

Sarama Resources Ltd

(An Exploration Stage Company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**For the three and six months ended June 30, 2026
(Unaudited)**

(Expressed in United States Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL INFORMATION

The accompanying condensed interim consolidated financial statements and all other financial information included in this report are the responsibility of management. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Financial statements include certain amounts based on estimates and judgments. When alternative methods exist, management has chosen those it deems most appropriate in the circumstances to ensure that the condensed interim consolidated financial statements are presented fairly, in all material respects.

Management maintains appropriate systems of internal control, consistent with reasonable cost, to give reasonable assurance that its assets are safeguarded, and the financial records are properly maintained.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Audit Committee, which is comprised of three Directors, all of whom are non-management and independent, meets with management to review the consolidated financial statements to satisfy itself that management is properly discharging its responsibilities to the Directors, who approve the condensed interim consolidated financial statements.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial reporting standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instruments 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

(signed) "Andrew Dinning"
Executive Chairman
August 13, 2026

(signed) "Lui Evangelista"
CFO
August 13, 2026

Sarama Resources Ltd
An Exploration Stage Company
Consolidated Statement of Financial Position
Expressed in United States Dollars

	Note	As at June 30, 2026 \$	As at December 31, 2025 \$
ASSETS			
Current assets			
Cash and cash equivalents	4	960,110	865,855
Security deposits		24,128	23,385
Other receivables		55,055	25,661
Prepayments		8,270	21,077
Total current assets		<u>1,047,563</u>	<u>935,978</u>
Non-current assets			
Plant and equipment	5	4,342	5,633
Total non-current assets		<u>4,342</u>	<u>5,633</u>
Total assets		<u>1,051,905</u>	<u>941,611</u>
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	14	1,337,496	1,257,791
Provision for employee entitlements		213,453	204,976
Financial liabilities		324,301	487,128
Total current liabilities		<u>1,875,250</u>	<u>1,949,895</u>
Non-current liabilities			
Provision for employee entitlements		386	295
Total non-current liabilities		<u>386</u>	<u>295</u>
Total liabilities		<u>1,875,636</u>	<u>1,950,190</u>
EQUITY			
Share capital	7(b)	64,250,026	63,262,916
Share-based payments reserve		5,611,897	5,577,508
Accumulated losses		(70,685,654)	(69,849,003)
Total equity		<u>(823,731)</u>	<u>(1,008,579)</u>
Total liabilities and equity		<u>1,051,905</u>	<u>941,611</u>

These financial statements are authorised for issue by the Board of Directors on August 13, 2026.

They are signed on the Company's behalf by:

(Signed) "Andrew Dinning" _____ Andrew Dinning, Director

(Signed) "Simon Jackson" _____ Simon Jackson, Director

The accompanying notes are an integral part of these financial statements.

Sarama Resources Ltd
An Exploration Stage Company

Consolidated Statement of Profit or Loss and Other Comprehensive Income
Expressed in United States Dollars

		Three months ended June 30, 2026 \$	Three months ended June 30, 2025 \$	Six months ended June 30, 2026 \$	Six months ended June 30, 2025 \$
	Note				
Income					
Interest income		4,822	3,338	9,856	13,035
Fair value gain on warrants carried at fair value through profit or loss		66,823	29,947	162,827	19,691
Total income		71,645	32,285	172,683	32,726
Expenses					
Accounting and audit		16,781	10,604	23,062	15,610
Depreciation		580	820	1,160	1,813
Directors' fees		23,162	21,912	46,248	42,483
Exploration expenditure as incurred		146,743	235,360	383,339	654,875
Finance charges		3,620	2,773	6,976	5,497
Foreign exchange loss		30,990	9,005	2,997	8,194
Insurance		6,762	7,559	12,643	17,157
Marketing and investor relations		6,531	7,530	13,500	12,352
Office and general		24,952	39,099	78,132	100,504
Professional fees		55,584	95,103	99,870	155,930
Salaries		150,259	96,782	307,018	177,850
Stock-based compensation		14,649	50,993	34,389	50,993
Travel		-	-	-	6,827
Total expenses		480,613	577,040	1,009,334	1,250,625
Loss before income tax		408,968	544,255	836,651	1,217,899
Income tax benefit		-	-	-	-
Loss for the period		408,968	544,255	836,651	1,217,899
Exchange differences on translation of foreign operations		-	-	-	-
Total comprehensive loss for the period		408,968	544,255	836,651	1,217,899
Basic and diluted loss per share	12	0.1 cents	0.2 cents	0.2 cents	0.3 cents
Weighted average number of shares Basic and diluted		478,655,685	361,070,521	470,906,156	358,095,709

The accompanying notes are an integral part of these financial statements.

Sarama Resources Ltd
An Exploration Stage Company
Consolidated Statement of Cash Flows
Expressed in United States Dollars

		Three months ended June 30, 2026 \$	Three months ended June 30, 2025 \$	Six months ended June 30, 2026 \$	Six months ended June 30, 2025 \$
	Note				
Cash flows used in operating activities					
Payments to suppliers and employees		(68,379)	(125,079)	(367,274)	(393,391)
Payments for exploration and evaluation		(225,219)	(138,935)	(534,905)	(574,696)
Interest received		4,822	3,338	9,856	13,035
Net cash used in operating activities	13	(288,776)	(260,676)	(892,323)	(955,052)
Cash flows used in investing activities					
Purchase of plant and equipment	5	-	(3,127)	-	(4,520)
Net cash generated in investing activities		-	(3,127)	-	(4,520)
Cash flows from financing activities					
Common shares and warrants issued for cash		1,013,275	-	1,013,275	-
Payment of share issue costs		(26,165)	(7,374)	(26,165)	(9,558)
Net cash generated by financing activities		987,110	(7,374)	987,110	(9,558)
Net increase / (decrease) in cash and cash equivalents		698,334	(271,177)	94,787	(969,130)
Net foreign exchange differences		(28,222)	13,583	(532)	26,281
Cash and cash equivalents at beginning of the period		289,998	463,420	865,855	1,148,675
Cash and cash equivalents at end of the period		960,110	205,826	960,110	205,826

The accompanying notes are an integral part of these financial statements.

Sarama Resources Ltd
An Exploration Stage Company
Consolidated Statement of Changes in Equity
Expressed in United States Dollars

	Number of common shares	Share capital (note 7)	Share based payments reserve	Deficit	Total
		\$	\$	\$	\$
Balance at December 31, 2024	347,937,815	61,513,987	5,322,513	(67,069,499)	(232,999)
Loss and comprehensive loss for the year	-	-	-	(2,779,504)	(2,779,504)
Issue of shares (7(b))	115,132,706	2,260,883	-	-	2,260,883
Fair value of share issue ascribed to warrants and recorded as derivative liability (7(b))	-	(230,603)	-	-	(230,603)
Share issuance costs (7(b))	-	(281,351)	-	-	(281,351)
Stock-based broker warrants (7(c)(a))	-	-	152,398	-	152,398
Stock-based compensation - options	-	-	102,597	-	102,597
Balance at December 31, 2025	463,070,521	63,262,916	5,577,508	(69,849,003)	(1,008,579)
Loss and comprehensive loss for the period	-	-	-	(836,651)	(836,651)
Issue of shares (7(b))	40,521,427	1,013,275	-	-	1,013,275
Share issuance costs (7(b))	-	(26,165)	-	-	(26,165)
Stock-based compensation - options (7(f))	-	-	34,389	-	34,389
Balance at June 30, 2026	503,591,948	64,250,026	5,611,897	(70,685,654)	(823,731)

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS

Sarama Resources Ltd (the “**Company**”) was incorporated under the laws of the Province of British Columbia, Canada on April 8, 2010.

Statement of compliance

These condensed interim consolidated financial statements have been prepared in United States Dollars.

The board of directors of the Company have approved these condensed interim consolidated financial statements on August 13, 2026.

Business Activities

The consolidated entity, consisting of Sarama Resources Ltd. and its subsidiaries is in the exploration stage and its principal business activity is the sourcing and exploration of mineral properties. As at June 30, 2026, the Company is in the process of exploring its principal mineral properties and has not yet determined whether the properties contain gold reserves that are economically recoverable.

The condensed interim consolidated financial statements for the period ended June 30, 2026, comprise the accounts of Sarama Resources Ltd and its subsidiaries and the Company’s interest in equity accounted investments.

Basis of Presentation

These condensed interim consolidated financial statements have been prepared under the historical cost convention except for financial assets and liabilities at fair value through profit or loss and in accordance with International Financial Reporting Standards (“**IFRS**”) as issued by the International Accounting Standards Board (“**IASB**”) and Interpretations of the International Financial Reporting Interpretations Committee (“**IFRIC**”). These condensed consolidated interim financial statements have been prepared in accordance with IFRS applicable to the preparation of interim consolidated financial statements, including International Accounting Standard (“**IAS**”) 34, “*Interim Financial Reporting*”, and have been prepared following the same accounting policies as the annual consolidated financial statements for the year ended December 31, 2025 except as described in Note 2.

The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS.

Going Concern

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

As disclosed in the financial statements for the period ended June 30, 2026, the consolidated entity recorded a net loss of \$836,651 and had a net cash outflow from operating and investing activities of \$892,323. As at June 30, 2026, the consolidated entity had available cash of \$960,110 and a deficit of current assets over current liabilities of \$827,687.

The Directors have reviewed cashflow forecasts for the upcoming period and assessed that the consolidated entity will need to complete a capital raising or obtain alternative sources of financing to support forecast future cashflows over the following period of twelve months. A process is currently being conducted to determine the likely timing and quantum of these future sources of funding.

Should this capital raising or alternative source of financing not eventuate, or not eventuate on a sufficiently timely basis, there is a material uncertainty that may cast significant doubt as to whether the consolidated entity will continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and

at the amounts stated in the financial report. Accordingly, the Directors believe that the going concern basis of preparation of the financial report remains appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Standards and Interpretations applicable to June 30, 2026

In the period ended June 30, 2026, the Directors have reviewed all the new and revised Standards and Interpretations issued by the IASB that are relevant to the consolidated entity and effective for the current annual reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the consolidated entity and, therefore, no material change is necessary to the consolidated entity's accounting policies.

b) Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all the new and revised Standards and Interpretations in issue not yet adopted for the period ended June 30, 2026. As a result of this review the Directors have determined that there is no material impact of the Standards and Interpretations in issue not yet adopted on the consolidated entity and, therefore, no change is necessary to the consolidated entity's accounting policies.

c) Basis of Consolidation

The condensed interim consolidated financial statements incorporate the assets and liabilities of the Company as at June 30, 2026 and the results of all subsidiaries for the year then ended.

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

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

d) Foreign Currency Translation

(i) Functional and Presentation Currency

Items included in the financial statements of each of the Company's entities are measured using the currency of the primary economic environment in which the entity operates ("**the functional currency**"). The condensed interim consolidated financial statements are presented in United States dollars ("**USD**"), which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Monetary assets and liabilities of the Company are translated into USD at the exchange rate in effect on the statement of financial position date while non-monetary assets and liabilities, revenues and expenses are translated using exchange rates in effect at the time of each transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

All foreign exchange gains and losses are presented separately in profit or loss for the financial year.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair-value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

(iii) Functional Currency

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each statement of comprehensive income (loss) are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case, income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

e) Financial Instruments

Cash and cash equivalents are classified as current assets and include short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company places the majority of its cash holdings with an Australian financial institution which has a high credit rating.

Non-derivative financial assets and liabilities

The Company has the following non-derivative financial assets and liabilities:

Receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value, less any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Such financial liabilities are recognised initially at fair value, net of any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method if significant.

f) Exploration and Evaluation Assets

Mineral exploration and evaluation costs are expensed as incurred based upon each area of interest. Acquisition costs will normally be expensed but will be assessed on a case by case basis and if appropriate may be capitalised. These acquisition costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the tenement. Accumulated acquisition costs in relation to an abandoned tenement are written off in full against profit or loss in the year in which the decision to abandon the tenement is made. Where a decision has been made to proceed with development in respect of a particular area of interest, all future costs are recorded as a development asset.

g) Stock-based Compensation

The fair value of share purchase options or warrants granted is determined by the Black-Scholes option pricing model using estimates for the volatility of the trading price of the Company's stock, the expected lives of share purchase options awarded, the fair value of the Company's shares and the risk-free interest rate.

For employees, the fair value of the options is measured at the date of the grant. For non-employees, the fair value of the options is measured on the earlier of the date on which the counterparty performance is complete or the date the performance commitment is reached or the date at which the equity instruments are granted if they are fully vested and non-forfeitable. The estimated fair value of awards of share purchase options is charged to expense over the vesting period, with offsetting amounts to equity. If the share purchase options are granted for past services, they are expensed immediately. If the share purchase options are forfeited prior to vesting, no amounts are charged to expense. If share purchase options are exercised, then the fair value of the options is reclassified from stock-based compensation reserve to share capital.

At each reporting date, the amount recognised as an expense is adjusted to reflect the actual number of share purchase options or warrants that are expected to vest. The corresponding entry is recognised in the stock-based compensation reserve.

h) Basic and Diluted Earnings per Share

The Company presents basic and diluted earnings per share data for its common shares, calculated by dividing the result attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share does not adjust the profit attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

i) Share Warrants

In accordance with IFRS, an obligation to issue shares for a price that is not fixed in the Company's functional currency, and that does not qualify as a rights offering, must be classified as a derivative liability and measured at fair value through profit or loss in accordance with the requirements of IAS 32 Financial Instruments: Presentation. The financial liability will be accounted for at fair value through profit or loss until such time that the warrants are exercised or lapse, at which point the liability will be transferred to equity.

j) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker is responsible for allocating resources and assessing performance of the operating segments.

k) Critical Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Information about significant areas of estimation uncertainty considered by management in preparing the financial statements is described below.

(i) Measurement of warrants and stock options

The Company determines the fair value of both warrants and options classified as liabilities at fair value through profit or loss using the Black-Scholes Model. Note 7 provides detailed information about the key assumptions used in the determination of the fair value of warrants.

Sarama Resources Ltd
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Notes to the Consolidated Financial Statements
Expressed in United States Dollars unless otherwise stated

3. EXPLORATION

Project	Activity	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
Cosmo					
	Acquisition	-	30,680	-	30,680
	Camp	-	-	-	2,168
	Geochemistry	270	5,840	686	211,381
	Geological	7,894	69,910	60,004	99,111
	Native Title	37,332	4,696	104,995	8,759
	Government Fees	26,736	50,823	69,547	78,089
	Administration	19,683	-	20,662	-
	Total	91,915	161,949	225,894	430,188
Mt Venn					
	Acquisition	-	6,946	-	19,252
	Camp	-	-	38	3,398
	Geochemistry	270	1,863	1,440	31,678
	Geological	18,207	13,348	31,842	56,575
	Geophysical	15,245	-	19,940	-
	Native Title	1,191	-	5,214	-
	Government Fees	438	-	36,563	24,863
	Administration	-	-	694	-
	Total	35,351	22,157	95,731	135,766
NSW					
	Government Fees	6,154	-	15,122	-
	Total	6,154	-	15,122	-
Sanutura					
	Administration	13,323	51,254	46,592	88,921
	Total	13,323	51,254	46,592	88,921
Total Exploration expenditure		146,743	235,360	383,339	654,875

NSW Project

In 2026 the Company was granted tenure to three exploration licences covering a portfolio of early-stage copper-gold properties in New South Wales, targeting underexplored areas within and adjacent to the Lachlan Fold Belt that are prospective for copper, gold and polymetallic mineralisation.

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4. CASH AND CASH EQUIVALENTS

	June 30, 2026 \$	December 31, 2025 \$
Cash at bank and in hand	35,983	111,831
Deposits at call	924,127	754,024
	960,110	865,855

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made on a rolling overnight basis and earn interest at the respective short-term deposit rates.

The Company's exposure to interest rate risk and sensitivity analysis for financial assets and liabilities are disclosed in Note 8.

5. PLANT AND EQUIPMENT

	June 30, 2026			
	Plant and Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Opening net book value	208	-	5,425	5,633
Depreciation	(80)	-	(1,211)	(1,291)
Closing net book value	128	-	4,214	4,342
Cost	109,612	28,922	253,158	391,692
Accumulated Depreciation	(109,484)	(28,922)	(248,944)	(387,350)
Closing net book value	128	-	4,214	4,342

	December 31, 2025			
	Plant and Equipment \$	Motor Vehicles \$	Office Equipment \$	Total \$
Opening net book value	6,140	4,020	3,037	13,197
Additions	-	-	5,667	5,667
Depreciation	(5,932)	(4,020)	(3,279)	(13,231)
Closing net book value	208	-	5,425	5,633
Cost	109,612	28,922	253,158	391,692
Accumulated Depreciation	(109,404)	(28,922)	(247,733)	(386,059)
Closing net book value	208	-	5,425	5,633

6. INVESTMENT IN ASSOCIATE

The Company has determined that it has significant influence over Joint Venture BFI Inc., a joint venture focussed on the exploration and evaluation of the Karankasso Project (“the Project”) in Burkina Faso, as it holds 17.43% (December 31, 2025: 17.45%) of the voting power as well as holding 2 out of the 4 Board positions. The Company’s interest is accounted for using the equity method in the condensed interim consolidated financial statements. Summarised financial information of the joint venture, based on IFRS financial statements, and reconciliation with the carrying amount of the investment in the condensed interim consolidated financial statements are set out below. The Company has not made any additional contributions during the period ended June 30, 2026.

Summarised statement of financial position of Joint Venture BF1 Inc.:

	June 30, 2026 \$	December 31, 2025 \$
Current assets	210,511	301,970
Non-current assets	-	-
Current liabilities	(139,061)	(75,058)
Non-current liabilities	(5,649,881)	(5,632,412)
Equity	<u>(5,578,431)</u>	<u>(5,405,500)</u>
Reconciliation to carrying amount of investment		
Company’s share of equity	(972,321)	(943,260)
Plus additional contributions	<u>1,365,851</u>	<u>1,365,851</u>
	393,530	422,591
Notional premium on acquisition by JV	<u>(393,530)</u>	<u>(422,591)</u>
Karankasso Project Joint Venture– at cost	<u>-</u>	<u>-</u>

Reconciliation of carrying amount of investment

	June 30, 2026 \$	December 31, 2025 \$
Opening carrying amount	1,836,171	1,836,171
Share of loss after tax	<u>(1,836,171)</u>	<u>(1,836,171)</u>
Closing carrying amount	-	-

As the share of equity associated losses exceeds the Company’s interest in the investee, the investment has been written down to nil.

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Notes to the Consolidated Financial Statements
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7. SHARE CAPITAL

(a) Authorised Share Capital

At June 30, 2026, the authorised share capital comprised an unlimited number of common shares without par value.

(b) Issued Share Capital

Details	2026 Number of shares	2026 \$	2025 Number of shares	2025 \$
Balance at January 1	463,070,521	63,262,916	347,937,815	61,513,987
Issue of shares under private placement (iv)	40,521,427	1,013,275		
Issue of shares for debt (i)	-	-	13,132,706	247,173
Share issuance costs	-	(26,165)	-	(2,184)
Balance at June 30 (net of costs)	503,591,948	64,250,026	361,070,521	61,758,976
Issue of shares under private placement (ii)			90,000,000	1,763,440
Issue of shares for acquisition of exploration projects (iii)			12,000,000	250,270
Share issuance costs			-	(279,167)
Fair value warrants issued			-	(230,603)
Balance December 31 (net of costs)			463,070,521	63,262,916

(i) Shares for Debt – February 2025

On February 10, 2025, the Company completed the issue of shares in part settlement of deferred executive salaries and director fees (the “**Shares for Debt**”). The Shares for Debt arrangement comprised the issue of 13,132,706 CDIs at a fair value of A\$0.03 per CDI, equivalent to A\$393,981 (US\$247,173).

(ii) Private Placement July 2025 – Oct 2025

On July 8, 2025, the Company closed Tranche 1 of its private placement (the “**Placement**”) raising proceeds of A\$2.6m by issuing 86,666,667 CDIs at an issue price of A\$0.03 per CDI. Tranche 2 (“**Tranche 2**”) of the Placement consisted of 30,000,000 free attaching unlisted options (each a “**Placement Option**”) and 19,166,666 broker options (each a “**Broker Option**” and together with the Placement Options, the “**Options**”), with each Option exercisable at A\$0.09 and expiring on 30 November 2028. Tranche 2 of the Placement consisted of 3,333,333 CDIs and 1,111,111 attaching options (which are included in the total number of Placement Options specified above) to a director, Mr Andrew Dinning (“**Director CDIs**”). The Broker Options and 28,888,889 Placement Options were issued on October 7, 2025. The CDIs and options issued to Mr Dinning were issued on October 21, 2025. Funds received from Tranche 2 was A\$100,000.

(iii) Shares for Acquisition of Mt Venn Gold Project – July 2025

On July 22, 2025 the Company completed the acquisition of a majority interest in the Mt Venn Project (the “**Project**”) in Western Australia with the Company issuing 12,000,000 CDIs at a fair value of A\$0.032 per security, for consideration of A\$384,000 (US\$250,270).

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(iv) *Private Placement May 2026*

On May 29, 2026, the Company closed Tranche 1 of its private placement (the “**Placement**”) raising proceeds of A\$1.4m by issuing 40,521,427 CDIs at an issue price of A\$0.035 per CDI. Tranche 2 (“**Tranche 2**”) of the Placement consists of 2,335,715 CDIs to directors of the Company which will require shareholder approval scheduled to be held in October 2026. Funds to be received from Tranche 2 upon shareholder approval will be A\$81,750.

(c) **Warrants**

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price (A\$)
Balance – December 31, 2024	20,000,000	0.13
Issued	79,833,332	0.09
Expired	(2,500,000)	0.27
Balance – December 31, 2025	97,333,332	0.09
Issued	-	-
Expired	(10,000,000)	0.15
Balance – June 30, 2026	87,333,332	0.09

The Company has issued warrants as part of its capital raising and exploration programs. The details of all warrants still on issue are detailed below.

Warrant issue	Total Warrants Issued	Exercise Price (A\$)	Estimated fair value of warrants (A\$)	Estimated fair value per warrant (A\$)	Expiry Date
<u>Acquisition Warrants issued</u>					
December 5, 2024 (e)	7,500,000	0.05	42,269	0.005	December 5, 2026
<u>Broker Warrants issued</u>					
February 10, 2025 (c)	14,000,000	0.09	71,625	0.005	November 30, 2028
October 7, 2025 (a)	19,166,666	0.09	233,446	0.012	November 30, 2028
Sub Total	40,666,666		347,340	0.009	
<u>Shareholder Warrants issued</u>					
February 10, 2025 (d)	16,666,666	0.09	85,268	0.005	November 30, 2028
October 7, 2025 (b)	28,888,889	0.09	340,158	0.003	November 30, 2028
October 21, 2025 (b)	1,111,111	0.09	13,083	0.003	November 30, 2028
Sub Total	46,666,666		438,509	0.009	
Total Warrants	87,333,332		785,849	0.009	

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- a) 19,166,666 broker warrants were issued on October 7, 2025, to a broker assisting a private placement conducted by the Company in July 2025, at an exercise price of A\$0.09 each and expire on November 30, 2028. The warrants were issued at a fair value of US\$152,398 (A\$233,446)
- b) A total of 30,000,000 shareholder warrants were issued with 28,888,889 being issued on October 7, 2025 and 1,111,111 being issued on 21 October 2025, in relation to a private placement conducted by the Company in July 2025. The warrants are exercisable at A\$0.09 and expire on November 30, 2028. The warrants were issued at a fair value of US\$230,603 (A\$353,241)
- c) 14,000,000 broker warrants were issued on February 10, 2025, to brokers assisting a private placement conducted by the Company in November 2024, at an exercise price of A\$0.09 each and expire on November 30, 2028. As the service to which the warrants related was completed at the time of the placement, the value of the warrants has been recorded in the prior year. The warrants were issued at a fair value of US\$46,641 (A\$71,625)
- d) 16,666,666 shareholder warrants were issued on February 10, 2025, in relation to a private placement conducted by the Company in November 2024. The warrants are exercisable at A\$0.09 and expire on November 30, 2028. As the warrants were promised during the placement to shareholders, the value of the warrants has been recorded in the year ended December 31, 2024. The warrants were issued at a fair value of US\$55,525 (A\$85,268)
- e) 7,500,000 acquisition warrants were issued to Adelong Gold Limited, as directed by Cosmo Gold Limited ("Cosmo"), on December 5, 2024, as part consideration of definitive agreement executed by the Company and Cosmo on August 13, 2024, for the acquisition of an initial 80% interest in the Cosmo Gold project in Western Australia. The warrants were issued at an exercise price of A\$0.05 expiring on December 5, 2026, at a fair value of \$27,216 (A\$42,269).

The fair value of the acquisition warrants are recognised within the share-based payments reserve, within the equity section of the financial statements, in accordance with IFRS 2.

The fair value of shareholder warrants are recognised as a derivative liability in the financial statements in accordance with IAS 32. As the exercise price of the warrants is denominated in Australian dollars ("AUD"), which is different from the Company's functional currency (United States dollars ("USD")), the warrants do not meet the "fixed-for-fixed" criteria under IAS 32, Financial Instruments: Presentation. Consequently, the warrants are classified as a derivative financial liability.

The derivative liability was initially measured at its fair value on the date of issuance and is subsequently re-measured at each reporting date. Unrealized gains and losses arising from the re-measurement are recognized in the consolidated statement of loss and comprehensive loss.

The following table illustrates the changes in the derivative liability for the year:

	Number of Warrants issued in CAD	Number of Warrants issued in AUD	Carrying amount in USD
Balance – December 31, 2024	-	26,666,666	49,379
Warrants Issued		30,000,000	230,603
Warrants Expired	-	-	-
Changes in fair value of derivative liability	-	-	207,146
Balance – December 31, 2025	-	56,666,666	487,128
Warrants Issued		-	-
Warrants Expired	-	(10,000,000)	-
Changes in fair value of derivative liability	-	-	(162,827)
Balance – June 30, 2026	-	46,666,666	324,301

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The fair value of the derivative warrant liability as at June 30, 2026, and at issuance was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	June 30, 2026	At issuance
Risk-free interest rate	4.36%	2.92 - 4.22%
Volatility	93%	46 - 64%
Expected life	0.4 to 2.4 years	3 to 4 years
Expected dividend yield	0%	0%

The fair value of the warrants recognised in the financial statements has been estimated using the Black-Scholes Option-Pricing Model at inception with the following assumptions:

Warrant issue	Price of Security on issue date	Risk – free interest rate	Expected dividend yield	Expected stock price volatility	Remaining warrant life
Broker Warrants issued October 7, 2025	A\$0.03	2.92%	0%	85%	29 months
Shareholder Warrants issued October 7, 2025, and October 21, 2025	A\$0.03	2.92%	0%	85%	29 months
Broker Warrants issued February 10, 2025	A\$0.03	2.98%	0%	54%	29 months
Shareholder Warrants issued February 10, 2025	A\$0.03	2.98%	0%	54%	29 months
Acquisition Warrants issued December 5, 2024	A\$0.03	3.03%	0%	55%	5 months

(d) Company Stock Option Plan

The Company has a stock option plan (the “**Plan**”) that provides for the issuance of up to 10% of the issued and outstanding shares of the Company. The board of directors is authorised to set the exercise price, expiry date, and vesting provisions for each grant, subject to the policies of the TSX Venture Exchange. The plan provides for a maximum grant period of ten years. Options can be exercised at any time prior to their expiry date.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price (A\$)
Balance – December 31, 2024	19,431,664	0.10
Granted	4,550,000	0.04
Expired	(2,721,665)	0.22
Balance – December 31, 2025	21,259,999	0.07
Granted	-	-
Expired	(6,809,999)	0.16
Balance – June 30, 2026	14,450,000	0.03

As at June 30, 2026 the following stock options were outstanding and exercisable:

Grant Date	No.	Exercise Price	Expiry Date
July 23, 2024 (fully vested)	9,900,000	A\$0.03	July 23, 2027
April 2, 2025 (fully vested)	4,550,000	A\$0.04	April 2, 2028
	14,450,000		

No options were granted nor exercised in the period ended June 30, 2026 (period ended June 30, 2025: Nil).

(e) Equity Incentive Plan

The Company has an equity incentive plan that provides for the issuance of equity incentives, together with any other security-based compensation arrangements, of up to 10% of the issued and outstanding shares at any time. The Board of directors is authorised to determine which directors, officers, employees or consultants are eligible to receive equity incentives ("Awards") under the Equity Incentive Plan; determine conditions under which Awards be granted, vested or exercised, including the expiry date, exercise price and vesting schedule of the Equity Incentives, and determine the number of Shares to be covered by any Award.

Details are as follows:

Grant Date	Restricted Share Units ("RSUs")		Performance Share Units ("PSUs")	
	Outstanding	Vested	Outstanding	Vested
April 11, 2025	2,310,000		9,240,000	1,155,000

The Awards are subject to the following vesting conditions:

Vesting Condition	Expiry Date of Vesting Condition	Number of incentives
No lost time injuries at any of the Company's projects	11 April 2026	1,155,000
20 day VWAP reaches a minimum of A\$0.06/share for a continuous period of 10 trading days	11 April 2028	4,042,500
Drill program returns 3 or more downhole intersection of a minimum of 20gm gold at the Cosmo Project or Mt Venn Project, with a minimum cut-off grade of 0.5 grams per tonne of gold and a minimum intercept length of 1 metre.	11 April 2028	1,155,000
The announcement of a Maiden Mineral Resource Estimate in accordance with the JORC Code of 200,000 ounces of gold at a 0.5g/t gold cut off of at least the Inferred category.	11 April 2028	2,887,500
Continuous service of 18 months from date of grant	11 October 2026	2,310,000

RSUs

Each RSU is redeemable into one common share of the Company.

On April 11, 2025, the Company granted 2,310,000 RSUs at an average fair value of A\$0.029 each to employees of the Company. The RSUs will vest upon continuous service eighteen months after the grant date.

During the period ended June 30, 2026, no (June 30, 2025 – nil) RSUs were redeemed for an equal number of common shares of the Company, and no (June 30, 2025 – nil) unvested RSUs were forfeited.

PSUs

Each PSU is redeemable into one common share of the Company.

On April 11, 2025, the Company granted 9,240,000 PSUs at an average fair value of A\$0.027 each to employees of the Company. The PSUs will vest upon meeting certain conditions as follows;

- twelve months after the grant date (1,155,000 PSUs)
- within three years after the grant date (8,085,000 PSUs)

During the period ended June 30, 2026, 1,155,000 PSUs vested however as at June 30, 2026 no (June 30, 2025 – nil) PSUs were redeemed for an equal number of common shares of the Company, and no (June 30, 2025 – nil) unvested PSUs were forfeited.

(f) Stock-Based Compensation

The following table summarizes stock-based compensation expense by unit type:

	June 30, 2026	June 30, 2025
	\$	\$
Stock Options	-	31,621
Restricted share units	16,412	6,963
Performance share units	17,977	12,409
Total stock-based compensation	34,389	50,993

8. FINANCIAL INSTRUMENTS

The Company is exposed to financial risks through the normal course of its business operations. The key risks impacting the Company's financial instruments are considered to be foreign currency risk, interest rate risk, liquidity risk, credit risk and equity price risk. The Company's financial instruments exposed to these risks are cash and short-term deposits, receivables, trade payables and investments in foreign operations.

The executive management team monitors the financial instrument risk to which it is exposed and assesses the impact and likelihood of those risks on an ongoing basis. Where material, these risks are reported and reviewed by the board of directors.

(i) Fair Values

The fair value of the Company's financial instruments approximates their carrying values due to the immediate or short-term maturity of these financial instruments. The Company's financial assets and liabilities are measured and recognised at fair value as at June 30, 2026 according to the following fair value measurement hierarchy:

- (a) quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities (level 1),
- (b) quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability (level 2), and
- (c) prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity) (level 3).

(ii) Financial Instrument Risk Exposure

Foreign currency risk

The Company has international operations in West Africa, namely Burkina Faso and an administrative office in Western Australia. The multiple locations expose the Company to foreign exchange risk as detailed below:

- Canadian dollar (CAD) – primary source of Company funding and its corporate and regulatory costs.
- Australian dollar (AUD) – administrative costs in Western Australia.
- Euro and Communauté Financière Africaine Francs (CFA) – funding of African operations.

Management's policy is to actively manage foreign exchange risk. Management mitigates foreign exchange risk by continuously monitoring forecasts and spot prices of foreign currency and holding foreign currency based on expected future expenditure commitments.

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The carrying amounts of the Company's financial assets and liabilities are denominated in USD, except as set out below:

As at June 30, 2026			
	AUD	CAD	Euro
	\$	\$	€
Cash and cash equivalents	1,381,907	11,579	810
Payables	903,110	229,442	8,576

As at December 31, 2025			
	AUD	CAD	Euro
	\$	\$	€
Cash and cash equivalents	1,234,765	4,588	30,630
Payables	1,007,822	267,247	26,418

Sensitivity

Based on the financial instruments held as at June 30, 2026, had the US dollar weakened/strengthened by 10% against the AUD, CAD or Euro, with all other variables held constant, the Company's losses/gains for the year would have been mainly as a result of foreign exchange gains/losses in translation of foreign denominated currencies. The following table summarises the sensitivity of the Company's cash and cash equivalents to changes in foreign exchange rates.

The Company's exposure to other foreign exchange movements is not material.

As at June 30, 2026			
	AUD	CAD	Euro
	\$	\$	€
USD Strengthened by 10%	(30,006)	13,929	805
USD Weakened by 10%	36,674	(17,025)	(984)

As at December 31, 2025			
	AUD	CAD	Euro
	\$	\$	€
USD Strengthened by 10%	(75,000)	(304)	(3,269)
USD Weakened by 10%	91,667	372	3,995

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash and cash equivalents and accounts receivable.

The Company has reduced its credit risk by holding all of its cash and cash equivalents with an Australian financial institution, whose Moody's Investor Service rating is Aa3, except for working capital requirements in West Africa.

Liquidity risk

Ultimate responsibility for liquidity risk rests with the Board of Directors, who oversee a liquidity risk management framework for the management of the Company's funding and liquidity requirements.

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring there are adequate funds available to meet its operating and growth objectives. The Company relies on issuance of shares to fund exploration programs and will most likely issue additional shares in the future.

Interest rate risk

The Company is exposed to interest rate risk as entities in the Company deposit funds at both short-term fixed and floating rates of interest. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Cash bears interest at variable rates. The fair value of cash approximates its carrying value due to the immediate or short-term maturity of this financial instrument.

Other current financial assets and liabilities are not exposed to interest rate risk because they are non-interest bearing.

9. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages its capital structure and makes adjustments to it in accordance with the objectives stated above, as well as responding to changes in economic conditions and the risk characteristics of the underlying assets. There were no changes in the Company's approach to capital management during the period ended June 30, 2026. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the company, is reasonable. The Company is not subject to externally imposed capital requirements.

The properties in which the Company currently has interests are in the exploration stage, as such, the Company does not recognize revenue from its exploration properties. The Company's historical source of capital has consisted of the issue of equity securities and warrants. In order for the Company to carry out planned exploration and development and pay for administrative costs, the Company will spend its working capital and expects to raise additional amounts externally as needed.

The Company is exposed to various funding and market risks which could curtail its access to funds.

10. SUBSIDIARIES

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

Name of entity	Country of Incorporation	Class of shares	Functional Currency	Equity holding %	
				2026	2025
Sarama Investments Ltd	British Virgin Islands	Ordinary	USD	100	100
Sarama Investments (No.2) Limited	British Virgin Islands	Ordinary	USD	100	100
Sarama Investments Mali Limited	British Virgin Islands	Ordinary	USD	100	100
Vasto Mining Limited	British Virgin Islands	Ordinary	USD	100	100
SWA BF No.3 Investments Limited	British Virgin Islands	Ordinary	USD	100	100
Sarama Mining Burkina SUARL	Burkina Faso	Ordinary	USD	100	100
SWA SARL	Burkina Faso	Ordinary	USD	100	100
Eburnean Resources Limited – Burkina SARL	Burkina Faso	Ordinary	USD	100	100
Pedsam Mining Limited (Liberia)	Liberia	Ordinary	USD	100	100
Yikarri Resources Pty Ltd	Australia	Ordinary	USD	100	100

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11. SEGMENT REPORTING

The Company consider the Board of Directors to be the chief decision maker.

The Company has one business segment, being the acquisition, exploration and potential development of mineral properties. The Company has operations in two geographic area, being Australia and Burkina Faso.

As at and for the period ended June 30, 2026

	Burkina Faso	Australia	Corporate	Total
	\$	\$	\$	\$
Plant and equipment	211	-	4,131	4,342

As at and for the year ended December 31, 2025

	Burkina Faso	Australia	Corporate	Total
	\$	\$	\$	\$
Plant and equipment	342	-	5,291	5,633

12. BASIC AND DILUTED LOSS PER SHARE

	Three months ended June 30, 2026	Three months ended June 30, 2025	Six months ended June 30, 2026	Six months ended June 30, 2025
	Cents per share	Cents per share	Cents per share	Cents per share
Basic and diluted loss per share	0.1	0.2	0.2	0.3
	\$	\$	\$	\$
Net loss used in calculating basic/diluted loss per share	408,968	544,255	836,651	1,217,899
Weighted average number of shares on issue during the period used in the calculation of basic loss per share	478,655,685	361,070,521	470,906,156	358,095,709

Diluted loss per share as at June 30, 2026 is the same as basic loss per share as it is unlikely that the warrants will be converted into common shares.

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13. NOTES TO THE STATEMENT OF CASH FLOWS

Reconciliation of loss after tax to net cash flows from operations

	Three months ended June 30, 2026 \$	Three months ended June 30, 2025 \$	Six months ended June 30, 2026 \$	Six months ended June 30, 2025 \$
Loss for the period	(408,968)	(544,255)	(836,651)	(1,217,899)
Depreciation	645	4,138	1,291	9,106
Fair value gain on warrants carried at fair value through profit or loss	(66,823)	(29,947)	(162,827)	(19,691)
Stock-based compensation	14,649	50,993	34,389	50,993
Movements in provisions, salary benefits	3	3,585	81	6,667
Net exchange and translation differences – loss	28,832	8,161	297	19,171
Net cash outflows used in operating activities before change in working capital	(431,662)	(507,326)	(963,420)	(1,151,653)
Change in working capital	142,886	246,650	71,097	196,601
Net cash outflows used in operating activities	(288,776)	(260,676)	(892,323)	(955,052)

14. ACCOUNTS PAYABLE & ACCRUED LIABILITIES

	June 30, 2026 \$	December 31, 2025 \$
Accounts payable	404,214	349,150
Directors' fees	25,479	24,695
Deferred salaries	540,075	542,179
Leave entitlements	367,728	341,767
	<u>1,337,496</u>	<u>1,257,791</u>

15. ARBITRATION PROCEEDINGS – LITIGATION FUNDING

In October 2024, the Company advised that it had entered into a Litigation Funding Agreement (“LFA”) with Locke Capital II LLC, an arm’s length party that specializes in providing funding for dispute resolution (the “Funder”) to commence international arbitration proceedings in relation to its investment dispute (the “Dispute”) with the Government of Burkina Faso. (refer announcement October 24, 2024)

The LFA provides a four-year non-recourse loan facility (“Facility”) of US\$4.4 million to the Company to cover all fees and expenses related to its Claim to Arbitration (the “Claim”). If there is no settlement or award (or no default by Sarama under the LFA), the Company does not have an obligation to repay the loan. In the event of the occurrence of a material adverse change under the LFA, the Funder shall be entitled to recover only those funds which were advanced but remain unspent.

The Company has engaged Boies Schiller Flexner (UK) LLP (“BSF”), a leading international law firm, to assist with legal matters pertaining to the Dispute. The costs incurred by BSF are presented to the Company for approval prior to being submitted for payment by the Funder.

16. SUBSEQUENT EVENTS

Completion of Sale of Cosmo and Mt Venn Projects

On July 21, 2026, the Company announced that it had completed the previously announced sale of its majority and controlling interest in its Laverton Gold Projects (the Cosmo and Mt Venn Projects) in Western Australia to Riedel Resources Limited (“Riedel”) (*refer news release 21 April 2026*).

Pursuant to the Share Sale Agreement, Riedel has acquired Sarama’s interest in the Projects through the acquisition of a 100% interest in Sarama’s wholly-owned subsidiary, Yikarri Resources Pty Ltd for consideration comprising equity in Riedel and payment of certain project-related expenses on Sarama’s behalf as follows:

- issuance of 150 million shares in Riedel to Sarama (or its nominee) at a deemed price of A\$0.025 per share;
- issuance of 100 million performance rights in Riedel to Sarama (or its nominee) across four tranches vesting upon the achievement of certain exploration, mineral resource and share price milestones; and
- payment of project-related costs that are incurred by Sarama, capped at A\$300,000 (excluding GST).

Shares received by Sarama will be held in escrow for a period of 12 months.

Sarama will hold an initial ~32% relevant interest in Riedel, increasing to up to ~44% if all performance rights vest and are subsequently exercised. Sarama’s interest in Riedel will be held via a wholly owned subsidiary.