



Lefroy Exploration

LEFROY EXPLORATION LIMITED

ANNUAL REPORT

30 June 2025

Incorporated in the British Virgin Islands IBC No 29457

Australian Registered Body Number 052 123 930

Corporate Information

Directors

David Kelly (Non-executive Chairman)
Michael Davies (Non-executive Director)
Tara French (Non-executive Director)

Company Secretary

Susan Park

Registered Offices

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WEST PERTH WA 6005
Telephone: +618 9321 0984

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Road Town,
Tortola, VG1110
British Virgin Islands

Principal Place of Business

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WEST PERTH WA 6005

Bankers

Australia & New Zealand Banking Corporation
West Perth Business Centre
Hay Street
West Perth WA 6005

Share Registries

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Auditors

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Stock Exchange Listing

Lefroy Exploration Limited shares are listed on the Australian Securities Exchange (ASX code: LEX)

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CHAIRMAN'S LETTER

To Our Shareholders,

I am delighted to present to you the Annual Report for Lefroy Exploration Limited for the financial year 2025. This year, we have made significant strides toward our core objective: to successfully commercialise our high-quality gold deposits and unlock substantial value for our shareholders.

The cornerstone of our achievements has been the advancement of our flagship Lefroy Project. This year, we have moved beyond exploration and into the next phase of development, driven by our innovative, low-cost gold production strategy. The execution of our first profit-share mining agreement allows us to progress The Lucky Strike project toward production without diluting our existing shareholders.

Through our partnership with BML Ventures, we have completed numerous milestones at the Lucky Strike Deposit, including a comprehensive reverse circulation (RC) resource infill drilling program and a prefunded grade control drilling program. The strong near-surface assay results from this drilling have exceeded our expectations and confirmed the high-grade characteristics of the deposit.

These efforts have allowed us to secure our first toll milling agreement, with a 90,000 tonne February 2026 milling slot confirmed. This is a pivotal step towards our target of 250,000 toll milling ore tonnes for Stage 1 of Lucky Strike. Furthermore, the recently secured Profit Cash Advance Facility Agreement provides a total funding commitment of \$2.5 million, ensuring we are well-funded through to our first profit-share distributions in the first half of 2026. This self-funded growth strategy is a testament to our commitment to maximising returns for our shareholders.

While Lucky Strike has been a primary focus, we have not lost sight of the broader potential of the Lefroy Gold Project. Our team has made impressive progress on other key deposits, including the Mt Martin and Burns Central resources, which collectively hold over one million ounces of gold. The update to the Burns Central resource, which defined a high-grade structurally controlled zone containing 159,285 ounces of gold, and the encouraging metallurgical test work results demonstrate the potential of this deposit for similar commercialisation pathways. Moreover, the high-grade Burns resource remains open along strike and at depth, and exploration will recommence in the FY26 year to test this exciting opportunity. Similarly, our work at Mt Martin has resulted in a growth in the near-surface mineral resource, highlighting its value as a future development opportunity. Our ongoing regional exploration programs continue to yield promising results, reinforcing our belief that the broader Lefroy Gold Project is home to additional significant gold discoveries.

I would like to extend my deepest gratitude to the entire Lefroy Exploration team for their unwavering commitment and relentless efforts throughout the year. In particular, I wish to acknowledge the outstanding leadership and tireless work of our CEO, Graeme Gribbin. His strategic vision and hands-on approach have been instrumental in our success, driving the company forward and navigating the complexities of our commercialisation pathway.

Finally, on behalf of the Board and Management, I would like to express our sincere thanks to you, our shareholders. Your continued support and confidence in our strategy are invaluable. We are well-positioned for an exciting future, and we look forward to the significant value we are poised to unlock for you in the years to come.

Yours sincerely,

David Kelly

Chairman, Lefroy Exploration Limited

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 2025.

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 the 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.

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)

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.

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	Options
David Kelly	1,189,399	-	1,750,000
Michael Davies	20,500,513	1,200,000	1,200,000
Tara French	1,066,072	-	1,200,000

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 and contiguous land package of 635km² 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, including the Goodyear, Lake Johnston, Glenayle and Carnilya South assets.
- The general administration of the Group.

DIRECTORS' REPORT (CONTINUED)

Lefroy Project

Project Overview

Lefroy Exploration Limited (ASX:LEX) is an active West Australian exploration company focused on developing its flagship Lefroy Project (Figure 1), a contiguous land package of 635km² located in the heart of the world-class Kalgoorlie and Kambalda gold and nickel mining districts and the Lake Johnston Project 120km west of Norseman.

Throughout the financial year 2025, Lefroy has pursued a low-cost gold production strategy through profit share mining agreements on its shallow, high-grade gold deposits. The company's Lucky Strike Deposit with 79,600oz is subject to the first of such agreements, with key milestones completed on the way to production targeted for early 2026. Additional deposits Mt Martin (439,000oz at 1.47g/t Au) and Burns Central (159,285oz at 1.18g/t Au) offer additional potential for similar agreements and show significant resource growth potential through ongoing exploration.

With over one million ounces in resources and a zero-cost development pathway, LEX is well-positioned to generate cash flow and advance its broader portfolio.

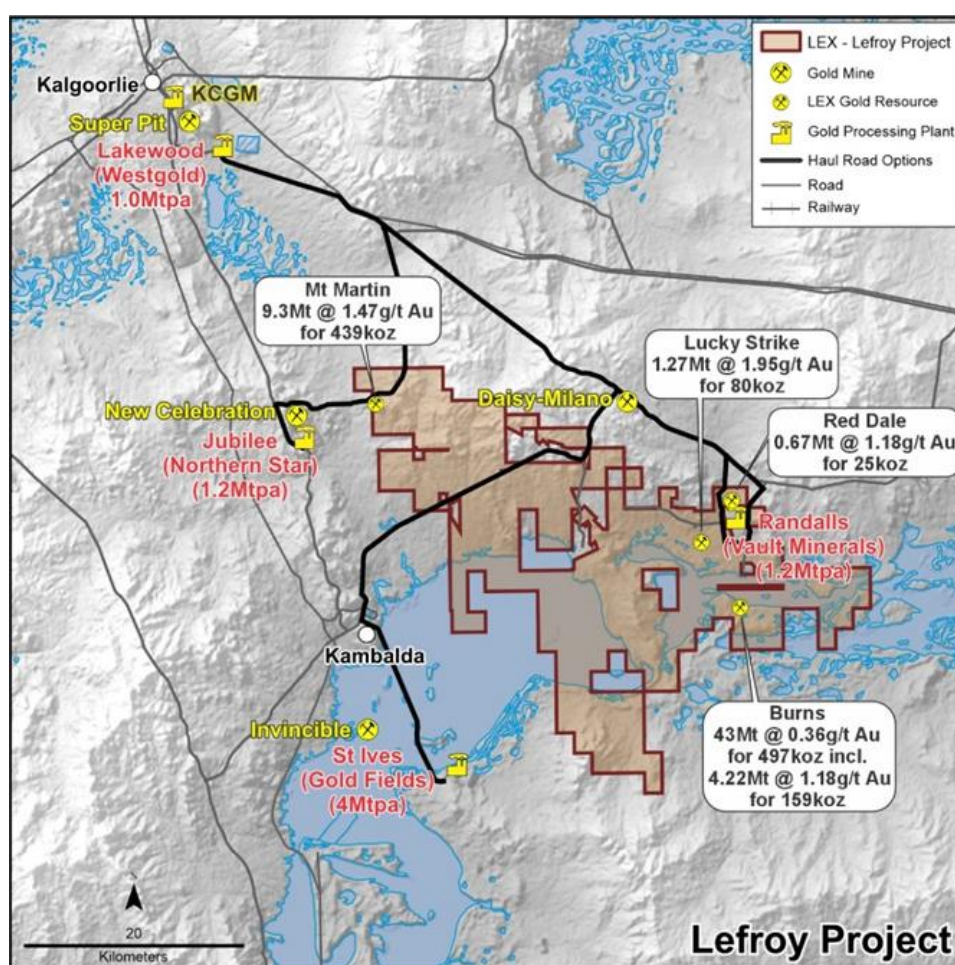


Figure 1: Lefroy Gold Project

Lucky Strike Gold Deposit

Lucky Strike Project Overview

The Lucky Strike Project hosts a mineral resource estimate of 1.27Mt @ 1.95 g/t Au for 79,600 (Indicated 0.70Mt @ 1.93g/t Au for 43,400 oz. Inferred 0.57Mt @ 1.97g/t for 36,200 oz) (refer ASX announcement 20 May 2020).

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 the Mt Monger Road and haulage corridor.

Mining Profit-Sharing Agreement with BML Ventures

In December, the Company executed an Exclusivity and Heads of Agreement with BML Ventures Pty Ltd (BML) to support development of the Lucky Strike Gold Project (refer to ASX release 18 December 2024). This was subsequently replaced with the execution of a Profit-Sharing Agreement (refer ASX release 12 February 2025).

BML is a private mining contractor, with a proven track record of advancing open pit gold mines in the Kalgoorlie-Kambalda region of WA, including a recent collaboration with Auric Mining (ASX:AWJ) at Jefferys Find.

The material commercial terms of the Profit-Sharing Agreement were agreed as follows:

- Lefroy grants an exclusive right to BML to open pit mining at the Lucky Strike Area, within the Lucky Strike Project, with a profit-sharing split of LEX 50% and BML 50%;
- BML is authorised and responsible for the mine site and any mining approvals and is to act as the statutory Mine Operator responsible for all mining activities and BML will coordinate and fund all approvals required for the mining of Lucky Strike;
- BML will use best endeavours to commence mining at the Lucky Strike Area within 18 months of signing the Profit-Sharing Agreement, if satisfied as to the agreed profitability threshold, that there is sufficient continuity of high-grade ore across the Lucky Strike Area and that sufficient toll milling capacity is available;
- BML is to fund capital and operating costs and manage all mining related activities at Lucky Strike.
- BML is to coordinate toll milling negotiations with third party toll milling processing plant operators on behalf of the parties, including in respect of processing costs and scheduling of toll milling slot availability;
- Lefroy agrees to undertake a pre-mining resource infill drilling program to further consolidate the geological and resource confidence at Lucky Strike;
- All subsequent drilling following a decision to mine (including all grade control drilling) to be undertaken and funded by BML as expenses;
- All net cash from the sale of product (Au) is to be paid to/retained by BML up to and until all the costs incurred and paid by BML for undertaking mining at the Lucky Strike Area have been repaid from the sale of the product; and
- The net profit (i.e the surplus achieved after deducting expenses from income for the Lucky Strike Area) will be split Lefroy 50%: BML 50%.

The term of the Profit-Sharing Agreement will continue until the earlier of: a) completion of the mining at Lucky Strike; or b) final distribution of net profit generated from the sale of product; or c) BML has not started mining and is not actively preparing for mining or actively investigating the merits of mining the tenements for a period of 18 months from the last activity or expenditure incurred by BML in relation to the tenements; or d) BML or Lefroy terminates the Profit-Sharing Agreement in accordance with its terms.

Reverse Circulation (RC) Resource Infill drilling

During the March quarter, the Company completed a shallow RC drilling program comprising 71 holes for 3244m on time and budget (refer ASX release 26 March 2025).

The drilling program was successful on three fronts:

- Drilling validated the existing geological model, with minor edits made to the sedimentary iron formation (SIF) geological interpretation; and
- Mineralisation intervals from new drilling broadly correlated with existing resource envelopes, with some thicker accumulation identified within the eastern and central part of the resource; and
- Return of several significant intersections well outside the current mineral resource domains.

Significant intersections reported mineralisation outside the current resource domains, highlighting the growth potential for Lucky Strike (Figure 2):

- 17m @ 1.32 g/t Au from 34m (LEFR487), including 2m @ 5.67 g/t Au (from 44m)
- 6m @ 3.07 g/t Au from 25m (LEFR447), including 2m @ 6.91 g/t Au (from 27m)
- 7m @ 1.74 g/t Au from 21m (LEFR448), including 2m @ 4.93 g/t Au (from 23m)

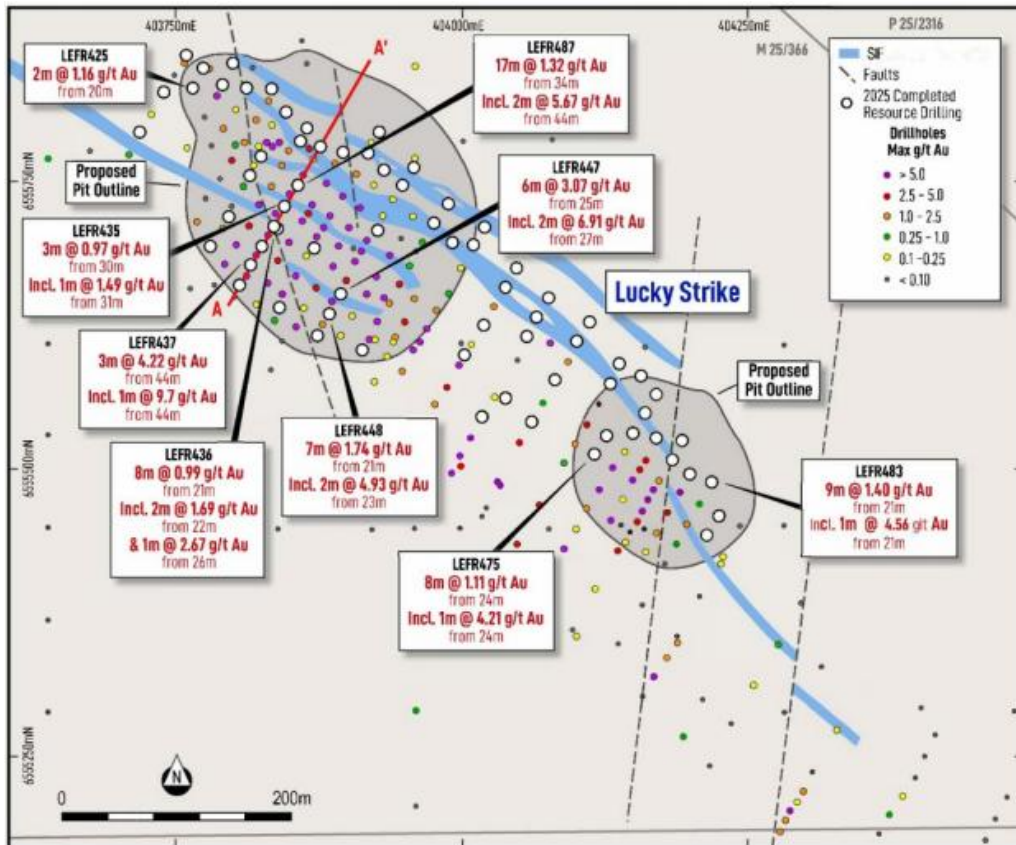


Figure 2: March RC Drilling Program at Lucky Strike with significant intersections (Plan View)

Grade Control Drilling

During the June quarter, the Company commenced a 16,500m grade control drilling program at Lucky Strike (refer ASX release 3 June 2025), targeting the proposed northern pit (Figure 3).

This program was fully prefunded by profit share partner BML. Gold grades exceeded expectations in the top 40-50m of the planned northern pit, demonstrating the significant high grade mining opportunity that exists at Lucky Strike. Significant intersections reported mineralisation outside the current resource domains, highlighting the growth potential for Lucky Strike.

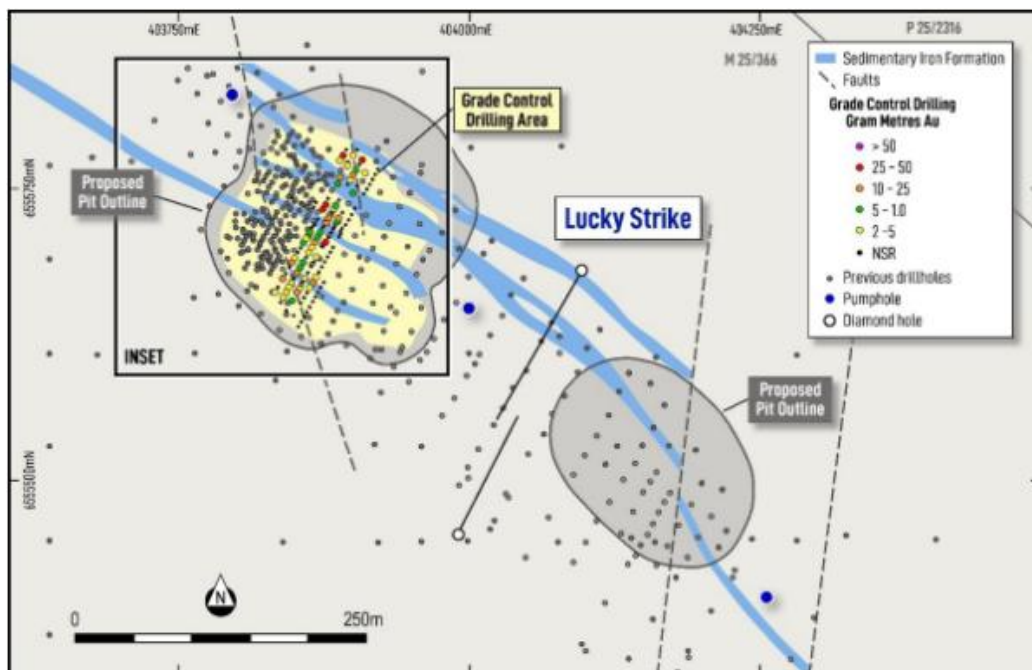


Figure 3: Grade Control RC Drilling Program area (light yellow) at Lucky Strike targeting the northern pit

Exceptional near-surface assay results returned from the initial set of grade control drill holes completed at Lucky Strike (Figure 4, Figure 5), with significant intersections including (refer ASX release 3 June 2025):

- 19m @ 4.10 g/t Au from 31m (LEFR563), including 7m @ 9.58 g/t Au (from 41m)
- 22m @ 2.91 g/t Au from 24m (LEFR602), including 1m @ 12.0 g/t Au (from 40m)
- 7m @ 8.46 g/t Au from 17m (LEFR493), including 1m @ 20.1 g/t Au (from 20m)
- 15m @ 3.44 g/t Au from 33m (LEFR581), including 5m @ 7.05 g/t Au (from 40m)
- 7m @ 5.87 g/t Au from 15m (LEFR512), including 1m @ 21.8 g/t Au (from 16m)

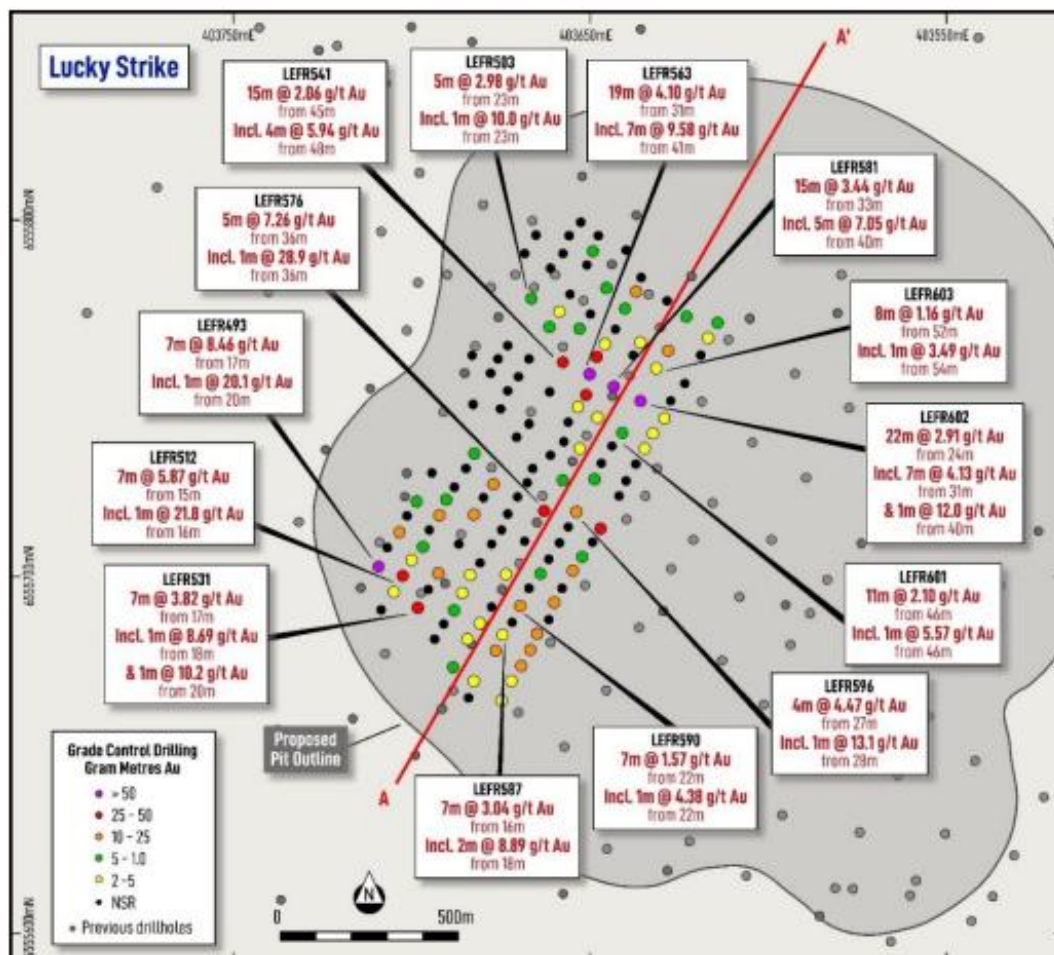


Figure 4: Grade Control RC Drilling Program (Plan View) – Significant Assay Results (3 June 2025)

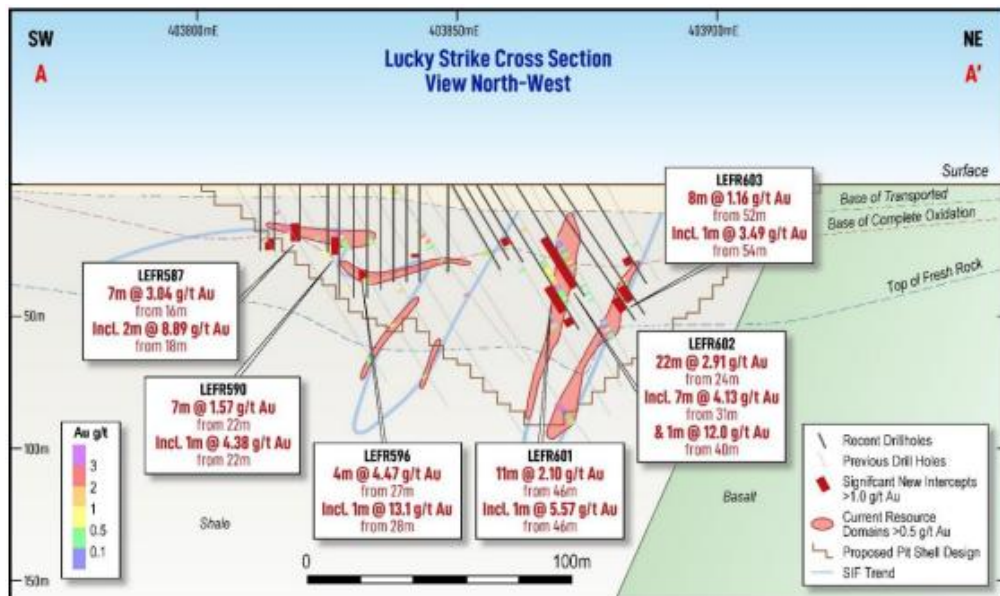


Figure 5: Lucky Strike Cross Section A – A' – Significant Assay Results (3 June 2025)

A second tranche of gold assay results (refer ASX release 24 June 2024), validated the Company's current resource model, with robust grades returned along the northern flank of the proposed northern pit shell (Figure 6), with shallow significant intersections including:

- 4m @ 7.95 g/t Au from 20m (LEFR689), including 2m @ 13.1 g/t Au (from 22m)
- 14m @ 2.42 g/t Au from 28m (LEFR652), including 1m @ 7.74 g/t Au (from 40m)
- 8m @ 3.47 g/t Au from 46m (LEFR651), including 1m @ 18.3 g/t Au (from 47m)
- 10m @ 2.89 g/t Au from 17m (LEFR633), including 1m @ 8.22 g/t Au (from 20m)

Results from LEFR689 were particularly encouraging as they demonstrated that elevated gold grades extend to the northern limits of known mineralisation, with upside potential considered to extend along strike to the southeast.

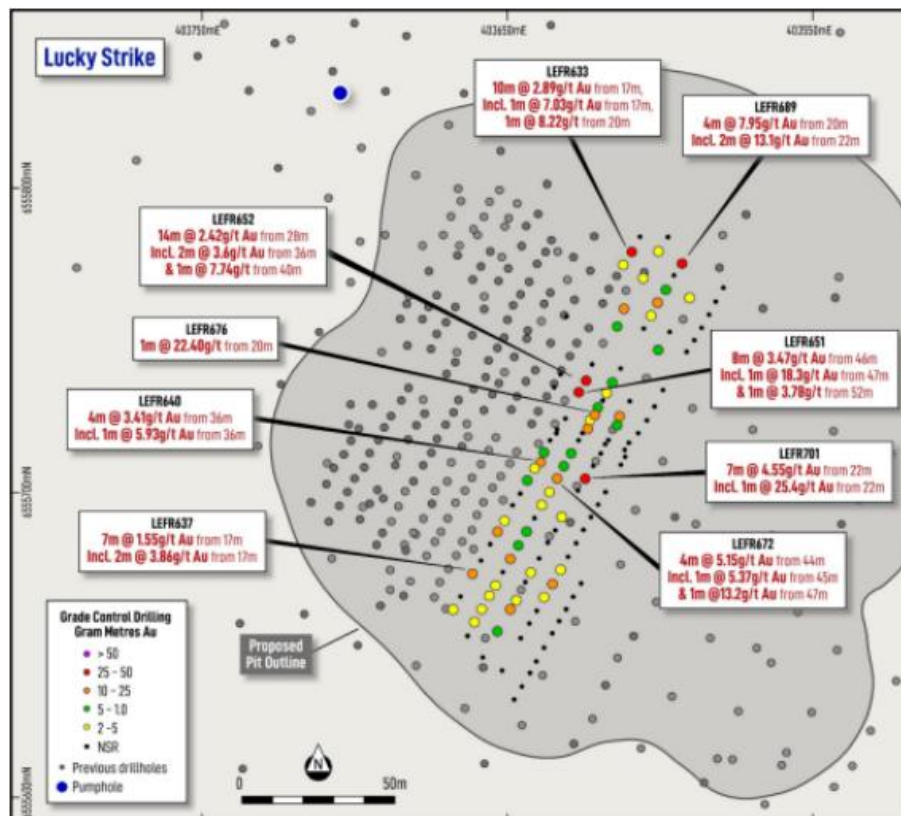


Figure 6: Grade Control RC Drilling Program (Plan View) – Significant Assay Results (24 June 2025)

Towards the southwest, consistent shallow zones of mineralisation 20m from surface were intersected, including:

- 7m @ 4.55 g/t Au from 22m (LEFR701), including 1m @ 25.4 g/t Au (from 22m)
- 7m @ 1.55 g/t Au from 17m (LEFR637), including 2m @ 3.86 g/t Au (from 17m)

The total grade control program is on target to be completed on time, with the final assay results anticipated to be returned during the September quarter.

This RC program was also designed to capture valuable geotechnical data, with a series of holes selected for optical televiewer surveys, with this work ongoing. Additionally, geotechnical logging has commenced on two recently completed diamond holes positioned between the proposed Stage 1 North and South pit designs at Lucky Strike (Figure 7).

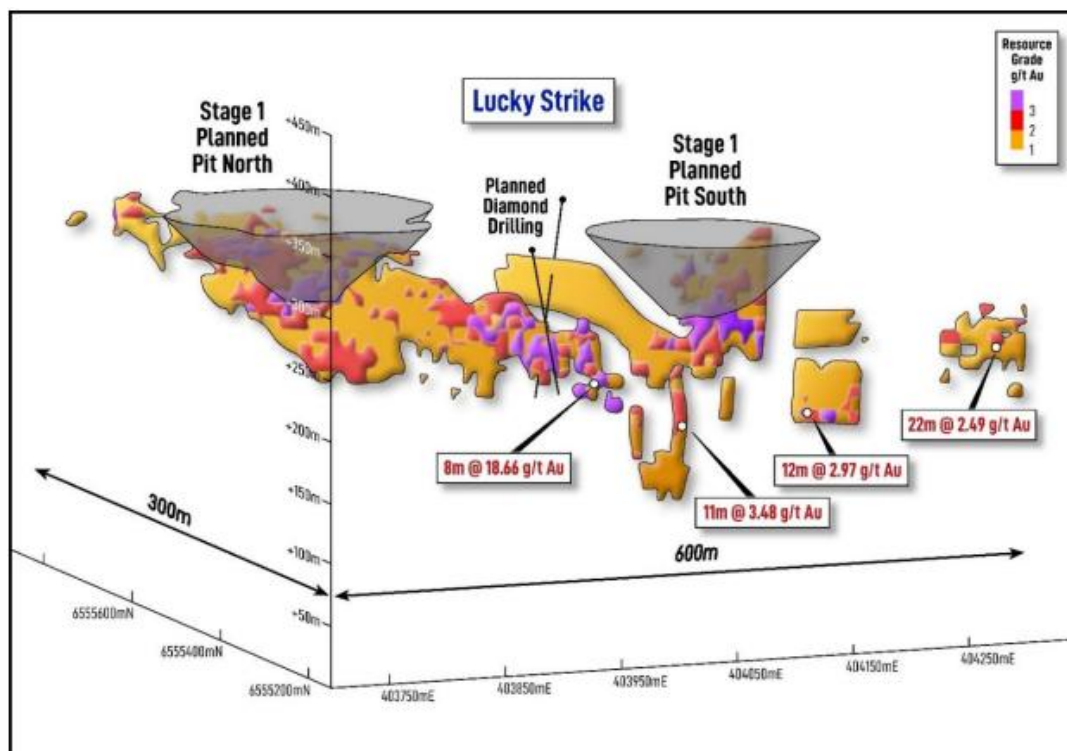


Figure 7: Lucky Strike Resource (Cut at >1g/t) – Oblique Long Section (Looking Northeast) showing location of geotechnical Diamond drillholes

In addition to providing important geotechnical data to support pit shell designs for a potentially larger Stage 2 pit at Lucky Strike, these drill holes were also optimally designed to follow up extensions to exceptional high grade historical intersections, including 8m @ 18.66 g/t Au (from 145m) including 5m @ 28.1 g/t Au (from 145m) in LEFR217 (refer ASX release 26 February 2020).

The Company reported that geological logging was due to commence on completion of geotechnical works. Additionally, LEX announced that a second RC drilling rig was being mobilised to complete three pump-test bore holes to aid hydrogeological studies at Lucky Strike. A hydrogeologist was due to be on site in July to supervise the pump test work with final reports due during the September quarter.

Toll Milling Agreement

During the June quarter, the Company announced that it had secured its first toll milling agreement (refer ASX release 10 June 2025) via its mine profit-sharing partner BML Ventures Pty Ltd (BML), between BML and FMR Investments Pty Ltd (FMR) to toll treat Lucky Strike ore at the Greenfields Mill in Coolgardie.

BML and FMR have entered into an agreement whereby BML has secured a February 2026 milling slot to toll treat third party ore from Lucky Strike. The 1-month slot commences from 29 January 2026 to 26 February 2026, subject to final minor scheduling adjustments.

Lefroy anticipates that the throughput of the February 2026 toll treatment parcel will be between 80,000 – 90,000 Dry Metric Tonnes (DMT).

Lefroy and BML are actively negotiating with additional milling partners and aspire to secure a total of 250,000 toll milling ore tonnes for Stage 1 of Lucky Strike.

Profit Cash Advance Agreement

In July 2025, the Company announced that it had entered into a Profit Cash Advance Facility Agreement (Agreement) with BML in relation to the Lucky Strike Gold Deposit (refer ASX release 16 July 2025).

The agreement represents a total funding commitment of \$2.5 million, with the first cash advance of \$1 million to be completed by the end of the September FY26 quarter. Additional advances of \$500,000 to be available in each of the December, March and June FY26 quarters.

All cash advances to be offset against Lefroy's 50% entitlement under its existing Profit-Sharing Agreement with BML. Recourse under the facility security is limited to the Lucky Strike mining tenement (M25/366), no upfront fees and a coupon rate of 8% per annum.

Lefroy is now fully funded until profit-share distributions commence at Lucky Strike in the first half of 2026, avoiding dilution of existing shareholders. The funding substantially strengthens Lefroy's cash position, which will enable the Company to embark on additional high impact exploration programs across the broader Lefroy into the future.

Key Milestones Reached to Advance Lucky Strike to Production

Pit shell optimisation designs for Lucky Strike are being finalised, with production scheduling and budgeting also now well advanced. This work is anticipated to be completed and approved by both Lefroy and BML during the September 2025 quarter (refer ASX release 9 September 2025).

Additionally, the Company previously reported that it is considering the possibility of a larger Stage 2 pit at Lucky Strike, with 2 diamond drill holes, designed to test the potential for a deeper pit at Lucky Strike, completed in July (refer ASX release 29 July 2025).

Furthermore, a series of RC drill holes were also recently completed in August 2025. These holes, coupled with the diamond drill holes, will aid the Company in assessing the high-grade continuity of mineralisation below the planned Stage 1 Northern Pit, and the viability for a larger Stage 2 pit shell.

A backlog with sample preparation and analytical reporting from local assay laboratories has delayed the receipt of assays from this program, with final assay from this Stage 2 program now also anticipated to be received during the September quarter.

A Heritage Survey was undertaken covering mining tenement M25/366, with this tenement to incorporate the proposed Lucky Strike Stage 1 planned pits, along with associated Mine Ore Pad (MOP) and waste rock dumps (refer ASX release 9 September 2025).

Additionally, the heritage survey covered several miscellaneous licences (L25/63, L25/70, L26/316 and L26/317) with these tenements designed for the purpose of future haul road corridors and water discharge corridors.

Following completion of the survey and subsequent receipt of the heritage report, the Kakarra Heritage Consultants found no evidence of any tangible or intangible cultural heritage values likely to impede proposed developments. Based on these findings, the Company's work program was assessed as cleared.

Clearing Permit Applications have been submitted (CPS 11114/1) and (CPS11222/1). Both permits are advancing through government departmental approval processes, with the Company anticipating that CPS 11114/1 (relating the M25/366 for the purposes of mineral production (gold) and associated activities) will have advanced through to a final assessment and approval outcome during the September quarter.

Burns Central Gold Deposit - High Grade Shallow Mineral Resource Defined

The Burns Central Deposit forms part of the Burns Gold-Copper Project ('Burns' or 'Project'), 70km southeast of Kalgoorlie in the highly prospective Kalgoorlie Terrane of Western Australia (Figure 1). Burns is located within the broader Lefroy Gold Project, proximal to the St Ives gold camp (Gold Fields Ltd JSE: GFI) and the Daisy Milano and Mt Monger gold operations (Red 5 Limited ASX: RED).

In October 2024, the Company released details of a mineral resource update at the Burns Central deposit, part of the Lefroy Project. This is in keeping with Lefroy's focus to progress and commercialise the Company's portfolio of shallow advanced gold deposits (refer ASX release 27 March 2024).

Following an internal review of the high-grade potential of the Burns Central resource, a high-grade zone has been delineated within the Burns Central Mineral Resource Estimate (MRE). Reporting only blocks within 200m of surface and

applying a cut-off grade of 0.5 g/t Au, this zone reports 4.22Mt @ 1.18 g/t Au for 159,285 contained ounces (Table 1), reported across oxide, transitional and fresh mineralisation categories.

Significantly, this high-grade zone is reported at over 98% Indicated resource classification, with combined oxide and transitional material representing over 34% of the total resource.

Table 1: Mineral Resource Statement for Burns Central, including Gold (Au), Copper (Cu) and Silver (Ag), applying a cut-off above 0.5 g/t Au and maximum 200m depth from surface. Small discrepancies may occur due to the effect of rounding

Mineralisation	Category	Average Value				Material Content		
		Mass Mt	Au g/t	Cu %	Ag g/t	Au oz	Cu t	Ag oz
Oxide	Indicated	1.06	1.35	0.21	0.56	46,122	2,219	19,280
	Inferred	0.02	0.70	0.32	0.77	416	59	462
	Total	1.08	1.34	0.21	0.57	46,538	2,279	19,741
Transitional	Indicated	0.27	0.93	0.56	1.29	8,152	1,532	11,269
	Inferred	0.00	0.57	0.08	0.08	2	0	0
	Total	0.27	0.93	0.56	1.29	8,154	1,532	11,269
Fresh Rock	Indicated	2.78	1.15	0.19	0.57	102,941	5,368	51,104
	Inferred	0.08	0.62	0.15	0.29	1,652	124	769
	Total	2.86	1.14	0.19	0.56	104,593	5,492	51,873
Total	Indicated	4.11	1.19	0.22	0.62	157,215	9,119	81,653
	Inferred	0.10	0.63	0.18	0.38	2,070	184	1,231
	Total	4.22	1.18	0.22	0.61	159,285	9,303	82,883

Furthermore, the contained gold ounces (159,285 oz) within this recently calculated high grading central core represents 32% of the entire gold ounces (497,472 oz) reported in the May 2023 original MRE. Expressed differently, 32% of the contained gold ounces at Burns Central are contained within 10% of the defined tonnes (159,258 oz within 4.2Mt versus 497,472 oz within 42.95Mt).

As reported in the maiden MRE for Burns in May 2023 (refer ASX release 4 May 2023), the Company recognised the importance of a significant north-south trending structure (now named the Quimby Fault). This fault coincides with and strikes sub-parallel to the eastern edge of the recognised high-grade Au zone at Burns (Figure 8).

Significant gold intersections are associated with this north-south trending fault, with the system remaining open to the north and south (Figure 8).

Several historical significant drillhole intersections were returned by the Company within previous phases of drilling at Burns, with notable intercepts (using a 0.5g/t cut-off) reported including:

- 61m @ 2.96 g/t Au (from 120m), including 37m @ 4.23 g/t Au (from 126m) in LEFR320
- 39m @ 3.87 g/t Au (from 26m) in LRR003
- 30m @ 2.43 g/t Au (from 27m), including 17m @ 3.9 g/t (from 38m) in LRR004

These highly significant Au intersections, coupled with a sound understanding of the structural controls to high-grade gold mineralisation at Burns, and with the system remaining open north and south, represents a compelling exploration target for growing the high-grade mineral resource. Further details can be found in the ASX Announcement dated 3 October 2024.

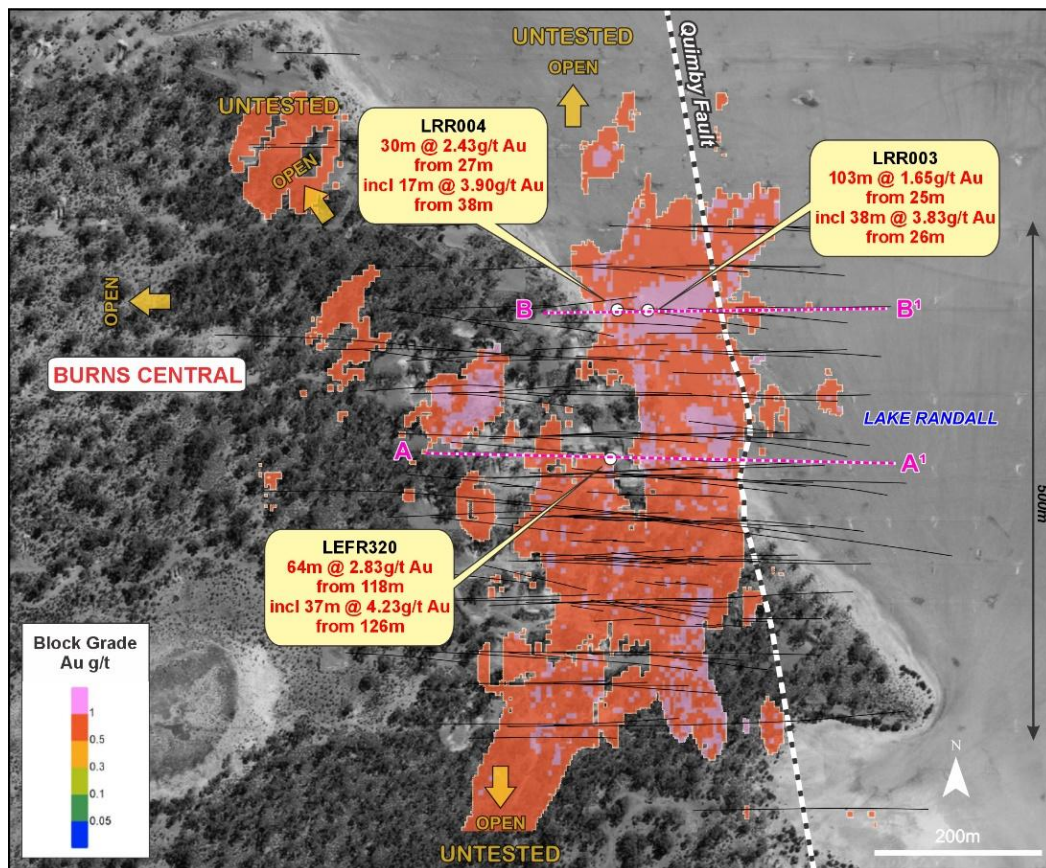


Figure 8: Burns Central Location depicting resource cut to 0.5g/t Au

The Company recognises the significant underexplored potential to grow the Burns mineral resource along strike both to the north and south.

As part of the Company's ongoing strategy to unlock value from its gold resource base, a focused drilling program has been planned at Burns Central for the upcoming financial year, designed to:

- Complete a series of shallow RC drill holes targeting the high-grade extension of Burns Central, initially testing the shallowest zones to the north (Figure 9); and
- To complete metallurgical test work via 1-2 shallow HQ sized diamond drill holes, to confirm the preliminary metallurgical results completed in 2023 and guide further studies on potential development pathways at Burns.

Lefroy completed preliminary metallurgical test work on the Burns Deposit in late 2023, submitting 6 RC composite samples representing the high-grade zone of Burns. Test work confirmed significant gravity recoverable gold averaging 41%.

Total leach recoveries averaged approximately 97% (refer ASX release 3 October 2024) providing confidence that the samples tested are free-milling and amenable to recovery through conventional CIL processing circuits.

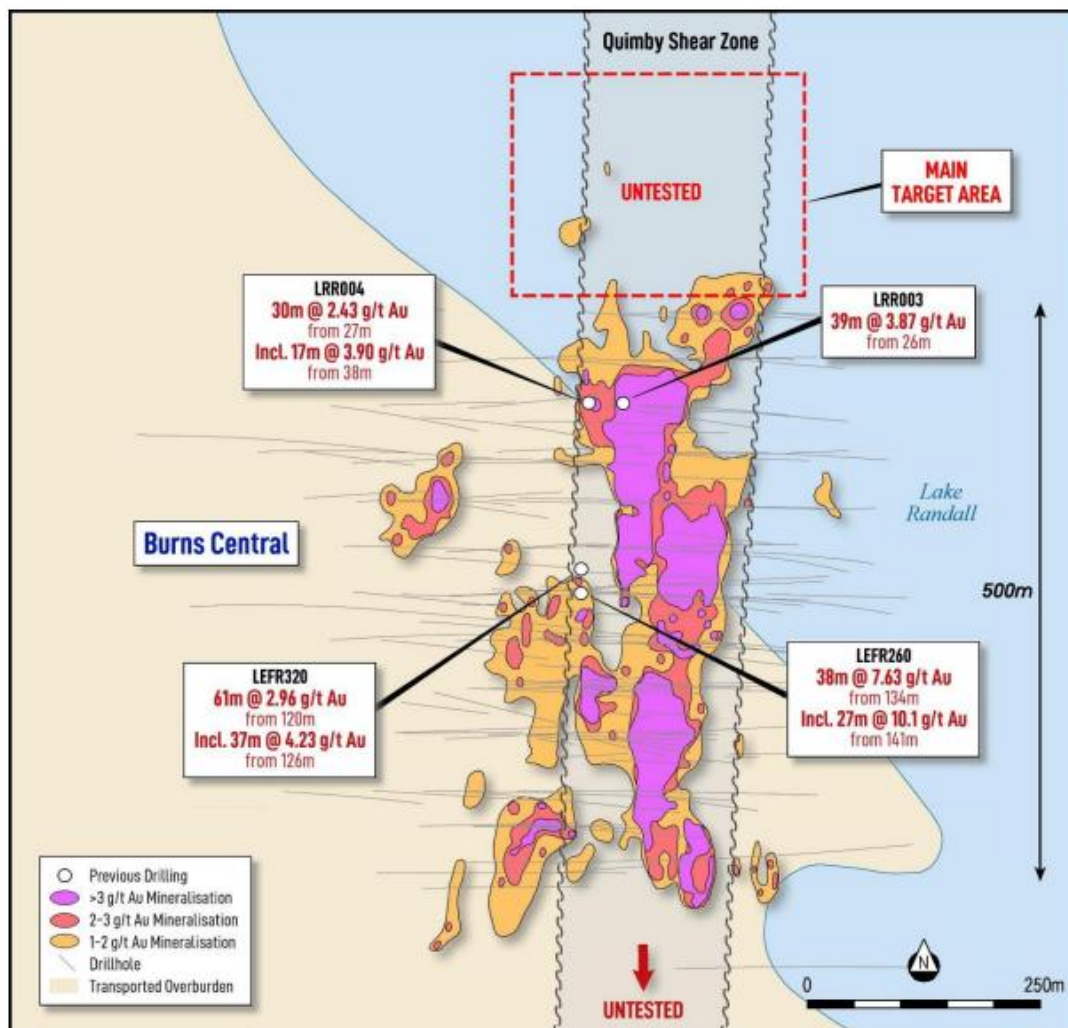


Figure 9: Burns Central Resource extension target area drilling program

Mt Martin Gold Deposit – Growth in Near Surface Mineral Resources

On 10 October 2024, the Company announced an update to the MRE for the Mt Martin deposit, located on the Location 45 property within the Lefroy Project.

LEX holds the mineral rights for Location 45, which is a parcel of freehold land where the registered owner does not require the grant of a mining tenement under the Mining Act 1978.

Along with the Burns Central update, the update to Mt Martin was focused on unlocking value from its significant near-surface mineral resource inventory.

The Company has undertaken a significant work program at Mt Martin since acquisition of the project in May 2023, with key activities including:

Target generation and execution of a 29-hole RC drilling program, testing shallow extensions to the Mt Martin resource (refer to LEX ASX release 18 January 2024), with intersections including:

- 8m @ 3.98 g/t Au from 38m (East Shear) in LEFR395
- 35m @ 1.78 g/t Au from 209m (Main Shear) in LEFR379

Reinterpretation and wireframing of the main geological resource domains using Leapfrog software.

Completion of down-hole density surveys on six RC drillholes at Mt Martin, which has resulted in an upgrade of density values applied to tonnage calculations across the deposit.

Table 2 below shows the updated MRE (10 October 2024), compared to the previous MRE calculated in 2013, with both reporting at a 0.5g/t cut-off, and only reporting resource blocks within 200m of surface.

Further details can be found in the ASX Announcement dated 10 October 2024.

Table 2: Mineral Resource estimate comparison for Mt Martin (between Sept 2023 and Oct 2024) reported at a 0.5g/t cut-off and reporting all block within 200m of surface. Small discrepancies may occur due to the effect of rounding

April 2013				Oct 2024		
Category	Tonnes	Au g/t	Oz	Tonnes	Au g/t	Oz
Indicated	4,356,486	1.81	253,937	5,597,000	1.40	247,500
Inferred	2,484,081	1.68	134,493	3,698,000	1.60	191,500
Total	6,840,567	1.77	388,430	9,295,000	1.47	439,000

¹Incorporating Mt Martin, Swift and Adelaide resource numbers

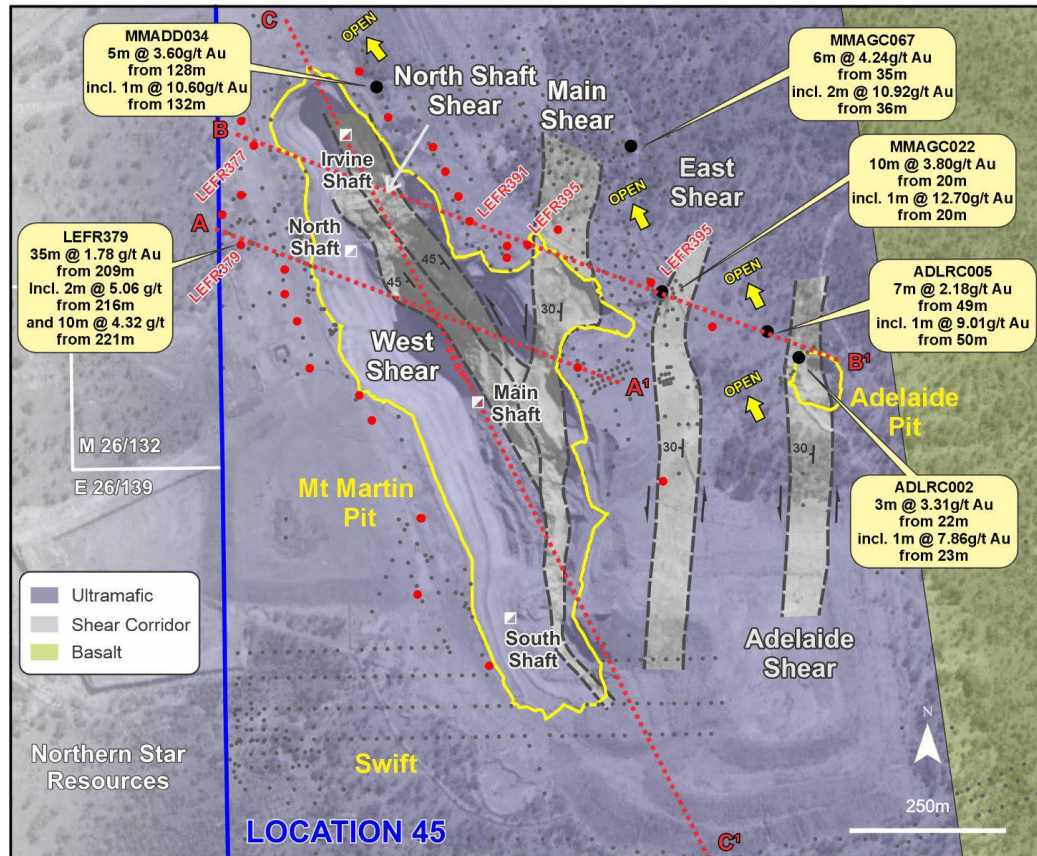


Figure 10: Mt Martin Geology (Plan View)

Exploration Targets

In July 2024, the company commenced a major regional aircore drilling program across its broader Lefroy Project. Results were reported in ASX release 23 October 2024. The program comprised 324 holes for 12,164m across a 40km zone along the Mt Monger and Talcum Faults corridor, a trend that hosts three separate >400koz deposits at Mt Martin, Salt Creek and Burns, but which remains vastly underexplored.

Most notable was a thick intersection located at the Wren prospect within the Location 45 freehold property, with drilling returning 16m @ 0.27 g/t Au (from 36m) within LEFA2219 (Figure 11). Hosted within a partially weathered, quartz carbonate bearing talc-chlorite altered ultramafic schist, the intersection is positioned north of the Talcum Fault, a structure considered responsible for the introduction of early-stage gold mineralisation in the district.

Further consolidating the Company's view on the importance of the Talcum Fault as a locus for gold mineralisation, a shallow intersection of 4m @ 0.45 g/t Au (from 4m) within LEFA2132 and hosted in mafic saprolite was intersected at Carnilya South (Figure 11). With this intersection also located just north of the Talcum Fault, both of these early-stage anomalous gold intersections highlight the importance of this structure, and its role in potentially unlocking additional gold discoveries for Lefroy.

Within the eastern half of the Lefroy Project, the Havelock-Lucky Strike corridor yielded a regional intersection of 4m @ 0.55 g/t Au (from 32m) in LEFA1994, supporting ongoing exploration in the area.

Located approximately 2.5km northwest and along strike from very encouraging intersections reported by the Company in May (refer ASX release 23 May 2024), this intersection, hosted within saprolitic sedimentary units further demonstrates the significant potential for this belt to host additional gold resources analogous to that already discovered and reported by the Company, including the Lucky Strike resource (refer ASX release 20 May 2020).

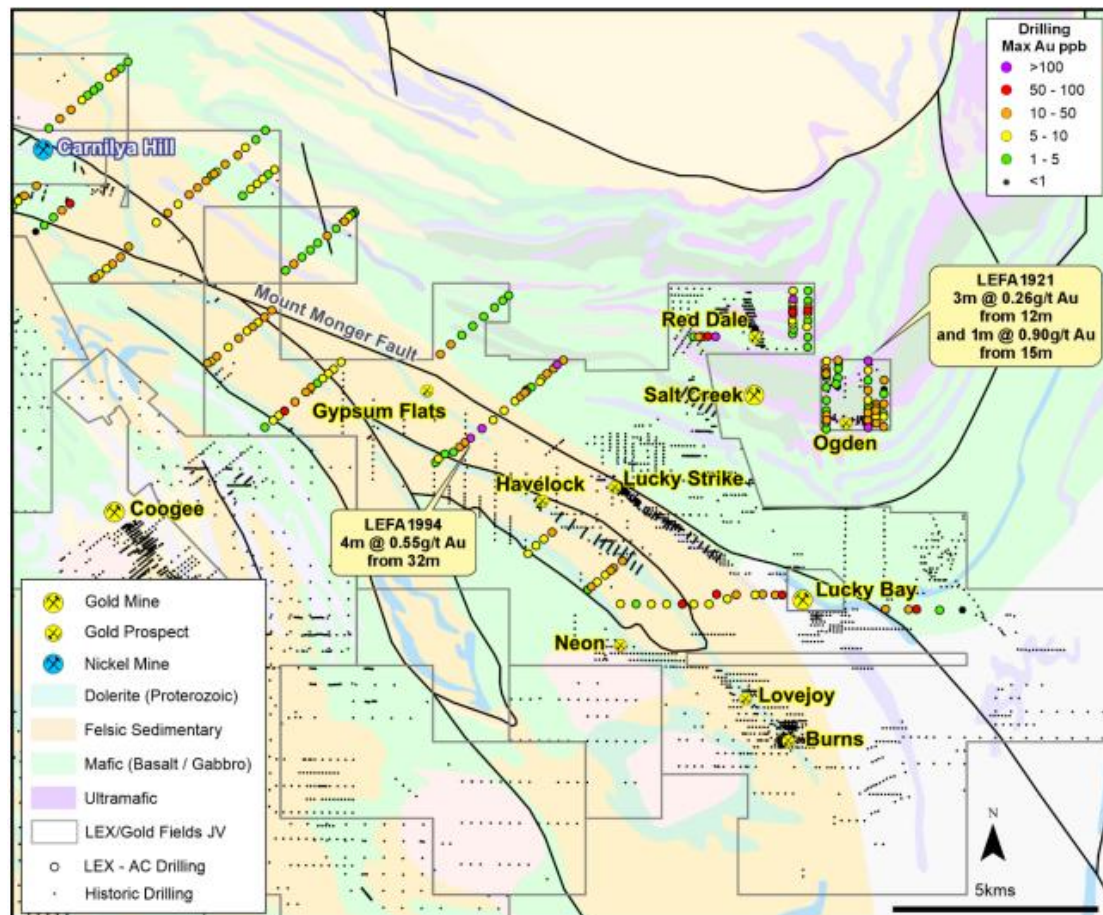


Figure 11: Regional Air core drilling program with significant Au results (Eastern Lefroy area)

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.

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.

DIRECTORS' REPORT (CONTINUED)

Corporate

Key corporate activities during the year to 30 June 2025 included:

- \$3.3 million Placement:
 - Completed in October 2024 via an oversubscribed share placement to institutional and sophisticated investors (refer ASX release 28 October 2024).
 - Directors committed \$270,000 in total.
 - Ratified by shareholders at a General Meeting held on 13 January 2025, with all resolutions carried.
- R&D Tax Refund:
 - \$755,000 received in September 2024 from the Australian Tax Office for the year ended 30 June 2023.
 - Granted under the ATO's R&D tax incentive program, recognising progress at the Burns Gold-Copper Project.
 - Supported by collaborative research with the Centre of Exploration Targeting (UWA) and the Geological Survey of Western Australia, enhancing geological understanding of the Burns system and the broader Eastern Goldfields Project region.
- Profit-Sharing Mining Agreement with BML Ventures:
 - Agreement executed for the Lucky Strike Gold Deposit, hosting a Mineral Resource Estimate of 1.27 Mt at 1.95 g/t Au (79,600 oz).
 - BML to act as statutory mine operator, funding and managing all approvals and mining activities.
 - Profits to be shared on a 50:50 basis.
- Lucky Strike Activities:
 - 16,500 m grade control drilling program commenced, pre-funded by BML.
 - Early drilling results returned strong near-surface gold intersections, including 7 m @ 5.87 g/t Au (from 15 m) with 1 m @ 21.8 g/t Au (from 16 m).
 - First toll milling agreement executed with Greenfields Mill in Coolgardie, providing for 80,000–90,000 tonnes of ore to be processed from Lucky Strike.

Operating Results for the Year

	2025	2024
	\$000	\$000
Revenue & Other income	92	112
(Loss)	(2,573)	(3,187)

Shareholder Returns

	2025	2024
Basic (loss) per share (cents)	(1.16)	(1.75)
Diluted (loss) per share (cents)	(1.16)	(1.75)

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

As announced on 16 July 2025, the Group secured funds through the Profit Cash Advance Facility Agreement with BML Ventures. The agreement provides total funding of A\$2.5 million to support Lucky Strike operations and improve cash reserves. On 22 July 2025 the Group released an Investor Presentation "The Road to Production", underscoring the strategic shift toward production readiness and providing insights into company direction.

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	(Chief Executive Officer) – Appointed 6 February 2024

DIRECTORS' REPORT (CONTINUED)

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 11.5% for the 2025 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 2025.

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, Chief Executive Officer (Appointed 6 February 2024)

- Term of agreement – Commenced 6 February 2024
- Annual salary of \$275,000 excluding superannuation.
- 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.

Key Management Personnel	Short-Term		Post-Employment	Share-based Payments		Total
	Salary & Fees	Non-Monetary	Superannuation	Retirement benefits	Share Plan shares	
	\$	\$	\$	\$	\$	\$
David Kelly						
2025	61,950	-	8,050	-	60,964	130,964
2024	33,375	-	4,125	-	117,097	154,597
Michael Davies						
2025	44,250	-	5,750	-	105,475	155,475
2024	44,500	-	5,500	-	128,128	178,128
Tara French						
2025	50,000	-	5,750	-	38,845	94,595
2024	50,000	-	5,500	-	38,951	94,451
Graeme Gribbin						
2025	275,000	-	31,625	-	96,663	403,288
2024	137,500	-	15,125	-	108,704	261,329
Gordan Galt ¹						
2025	-	-	-	-	-	-
2024	36,216	-	-	-	293,391	329,607
Wade Johnson ²						
2025	-	-	-	-	-	-
2024	322,446	-	19,295	-	555,351	897,092
Total key management personnel compensation						
2025	431,200	-	51,175	-	301,947	784,322
2024	624,037	-	49,545	-	1,241,622	1,915,204

¹Mr Galt resigned 31 May 2024

²Mr Johnson resigned 6 February 2024

Share Plan Trust shares

As of 30 June 2025, there were 7,657,500 ordinary shares (2024: 7,657,500 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 Trust ordinary shares held by Directors and other non-KMP employees and consultants is as follow. No Share Plan ordinary shares held by Directors had vested as at 30 June 2025:

Director	1 July 2024	Grants	Exercised and Vested	Forfeited	Other	30 June 2025
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.

The total amount expensed during the year ended 30 June 2025 in relation to the 7.650 million Share Plan Trust shares outlined above was \$127,814 (30 June 2024: \$764,349).

Incentive Plan options

As at 30 June 2025 there were 11.3 million incentive options (30 June 2024: 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 2024	Grants	Other	30 June 2025
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			3,650,000
Total	11,300,000	-	-	11,300,000

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.

DIRECTORS' REPORT (CONTINUED)

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

	Dec-22	Dec-23	Feb-24
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 prices	\$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 2025 in relation to the Incentive Plan Options for Directors and Key Management Personnel was \$213,252 (30 June 2024: \$604,466).

Incentive Awards Plan

As at 30 June 2025, 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-24	Grants	Vested	30-Jun-25
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.

An expense of \$46,976 was recognised in relation to the equity-settled share-based payments (30 June 2024: Nil).

DIRECTORS' REPORT (CONTINUED)

Shareholdings

The number of shares in the Company held during the financial year by each director of Lefroy Exploration Limited and other key management personnel of the Group, 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	417,969	771,430	-	1,189,399
Michael Davies	17,393,370	3,107,143	-	20,500,513
Tara French	437,500	628,572	-	1,066,072

(i) Issue of fully paid ordinary shares in a placement as approved by shareholders at the General Meeting of Shareholders held on 13 January 2025 and acquisition of fully paid ordinary shares on market during the financial year.

Option holdings

	Balance at start of the year	Options Acquired	Other changes during the year	Balance at end of the year
--	---------------------------------	------------------	----------------------------------	-------------------------------

Lefroy Exploration Limited

Options

David Kelly	1,750,000	-	-	1,750,000
Graeme Gribbin	3,500,000	-	-	3,500,000
Michael Davies	1,200,000	-	-	1,200,000
Tara French	1,200,000	-	-	1,200,000
Other non-KMP employees and consultants	3,650,000	-	-	3,650,000
Total	11,300,000	-	-	11,300,000

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 (2024 \$Nil).

Other transactions with Key Management Personnel

Michael Davies is a director of New Holland Capital Pty Ltd ('New Holland Capital'), a subsidiary of Taurus Funds Management Pty Ltd. On 1 January 2022, the Group entered a deed of sub-lease for leasehold premises occupied in West Perth. \$140,085 (exc. GST) (30 June 2024: \$146,854 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 2025 and 30 June 2024, 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' REPORT (CONTINUED)

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
Michael Davies	9	8
Tara French	9	9
David Kelly	9	9

SHARES UNDER OPTION

There are 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 \$0.35 per share and expiry date of 20 January 2026 and 30 November 2027 (30 June 2024: 11,300,000)

No options were exercised during the year ended 30 June 2025 (30 June 2024: Nil).

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.

The total amount of insurance contract premiums paid is \$33,332.

NON-AUDIT SERVICES

The following details any non-audit services provided by the entity's 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.

Ernst & Young received or are due to receive the following amounts for the provision of non-audit services:

	2025	2024
	\$	\$
Taxation compliance services	43,000	80,968

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young Australia, 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 Ernst & Young during or since the financial year.

DIRECTORS' REPORT (CONTINUED)

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, 26 September 2025

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025**

		Consolidated	
	Notes	2025 \$'000	2024 \$'000
INCOME			
Interest Income		91	112
Other income		1	-
		<u>92</u>	<u>112</u>
EXPENDITURE			
Accommodation expenses		(88)	(67)
Legal, professional and consulting expenses		(374)	(669)
Directors fees		(455)	(344)
Travel expenses		(30)	(53)
Interest Expense		(5)	(7)
Depreciation expense		(72)	(97)
Salaries and wages expenses		(192)	(704)
Share based payment expense		(388)	(1,107)
Other expenses		(279)	(251)
Impairment Expense	9	<u>(782)</u>	<u>-</u>
		<u>(2,665)</u>	<u>(3,299)</u>
LOSS FOR THE YEAR BEFORE INCOME TAX		(2,573)	(3,187)
Income tax benefit/(expense)	5	<u>-</u>	<u>-</u>
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF LEFROY EXPLORATION LIMITED		<u>(2,573)</u>	<u>(3,187)</u>
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF LEFROY EXPLORATION LIMITED		<u><u>(2,573)</u></u>	<u><u>(3,187)</u></u>
Basic loss per share attributable to the ordinary equity holders (cents per share)	21	(1.16)	(1.75)
Diluted loss per share attributable to the ordinary equity holders (cents per share)	21	<u>(1.16)</u>	<u>(1.75)</u>

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.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

		Consolidated	
		2025	2024
	Notes	\$000	\$000
CURRENT ASSETS			
Cash and cash equivalents	6	1,680	1,348
Other receivables	7	57	910
Other current assets		4	4
TOTAL CURRENT ASSETS		1,741	2,262
NON-CURRENT ASSETS			
Plant and equipment		43	47
Right of use assets	8	102	161
Exploration and evaluation assets	9	23,862	22,522
TOTAL NON-CURRENT ASSETS		24,007	22,730
TOTAL ASSETS		25,748	24,992
CURRENT LIABILITIES			
Trade and other payables	10	303	464
Lease liabilities	8	75	62
Provisions	11	69	51
TOTAL CURRENT LIABILITIES		447	577
NON-CURRENT LIABILITIES			
Lease liabilities	8	39	113
Provisions	11	283	283
TOTAL NON-CURRENT LIABILITIES		322	396
TOTAL LIABILITIES		769	973
NET ASSETS		24,979	24,019
EQUITY			
Contributed equity	12	55,030	51,885
Foreign currency translation reserve	13	(111)	(111)
Share-based payment reserve	13	3,652	3,264
Accumulated losses		(33,592)	(31,019)
TOTAL EQUITY		24,979	24,019

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 YEAR ENDED 30 JUNE 2025**

	Notes	Contributed equity \$000	Share-Based Payments Reserve \$000	Foreign Currency Translation Reserve \$000	Accumulated Losses \$000	Total \$000
BALANCE AT 1 JULY 2023		45,913	2,157	(111)	(27,832)	20,127
Loss for the year		-	-	-	(3,187)	(3,187)
Other comprehensive loss, net of income tax		-	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		-	-	-	(3,187)	(3,187)
Share-based payments	13	-	1,107	-	-	1,107
Issue of ordinary shares	12	6,353	-	-	-	6,353
Share issuance costs	12	(381)				(381)
BALANCE AT 30 JUNE 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	12	3,361	-	-	-	3,361
Share-based payments	13	-	388	-	-	388
Share issuance costs	12	(216)				(216)
BALANCE AT 30 JUNE 2025		55,030	3,652	(111)	(33,592)	24,979

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE 2025

		Consolidated	
	Notes	2025	2024
		\$000	\$000
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,535)	(2,938)
Interest paid		(5)	(7)
Interest received		91	112
NET CASH OUTFLOW FROM OPERATING ACTIVITIES	20	(1,449)	(2,833)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation activities		(1,989)	(3,022)
Research and development tax incentive received		756	941
Payments for plant and equipment		(9)	(23)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(1,242)	(2,104)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issues of shares	12	3,300	6,285
Payments of share issue costs	12	(216)	(381)
Principal payment for lease liabilities		(61)	(61)
NET CASH INFLOW FROM FINANCING ACTIVITIES		3,023	5,843
NET INCREASE IN CASH AND CASH EQUIVALENTS		332	906
Cash and cash equivalents at the beginning of the financial year		1,348	442
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	6	1,680	1,348

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 26 September 2025. 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 2024 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 2024.

(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 2025 of \$2,573,000 (30 June 2024: \$3,187,000) and had a net cash outflow from operating and investing activities of \$2,691,000 (30 June 2024: \$4,937,000). The net assets of the Group as at 30 June 2025 were \$24,979,000 (30 June 2024: \$24,019,000).

Subsequent to year-end, the Group entered into a Cash Advance Facility Agreement with BML Ventures Pty Ltd, providing funding of \$2.5 million to the Group to be drawn progressively on a quarterly basis through to 30 June 2026. The Group’s cash flow forecasts to 30 September 2026 incorporates expected drawdowns from this facility and 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 either the Cash Advance Facility or 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 Cash Advance Facility or 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 2025 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 12 months 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 straightline 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. With the exception of the Groups trade receivables that do not contain a significant financing component, 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

In order for a receivable to be classified and measured at amortised cost, it needs to give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. 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. For short term receivables, 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 area 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) 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.

(l) 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 benefit plans, are charged as an expense when incurred.

(m) 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.

(n) 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.

(o) 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.

(p) 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.

(q) 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.

(r) 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.

(s) Comparative figures

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

(t) 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.

(u) 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 2025 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: (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.	1 January 2027	1 July 2027

(v) 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. For performance rights and options issued in the financial year ended 30 June 2025, the assumptions detailed as per Note 13 were used.

(w) 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 2025 are not exposed to commodity price risk.

(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. The entire balance of cash and cash equivalents for the Group of \$1,680,000 (2024: \$1,348,000) is subject to interest rate risk. The weighted average interest rate received on cash and cash equivalents by the Group was 4.11% (2024: 1.67%).

The table below summarises the sensitivity of the consolidated Group's variable rate instruments to inherent risk rate. A change of 25 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			
	25 bp decrease		25 bp increase	
	Profit or Loss	Equity	Profit or Loss	Equity
	\$	\$	\$	\$
30 June 2025	(4,200)	(4,200)	4,200	4,200
Total increase/(decrease)				

(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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

	< 6 Months	6-12 Months	1-5 years	Total contractual cash flows	Carrying amount
	\$000	\$000	\$000	\$000	\$000
Year ended 30 June 2025					
Payables	(303)	-	-	(303)	(303)
Lease liabilities	(38)	(39)	(39)	(117)	(114)
	(341)	(39)	(39)	(420)	(417)
Year ended 30 June 2024					
Payables	(464)	-	-	(464)	(464)
Lease liabilities	(35)	(36)	(110)	(181)	(175)
	(499)	(36)	(110)	(645)	(639)

(d) Fair value estimation

The fair value of financial assets and financial liabilities at the balance date approximate 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 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	
	2025 \$000	2024 \$000
Loss before income tax includes the following specific expenses:		
Defined contribution superannuation expense	52	28
Short term lease expense	88	67
Depreciation expense – property, plant and equipment	13	25
Depreciation expense – right-of-use lease assets	59	72

5: INCOME TAX

(a) Income tax expense

Current tax
Deferred tax

Consolidated
2025 2024
\$000 \$000

- -
- -

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

Profit/(loss) from continuing operations before income tax expense
Prima facie tax benefit at the Australian tax rate of 25% (2024: 25%)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

- Entertainment
- Share-based payments
- R&D Tax Incentive

Tax assets not recognised
Income tax expense

(2,573) (3,187)
(643) (797)

1 1
97 277
(50) -
595 519
- -

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

Deferred tax assets/(liabilities) have been recognised in respect of the following items:

Deferred tax assets:

Leases

Provisions

Capital raising costs

Trade and other payables

Business related costs

Tax losses

Consolidated
2025 2024
\$000 \$000

3 4
18 13
133 147
23 49
3 7
7,938 7,129

Deferred tax liability:

Capitalised exploration expenditures

Net deferred tax asset

Deferred tax assets not recognised

Net deferred tax asset / (liability)

(5,485) (5,098)
2,632 2,251
(2,632) (2,251)

- -

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	
	2025	2024
	\$000	\$000
Cash at bank and in hand	1,680	848
Short-term deposits	-	500
	<u>1,680</u>	<u>1,348</u>

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	
	2025	2024
	\$000	\$000
Current		
Research and Development tax incentive	-	755
GST receivable	57	155
	<u>57</u>	<u>910</u>

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:

	Consolidated	
	2025	2024
	\$000	\$000
Right-of-use assets		
<i>Leasehold premises</i>		
Beginning of the financial year	171	226
Additions	-	-
Depreciation expense	(69)	(65)
End of the financial year	<u>102</u>	<u>161</u>

	2025	2024
	\$000	\$000
Lease liabilities		
<i>Leasehold premises</i>		
Beginning of the financial year	175	236
Additions	-	-
Accretion of interest	6	8
Payments	(67)	(69)
End of the financial year	<u>114</u>	<u>175</u>

Represented as follows:

Current	75	62
Non-current	39	113
End of the financial year	<u>114</u>	<u>175</u>

Lease expenses and cashflows

Interest expense on lease liabilities	6	8
Expenses relating to leases of 12 months or less	67	67
Depreciation expense on lease assets	69	65
Total cash outflow in relation to leases	67	68

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	
	2025	2024
	\$000	\$000
Beginning of the financial year	22,522	19,491
Other exploration costs incurred during the year	2,164	3,727
Change in rehabilitation provision	(1)	59
Research and development tax incentive recognised/received	(41)	(755)
Impairment Expense ¹	(782)	-
End of the financial year	23,862	22,522

¹During the half-year ended 31 December 2024, 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 2025, 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: TRADE AND OTHER PAYABLES

	Consolidated	
	2025	2024
	\$000	\$000
Current		
Trade Payables	92	105
Other payables and accruals	211	359
	303	464

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 (2024: \$Nil)

11: PROVISIONS

	Consolidated	
	2025 \$000	2024 \$000
Current		
Provision for annual leave	69	51
	69	51
Non- Current		
Provision for long service leave	1	-
Provision for rehabilitation (i)	282	283
	283	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. 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 2025 was 4.21%. (30 June 2024: 4.24%).	

12: ISSUED CAPITAL

(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.

	2025		2024	
	Number of shares	Consolidated \$000	Number of shares	Consolidated \$000
Issued share capital - Ordinary shares fully paid	240,762,637	55,030	192,800,981	51,885

(b) Movements in issued capital

Fully Paid Ordinary Share

Balance at 1 July 2023	152,800,501	45,913
2 October 2023 – Share placement to Directors	35,843,750	5,735
28 December 2023 - Share placement \$0.16	2,906,250	465
28 December 2023 - Shares issued in lieu of consulting fees owing	529,297	75
8 March 2024 - Shares issued in lieu of drilling fees at \$0.108 per share	721,183	78
Share issue costs	-	(381)
Balance at 30 June 2024	192,800,981	51,885
Issue of placement shares to raise \$3.03 million (before costs) on 5 November 2024. (i)	43,285,725	3,030
Issue of shares in lieu of payment of drilling fees and consulting fees on 11 December 2024. (ii)	818,786	61
Issue of fully paid ordinary shares at \$0.07 per share to Directors 12 February 2025. (iii)	3,857,145	270
Share issue costs	-	(216)
Balance at 30 June 2025	240,762,637	55,030

- (i) Issue of placement shares to raise \$3.03 million (before costs) as announced to ASX on 28 October 2024.
- (ii) Issue of shares in lieu of payment of drilling fees and consulting fees
- (iii) 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 at the General Meeting of Shareholders held on 13 January 2025.

(b) Ordinary shares

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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.

(c) 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 2025 and 30 June 2024 are as follows:

	Consolidated	
	2025	2024
	\$000	\$000
Cash and cash equivalents	1,680	1,348
Other receivables	57	910
Trade and other payables	(303)	(464)
Working capital position	1,434	1,794

13: RESERVES

(a) Reserves

	Consolidated	
	2025	2024
	\$000	\$000
Foreign currency translation reserve	(111)	(111)
Share-based payments reserve (d-f)	3,652	3,264
	3,541	3,153

(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	
	2025	2024
Beginning of the financial year	11,300,000	5,600,000
19 December 2023 – options granted to David Kelly under Incentive Plan	-	1,750,000
19 December 2023 – options granted to Tim Netscher under Incentive Plan	-	450,000
28 February 2024 – options granted to Chief Executive Officer Graeme Gribbin under Incentive Plan	-	3,500,000
End of financial year	11,300,000	11,300,000

(d) Share Plan Shares

As at 30 June 2025, there were 7.657 million ordinary shares (2024: 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 ended 30 June 2025 is as follows:

Director	1 July 2024	Grants	Exercised and Vested	Forfeited	Other	30 June 2025
Michael Davies	1,200,000	-	-	-	-	1,200,000
Other non-KMP participants	6,457,500	-	-	-	-	6,457,500
Total	7,657,500	-	-	-	-	7,657,500

A reconciliation of Share Plan ordinary shares during the year ended 30 June 2024 is as follows:

Holder	1 July 2023	Grants	Vested and Exercised	Forfeited	Other	30 June 2024
Gordon Galt	1,200,000	-	-	-	(1,200,000)	-
Michael Davies	1,200,000	-	-	-	-	1,200,000
Wade Johnson	2,400,000	-	-	-	(2,400,000)	-
Other non-KMP participants	2,857,500	-	-	-	3,600,000	6,457,500
Total	7,657,500	-	-	-	-	7,657,500

The Share Plan Trust shares 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.

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 \$0.282 \$0.275	\$0.229 \$0.220 \$0.214

*Volatility is 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 2025 in relation to the 7.650 million Share Plan Trust shares outlined above was \$127,814 (30 June 2024: \$764,439).

(e) Incentive Plan Options

As at 30 June 2025 there were 11.3 million incentive options (30 June 2024: 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:

	1-Jul-24	Grants	Other	30-Jun-25
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	-	-	3,650,000
Total	11,300,000	-	-	11,300,000

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

	\$0.0987		
Fair value at grant date	\$0.0977	\$0.11	\$0.0569
	\$0.0952		

The total amount expensed during the year ended 30 June 2025 in relation to the Incentive Plan Options was \$213,252 (30 June 2024: \$604,466).

(f) Incentive Awards Plan

As at 30 June 2025, 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. During the year ended 30 June 2025:

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

Director	1-Jul-24	Grants	Vested	30-Jun-25
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.

An expense of \$46,976 was recognised in relation to the equity-settled share-based payments (30 June 2024: Nil).

14: DIVIDEND

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

15: 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	
	2025	2024
	\$000	\$000
<i>Amounts received or due and receivable by Ernst & Young Australia for:</i>		
(a) Audit services		
An audit and review of financial reports of the entity and any other entity in the consolidated group	85	108
(b) Non-audit services		
Ernst & Young Australia – taxation compliance services	43	81
	<u>128</u>	<u>189</u>

16: CONTINGENCIES

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

17: COMMITMENTS AND CONTINGENCIES

(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	
	2025	2024
	\$000	\$000
- within one year	1,798	2,352
- later than one year but not later than five years	1,711	6,975
	<u>3,509</u>	<u>9,327</u>

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 2025, 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).

18: 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 19.

(c) Key management personnel compensation

	Consolidated	
	2025	2024
Short-term benefits	431,200	624,037
Post-employment benefits	51,175	49,545
Other long-term benefits	-	-
Termination benefits	-	-
Share-based payments	301,947	1,241,622
	<u>784,322</u>	<u>1,915,204</u>

(d) Transactions and balances with other related parties

The following related party transactions occurred during the year ended 30 June 2025:

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. \$140,085 (exc. GST) (30 June 2024: \$146,854 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 2025 and 30 June 2024, 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.

19: 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	
			2025 %	2024 %
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 (formerly known as Hamptons Metals Limited)	Australia	Ord	100	100

20: STATEMENT OF CASH FLOWS

	Consolidated	
	2025 \$000	2024 \$000
Reconciliation of (loss) / profit after income tax to net cash outflow from operating activities		
Net (loss) / profit for the year	(2,573)	(3,187)
Non-cash, non-operating activities		
Depreciation and impairment expense	854	97
Share-based payment expenses	417	1,107
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	98	(825)
(Increase)/decrease in other current assets	-	128
Increase/(decrease) in trade and other payables	(262)	(86)
Increase/(decrease) in provisions	17	(69)
Net cash outflow from operating activities	(1,449)	(2,833)

Non-cash investing and financing activities:

Non-cash investing and financing activities are listed in Notes 9 and 13.

21: 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	(2,573)	(3,187)
---	---------	---------

Number of shares

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

	2025	2024
Weighted average number of ordinary shares used as the denominator in calculating basic (loss) / profit per share	222,288,044	182,158,006
Weighted average number of ordinary shares used as the denominator in calculating diluted (loss) / profit per share	222,288,044	182,158,006
Basic (loss) / profit per share attributable to ordinary equity holders in cents	(1.16)	(1.75)
Diluted (loss) / profit per share attributable to ordinary equity holders in cents	(1.16)	(1.75)

(c) Information on dilutive options

For the years ended 30 June 2025 and 30 June 2024, the Incentive Plan options, Share Plan shares (Note 13) and the performance rights issued under the Incentive Awards Plan were anti-dilutive and therefore excluded from the calculation of diluted earnings per share.

22: EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

As announced on 16 July 2025, the Group secured funds through the Profit Cash Advance Facility Agreement with BML Ventures. The agreement provides total funding of A\$2.5 million to support Lucky Strike operations and improve cash reserves. On 22 July 2025 the Group released an Investor Presentation “The Road to Production”, underscoring the strategic shift toward production readiness and providing insights into company direction.

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 2025 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, 26 September 2025



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Independent auditor's report to the members of Lefroy Exploration Limited

Opinion

We have audited the financial report of Lefroy Exploration Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, 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 Group as at 30 June 2025, 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 Group 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 1(a)(iv) of the financial report, which describes the principal conditions that raise doubt about the Group's ability to continue as a going concern. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but 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 matter described below to be the key audit matter to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial report.

1. Carrying amount of exploration and evaluation assets

Why significant	How our audit addressed the key audit matter
As disclosed in Note 9 as at 30 June 2025, the Group held capitalised exploration and evaluation assets of \$23.9 million (after impairment). International Financial Reporting Standards require the carrying amount of exploration and evaluation expenditure is assessed for impairment by the Group when facts and circumstances indicate that the exploration and evaluation expenditure may exceed its recoverable amount. The determination as to whether there are any indicators to require an exploration and evaluation asset to be assessed for impairment, involves a number of judgments including assessing the intention of the Group to carry out significant exploration and evaluation activities in the near future, and, whether there is sufficient information for a decision to be made that the area of interest is not commercially viable. The Group's significant accounting judgments are detailed in Note 1 (v) to the financial report. During the year the Group recognised an impairment write-down of \$782,000 for its Glenayle project due to forfeiture of tenure. At 30 June 2025, the Group determined there were no indicators of impairment for the remaining projects. Due to the size of the exploration and evaluation asset relative to the Group's total assets and the judgment involved in assessing whether indicator of impairment exist as at 30 June 2025, we consider this a key audit matter.	We evaluated the Group's assessment as to whether there were any indicators of impairment to require the carrying amount of exploration and evaluation assets to be tested for impairment. In performing our audit procedures, we: ▪ Evaluated the Group's right to explore in the relevant exploration area which included obtaining and assessing supporting documentation such as license agreements and correspondence with relevant government agencies. ▪ Considered the Group's intention to carry out significant exploration and evaluation activities in the relevant exploration area which included assessing whether the Group's cash-flow forecasts provided for expenditure for planned exploration and evaluation activities and enquiring with senior management and Directors as to the intentions and strategy of the Group. ▪ Considered the Group's assessment of whether the commercial viability of extracting mineral resources had been demonstrated and whether it was appropriate to continue to classify the capitalised expenditure for the area of interest as an exploration and evaluation asset. ▪ Assessed whether there was any other data or information that indicated the carrying amount of the capitalised exploration and evaluation expenditure asset would not be recovered in full from successful development or by sale. ▪ Assessed the appropriateness of the impairment write-down amounts recognised for projects that had impairment write-downs. ▪ Assessed the adequacy of the disclosure in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Company's 2025 annual report, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 judgment 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.



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- 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 Group'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 Group'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 Group 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 Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year 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.

Ernst & Young

Ernst & Young
Perth

26 September 2025

ASX ADDITIONAL INFORMATION

The following additional information is required by the Australian Securities Exchange. The information is current as at 19 September 2025.

(a) Distribution schedule and number of holders of equity securities as at 19 September 2025

	1 – 1,000	1,001 – 5,000	5,001 – 10,000	10,001 – 100,000	100,001 – and over	Total
Fully Paid Ordinary Shares (ASX:LEX)	190	352	255	392	182	1371
	0.03%	0.43%	0.84%	5.73%	92.97%	100.00%
Unlisted Options	0	0	0	0	4	4
Exercisable at \$0.45 each, Expiring 20 January 2026	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%
Unlisted Options	0	0	0	0	3	3
Exercisable at \$0.30 each, Expiring 30 November 2027	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%
Performance Rights, Expiring 31 December 2026	0	0	0	0	5	5
	0.00%	0.00%	0.00%	0.00%	100.00%	100.00%

The number of holders holding less than a marketable parcel of fully paid ordinary shares as at 19 September 2025 is 419 holding a total of 603,397 fully paid ordinary shares.

(b) 20 Largest holders of quoted equity securities as at 19 September 2025

The names of the twenty largest holders of fully paid ordinary shares (ASX code: LEX) as at 19 September 2025 are:

Rank	Name	Fully Paid Ordinary Shares	% of Total Shares
1	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	42,461,960	17.09
2	ST IVES GOLD MINING COMPANY PTY LTD	21,613,910	8.70
3	MR MICHAEL DAVIES	20,500,513	8.25
4	CLARKSON'S BOATHOUSE PTY LTD <CLARKSON SUPER FUND A/C>	11,192,572	4.51
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LTD	10,416,258	4.19
6	EQUITY TRUSTEES LIMITED <LOWELL RESOURCES FUND A/C>	9,823,727	3.95
7	MR COLIN PETROULAS	8,050,000	3.24
8	LEFROY EXPLORATION SHARE PLAN PTY LTD	7,650,000	3.08
9	MR GORDON THOMAS GALT + MRS MARIA VERONICA GALT <THE GALT SUPER FUND A/C>	4,693,216	1.89
10	SUPER SEED PTY LTD <THE WERSMAN SUPER FUND A/C>	3,684,882	1.48
11	STUART TONKIN SMSF PTY LTD <THE STUART TONKIN SMSF A/C>	3,500,000	1.41

Rank	Name	Fully Paid Ordinary Shares	% of Total Shares
12	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <GSCO CUSTOMERS A/C>	3,000,000	1.21
13	MR WADE JOHNSON + MS JENNIFER JOHNSON <INJIGOLD FAMILY A/C>	2,627,084	1.06
14	GETMEOUTOFHERE PTY LTD <SINKING SHIP SUPER FUND A/C>	2,527,732	1.02
15	MR MATTHEW ALAN FAHEY	2,500,000	1.01
16	DIXTRU PTY LIMITED	2,497,025	1.01
17	CITICORP NOMINEES PTY LIMITED	2,343,279	0.94
18	MR GEOFFREY FRANCIS PIGOTT + MRS MICHELE PIGOTT	2,316,487	0.93
19	NOONTIDE SECURITIES PTY LTD	2,058,831	0.83
20	CRAIG ANDREW NELMES	1,950,000	0.78
	TOTAL	165,407,476	66.58

Stock Exchange Listing – Listing has been granted for 248,420,138 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, 5,600,000 unlisted options exercisable at \$0.45 each, expiring on 20 January 2026 and 3,404,069 performance rights expiring 31 December 2026 on issue as at 19 September 2025. 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	45,176,049	18.19%	19 June 2025
St Ives Gold Mining Company Pty Ltd	21,613,910	11.01%	18 October 2023
Michael Davies & Associates	16,718,370	8.52%	3 October 2023

(d) Restricted Securities as at 19 September 2025

The Company had no restricted securities on issue as at 19 September 2025.

(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

The schedule of interest in mining tenements both as at 30 June 2025 is as follows:

LEFROY EXPLORATION – TENEMENT SCHEDULE (as at 30 June 2025)

Tenement Id	Project	Status	Holder	Interest %
P26/3765	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
P26/3764	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0134	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0193	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0150	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E15/1615	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0131	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0184	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E15/1447	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
M26/0842	Western Lefroy JV	Live	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
M26/0850	Western Lefroy JV	Pending	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
M26/0851	Western Lefroy JV	Pending	HOGANS RESOURCES PTY LTD	100 ⁽¹⁾
E26/0195	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E15/1497	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
P25/2488	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⁾
P25/2317	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
P25/2316	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E25/0517	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E25/0518	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
P25/2421	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E15/1715	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E26/0182	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E25/0587	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E26/0183	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E25/524	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E 63/2395	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E 63/2396	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E 63/2402	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
E 74/792	Lake Johnston	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
M25/0362	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
M25/0363	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
M25/0366	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾
P26/4392	Lefroy	Live	MONGER EXPLORATION PTY LTD	100 ⁽¹⁾

Tenement Id	Project	Status	Holder	Interest %
P26/4393	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4394	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4391	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/0176	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
L25/0061	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L25/0063	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L27/0070	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L26/0316	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L26/0317	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
L26/0318	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
P25/2855	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
E63/2073	Lake Johnston	Live	HAMPTON METALS PTY LTD	100(1)
E63/1723	Lake Johnston – CHR (Li rights)	Live	HAMPTON METALS PTY LTD	100(2)
E63/1722	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)
E26/240	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/241	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/264	Lefroy	Pending	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)
E26/260	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
E26/261	Lefroy	Live	MONGER EXPLORATION PTY LTD	100(1)
P26/4798	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
P26/4799	Lefroy	Pending	MONGER EXPLORATION PTY LTD	100(1)
P26/4800	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)

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 - Charger Metals NL (ASX CHR) have the rights to Lithium.

(k) Mineral Resources

As required by ASX Listing Rule 5.21, the Company's Mineral Resources at 30 June 2025 are summarised below.

Table 1 Total Indicated & Inferred (JORC 2012) Gold and Copper Mineral Resources (small discrepancies may occur due to 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	0.60	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	5.60	1.40	247,500	3.69	1.61	191,500	9.29	1.47	439,000					
TOTAL	6.94	1.41	315,560	4.29	1.66	228,270	11.23	1.51	543,830					
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

Table 2 Total Inferred (JORC 2012) Nickel Mineral Resources (small discrepancies may occur due to rounding).

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

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).