaries of Lefroy Exploration Ltd.

(2) E63/1722, E63/1723 and E63/1777 - Held under title by HMT. Charger Metals NL (ASX CHR) and Lithium Australia NL (ASX:LIT) have the rights to Lithium.