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This report has been authorised for release by the Board of Directors

Forward Looking Statements

This report prepared by Flagship Minerals Limited (or “Flagship”, “FLG” or “the Company”) includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue”, and “guidance”, or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licenses and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the Company operates or may in the future operate, environmental conditions including extreme weather conditions, recruitment and retention of personnel, industrial relations issues and litigation. Forward looking statements are based on the Company and its management’s good faith assumptions relating to the financial, market, regulatory and other relevant environments that will exist and affect the Company’s business and operations in the future. The Company does not give any assurance that the assumptions on which forward looking statements are based will prove to be correct, or that the Company’s business or operations will not be affected in any material manner by these or other factors not foreseen or foreseeable by the Company or management or beyond the Company’s control. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements. Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or to advise of any change in events, conditions or circumstances on which any such statement is based.

Competent Persons Statement for Pantaniillo Gold Project

The Exploration Results and information in this announcement reported under Listing Rule 5.12 that relates to foreign estimates of mineralisation at the Pantaniillo Project is based on and fairly represents information compiled by Mr David Hobby, and is an accurate representation of the available data and studies for the Project. Mr Hobby is a Member of the Australasian Institute of Mining and Metallurgy and is an employee and Executive Director of Flagship Minerals Limited. Mr Hobby has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results and Mineral Resources, and Ore Reserves. Mr Hobby consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Competent Persons Statement (Excluding RK Lithium Project MRE and Pantaniillo Gold Project)

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a full time employee, Director and Shareholder of Flagship Minerals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Persons Statement for RK Lithium Project MRE

Fellow and Chartered Professional of the Australasian Institute of Mining and Metallurgy and Ms Millicent Canisius is a Member of the Australasian Institute of Mining and Metallurgy. Mr Anthony Wesson and Ms Millicent Canisius have sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 Edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Anthony Wesson and Ms Millicent Canisius consent to the disclosure of the information in this report in the form and context in which it appears. Ms Millicent Canisius assumes responsibility for matters related to Sections 1 and 2 of JORC Table 1, while Mr Anthony Wesson assumes responsibility for matters related to Section 3 of JORC Table 1. Readers are advised to refer to the following ASX release for details on the Mineral Resource: 02 Nov 2023 Reung Kiet Lithium Project Mineral Resource Update.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

RK Lithium Project – RK Lithium Prospect JORC Mineral Resource

Flagship Minerals Limited has generated a Measured, Indicated & Inferred Mineral Resource Estimate at a 0.25% Li₂O cutoff of 14.8Mt @ 0.45% Li₂O, 391 ppm Sn, 77ppm Ta₂O₅, 0.20% Rb and 237ppm Cs. The MRE was estimated by CSA Global in accordance with the JORC Code (2012). Please refer to the following ASX release for details on the Exploration Target: 02 Nov 2023 Mineral Resource Estimate Upgrade - RK Lithium Prospect – 42% Increase to 14.8 Million Tonnes.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

RK Lithium Project – BT Lithium Prospect JORC Exploration Target

Flagship Minerals Limited has generated a drill supported Exploration Target estimate of 16-25Mt @ 0.40-0.70% Li₂O as defined under JORC Code (2012). The potential quantity and grade of the Exploration Target are conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource. Drilling at the BT Lithium Prospect is designed to test the Exploration Target and adjacent areas. Please refer to the following ASX release for details on the Exploration Target: 10 Jul 2023 Bang I Tum Lithium Prospect Exploration Target Update.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Relevant ASX Releases

Readers are advised to refer to the following ASX releases for details on other technical data reported in this report:

PANTANILLO GOLD PROJECT

- 06 Feb 2026: Pantanillo - ASTER Study - Extensive Alteration Footprint
- 31 Dec 2025: Pantanillo Gold - Xinhai Moves Ahead - EIA Baseline Starts
- 10 Nov 2025: Pantanillo Gold - Maricunga Water Pipeline Approval
- 04 Nov 2025: Pantanillo Gold - Warehouse Secured - Met Samples Ready
- 08 Oct 2025: Pantanillo Gold Project - Robust Soil Anomalies
- 24 Sep 2025: Pantanillo Gold - Many Holes End in Gold Mineralisation
- 17 Sep 2025: Pantanillo Gold Project - Positive Metallurgical Review
- 11 Sep 2025: Pantanillo Gold Project - Robust Down Dip Opportunities
- 03 Sep 2025: Pantanillo Gold Project - Multiple 100 g x m Intersections
- 27 Aug 2025: Pantanillo Gold Project - Anglo Exploration Dataset Secured
- 14 May 2025: Pantanillo Gold Project - Metallurgical Review Retraction
- 06 May 2025: Pantanillo Oxide Project - Au Scale and Potential Identified
- 29 April 2025: Pantanillo Gold Project - Metallurgical Review and Update
- 14 Apr 2025: Pantanillo Oxide Project - Advanced - Oxide Au - Large Scale

ROSARIO COPPER PROJECT

- 30 Jan 2025: Rosario Copper - Six New Copper Targets Identified
- 06 Dec 2024: Rosario Copper - Rock Chips up to 8.9% Copper
- 04 Nov 2024: Rosario Copper - First Pass Geochem Results Highly Positive
- 14 Oct 2024: Rosario Copper - First Fieldwork Program Completed

REUNG KIET LITHIUM PROJECT

- 02 Nov 2023: RK Lithium Project Mineral Resource Update
- 10 Jul 2023: BT Lithium Prospect - Exploration Target Substantially Increased

KHAO SOON TUNGSTEN PROJECT

- 08 Oct 2020: Technical Reports for PAM Projects

Corporate Governance

Flagship's Corporate Governance guidelines and other pertinent information can be found at: <https://flagshipminerals.com/leadership-governance/>



Chairman's & Managing Director's Report

Paul Lock

Chairman & Managing Director

2025 was a transformative year for Flagship Minerals Limited (Flagship).



In April, the Company acquired the advanced Pantanillo Gold Project (Pantanillo) in Chile's prolific Maricunga Gold Belt. The project came with a 1.05Moz qualifying foreign estimate (QFE) at 47.4Mt @ 0.69g/t Au, providing an immediate and substantial gold inventory and a launch pad to become a Chilean gold producer. Since then, we have advanced rapidly, with an updated JORC 2012-compliant Mineral Resource Estimate (MRE) due in early April - without drilling a single new hole.

Pantanillo is ideally situated among Tier-1 gold assets, including

- Newmont-Barrick's 27.3Moz Au Norte Abierto ~35km to the southwest;
- Kinross' 10.2Moz Au Maricunga ~25km to the west;
- Tiernan Gold's 11.1Moz Au Volcan ~12km to the northwest;
- Mineros' ~2.6Moz Au La Pepa ~20km to the northwest;
- Kinross' 9.5Moz Lobo Marte ~30km to the north; and
- Rio2's 5.7Moz Au Fenix ~40km to the north - now in production and providing Flagship a blueprint for development success.

With such a rich gold neighbourhood and geological setting, we believe Pantanillo has clear upside - both with the potential for a material increase in gold inventories in the zone of the current QFE and across our broader 110km² holding - Flagship is positioned for future growth beyond the initial gold production profile expected to be included in the initial feasibility studies.

In 2025, we also secured a strategic partnership with global EPC firm Shandong Xinhai Mining Technology & Equipment Inc. (Xinhai), raising \$2.5M and Xinhai's John Zhang to be appointed to Flagship's Board in April 2026.

Xinhai has a strong track record of building quality plant in short time frames, and we expect that this relationship will bring the same advantages to our projects.

Our focus in 2026 is to continue de-risking Pantanillo along a clear development pathway: JORC MRE, metallurgical testwork, baseline studies, feasibility studies, and environmental submission. We aim to deliver a low-capex, heap-leach oxide/mixed ore operation producing ~100koz Au per annum over a +10-year mine life - with a sharp focus on margins and capital efficiency.

Importantly, we intend to advance with minimal dilution - demonstrated by our disciplined approach to capital and strategic funding. Management remains focused on gold and copper, two commodities with strong long-term fundamentals.

Amid rising geopolitical instability and growing distrust in fiat currencies, gold has reasserted itself as a safe haven. As Canadian PM Mark Carney noted at Davos 2026 and recently reinforced in an address to the Australian Parliament, the “rules-based order” is fragmenting - fueling a global flight to safety.



Flagship is not targeting production at any cost, but at the lowest cost, with a focus on margin and capital efficiency. Our goal is to build a gold business in the bottom third of the cost curve, and Pantanillo provides the geological and jurisdictional foundations to achieve that.

Copper, meanwhile, presents a compelling structural opportunity. Beyond traditional demand drivers, the global buildout of AI datacentres and renewable infrastructure is accelerating copper intensity. At the 2026 Future Minerals Forum in Riyadh, renowned mining entrepreneur Robert Friedland forecast 700Mt of new copper demand by 2044—equivalent to total copper consumed in human history to date.

With global copper mining grades declining and discoveries at historic lows, Flagship moved early to give shareholders copper exposure via the Rosario Project in 2024, and as the jungle drums strengthen, we aim to position Flagship’s shareholders with a worthwhile exposure to this metal.

Our aim this year is twofold: deliver a finance-ready gold asset in Pantanillo, and secure a second copper or gold project in Chile, aligned with our strategy of developing high-margin, near-term production opportunities in Tier-1 jurisdictions.

Thank you to our shareholders, team, partners and communities for your continued support – we believe 2026 will be another defining year for Flagship.

Yours sincerely,



Paul Lock



Operational Report

David Hobby
 Technical Director
 & Chief Geologist



Pantaniillo Gold Project

On 14 April 2025, Flagship announced that it had entered into a Binding Option Agreement to acquire 100% of the Pantaniillo Gold Project, a 110km² advanced gold development project located in the prolific Maricunga Gold Belt in Chile.¹

At acquisition, Pantaniillo hosted a qualifying foreign estimate (QFE) of 47.4Mt @ 0.69g/t Au for 1.05Moz Au², which will soon be upgraded to a JORC compliant Mineral Resources Estimate. A large portion of Pantaniillo deposit is amenable to open cut mining and heap leach processing, positioning the project as a potentially **large-scale, low-strip oxide gold development opportunity**.



Table 1: Breakdown of the QFE Mineralisation

Type	Measured		Indicated		Inferred		Total		
	(Mt)	Au (g/t)	(Mt)	Au (g/t)	(Mt)	Au (g/t)	(Mt)	(g/t)	(koz)
Oxide	19.81	0.72	1.75	0.55	0.10	0.39	21.66	0.70	487.5
Mixed	16.01	0.70	8.34	0.65	0.20	0.62	24.55	0.68	536.7
Sulphide	0.75	0.72	0.44	0.68	0	0	1.19	0.69	26.4
Total	36.57	0.71	10.53	0.64	0.30	0.53	47.40	0.69	1,050.6

¹See Flagship's ASX announcement dated 14 April, 2025, and titled "Pantaniillo Gold Project - Advanced Large Scale Oxide Gold Project - Maricunga Gold Belt, Chile - Binding Option Agreement to Purchase 100%".

²The qualifying foreign estimates (QFE) are not reported in accordance with the JORC Code (2012). The Competent Person has not done sufficient work to classify the qualifying foreign estimates in accordance with the JORC Code (2012) and it is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code. The QFE was first reported in ASX announcement dated 14 April 2025 and titled "Pantaniillo Gold Project - Advanced Large Scale Oxide Gold Project - Maricunga Gold Belt, Chile - Binding Option Agreement to Purchase 100%".

Anglo American Dataset Acquisition

On the 27th of August 2025, Flagship entered into a binding agreement with Anglo American Norte Spa (Anglo)³ to acquire the historical exploration dataset for the Project.

This transaction represented a **second pivotal milestone** for the Company. The dataset is estimated to have a replacement cost of **US\$15–20 million and would likely require four to five years to replicate** through new drilling and exploration work.

Flagship secured the dataset through a staged payment structure comprising:

- **US\$100,000 initial payment**
- **Two instalments totalling US\$750,000 over two years**
- **A final payment of US\$1 million**, payable only if the Company exercises its option to acquire the Pantanillo Project on or before **9 April 2030**.

On **1 November 2025**, Anglo's **Pantanillo Core Shed and lease**, located on the outskirts of **Copiapó**, a major mining hub in northern Chile, was transferred to Flagship.

The acquired dataset includes:

- **32,827m of drilling**, including **13,949m of diamond core across 148 drillholes**
- **2,151 rock, soil and stream sediment samples**
- **Ground magnetic survey data** covering much of the project area
- Various **technical studies, exploration reports and project documentation**.

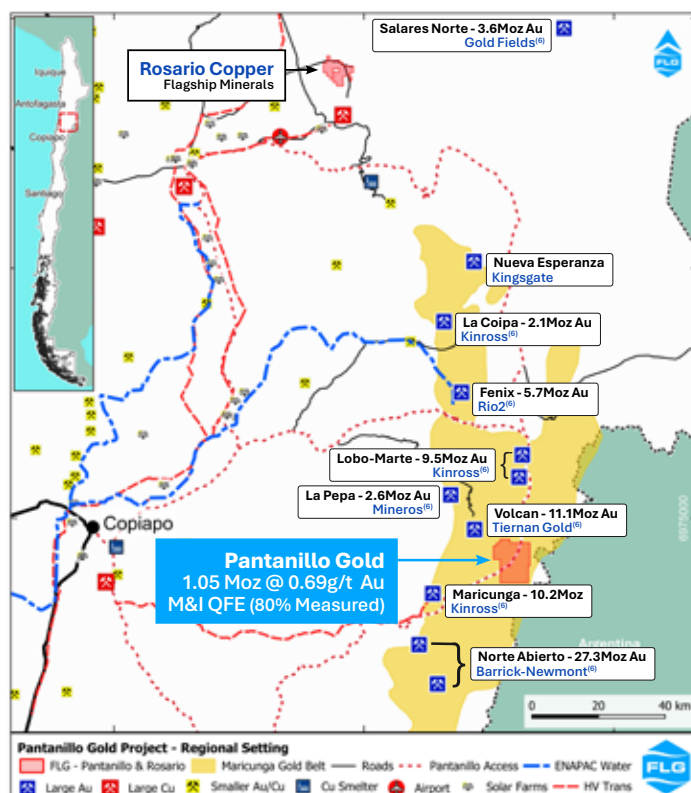
In addition, the acquisition included **more than 100 tonnes of drill core, pulps and samples**, together with **over 700 digital files comprising more than 10,000 document**.

Regional Setting

As shown in Figure 1, Pantanillo is situated in close proximity to several substantial projects including Newmont-Barrick's 27.3Moz Au Norte Abierto gold project ~35km to the southwest, Kinross' 10.2Moz Au Maricunga gold project ~25km to the west, Tiernan Gold's 11.1Moz Au Volcan gold project ~12km to the northwest, Kinross' 9.5Moz Au Lobo-Marte ~20km to the north and Rio2's 5.7Moz Au Fenix gold project ~45km to the north.

Of note, Fenix is an oxide gold project slated to produce 1.32 Million ounces of gold over a 16 year mine life, which has an ore reserve grade 0.48g/t with life of mine all in sustaining costs estimated to be US\$1,237/oz Au⁴. Construction was recently completed on time and on budget with first gold poured in January 2026. Fenix is located in similar geography, geology and permitting environment to Pantanillo.⁵

Figure 1: Pantanillo Gold Project - Regional Map and Proximity to Flagship's Rosario Copper Project.



³See Flagship's ASX announcement dated 27 August, 2025, and titled "Pantanillo Gold Project - Anglo Exploration Dataset Secured".

⁴For details on Rio2's Fenix Gold Project, see: <https://www.rio2.com/post/rio2-completes-feasibility-study-for-the-fenix-gold-project>.

⁵See Note 6 in Flagship's ASX announcement dated 23 February, 2026, and titled "Corporate Presentation".

Exploration History

Modern exploration commenced at Pantanillo in 1983 and has been conducted by several major mining groups including:

- **Anglo American**
- **Empresa Minera Mantos Blancos (Anglo subsidiary)**
- **Kinross Gold Corporation**
- **Fortune Valley Resources**
- **Orosur Mining.**

Work completed across the project area includes:

- Geological mapping
- Soil and rock geochemical surveys
- Ground magnetic surveys
- Trenching
- Reverse circulation (RC) drilling
- Diamond drilling
- Metallurgical testwork and technical studies.

The Pantanillo gold deposit is over 850m long and between 200m-600m wide, and remains open along strike and down-dip. The mineralised zone is ~0.5km², less than 0.5% of the total concession area of ~110km². (see Figure 2).

Further potential for additional mineralisation also exists below post mineralisation cover to the southeast of Pantanillo. Outside of the Pantanillo deposit, exploration potential remains in the Pantanillo Central, Quebrada Pantanillo and Oro 52 prospects. Aster imagery shows intense alunite alteration, across the Pantanillo Central, Quebrada Pantanillo and Oro 52 targets (see Figure 2). Limited drilling has been conducted at some of these targets. The alunitic alteration is typically associated with advanced argillic alteration caps that commonly overlie gold-bearing porphyry-type deposits like Pantanillo and other gold deposits in the region.

Figure 2: Pantanillo Gold Project - Project Map.

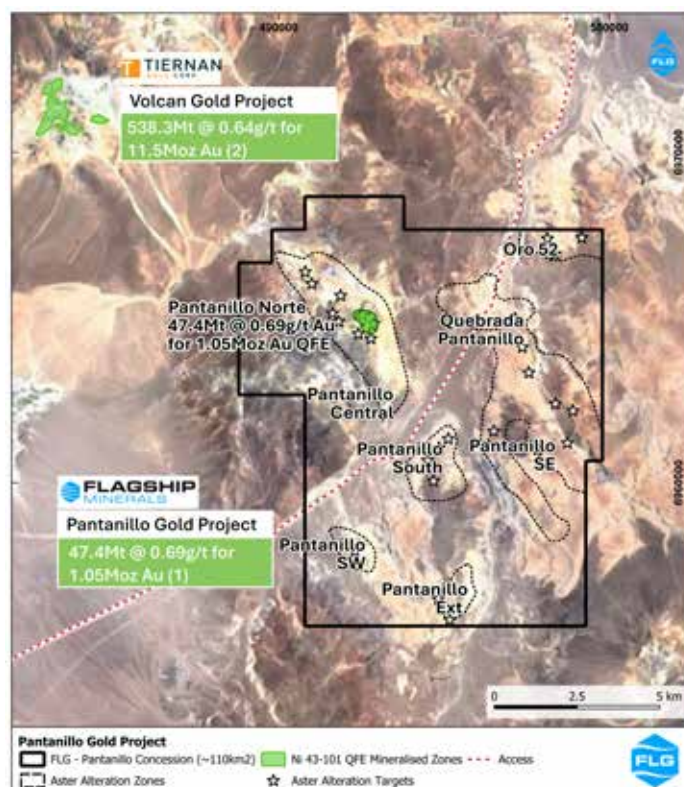


Figure 3 (level plan) and Figure 4 (cross section) provide some information regarding the QFE block model and associated drilling. The mineralised zone strikes NE-SW and dips moderately to the southwest.

Metallurgical Testwork

During the year, Flagship completed a metallurgical review of previous testwork, which confirmed that high gold recoveries were achieved through cyanidation of crushed material. This includes gold recovery of 85.5% from bottle-roll testwork on oxide material, and 80% from column leach testwork on oxide composite after 25 days and 83.5% after 188 days.⁶

Comparison with the Fenix Project

The nearby **Fenix Gold Project**, owned by Rio2, provides a relevant benchmark for Pantanillo.

Fenix has adopted a **dump leach process**, whereby blasted run-of-mine ore is placed directly onto the heap without crushing. The project expects **life-of-mine gold recovery of approximately 75% at a head grade of 0.48g/t Au**.

Recovery curves from Fenix testwork at a **-19mm crush**, Pantanillo testwork at **-25mm crush**, and **Fenix dump leach material** are shown in Figure 5.

These metallurgical results indicate that **Pantanillo demonstrates strong metallurgical characteristics and represents a substantially de-risked oxide gold development opportunity**.

Resource Growth Potential

In September 2025, Flagship recut cross sections and generated a new set of assay intersections from the drillhole data used in the original QFE, producing astonishing results with the confirmation of large intervals of gold mineralisation and the potential for significant MRE growth.⁷

Figure 3: Pantanillo Gold Project - QFE Block Model, Plan View.

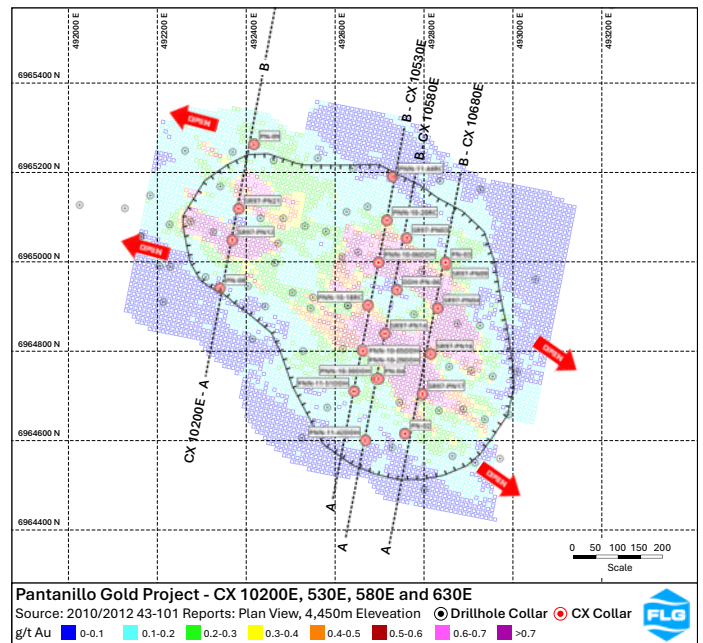


Figure 4: Pantanillo Gold Project - Cross Section 10680E.

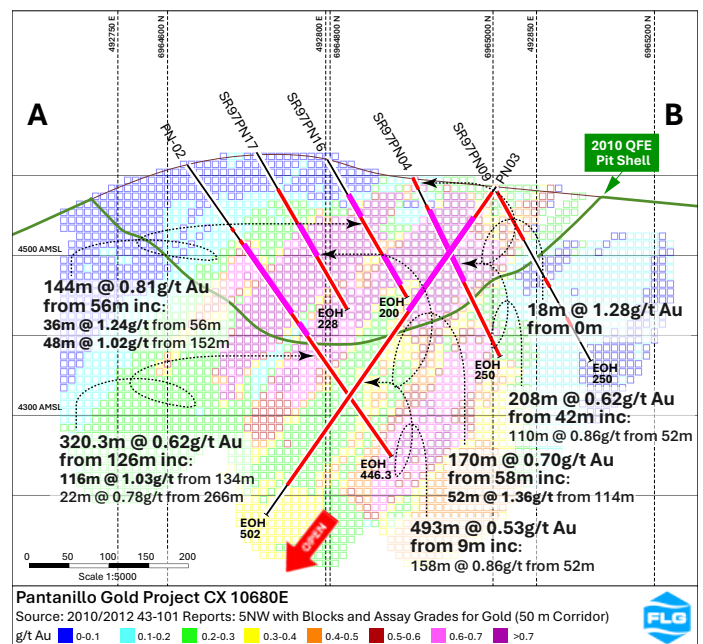
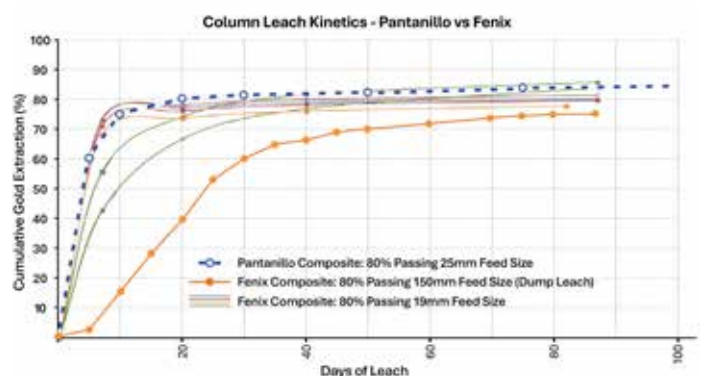


Figure 5: Heap Leach Project Peer Comparison.



⁶See Flagship's ASX announcement dated 29 April, 2025, and titled "Pantanillo Gold Project - Metallurgical Review and Update".

⁷See Flagship's ASX announcement dated 3 September, 2025, and titled "Pantanillo Gold Project - Multiple 100 g x m Intersections".

The leading 20 drill intersections average 205m @ 0.65g/t Au, including:

- 193m @ 1.01g/t from 28m inc. 116m @ 1.50g/t Au from 86m (SR97PN12)
- 142m @ 1.13g/t Au from 310m inc. 86m @ 1.54g/t Au from 348m (PN-08)
- 320.3m @ 0.62g/t Au from 126m inc. 116m @ 1.03g/t Au from 134m (PN-02)
- 317.5m @ 0.60g/t Au from 206m inc. 74m @ 1.18g/t Au from 376m (PN-06)
- 300.6m @ 0.54g/t Au from 166m inc. 64m @ 0.92g/t Au from 288m (PN-10)
- 493m @ 0.53g/t Au from 9m inc. 158m @ 0.86g/t Au from 52m (PN-03).

Figure 6 cross section was one of four released.

Following this, Flagship reported a mineralised zone up to 500m wide, yielding exceptional down dip extension opportunities supported by large intervals of gold mineralisation with many of the drill holes ending in mineralisation⁸, including:

- 109.5m @ 1.18g/t Au from 148m (PNN-10-04DDH)
- 81.2m @ 0.47g/t Au from 254m inc. 31.2m @ 0.89g/t Au from 304m (PNN-11-42DDH)
- 177.9m @ 0.66g/t Au from 18m inc. 62m @ 0.97g/t Au from 30m (PNN-10-03DDH)
- 152.8m @ 0.51g/t Au from 114m inc. 60.8m @ 0.82g/t Au from 206m (PNN-10-30DDH)
- 48m @ 0.66g/t Au from 200m inc. 28m @ 0.92g/t Au from 202m (PNN-10-02DDH)
- 75.4m @ 0.87g/t Au from 126m inc. 65.4m @ 0.97g/t Au from 136m (PNN-10-01DDH).

Figure 7 cross section was one of three released.

Figure 6: Pantanillo Gold Project - Cross Section 10200E.

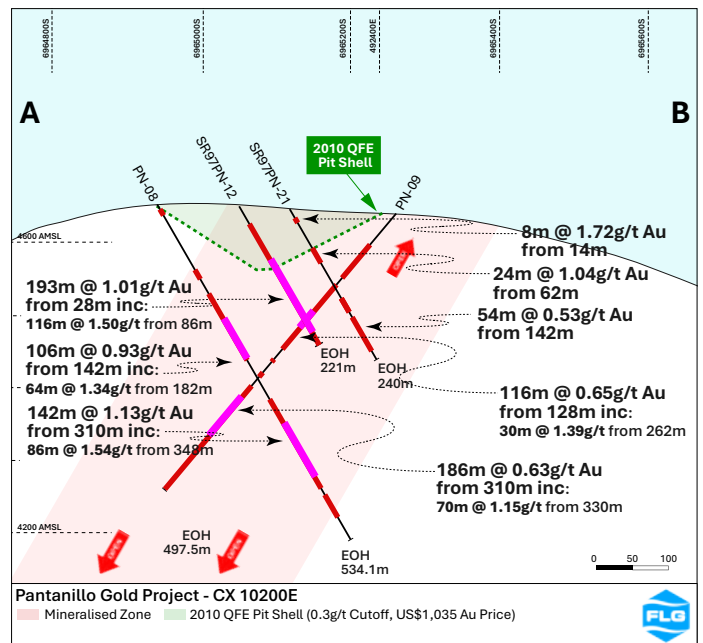
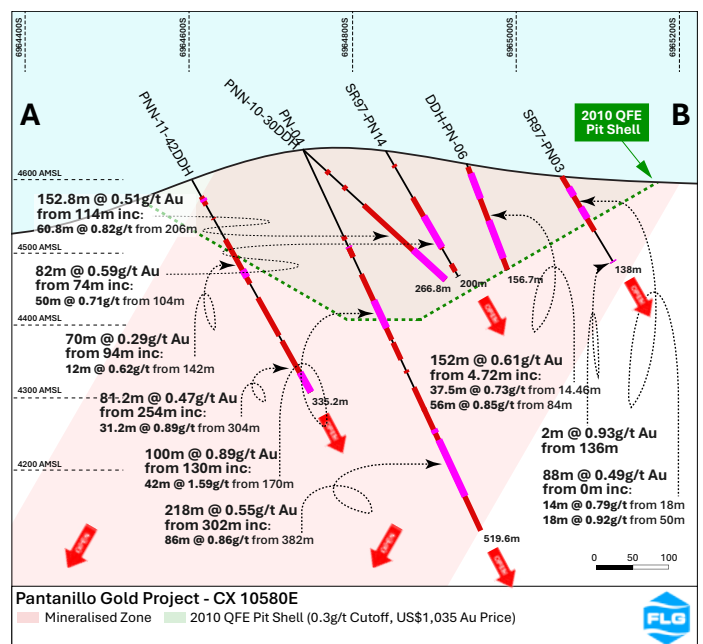


Figure 7: Pantanillo Gold Project - Cross Section 10580E.



⁸See Flagship's ASX announcement dated 11 September, 2025, and titled "Pantanillo Gold Project - Robust Down Dip Opportunities".

In late September, Flagship reported additional drill holes finishing in mineralisation⁹, several high grade zones with broad intercepts ending in mineralisation and the potential expansion of nearer surface mineralisation:

- 142m @ 0.74g/t Au from 58m to end of hole (EOH) (PNN-10-18RC)
 - 192.6m @ 0.63g/t Au from 4m to EOH (PNN-10-06DDH)
 - 189m @ 0.56g/t Au from 54m to EOH (DDH-PN-02)
- 174m @ 0.54 g/t from 76m to EOH (PNN-10-27DDH).

In addition, potential shallow higher grade zones were identified, some containing silver:

- 10m @ 2.90g/t Au and 16g/t Ag from 35m (PNN-11-43RC)
- 3m @ 4.09g/t Au and 21g/t Ag from 37m (PNN-11-44RC).

Figure 8 cross section was one of three released.

Soil Geochemistry

In October, the results of a soils data review for the Pantanillo North and Central prospects was completed¹⁰. The soil samples, which were generally collected on a 100 x 100m grid and, due to the lack of a soil profile, from surface to a depth of about 30cm, were analysed by independent commercial laboratories. Flagship modelled gold and other elements using Inverse distance weighting and plotted these as colour images, with hotter colours (reds) representing higher values grading down to lower values represented by blues.

The modelled gold in soils data as presented in figure 9 shows a large zone of anomalous gold measuring ~5km long and up to 1.2km wide, much larger than current drill coverage essentially centred on the Pantanillo North deposit. The data indicates the anomaly is trending approximately NW-SE which is parallel to the deposit. Two possible bounding structures north and south of the deposit are also shown as well as potential NNE controls in the data, particularly in the centre of the deposit and trending outside the mineralised outline to the north and south.

Figure 8: Pantanillo Gold Project - Cross Section 10530E.

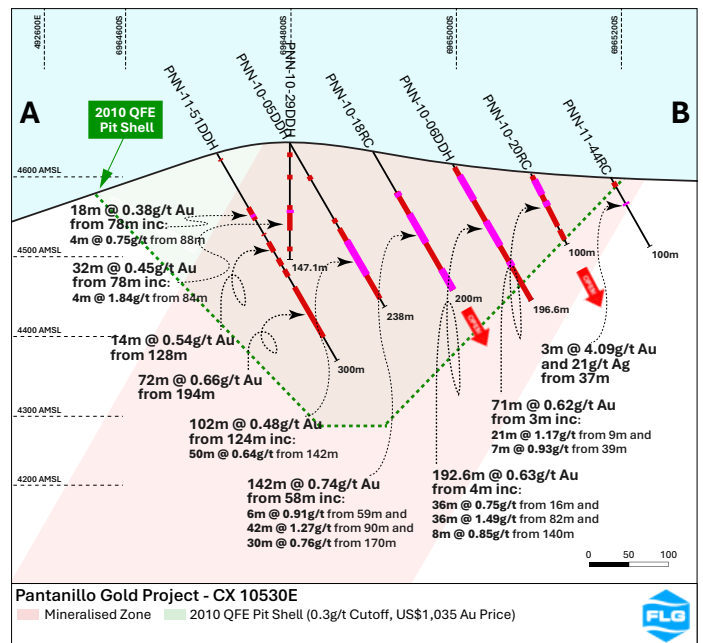
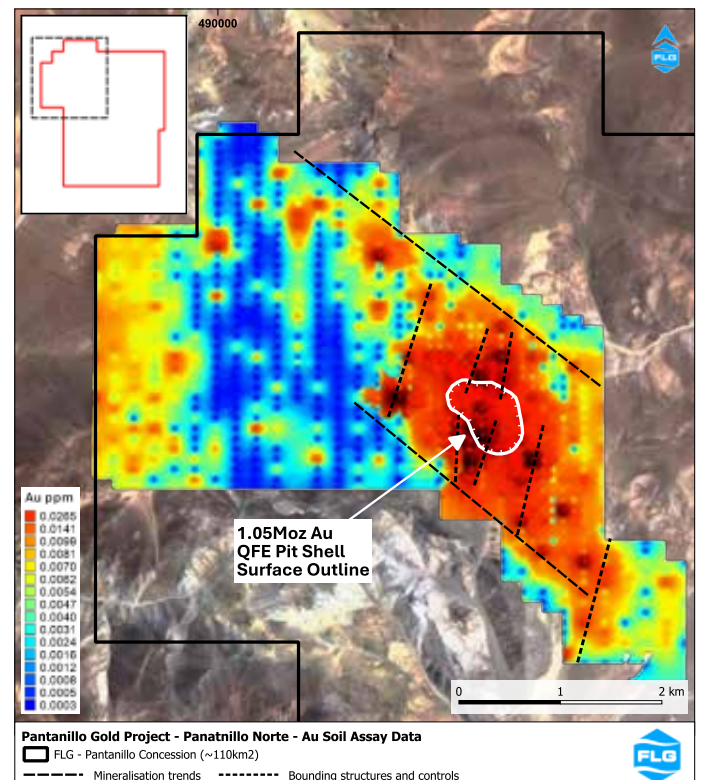


Figure 9: Pantanillo Gold Project - Au in soils Pantanillo North, showing deposit outline and trends.



⁹See Flagship's ASX announcement dated 24 September, 2025, and titled "Pantanillo Gold - Many Holes End in Gold Mineralisation".

¹⁰See Flagship's ASX announcement dated 8 October, 2025, and titled "Anglo Dataset Yields Additional Exploration Opportunities at 1Moz Pantanillo Gold Project, Chile".

ASTER Satellite Review

Early in 2026, Flagship released the results of an **ASTER satellite imagery review**, which identified several large alteration zones across the Pantanillo Project area¹¹.

These include **coincident alunitic-kaolinitic alteration zones with surrounding sericitic alteration**, extending **4-5km in length and up to 2km wide** (see Figure 10).

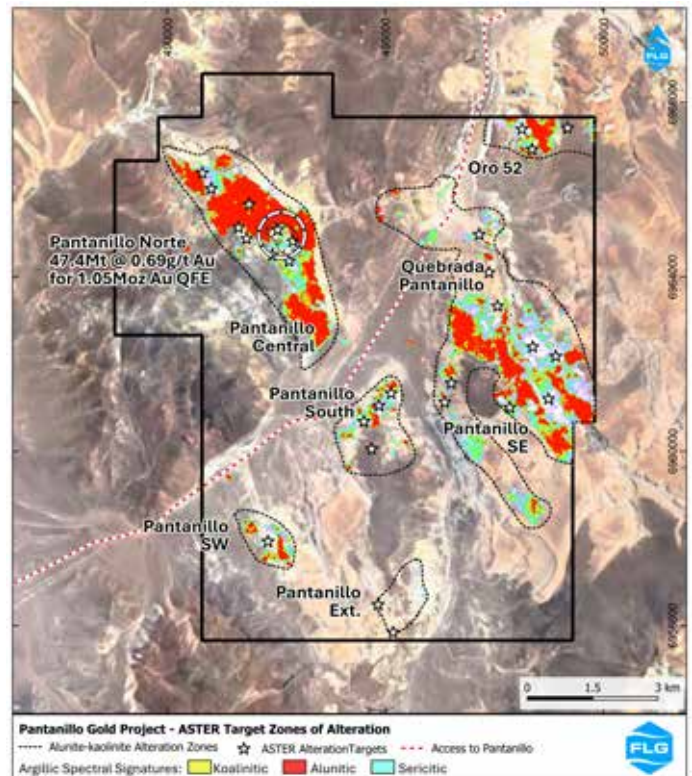
The most prominent alteration corridor extends from **Pantanillo Northwest through Pantanillo Central and into the Quebrada Pantanillo area**.

Additional alteration zones occur at:

- Oro 52
- Pantanillo South
- Pantanillo Southeast and Southwest

Multiple exploration targets have been identified within these zones, particularly at **embayments and circular structural features**, which are commonly associated with **mineralised systems in the Maricunga Belt**.

Figure 10: Pantanillo Gold Project – ASTER map and ASTER Alteration Targets.



Rosario Copper Project

Rosario is a high grade Cu-Ag project located in a highly active mining district, in an infrastructure rich setting, next to the El Salvador copper mine, see Figure 11.

The project is at ~2,500m altitude and easily accessible by road. It is 40km from an airport, 100km from a copper processing plant and 130km from the nearest port.

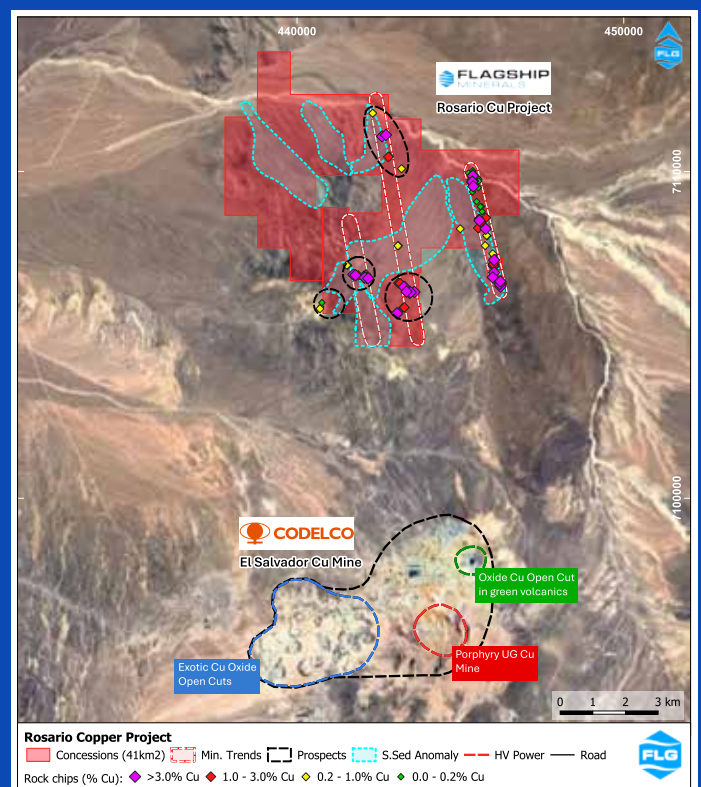
Rosario is highly prospective and under explored, with the hallmarks of a low cost high margin oxide copper project.

Rosario has three distinct prospective trends with a combined strike length of ~15km:

- The zones are interpreted to be from 20m wide up to 200m wide, with assays up to >8.9% Cu
- 50% of rock chips >0.10% Cu average 2.06% Cu and 12ppm Ag
- 33% of rock chips > 0.75% Cu average 3.15% Cu and 18ppm Ag.

Flagship will undertake a work program during 2026 consisting of trenching across the Rosario East Trend. Subject to the results of this program Flagship will undertake drill testing for oxide mineralisation and subsequent metallurgical test work.

Figure 11: Rosario Copper Project – Project Overview.



¹¹See Flagship's ASX announcement dated 6 January, 2026, and titled "Pantanillo - ASTER Study - Extensive Alteration Footprint".

RK Lithium Project

No work carried out during 2025. This project is under review.

The RK Lithium Project (RKLP) is a hard rock project with lithium hosted in lepidolite rich pegmatites chiefly composed of quartz, albite, lepidolite with minor cassiterite and tantalite.

The project at present contains two main prospect areas; RK Lithium Prospect and BT Lithium Prospect, with an earlier stage KT Lithium Prospect, see Figure 12.

The RK Lithium Prospect has a Mineral Resource Estimate (“MRE”) of 14.8Mt @ 0.45% Li₂O for approximately 164,500t contained LCE, in accordance with the JORC Code (2012).¹²

The BT Lithium Prospect has an Exploration Target of 16-25Mt @ 0.40-0.70% Li₂O, in accordance with the JORC Code (2012).¹³

Khao Soon Tungsten Project

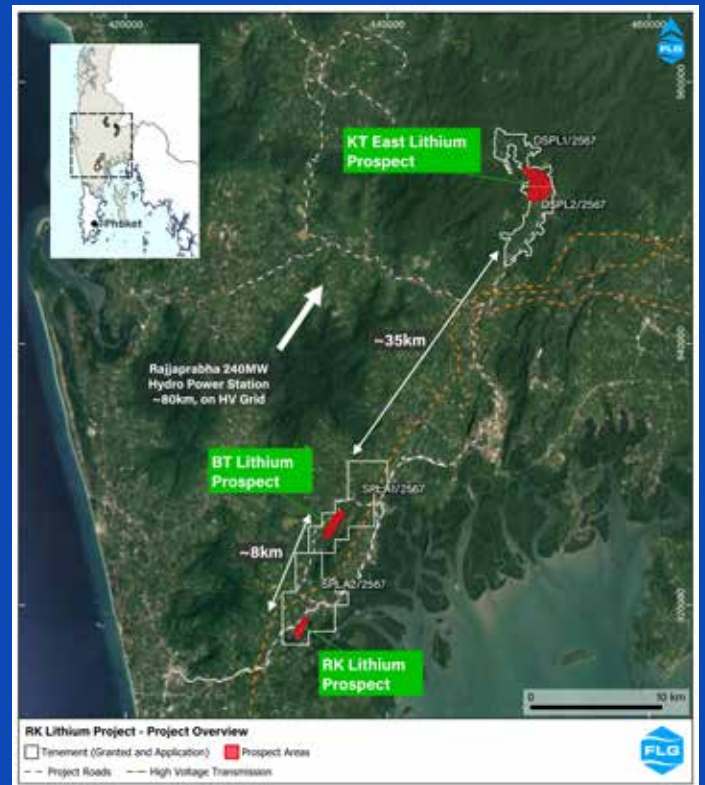
No work carried out during 2025. This project is under review.

Khao Soon consists of the TSPLA1 exploration application over the historic Khao Soon Tungsten Mine, discovered in 1970 and operating for about 10 years to 1979/80.

Based on historic records, Flagship estimates ~12,000t of W was produced from Khao Soon when, equivalent to ~15,000 WO₃ concentrate grading ~65% WO₃.

Based on the historic mining area Flagship estimates ~500,000t of ore was mined at between 3.6%-4.5% WO₃, assuming 75% metallurgical recovery.¹⁴

Figure 12: Reung Lithium Project – Project Overview.



¹²See Flagship’s ASX announcement dated 2 November, 2023, and titled ‘RK Lithium Project Mineral Resource Update’.

¹³See Flagship’s ASX announcement dated 10 July, 2023, and titled ‘BT Lithium Prospect - Exploration Target Substantially Increased’.

¹⁴See Section 4, page 17 of Flagship’s ASX announcement dated 8 October, 2020, and titled ‘Technical Reports for PAM Projects’.

Our Commitment

At Flagship Minerals we focus on delivering inclusive outcomes that consider the communities and their surrounds in which we operate. We believe in reciprocity – if community thrives, we thrive, and vice versa. We envision a future where mining and exploration coexist harmoniously with community development, cultural preservation, and sustainable growth.

We are more than just a company; we are partners with our communities, working hand in hand for a brighter, more sustainable future.

Our Sustainability Strategy looks both inward and outward, striving to achieve a balance between financial success and humanitarian considerations. Ahead of our direct peers, we aim to embed this sustainability mindset early and allow it to mature alongside our projects.

We support the UN’s SDGs, with a primary focus on three specific goals:



Flagship’s education projects have historically focused on enhancing primary schools in the areas in which the Company operates, collaborating with community development initiatives, educational institutions, and religious establishments. Efforts have included providing educational resources, music and sports facilities, classroom improvements, sanitation facilities, playground enhancements, and clean water systems. These initiatives aimed to improve students’ physical and mental well-being, fostering a positive attitude towards education. Flagship also sought to promote satisfaction among educational personnel and parents by actively supporting school development and students’ progress. Flagship will continue with community specific initiatives as its projects progress.





Flagship’s past Gender Equality initiatives have included Project Oxygen Bank and Project X-ray, collectively falling under the umbrella of Project #CommunityCares. Project #CommunityCares encompassed a range of health promotion activities aimed at all demographics within the community. Its primary objectives were to promote good hygiene practices and advocate for the use of healthcare tools designed to monitor the health of individuals living within our designated areas. One pivotal component of this initiative is the facilitation of annual lung X-ray examinations, playing a crucial role in assessing the risk of respiratory diseases among community members. By raising awareness about the importance of health and ensuring timely access to medical care, our overarching goal is to safeguard the well-being and health of all community members. Flagship will continue with community specific initiatives as its projects progress.



Flagship has previously practiced sustainable resource management with #PAMGreen (to be relabelled #FlagshipGreen). This initiative played a crucial role in raising awareness within local communities about environmental conditions, including dust, noise, surface water, and groundwater. Through continuous monitoring, we can promptly address any environmental abnormalities that may pose health risks to community members. We aim to identify the causes and implement timely solutions through in-depth analysis. In addition, Project #UnityInDiversity actively contributed to the preservation and promotion of cultural traditions, aiming to foster collaboration, strengthen interfaith cooperation, and sustain the unique customs and beliefs of each participating community. Flagship will continue with community specific initiatives as its projects progress.



Board of Directors



Paul Lock
Chairman
& Managing Director

Paul is a former advisor and financier, working with companies across a wide range of industries including the mining sector. Paul also has extensive experience as a physical commodities trader and a derivatives trader, trading options and high yield bonds.

Qualifications:

Master of Political Economy; Master of International Studies; Master of Commercial Law; Master of Business Administration; Bachelor of Business; MAusIMM.

Experience and expertise:

Before joining Flagship Minerals, Paul founded and worked as a corporate adviser at Everspring Partners, a Sydney-based boutique advisory firm. Earlier he held corporate advisory and leveraged/project finance roles at a leading Australian commercial bank, initially focusing on resource sector project finance before moving into leveraged finance for private equity and broader corporate advisory roles.

Prior to banking, Paul worked at Rothschild & Co as a derivatives trader and high yield bond investor, focusing on distressed and complex assets, and was involved in structuring derivatives solutions for resource companies. He began his career with Japanese trading conglomerate Marubeni Corporation in the soft commodity trading division.



David Hobby
Technical Director
& Chief Geologist

David is an Economic geologist and has been involved in the minerals industry for over 35 years. He is member of the AusIMM and Competent Person under the JORC Code for many styles of mineralisation.

Qualifications:

B.App Sci (Geology), MAusIMM, Competent Person under the JORC Code.

Experience and expertise:

Since graduating from the University of Canberra in 1989 David has worked in a variety of geological terrains in Australia, Asia, South America, USA and Africa, and has experience in all facets of the minerals project cycle with a focus on exploration and project evaluation.

David has held senior geological management and consulting positions with listed and private companies and progressed several projects through to feasibility and pre production, including the Adelong Gold Project, Broula King Gold Project, Webb's Silver Project and the Woodlawn Zn-Cu project

David's geological qualifications and experience are complimented with skills in project management, environmental management, Occupational Health and Safety, contractor, government and stakeholder management.

Board of Directors



David Docherty
Non-Executive Director

David focused on the Australian resource sector during his time in stockbroking and with investment bank, Slater Walker, in London.

Experience and expertise:

David moved to Sydney in 1968 to oversee Slater Walker investments in BHP (Bass Strait oil) and Western Mining (nickel), and arranged finance for emerging miners, including Poseidon's Mt Windarra nickel discovery in 1969. He later became CEO of Slater Walker's Mining Finance Corporation.

From 1984 to 1987 he was CEO of Sedimentary Holdings, leading development of the Cracow Gold Mine in Queensland. Following deregulation of gold exploration in Thailand, he helped finance the team that discovered the Chatree Gold Mine and later became founding director and CEO of Thai Goldfields NL in 2002, focusing on gold and copper prospects in Thailand.



Thanasak Chanyapoon
Non-Executive Director

Thanasak is a Partner at Capital Law Office, a leading Bangkok based legal and tax practice, a Non-Executive Director of Cal-Comp Electronics PLC, a company listed on the Stock Exchange of Thailand, and well established in the Thai business community.

Qualifications:

Bachelor of Laws (Hons) degree and Master of Laws degree from Chulalongkorn University and Master of Laws degree from University of Cambridge.

Experience and expertise:

Thanasak is a Partner at The Capital Law Office in Bangkok with more than 25 years' experience in tax and corporate law. He previously worked with Baker & McKenzie and Linklaters in Bangkok, and co-founded LawAlliance Limited specialising in Thai tax law and double tax treaties.

Since 2008 he has been a special lecturer in tax law at Chulalongkorn and Kasetsart Universities, serves on the Prime Minister's Office subcommittee for Law Reform for Ease of Doing Business in Thailand, and is an advisor to the Chairman of the Tourism Commissioner in Thailand's House of Representatives.



John Zhang
Non-Executive Director
(Appointment scheduled for April 2026)

John has a unique combination of qualifications and experience, bringing a deep understanding of machine learning and artificial intelligence to EPC services and their application to the mining industry.

Qualifications:

Bachelor and Master degree of Mathematics from the University of Oxford and is an Industry MBA Mentor at the University of International Business and Economics in China.

Experience and expertise:

Zhongyi (John) Zhang is a key representative and one of Shandong Xinhai Mining Technology & Equipment Inc's ("Xinhai") major shareholders. Xinhai is a global minerals EPC services firm to the mining industry and a shareholder of Flagship Minerals Limited. John has substantial experience in machine learning and the use of industry specific large language models for the creation of specialised Artificial Intelligence applications. John also has substantial experience in mining and processing technologies, EPC, and investment, and has played a key role in developing Xinhai's services business in 102 countries and Xinhai's resources business in 7 countries.

Company Secretaries

Elissa Hansen

Australian Company Secretary

Qualifications:

Elissa holds a Bachelor of Commerce and a Graduate Diploma in Applied Corporate Governance. She is a fellow of the Governance Institute of Australia and graduate member of the Australian Institute of Company Directors.

Experience and expertise:

Elissa has over 20 years' experience advising boards and management on corporate governance, compliance, investor relations and other corporate related issues. She has worked with boards and management of a range of ASX listed companies. Elissa is a Chartered Secretary who brings best practice governance advice, ensuring compliance with the Listing Rules, Corporations Act and other relevant legislation.

Nor Hafiza Binte Alwi

Singapore Company Secretary

Qualifications:

Hafiza holds a Bachelor of Law (Hons) degree and is also a fellow of the Chartered Secretaries Institute of Singapore and a Practising Chartered Secretary.

Experience and expertise:

Hafiza is a Director of ZICO Corporate in Singapore. She has over 25 years of experience and acts as Company Secretary to a diversified range of local and foreign listed and non-listed companies. In her role as Company Secretary, Hafiza advises and provides guidance to her clients and the Boards on corporate transactions, procedures and practices, code of corporate governance, compliances and regulatory requirements including listing rules of the SGX-ST.



FLAGSHIP MINERALS LIMITED
(Formerly known as Pan Asia Metal Limited)
AND ITS SUBSIDIARIES

(Company registration no.:201729187E)
(Incorporated in the Republic of Singapore)

AUDITED FINANCIAL STATEMENTS
AND OTHER FINANCIAL INFORMATION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

Flagship Minerals Limited
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31 December 2025

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Flagship Minerals Limited
Corporate directory
31 December 2025

Directors	Mr Paul Lock (Executive Chairman and Managing Director) Mr David Hobby (Executive Director and Technical Director) Mr David Docherty (Non-Executive Director) Mr Thanasak Chanyapoon (Non-Executive Director)
Company secretaries	Ms Elissa Hansen (Australia) Ms Fiza Alwi (Singapore)
Registered office	36 Robinson Road #20-01, City House Singapore 068877
Principal place of business	Cerro Colorado 5858, Office 208, Las Condes, Santiago, Chile
Auditor	CLA Global TS Public Accounting Corporation 80 Robinson Road, #25-00 Singapore 068898
Stock exchange listing	Flagship Minerals Limited shares are listed on the Australian Securities Exchange (ASX code: FLG)
Website	www.flagshipminerals.com

Flagship Minerals Limited
Directors' report
31 December 2025

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

Directors

The directors of the Company in office at the date of this statement are as follows:

Mr Paul David Lock
Mr David John Hobby
Mr David Michael Docherty
Mr Thanasak Chanyapoon

Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

Directors' interests in shares

The directors of the Company holding office at the end of the year had no interests in the share capital and debentures of the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Companies Act 1967 except as follows:

	Shareholdings registered in the name of director		Shareholdings in which a director is deemed to have an interest	
	At 01.01.2025	At 31.12.2025	At 01.01.2025	At 31.12.2025
Flagship Minerals Limited (No. of ordinary shares)				
Mr Paul David Lock*	10,502,527	53,412,485	36,666,667	11,666,667
Mr David John Hobby	6,680,527	8,221,367	-	-
Mr David Michael Docherty	-	-	22,901,215	24,147,657
Mr Thanasak Chanyapoon	3,993,089	6,083,554	-	-
	<u>21,176,143</u>	<u>67,717,406</u>	<u>59,567,882</u>	<u>35,814,324</u>

By virtue of section 7 of the Companies Act 1967, Mr Paul David Lock is deemed to have an interest in all the related corporations of the Company.

* On 22 November 2024, Mr Paul David Lock transferred 11,666,667 shares to Global Emerging Markets Group (GEM) as part of the A\$35 million Capital Commitment Agreement (Facility) between the Company and GEM. The Company was required to place shares in escrow with an equivalent value of the Facility front end fee and Mr Lock agreed to place his shares in escrow for the benefit of the Company. On 3 December 2024, Mr Paul David Lock transferred a further 25,000,000 shares to GEM as collateral shares to facilitate a drawdown for the benefit of the Company. The transfer of these shares to GEM was not a sale of shares.

In May 2025, 25,000,000 shares were transferred back to Mr Paul David Lock from GEM. The 11,666,667 shares transferred remain with GEM as collateral shares.

Flagship Minerals Limited
Directors' report
31 December 2025

According to the register of directors' shareholdings, certain directors holding office at the end of the financial year had interests in options to subscribe for ordinary shares of the Company issued free attaching options as part of a capital raise (new share issue) as set out below and under "Share Options" below:

Name of director	No. of unissued ordinary shares under option	
	At 01.01.2025	At 31.01.2025
Mr Paul David Lock	868,055	1,743,055
Mr David John Hobby	<u>868,055</u>	<u>868,055</u>
Total	<u>1,736,110</u>	<u>2,611,110</u>

Shares options

In prior financial year 31 December 2024, the directors participated in the top-up share placement plan to new and existing shareholders. The share placement plan includes the issue of one new option for every two new shares applied for with an exercise price of A\$0.15 per option and expiring two years from the issue date 13 November 2024. These options were estimated to be approximately US\$27,000 at the grant date using the Black-Scholes option pricing model.

During the financial year 31 December 2025, the directors participated in the top-up share placement plan to new and existing shareholders. The share placement plan includes the issue of one new option for every two new shares applied for with an exercise price of A\$0.12 per option and expiring two years from the issue date 25 July 2025. These options were estimated to be approximately US\$14,000 at the grant date using the Black-Scholes option pricing model.

Details of the options granted to an executive director of the Company are as follows:

	No. of unissued ordinary shares of the Company under option			
	Granted in financial year ended 31.12.2025	Aggregate granted since commencement of the plan to 31.12.2025	Aggregate exercised since commencement of scheme to 31.12.2025	Aggregate outstanding as at 31.12.2025
Mr Paul David Lock	875,000	1,743,055	-	1,743,055
Mr David John Hobby	-	<u>868,055</u>	-	<u>868,055</u>
	<u>875,000</u>	<u>2,611,110</u>	-	<u>2,611,110</u>

The number of unissued ordinary shares of the Company under option in relation to the share placement plan outstanding at the end of the year was as follows:

No. of unissued ordinary shares under option at 31.12.2025	Exercise period	Exercise price	Number of options
10,000,000	19.11.2024 – 19.11.2029	A\$0.125	10,000,000
10,000,000	19.11.2024 – 19.11.2029	A\$0.20	10,000,000
5,255,907	13.11.2024 – 13.11.2026	A\$0.81	5,255,907
2,250,000	28.11.2025 – 28.11.2028	A\$0.16	2,250,000
2,250,000	28.11.2025 – 28.11.2028	A\$0.20	2,250,000
2,250,000	28.11.2025 – 28.11.2028	A\$0.24	2,250,000
2,250,000	28.11.2025 – 28.11.2028	A\$0.28	2,250,000
9,012,088	23.07.2025 – 25.07.2027	A\$0.12	9,012,088

Flagship Minerals Limited
Directors' report
31 December 2025

During the financial year, the Company issued 18,916,255 new Options. 1,141,667 Options were exercised during the period and there was no forfeiture or lapse of options.

Apart from those shown above, there were no other share options granted during the financial year to subscribe for unissued shares of the Company.

Dividends

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

Review of operations

The loss for the Consolidated Entity after income tax amounted to US\$2,722,842 (31 December 2024: US\$2,185,237).

The net assets of the Consolidated Entity increased by US\$2,935,959 to US\$13,894,436 as at 31 December 2025 (2024: increased by US\$ 195,183 to US\$10,958,477).

As at 31 December 2025, the Consolidated Entity had net current assets of US\$580,178 (2024: net current liabilities of US\$ 1,579,050). The Consolidated Entity had net cash outflows from operating activities for the year of US\$2,270,645 (2024: US\$1,617,528). The total cash at banks and deposits at the end of the year amounted to US\$1,381,350 (2024: US\$144,089).

Matters subsequent to the end of the financial year

On 07 January 2026, the Company issued 170,834 shares at A\$0.12 per share upon exercise of options.

On 08 January 2026, the Company issued 36,235 shares at A\$0.1775 per share in lieu of services.

On 19 January 2026, the Company issued 441,667 shares at A\$0.12 per share upon exercise of options.

On 20 January 2026, the Company issued 399,104 shares at A\$0.075 per share towards repayment of Convertible Notes and associated interest.

On 18 February 2026, the Company issued 10,358 shares at A\$0.2317 per share in lieu of services.

In February 2026, the Company issued 1,500,000 shares at A\$0.125 per share upon exercise of options at various dates.

In February 2026, the Company's wholly owned subsidiary, Pan Asia Metals Chile SpA, incorporated a wholly owned subsidiary, Flagship San Lorenzo SpA, with an initial share capital of US\$1,100.

In March 2026, the Company issued 9,033,335 shares upon exercise of options at different exercise price at various dates.

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

Environmental regulation

The Consolidated Entity is not subject to any significant environmental regulation.

Indemnity and insurance of officers

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

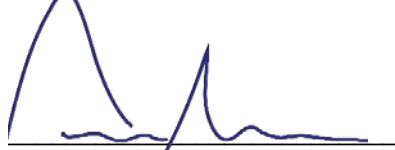
Independent auditor

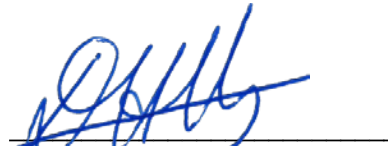
The independent auditor, CLA Global TS Public Accounting Corporation, has expressed its willingness to accept re-appointment

Flagship Minerals Limited
Directors' report
31 December 2025

This report is made in accordance with a resolution of directors.

On behalf of the directors



Paul David Lock
Director

David John Hobby
Director

30 March 2026

Flagship Minerals Limited
Statements of profit or loss and other comprehensive income
For the year ended 31 December 2025

		Consolidated	
		31 December	31 December
	Note	2025	2024
		US\$	US\$
Income			
Miscellaneous income		14,815	18,056
Gain on sale of assets		-	10,350
Interest income		443	711
Expenses			
Employment expenses	5	(676,123)	(683,047)
Corporate and administration expenses	6	(840,075)	(822,941)
Finance cost	7	(138,224)	(104,274)
Depreciation of property, plant and equipment	11	(12,189)	(17,906)
Depreciation of right-of-use assets	12(a)	(25,210)	(23,497)
Rental expenses	12(d)	(15,530)	(1,855)
Marketing and promotion expenses		(108,373)	(99,929)
Subscription expenses		(57,533)	(68,940)
Unrealised foreign exchange (losses)/gains, net		(27,377)	32,998
Professional fees		(837,466)	(424,963)
Loss before income tax expense		(2,722,842)	(2,185,237)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the equity holders of the Company		(2,722,842)	(2,185,237)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation gain on consolidation		529,546	199,148
Other comprehensive income for the year, net of tax		529,546	199,148
Total comprehensive loss for the year attributable to the equity holders of the Company		(2,193,296)	(1,986,089)
		Cents	Cents
Basic loss per share	28	(1.17)	(1.20)
Diluted loss per share	28	(1.17)	(1.20)

Flagship Minerals Limited
Statements of financial position
As at 31 December 2025

	Note	Consolidated		Parent	
		31 December 2025 US\$	31 December 2024 US\$	31 December 2025 US\$	31 December 2024 US\$
Assets					
Current assets					
Cash and cash equivalents	9	1,381,350	144,089	1,288,004	11,891
Other receivables	10	707,459	484,896	1,425,063	787,348
Prepayments		144,823	23,065	143,296	20,391
Total current assets		<u>2,233,632</u>	<u>652,050</u>	<u>2,856,363</u>	<u>819,630</u>
Non-current assets					
Refundable deposits		16,109	12,915	-	-
Investment in subsidiaries	14	-	-	14,820,611	14,431,818
Property, plant and equipment	11	24,275	42,997	8,280	5,964
Right-of-use assets	12	-	26,093	-	-
Exploration and evaluation assets	13	13,313,943	12,486,869	-	-
Total non-current assets		<u>13,354,327</u>	<u>12,568,874</u>	<u>14,828,891</u>	<u>14,437,782</u>
Total assets		<u>15,587,959</u>	<u>13,220,924</u>	<u>17,685,254</u>	<u>15,257,412</u>
Liabilities					
Current liabilities					
Other payables	15	1,287,787	1,163,229	909,942	789,345
Borrowings	17	157,344	833,461	157,344	833,461
Lease liabilities	12	-	26,093	-	-
Accrued expenses	16	208,323	208,317	196,199	196,268
Total current liabilities		<u>1,653,454</u>	<u>2,231,100</u>	<u>1,263,485</u>	<u>1,819,074</u>
Non-current liabilities					
Provision for employee benefits		40,069	31,347	-	-
Total non-current liabilities		<u>40,069</u>	<u>31,347</u>	<u>-</u>	<u>-</u>
Total liabilities		<u>1,693,523</u>	<u>2,262,447</u>	<u>1,263,485</u>	<u>1,819,074</u>
Net assets		<u>13,894,436</u>	<u>10,958,477</u>	<u>16,421,769</u>	<u>13,438,338</u>
Equity					
Issued capital	18	23,803,277	18,781,860	23,803,277	18,781,860
Reserves	19	864,691	227,307	233,224	125,386
Accumulated losses		(10,773,532)	(8,050,690)	(7,614,732)	(5,468,908)
Total equity		<u>13,894,436</u>	<u>10,958,477</u>	<u>16,421,769</u>	<u>13,438,338</u>



Flagship Minerals Limited
Statements of changes in equity
For the year ended 31 December 2025

Consolidated	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2024	16,725,974	(97,227)	(5,865,453)	10,763,294
Loss after income tax expense for the year	-	-	(2,185,237)	(2,185,237)
Other comprehensive income for the year, net of tax	-	199,148	-	199,148
Total comprehensive income/(loss) for the year	-	199,148	(2,185,237)	(1,986,089)
Issue of new shares (Note 18)	914,894	-	-	914,894
Issuance of new shares to directors (Note 18)	272,385	-	-	272,385
Shares issued in lieu of services (Note 18)	249,591	-	-	249,591
Shares issued to employees (Note 18)	21,551	-	-	21,551
Shares issued towards funding facility from Alpha (Note 18)	265,581	-	-	265,581
Issue of options (Note 19)	-	84,953	-	84,953
Issuance of shares in lieu of repayment of Director loan (Note 18)	444,642	-	-	444,642
Equity component of convertible (Note 19)	-	40,433	-	40,433
Share issue expenses (Note 18)	(112,758)	-	-	(112,758)
Balance at 31 December 2024	<u>18,781,860</u>	<u>227,307</u>	<u>(8,050,690)</u>	<u>10,958,477</u>
	Issued capital US\$	Reserves US\$	Accumulated losses US\$	Total equity US\$
Balance at 1 January 2025	18,781,860	227,307	(8,050,690)	10,958,477
Loss after income tax expense for the year	-	-	(2,722,842)	(2,722,842)
Other comprehensive income for the year, net of tax	-	529,546	-	529,546
Total comprehensive income/(loss) for the year	-	529,546	(2,722,842)	(2,193,296)
Issue of new shares (Note 18)	3,271,157	-	-	3,271,157
Issuance of new shares to Directors (Note 18)	90,069	-	-	90,069
Shares issued in lieu of services (Note 18)	112,447	-	-	112,447
Shares issued to employees (Note 18)	72,190	-	-	72,190
Shares issued towards funding facility (Note 18)	344,124	-	-	344,124
Shares issued upon exercise of options	109,456	-	-	109,456
Issuance of shares in lieu of repayment of Director loan (Note 15)	610,296	-	-	610,296
Equity portion of the convertible Note (19)	40,433	(40,433)	-	-
Issuance of options – net (Note 19)	-	148,271	-	148,271
Shares issued in settlement of convertible notes (Note 17)	642,517	-	-	642,517
Share issue expenses (Note 18)	(271,272)	-	-	(271,272)
Balance at 31 December 2025	<u>23,803,277</u>	<u>864,691</u>	<u>(10,773,532)</u>	<u>13,894,436</u>

* Reserves are non-distributable



Flagship Minerals Limited
Statements of cash flows
For the year ended 31 December 2025

		Consolidated	
		31 December	31 December
	Note	2025	2024
		US\$	US\$
Cash flows from operating activities			
Loss for the year		(2,722,842)	(2,185,237)
Unrealised foreign exchange differences		(114,664)	229,405
Depreciation of plant and equipment	11	12,189	17,906
Depreciation of right of use assets	12	25,210	23,497
Finance cost	7	138,224	104,274
Gain on sale of property, plant and equipment		-	(10,350)
Property, plant and equipment written off		<u>7,222</u>	<u>-</u>
		(2,654,661)	(1,820,505)
Changes in working capital			
Prepayments		(121,758)	2,896
Other receivables		11,737	(22,219)
Other payables		485,315	229,167
Employee benefits		<u>8,722</u>	<u>(6,867)</u>
Net cash used in operating activities		<u>(2,270,645)</u>	<u>(1,617,528)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	11	(4,216)	(6,117)
Proceeds from sales of property, plant and equipment		-	17,592
Payments for exploration and evaluation		(226,713)	(463,005)
(Payment)/refund of deposits		<u>(2,132)</u>	<u>7,309</u>
Net cash used in investing activities		<u>(233,061)</u>	<u>(444,221)</u>
Cash flows from financing activities			
Proceeds from issuance of ordinary shares		3,367,436	1,133,851
Loan from Directors		714,474	399,530
Repayment of loan received from Directors		(132,755)	-
Loan from related party		-	20,402
Repayment of loan from related party		(20,402)	-
Proceeds from issue of convertible notes		-	557,977
Proceeds from repayment of convertible notes		(110,087)	-
Repayment of lease liabilities		(27,054)	(23,457)
Interest paid on lease liability		(906)	(2,603)
Interest paid on convertible notes		(49,739)	-
(Increase)/Decrease in restricted bank deposits		<u>(2,633)</u>	<u>45,451</u>
Net cash from financing activities		<u>3,738,334</u>	<u>2,131,151</u>
Net increase in cash and cash equivalents		1,234,628	69,402
Cash and cash equivalents at the beginning of the year	9	<u>124,254</u>	<u>54,852</u>
Cash and cash equivalents at the end of the year		<u><u>1,358,882</u></u>	<u><u>124,254</u></u>



Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 1. General information

The financial statements cover both Flagship Minerals Limited (the “Company”) and its subsidiaries (the “Consolidated Entity”). The financial statements are presented in United States dollars, which is the Company’s functional and presentation currency.

Flagship Minerals Limited is listed on Australian Securities Exchange (“ASX”) in Australia and incorporated and domiciled in Singapore. During the financial year, the Company changed its registered office and principal place of business. The new registered office and principal place of business are:

Registered office	Principal place of business
36 Robinson Road #20-01, City House Singapore 068877	Cerro Colorado 5858, Office 208, Las Condes, Santiago, Chile

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are in the identification and development of gold and copper assets situated in low-cost infrastructure rich environments. The Company’s principal geography is South America, specifically Chile.

Going concern

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

During the financial year ended 31 December 2025, the Consolidated Entity reported a net loss of US\$2,722,842 (2024: net loss of US\$2,185,237). The Consolidated Entity has no source of operating cash inflows other than interest income and funds sourced through capital raising activities. As at 31 December 2025, the Consolidated Entity has cash at banks and deposits of US\$1,381,350 (2024:US\$144,089) and net cash outflows in operating activities of US\$2,270,645, and its current assets exceeded its current liabilities by US\$580,178 (2024: net current liabilities of US\$1,579,050). These factors indicate the existence of a material uncertainty which may cast significant doubt on the Consolidated Entity’s and the Company’s ability to continue as going concerns.

The Consolidated Entity’s cashflow forecast subsequent to the year ended 31 December 2025 reflects that the Consolidated Entity will be required to raise additional working capital during the next 12-month period from the date of the financial statements. The directors consider that the Consolidated Entity is a going concern and recognises that additional funding is required to ensure that it can continue to fund its operations during the twelve-month period from the date of the financial statements.

Accordingly, the directors believe that the Consolidated Entity will be able to obtain sufficient funding to allow it to meet its minimum exploration expenditure commitments on existing tenements and continue its activities for at least the next 12 months. For this reason, these consolidated financial statements are prepared on a going concern basis.

In addition to the above, the directors believe that the Consolidated Entity will be able to continue as a going concern and as a result the financial statements have been prepared on a going concern basis based on the following considerations:

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 1. General information (continued)

- The Company's track record of successfully raising capital. The Company raised US\$914,894 in 2024, US\$3,595,160 in 2023 and US\$5,865,677 in 2021. The Company also raised approximately US\$744,000 via Convertible notes in 2024. The Company raised US\$3,271,157 via placement of shares in 2025;
- As the Company is an ASX-listed entity, the Company has the ability to raise additional funds and has proven that it can raise additional funds as and when required, which is supported by the Company's market capitalisation;
- The Company has engaged Claymore Capital to help it with its future capital raising requirements. Claymore Capital has a strong track record raising capital for exploration companies similar to the Company;
- As disclosed in Note 26, the Company secured A\$35 million Capital Commitment Agreement ("Facility") from Global Emerging Markets Group ("GEM") in 2024 and also issued to GEM with 2 tranches of 10 million options with exercise price of A\$0.125 per option and 10 million options with exercise price of A\$0.2 per option and expiring 5 years from the issued date;
- The Company also has an At-the-Market ("ATM") funding facility with Alpha Investment Partners Pty. Ltd providing it with further flexibility and viable alternatives for its fund raising requirements;
- Subsequent to the year end, the Company raised approximately A\$1,125,000 gross through the issue of 10,000,000 shares at A\$0.125 per share through the exercise of GEM options and an additional A\$232,000 through the exercise of other options. The Company expects that additional options will be exercised throughout 2026.
- As at the reporting date, the Consolidated Entity and the Company have outstanding balances due to directors, comprising loans from directors and accrued directors' salary amounting to US\$378,518 and US\$435,583 respectively. The directors have indicated their intention to settle these balances via the issuance of new ordinary shares of the Company, in lieu of cash repayment, subject to the necessary approvals, including shareholders' approval and compliance with relevant regulatory requirements.
- If, required, the ability of the Consolidated Entity to further scale back parts of its operations and ongoing management of the underlying cost base (primarily through employee costs, improved technology efficiencies and other operating cost reductions);
- Meeting its obligations by either farm-out or partial sale of the Consolidated Entity's various exploration interests, if required;
- Interest from strategic and trade investors have and continues to be received in the Company's lithium and tungsten assets in Thailand;
- Access to loans which directors have in the past provided and may elect to provide on terms yet to be negotiated and agreed in the future;
- The Company has critical metals assets in strategic settings for which corporate entities have indicated an interest to enter into negotiations to partner or participate, and the securing of such partnerships may result in an inflow of new capital; and
- Other avenues that may be available to the Consolidated Entity.

In the long term, the development of mineral reserves depends on the Consolidated Entity's ability to raise additional capital. Additional funds will be required for the successful exploration and subsequent exploitation of its areas of interest through development and/or sale. The main source of future funds to the Consolidated Entity is the raising of equity capital by the Consolidated Entity. The Consolidated Entity could also obtain financing through debt financing or other means. The ability to arrange such funding in the future will depend on the prevailing capital market conditions as well as the business performance of the Consolidated Entity and its exploration and evaluation results.

The financial statements do not include any adjustments that may result in the event that the Consolidated Entity and the Company are unable to continue as going concerns. In that event, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statements of financial position. In addition, the Consolidated Entity and the Company may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and current liabilities.

Basis of preparation

These financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost basis, except as disclosed in the material accounting policies below.

The preparation of financial statements in conformity with SFRS(I)s requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 1. General information (continued)

Interpretations and amendments to published standards effective in 2025

On 1 January 2025, the Consolidated Entity has adopted the new or amended SFRS(I) and Interpretations of SFRS(I) (“INT SFRS(I)”) that are mandatory for application for the financial year. Changes to the Consolidated Entity’s accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and INT SFRS(I).

Effective for annual periods beginning on or after 1 January 2025

1 January 2025	Amendments to: SFRS(I) 1-21: Lack of Exchangeability
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The amendments listed above did not have any impact on the amounts recognised in prior periods and not expected to significantly affect the current or future periods.

The following are the new and amended Standards and Interpretations (issued by the Accounting Standards Council Singapore (“ASC”) up to 31 December 2025 that are not yet applicable but may be early adopted for the current financial year.

Annual periods commencing on	Description
1 January 2026	Amendments to SFRS(I) 9 and SFRS(I) 7: Amendments to the Classification and Measurement of Financial Instruments
1 January 2026	Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity
1 January 2026	Annual Improvements to SFRS(I)s — Volume 11
1 January 2027	SFRS(I) 18: Presentation and Disclosure in Financial Statements
1 January 2027	SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures

The new or amended accounting Standards and Interpretations listed above are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Consolidated Entity. These are not expected to have a material impact on the Consolidated Entity in the current or future reporting periods and on foreseeable future transactions.

Note 2. Material accounting policy information

Principles of consolidation

Subsidiaries

(i) Consolidation

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

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Consolidated Entity.

Non-controlling interests comprise the portion of a subsidiary’s net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity, and statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations entered into by the Consolidated Entity.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Consolidated Entity. The consideration transferred also includes any contingent consideration arrangement and any pre-existing equity interest in the subsidiary measured at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Consolidated Entity recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

The excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (b) fair value of the identifiable net assets acquired is recorded as goodwill.

(iii) Disposals

When a change in the Consolidated Entity's ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific SFRS(I).

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Consolidated Entity are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in United States Dollar (“US\$”), which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency (“foreign currency”) are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss. Monetary items include primarily financial assets (other than equity investments), contract assets and financial liabilities. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the currency translation reserve

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within “finance costs”. All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within “unrealised foreign exchange losses”.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

(c) Translation of Consolidated Entity's financial statements

The results and financial position of all the Consolidated Entity (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing exchange rates at the reporting date;
- (ii) income and expenses are translated at average exchange rates (unless the average 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 using the exchange rates at the dates of the transactions); and
- (iii) all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal with loss of control of the foreign operation.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and translated at the closing rates at the reporting date.

Interest income

Interest income from financial assets at amortised cost is recognised using the effective interest method.

Financial assets

(a) Classification and measurement

The Consolidated Entity classifies its financial assets at amortised cost.

The classification depends on the Consolidated Entity's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Consolidated Entity reclassifies debt instruments when and only when its business model for managing those assets changes.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

At initial recognition

At initial recognition, the Consolidated Entity measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise cash and cash equivalents and other receivables.

The subsequent measurement categories depend on the Consolidated Entity's business model for managing the asset and the cash flow characteristics of the asset:

Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(b) Impairment

The Consolidated Entity recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Consolidated Entity expects to receive, discounted at an approximation of the original effective interest rate.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (lifetime ECL).

If the Consolidated Entity has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous year, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Consolidated Entity measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Consolidated Entity recognises an impairment loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the Consolidated Entity commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Consolidated Entity has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Plant and equipment

Plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

Components of costs

The cost of an item of plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation on plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Office equipment	3 - 5 years
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The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

Subsequent expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Disposal

On disposal of an item of plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss.

Leases

When the Consolidated Entity is the lessee:

At the inception of the contract, the Consolidated Entity assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Consolidated Entity recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentives received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

These right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Lease liabilities

The initial measurement of a lease liability is measured at the present value of the lease payments discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Consolidated Entity shall use its incremental borrowing rate.

Lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that are based on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under residual value guarantees
- The exercise price of a purchase option if the Consolidated Entity is reasonably certain to exercise the option; and
- Payment of penalties for terminating the lease if the lease term reflects the Consolidated Entity exercising that option.

For a contract that contains both lease and non-lease components, the Consolidated Entity allocates the consideration to each lease component on the basis of the relative stand-alone prices of the lease and non-lease components. The Consolidated Entity has elected to not separate lease and non-lease components for property leases and account these as one single lease component.

Lease liabilities are measured at amortised cost using the effective interest method. Lease liabilities shall be remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Consolidated Entity's assessment of whether it will exercise an extension option; or
- There is a modification in the scope or the consideration of the lease that was not part of the original term.

Lease liabilities are remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short term and low value leases

The Consolidated Entity has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases, except for sublease arrangements. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

Other payables

Other payables represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as noncurrent liabilities.

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

Convertible notes

The total proceeds from convertible notes issued are allocated to the liability component and the equity component, which are separately presented on the statement of financial position.

The liability component is recognised initially at its fair value, determined using a market interest rate for equivalent non-convertible notes. It is subsequently carried at amortised cost using the effective interest method until the liability is extinguished on conversion or redemption of the convertible notes.

The difference between the total proceeds and the liability component is allocated to the conversion option (equity component), which is presented in equity net of any deferred tax effect. The carrying amount of the conversion option is not adjusted in subsequent periods. When the conversion option is exercised, its carrying amount is transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained profits.

Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Derecognition of financial liabilities

The Consolidated Entity derecognises financial liabilities when, and only when, the Consolidated Entity's obligations are discharged, cancelled or have expired.

Exploration and evaluation expenditure

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

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

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Consolidated Entity measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries except where the Consolidated Entity is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

(i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the reporting date; and

(ii) based on the tax consequence that will follow from the manner in which the Consolidated Entity expects, at the reporting date, to recover or settle the carrying amounts of its assets and liabilities except for investment properties. Investment property measured at fair value is presumed to be recovered entirely through sale.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

The Consolidated Entity accounts for investment tax credits (for example, productivity and innovation credit) similar to accounting for other tax credits where a deferred tax asset is recognised for unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Finance costs

Borrowing costs are recognised in profit or loss using the effective interest method.

Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive committee whose members are responsible for allocating resources and assessing performance of the operating segments

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Provisions

Provisions are recognised when the Consolidated Entity has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are reviewed at the end of each year and adjusted to reflect the current best estimates. If it is no longer likely than not that an outflow of resources will be required to settle the obligation, the provisions will be reversed.

Value added tax ('VAT') and other similar taxes

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

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

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

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

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 2. Material accounting policy information (continued)

Impairment of non-financial assets

Plant and equipment, right-of-use assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the CGU to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

For an asset other than goodwill, management assesses at the end of the reporting period whether there is any indication that an impairment recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the recoverable amount of that asset is estimated and may result in a reversal of impairment loss. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Employee compensation

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Consolidated Entity pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Consolidated Entity has no further payment obligations once the contributions have been paid.

(b) Share-based payments

Equity-settled share-based payments with employees

The Consolidated Entity operates an equity-settled, share-based compensation plan. The value of the employee services received in exchange for the grant of shares is recognised as an expense with a corresponding increase in the share capital. The total amount to be recognised is determined by reference to the fair value of the shares granted on grant date.

Equity-settled share-based payments with parties other than employees

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the Consolidated Entity obtains the goods or the counterparty renders the service.

(c) Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high-quality corporate bonds that are denominated in the currency and the country in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

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Note 2. Material accounting policy information (continued)

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit or loss income in the period when they arise. The experience adjustments are not to be reclassified to profit or loss in a subsequent period. Past service costs are recognised immediately in profit or loss.

Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

Note 3. Critical accounting judgements, estimates and assumptions

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The critical judgements, the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of specific assets and liabilities within the next financial year, are related to the following areas:

Exploration and evaluation assets

Exploration and evaluation assets have been capitalised on the basis that the Consolidated Entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest.

Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. The management has also confirmed its intention to continue exploration and evaluation activities. The Consolidated Entity is currently in discussions with several potential investors to secure funding and collaborate on the development of its mining projects, which supports the recoverability of the capitalised exploration and evaluation assets.

During the financial year ended 31 December 2025, the Consolidated Entity has considered their exploration strategy, future market price of lithium and tungsten, and the ongoing analysis of technical data. Management has assessed that there is no impairment indicator.

The carrying amounts of exploration and evaluation assets are disclosed in Note 13.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

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

Impairment of investments in subsidiaries

Investments in subsidiaries are stated at cost less any impairment loss. The Company evaluates, among other factors, the market and economic environment in which the subsidiaries operate and development of its exploration and evaluation assets to determine whether there are indicators of impairment loss or if so, whether the estimated recoverable amount exceeds cost. Management has evaluated and concluded that there are no impairment indicators noted. The carrying amounts of investments in subsidiaries is disclosed in Note 14.

Assessment of the conversion features of the convertible notes

In prior financial year 31 December 2024, the Company entered into a convertible loan agreement (the "Agreement") with multiple investors ("Note holders") for a loan amount of US\$744,000 under two series as per the details mentioned below:

On 28 March 2024, the Company announced that it had entered into a series of convertible notes hereon termed as "Series 1 Notes". These notes earn 16% per annum, payable at maturity. One half of the Series 1 Notes have a 365 day maturity and are convertible at A\$0.075 per share, the remaining half have a 455 day maturity and are convertible at A\$0.075 per share. The Series 1 Notes are convertible at the investors' option from 6 months after issue and redeemable at the Company's option with 10 days' notice.

On 01 November 2024, the Company announced that it had entered into a series of convertible notes hereon termed as "Series 2 Notes". These notes earn 16% per annum, payable quarterly in arrears. The Series 2 Notes have an 18 month maturity and are convertible at a conversion price calculated at 90% of the 10-day volume weighted average price. The Series 2 Notes are convertible at the investors' option from 6 months after issue and are redeemable at the Company's option with 10 days' notice with a minimum 6 months interest payable.

The convertible notes are hybrid financial instruments which have been classified and measured as a financial liability with equity element in accordance with the requirements of SFRS(I) 1-32 Financial Instruments: Presentation and SFRS(I) 9 Financial Instruments. The valuation and accounting treatment of the convertible notes is a complex area and require the use of judgements and estimates. The separation of the equity element from the liability element of a convertible notes would involve a significant degree of judgement and the determination of the fair value for the convertible notes involves significant degree of estimation uncertainty in assessing the appropriateness of the valuation methodology to be applied and the reasonableness of discount rate applied in the valuation. The fair value of the liability component is calculated using a market interest rate for an equivalent non-convertible loan at the date of issue. The residual amount, representing the value of the equity conversion component, is included in shareholders' equity in other reserves, net of deferred income taxes.

The carrying amount of the liability component of the convertible notes on initial recognition and the end of the financial year is disclosed in Note 17.

Note 4. Segment disclosures

The Consolidated Entity does not have any reportable operating segments as it solely operates in one segment, being the exploration of resources within the South East Asian region. The internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining allocation of resources are prepared on the Consolidated Entity as a whole.

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Note 5. Employment expenses

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Wages and salaries	513,863	493,257
Employer's contribution to defined contribution plans	-	11,506
Share based payments	162,260	178,284
	<u>676,123</u>	<u>683,047</u>

On 13 October 2025, the Company granted and issued 2,269,058 new ordinary shares of the Company to the staff of the Company at an issue price of A\$0.0561 per share as staff bonus with an aggregate value of US\$72,190.

On 22 August 2025, the Company granted and issued 2,492,884 new ordinary shares of the Company to Mr Thanasak Chanyapoon and Mr David Docherty at an issue price of A\$0.0555 per share as Directors' salary of the Company with an aggregate value of US\$90,069.

Note 6. Corporate and administration expenses

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Investor relations	23,425	24,139
Advisory fees	38,416	83,676
Business development	812,570	655,062
Share registry fee	26,209	31,148
Realised foreign currency (gains)/losses, net	(181,574)	(99,542)
Travelling	62,972	55,230
ASX charges	46,799	38,869
Insurance	1,063	18,958
Property, plant and equipment written off	7,222	-
Other expenses	2,973	15,401
	<u>840,075</u>	<u>822,941</u>

During the financial year, the Consolidated Entity has incurred purchase option fee of US\$402,583 as a part of business development expenses for option payment of binding option agreements to purchase 100% rights of the Pantanillo Gold Project, Rosario Copper Project and to Anglo American Norte SpA. In order to keep the purchase option offered valid, for each year that the agreements are in force, as disclosed in Note 26, the Consolidated Entity must pay to the contracting party from the effective date of the agreement until its termination.

In prior financial year, the Consolidated Entity has incurred purchase option fee of US\$200,000 as part of business development expenses for option payment of binding option agreements to purchase 100% of the Tama Atacama Lithium Brine Project and Rosario Project.

In order to keep the purchase option offered valid, for each year that the agreements are in force, as disclosed in Note 26, the Consolidated Entity must pay annually to the contracting party from the effective date of the agreement until its termination. However, Tama Atacama Lithium Brine Project was terminated during the financial year, consequently, the purchase option was also terminated.

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Note 7. Finance cost

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Interest on lease liabilities	906	2,603
Interest on Director's loan	4,109	4,009
Convertible note interest (Note 17)	108,166	89,842
Loss from modification of convertible note (Note 17)	24,339	7,820
Interest on loan - related party ^(a)	704	-
	<u>138,224</u>	<u>104,274</u>

a) Loan from related party amounting to US\$20,402 (Note 15) bears an interest of 5% per annum. The loan has been repaid during the financial year.

Note 8. Income tax expense

No provision for current taxation has been made as there is no taxable profit for the financial years ended 31 December 2025 and 2024.

The tax on the Consolidated Entity's loss before tax differs from the theoretical amount that would arise using the Singapore standard rate of income tax as follows:

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Loss before income tax expense	<u>(2,722,842)</u>	<u>(2,185,237)</u>
Tax at the statutory tax rate of 17%	(462,883)	(371,490)
Non-taxable gains	(4,654)	(5,503)
Deferred tax assets not recognised	<u>467,537</u>	<u>376,993</u>
Income tax expense	<u>-</u>	<u>-</u>

The Consolidated Entity has deferred tax assets arising from unrecognised tax losses of US\$ \$6,337,263 (2024: US\$3,587,045) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements by those companies with unrecognised tax losses in their respective countries of incorporation. The tax losses have no expiry date. The deferred tax asset has not been recognised in the statements of financial position as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be utilised.

Note 9. Cash and cash equivalents

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Cash at bank	1,358,882	124,254	1,288,004	11,891
Restricted bank deposits	<u>22,468</u>	<u>19,835</u>	<u>-</u>	<u>-</u>
	<u>1,381,350</u>	<u>144,089</u>	<u>1,288,004</u>	<u>11,891</u>

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Note 9. Cash and cash equivalents (continued)

As at 31 December 2025, the Consolidated Entity has pledged fixed deposits of US\$22,468 (2024: US\$19,835) as collateral for bank guarantees issue for obligation of the performance under the contract with Department of Primary Industries and Mines (DPIM) of Thailand.

For the purpose of presenting the statement of cash flows, cash and cash equivalents comprise the following at the end of the year:

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Cash at banks and deposits	1,381,350	144,089
Less: Restricted bank deposits	(22,468)	(19,835)
	<u>1,358,882</u>	<u>124,254</u>

Note 10. Other receivables

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Non-related parties	1,489	972	-	-
VAT receivable	206,089	218,343	-	-
	<u>207,578</u>	<u>219,315</u>	<u>-</u>	<u>-</u>
Other receivables from subsidiaries ^{(b) (c)}	-	-	1,435,909	998,628
Other receivables (Collateral for Alpha) ^(a)	499,881	265,581	499,881	265,581
Less: Allowance for expected credit losses on subsidiaries	-	-	(510,727)	(476,861)
	<u>499,881</u>	<u>265,581</u>	<u>1,425,063</u>	<u>787,348</u>
	<u>707,459</u>	<u>484,896</u>	<u>1,425,063</u>	<u>787,348</u>

(a) Collateral shares issued for the At-the-Market ("ATM") funding facility with Alpha Investment Partners ("Alpha"). These shares will be sold in the market at the Company's instruction and the sale proceeds less the commission of 7% will be paid to the Company.

(b) Other receivables from subsidiaries represent loans to subsidiaries for the purpose of funding the exploration and evaluation expenditures in Thailand. The loans to subsidiaries are unsecured, interest-free and repayable on demand.

During the financial year 31 December 2025, loans to subsidiaries amounted to US\$83,985 (2024: US\$1,857,682) were reclassified to investment in subsidiaries as there is no certainty on the definite date of repayment as the Company intends to provide the loans as financing for the operations of the subsidiaries for the long term. Accordingly, these loans are considered to be quasi-capital loans. The settlement of the advances is neither planned nor likely to occur in the foreseeable future, therefore form part of the Company's costs of investments in the subsidiaries.

(c) During the financial year, the Company wrote off a loan to a subsidiary amounting to US\$337,655.

The write-off was triggered by the termination of the Tama Atacama Lithium Brine Project during the financial year, which eliminated the subsidiary's primary source of future economic benefits. Following this development, management reassessed the recoverability of the outstanding balance and determined that there is no reasonable expectation of recovery. Accordingly, the amount was written off during the year and recognised in profit or loss.

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Note 11. Property, plant and equipment

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Property, plant and equipment	106,996	111,657	15,842	11,626
Less: Accumulated depreciation	(82,721)	(68,660)	(7,562)	(5,662)
	<u>24,275</u>	<u>42,997</u>	<u>8,280</u>	<u>5,964</u>

Consolidated	Office equipment US\$
Cost	
At 1 January 2024	139,367
Addition	6,117
Disposal	(33,973)
Currency translation differences	146
31 December 2024	111,657
Additions	4,216
Written off	(17,215)
Currency translation differences	8,338
31 December 2025	106,996
Accumulated depreciation	
At 1 January 2024	71,080
Depreciation charge	17,906
Disposal	(26,731)
Currency translation differences	6,405
At 31 December 2024	68,660
Depreciation charge	12,189
Written off	(9,993)
Currency translation differences	11,865
At 31 December 2025	82,721
Company	
Cost	
At 1 January 2024	5,773
Additions	5,853
31 December 2024	11,626
Additions	4,216
At 31 December 2025	15,842
Accumulated depreciation	
At 1 January 2024	4,207
Depreciation charge	1,455
At 31 December 2024	5,662
Depreciation charge	1,900
At 31 December 2025	7,562

Flagship Minerals Limited
Notes to the financial statements
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Note 12. Leases

Nature of the Consolidated Entity's leasing activities – as a lessee

Leasehold properties

The Consolidated Entity leases office space for the purpose of back-office operations. The lease term is nil year (2024: 2 years). The Consolidated Entity's obligations are secured by the lessors' title to the leased assets.

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Leasehold properties	-	26,093

(a) Carrying amounts of leasehold properties

Consolidated

	Leasehold properties
	\$
At 1 January 2025	26,093
Depreciation for the financial year	(25,210)
Exchange differences	(883)
At 31 December 2025	-
At 1 January 2024	49,803
Depreciation for the financial year	(23,497)
Exchange differences	(213)
At 31 December 2024	26,093

(b) Depreciation charged during the financial year

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Leasehold properties	25,210	23,497

(c) Interest expense

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Interest expense on lease liabilities	906	2,603

(d) Lease expense not capitalised in lease liabilities

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Lease expense –short-term leases	15,530	1,855

(e) Total cash outflow for the leases in 2025 is US\$43,490 (2024: US\$27,915).

Flagship Minerals Limited
Notes to the financial statements
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Note 12. Leases (continued)

(f) Lease liabilities

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Lease liabilities:		
Current	-	26,093

The reconciliation of movements of the Consolidated Entity's liabilities to the Consolidated Entity's cash flows arising from financing activities is presented below:

	At 1 January	Addition	Repayments	Interest expense	Non-Cash Changes Foreign exchange movement	31 December
	\$	\$	\$	\$	\$	\$
<u>2025</u>						
Lease liabilities	26,093	-	(27,960)	906	961	-
<u>2024</u>						
Lease Liabilities	49,803	-	(26,060)	2,603	(253)	26,093

(g) Future cash outflow which are not capitalised in lease liabilities.

The lease of office premise contains extension period, for which the related lease payments had not been included in lease liabilities as the Consolidated Entity is not reasonably certain to exercise this extension option. The Consolidated Entity negotiates extension option to optimise operational flexibility in terms of managing the asset used in the Consolidated Entity's operations. The extension option is exercisable by the Consolidated Entity and not by the lessor.

Note 13. Exploration and evaluation assets

	Consolidated	
	2025	2024
	US\$	US\$
Exploration and evaluation asset - at cost	13,313,943	12,486,869
	31 December 2025	31 December 2024
Movement of exploration and evaluation assets		
Balance at 1 January	12,486,869	11,999,831
Expenditure during the financial year	184,834	463,005
Exchange difference	642,240	24,033
Balance at 31 December	13,313,943	12,486,869

The expenditure during the financial year was predominantly in respect of costs incurred on the Reung Kiet Lithium Project (2024: Reung Kiet Lithium Project).

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Note 14. Investment in subsidiaries

	Parent	
	31 December 2025	31 December 2024
	US\$	US\$
Unquoted equity shares, at cost	12,928,287	12,623,479
Loan to subsidiaries	1,941,667	1,857,682
Accumulated impairment losses	(49,343)	(49,343)
	<u>14,820,611</u>	<u>14,431,818</u>

Unquoted equity shares, at cost

During the financial year, the Company increased its investment in its subsidiary, Pan Asia Metals (Thailand) Co. Ltd. through capital injection amounting to US\$304,808 (2024: US\$945,719).

The increase in investment cost reflects additional funding provided to support the subsidiary's operations. As the subsidiary is wholly owned, there is no change in control and no impact on the Consolidated Entity's profit or loss.

Loans to subsidiaries

The loans to subsidiaries are unsecured, non-interest bearing and quasi-equity in nature. The settlement of the loans is not expected in the foreseeable future. As these loans, in substance, form part of the Company's net investment in the subsidiaries, they are stated at cost.

Impairment losses on subsidiary

In prior financial year 31 December 2024, management performed an impairment review of its investment in subsidiaries and assess that the recoverable amount of a subsidiary is lower than the cost of investment. As a result of the review, the Company recognised impairment loss of US\$49,343.

	<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by Consolidated Entity and Parent</u>	<u>Proportion of ordinary shares directly held by Consolidated Entity and Parent</u>
				2025 %	2024 %
	<i><u>Held by the Company</u></i>				
1	Pan Asia Metals (Thailand) Co. Ltd. ^(c)	Investment Holdings	Thailand	100	100
2	Pan Asia Metals Pty. Ltd. ^(b)	Minerals mining including exploration analysis and inspection	Australia	100	100
3	New Energy Metals Pte Ltd (formerly known as Mandalay Mining and Metals Pte. Ltd). ^(a)	Petroleum, mining and prospecting services	Singapore	100	100
4	Pan Asia Metals Chile Spa ^(d)	Minerals prospectus, exploration development, processing and manufacturing	Chile	100	100

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Notes to the financial statements
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Note 14. Investment in Subsidiaries (continued)

	<u>Name</u>	<u>Principal activities</u>	<u>Country of business/ incorporation</u>	<u>Proportion of ordinary shares directly held by Consolidated Entity 2025</u> %	<u>Proportion of ordinary shares directly held by Consolidated Entity and Parent 2024</u> %
	<i>Held by Pan Asia Metals (Thailand) Co. Ltd.</i>				
5	Pan Asia 1 Metals (Thailand) Co. Ltd ^(c)	Minerals mining including exploration analysis and inspection	Thailand	100	100
6	Pan Asia 2 Metals (Thailand) Co. Ltd ^(c)	Minerals mining including exploration analysis and inspection	Thailand	100	100
7	Siam Industrial Metal Company Limited ^(c)	Minerals mining including exploration analysis and inspection	Thailand	100	100
8	Thai Mineral Ventures Company Limited ^(c)	Minerals mining including exploration analysis and inspection	Thailand	100	100
	<i>Held by Pan Asia Metals Chile Spa</i>				
9	La Tirana Uno SpA ^(d)	Minerals prospecting, exploration, development, processing and manufacturing	Chile	100	100
10	La Tirana Dos SpA ^(d)	Minerals prospecting, exploration, development, processing and manufacturing	Chile	100	100

^(a) De-registration process has been initiated

^(b) De-registration of the entity has been planned in the subsequent year.

^(c) Audited by Vachirachat Co., Ltd, Thailand for statutory audit and/or group consolidation purpose

^(d) Not required to perform statutory audit and not material to the Consolidated Entity.

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Note 15. Other payables

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Loan from directors ^(a)	378,518	403,540	378,518	403,540
Loan from related party ^(b)	-	20,402	-	20,402
Other payables - Directors' Salary	435,583	223,573	435,583	223,573
Other payables - Third Parties	473,686	515,714	95,841	141,830
	<u>1,287,787</u>	<u>1,163,229</u>	<u>909,942</u>	<u>789,345</u>

The amounts are unsecured and are usually paid within 30 days of recognition.

- (a) Loan from directors has been availed in order to meet the operational activities and is repayable upon completion of the 1st anniversary of the loan being received. During the financial year, the Company received US\$714,474 from the Directors and repaid US \$610,296 (Note 18) by issuing 19,450,798 shares and US\$132,755 by cash. Loan from directors bears an interest of 5% per annum. As at 31 December 2025, accrued interest of US\$3,555 was recognised.
- (b) Loan from related party amounting to US\$20,402 bears an interest of 5% per annum. The loan has been repaid during the financial year.

Note 16. Accrued expenses

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Directors' fee	130,100	130,100	130,100	130,100
Professional fee	66,099	66,168	66,099	66,168
Other accrued expenses	12,124	12,049	-	-
	<u>208,323</u>	<u>208,317</u>	<u>196,199</u>	<u>196,268</u>

Note 17. Borrowings

	Consolidated		Parent	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
	US\$	US\$	US\$	US\$
Convertible notes payable	<u>157,344</u>	<u>833,461</u>	<u>157,344</u>	<u>833,461</u>

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Note 17. Borrowings (continued)

The following were the movements noted in convertible notes during the financial year ended 31 December 2025:

- (i) In prior financial year 31 December 2024, the Company received US\$610,386 (A\$934,619) by issue of convertible notes ("Series 1 Notes") bearing an interest of 16% per annum. The Series 1 Notes and any associated interest may be converted into fully paid ordinary shares in the capital of the Company at any time at the Noteholder's election. The Company may repurchase the Series 1 Notes by paying the principal amount outstanding together with any interest. The Series 1 Notes are unsecured and rank equally with all other unsecured creditors.

Further in October 2024, the Company announced the modification to the Series 1 Notes by reducing the conversion price of the Series 1 Notes from A\$0.15 to A\$0.075 per share in return extending the note term by 90 days. 10 of the 14 Note holders participated resulting in 62% of the Series 1 Notes being extended.

Additionally, during the current financial year, the Company offered Noteholders the option to amend the terms of the outstanding convertible notes to better align the maturity profile of the instruments. The amended terms provide that 50% of the notes are convertible into fully paid ordinary shares at a fixed conversion price of A\$0.075 per share (previously A\$0.15), and that the maturity dates are extended by 9 months for 50% of the notes and by 15 months for the remaining 50%. The majority of Noteholders elected to accept the amendments.

During the current financial year, the Company has repaid Series 1 Notes partially by cash and majority by issue of shares. As at 31 December 2025, the carrying amount of the Series 1 Notes liability amounted to US\$19,574 (2024: US\$663,498).

- (ii) In prior financial year 31 December 2024, the Company raised US\$165,846 (equivalent to A\$250,000) by issue of convertible notes ("Series 2 Notes") bearing an interest of 16% per annum. The Series 2 Notes have a term of 18 months and can be converted after 6 months, with the conversion price calculated at 90% of the 10-day volume weighted average price. The Series 2 Notes can be redeemed at the Company's option.

During the financial year, certain Noteholders exercised their conversion rights in respect of the convertible notes. As at 31 December 2025, the carrying amount of the Series 2 Notes liability amounted to US\$137,770 (2024: US\$169,963).

- (iii) During the financial year, interest expense amounting to US\$108,166 (2024: US\$89,842) was recognised in respect of the convertible notes.
- (iv) During the financial year, the Company settled convertible notes amounting to US\$642,517 (2024: US\$Nil) comprising Series 1 Notes and Series 2 Notes, by way of issuance of 14,099,529 ordinary shares (Note 18).
- (v) During the financial year, the Company has repaid US\$159,826 (2024: US\$Nil) of convertible notes by cash.
- (vi) During the year, the Company recognised a loss on modification of convertible notes amounting to US\$24,339 (2024: US\$7,820).

	Consolidated 2025 US\$	Consolidated 2024 US\$	Parent 2025 US\$	Parent 2024 US\$
Face value of convertible notes at the date of issuance	776,232	776,232	776,232	776,232
Equity conversion component on initial recognition	(40,433)	(40,433)	(40,433)	(40,433)
Liability component on initial recognition	735,799	735,799	735,799	735,799
Accumulated loss arising from modification of convertible notes	32,159	7,820	32,159	7,820
Accumulated amortisation of interest expense	198,008	89,842	198,008	89,842
Repayment of convertible notes and interest	(159,826)	-	(159,826)	-
Shares issued in settlement of convertible notes	(642,517)	-	(642,517)	-
Foreign exchange difference	(6,279)	-	(6,279)	-
	<u>(578,455)</u>	<u>97,662</u>	<u>(578,455)</u>	<u>97,662</u>
Liability component at the end of the financial year	<u>157,344</u>	<u>833,461</u>	<u>157,344</u>	<u>833,461</u>

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 17. Borrowings (continued)

Reconciliation of liabilities arising from financing activities:

	Non-cash changes					31 December 2025	
	01 January 2025	Principal and interest/dividend payments	Shares issued in settlement of convertible notes	Modification of convertible notes	Interest expense		Foreign exchange difference
Convertible notes	833,461	(159,826)	(642,517)	24,339	108,166	(6,279)	157,344

	Non-cash changes					31 December 2024	
	01 January 2024	Proceeds from borrowings	Addition during the year	Modification of convertible notes	Interest expense		Equity component of convertible notes
Convertible notes	-	557,977	218,255	7,820	89,842	(40,433)	833,461

Refer to Note 20 for further information on financial instruments.

Note 18. Issued capital

	Consolidated and Parent			
	31 December 2025 Shares	31 December 2024 Shares	31 December 2025 US\$	31 December 2024 US\$
Ordinary shares - fully paid	311,299,129	202,323,976	23,803,277	18,781,860

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 18. Issued capital (continued)

Movements in ordinary share capital

Details	Shares	US\$
Balance as at 1 January 2024	167,816,778	16,725,974
Placement of shares	17,674,211	914,894
Shares issued to Directors in lieu of fees	3,550,419	272,385
Shares issued in lieu of services	5,260,055	249,591
Shares issued to employees	480,569	21,551
Shares issued towards funding facility from Alpha	3,000,000	265,581
Issuance of shares in lieu of repayment of Director loan	4,541,944	444,642
Cost of capital raising	-	(112,758)
	<hr/>	<hr/>
Balance 1 January 2025	202,323,976	18,781,860
Placement of shares	58,945,244	3,271,157
Shares issued in settlement of convertible notes	14,099,529	642,517
Shares issued in lieu of services	2,925,973	112,447
Shares issued to employees	2,269,058	72,190
Shares issued to Directors in lieu of fees	2,492,884	90,069
Issuance of shares in lieu of repayment of Director loan	19,450,798	610,296
Shares issued towards funding facility from Alpha	6,000,000	234,300
Shares issued towards facilitating funding facility	825,000	54,458
Shares issued upon exercise of share options	1,141,667	109,456
Shares issued towards facilitating funding facility Xinhai placement	825,000	55,366
Equity component of convertible notes	-	40,433
Cost of capital raising	-	(271,272)
	<hr/>	<hr/>
Balance at 31 December 2025	<u>311,299,129</u>	<u>23,803,277</u>

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company.

Share based payments

The expense in respect of equity-settled share-based payment plans recognised in the financial statements is shown in the following table:

	Consolidated	
	31 December 2025	31 December 2024
	US\$	US\$
Professional fees	109,824	99,591
Business development expenses	50,251	150,000
Directors' fee	90,069	272,385
Employees	72,190	21,551
Marketing services	62,196	-
	<hr/>	<hr/>
	<u>384,530</u>	<u>543,527</u>

The fair value price of shares issued is determined by the market price of the shares as at each grant date and the share-based payment was recognised upon satisfaction of the services by each party as at the end of the year.

Capital risk management

The Consolidated Entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 19. Reserves (continued)

grant date using the Black-Scholes option pricing model. During the financial year, the Company recorded the exercise of share options by option holders, resulting in the issuance of new ordinary shares as follows:

On 30 October 2025, a total of 87,500 ordinary shares were issued at an exercise price of A\$0.12 per share;
 On 4 November 2025, a total of 250,000 ordinary shares were issued at an exercise price of A\$0.12 per share; and
 On 9 December 2025, a total of 566,667 ordinary shares were issued at an exercise price of A\$0.12 per share.

Upon exercise, the related balance in the option reserve attributable to the exercised options was reclassified within equity, with a total of US\$14,876 transferred from option reserve to share capital. No gain or loss was recognised in profit or loss on the exercise of these options.

The option reserve amounting to US\$84,953 represents the fair value of 5,493,407 free attaching options issued on 13 November 2024. These options were issued under the share placement plan with one new option for every two new shares applied for with an exercise price of A\$0.15 per option and expiring two years from the issue date. These options were fair valued at the grant date using the Black-Scholes option pricing model.

Note 20. Financial instruments

Financial risk management objectives

The Consolidated Entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Consolidated Entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Consolidated Entity. The Consolidated Entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Consolidated Entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Consolidated Entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Consolidated Entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The Consolidated Entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

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

The Consolidated Entity has exposure to fluctuations between Australian dollar, Singapore dollar and Thai Baht.

The carrying amount of the Consolidated Entity's and Company's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 20. Financial instruments (continued)

2025

Consolidated	United States Dollar	Thai Baht	Australian Dollar	Singapore Dollar	Total
Cash and cash equivalents	933	90,946	1,281,246	8,225	1,381,350
Refundable deposits	-	16,109	-	-	16,109
Other receivables	-	1,489	499,881	-	501,370
Other payables	(109,485)	(228,624)	(926,794)	(22,884)	(1,287,787)
Accrued expenses	(130,029)	(12,124)	-	(66,170)	(208,323)
Borrowings	-	-	(157,344)	-	(157,344)
Net financial (liabilities)/assets	(238,581)	(132,204)	696,989	(80,829)	(245,375)
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currency	238,581	132,204	70,002	-	440,787
Currency exposure	-	-	626,987	(80,829)	546,158

2025

Parent	United States Dollar	Thai Baht	Australian Dollar	Singapore Dollar	Total
Cash and cash equivalents	117	-	1,278,333	9,554	1,288,004
Other receivables	1,425,063	-	-	-	1,425,063
Trade and other payables	(31,956)	-	(855,102)	(22,884)	(909,942)
Borrowings	-	-	(157,344)	-	(157,344)
Accrued expenses	(130,029)	-	-	(66,170)	(196,199)
Net financial (liabilities)/assets	1,263,195	-	265,887	(79,500)	1,449,582
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currency	(1,263,195)	-	-	-	(1,263,195)
Currency exposure	-	-	265,887	(79,500)	186,387

2024

Consolidated	United States Dollar	Thai Baht	Australian Dollar	Singapore Dollar	Total
Cash and cash equivalents	2,350	129,992	11,338	409	144,089
Refundable deposits	-	12,915	-	-	12,915
Other receivables	265,581	972	-	-	266,553
Other payables	(241,853)	(229,759)	(690,972)	(645)	(1,163,229)
Lease liabilities	-	(26,093)	-	-	(26,093)
Accrued expenses	(130,100)	(12,049)	-	(66,168)	(208,317)
Borrowings	-	-	(833,461)	-	(833,461)
	(104,022)	(124,022)	(1,513,095)	(66,404)	(1,807,543)
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currency	104,022	124,022	64,996	-	293,040
Currency exposure	-	-	(1,448,099)	(66,404)	(1,514,503)

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 20. Financial instruments (continued)

2024

Parent	United States Dollar	Thai Baht	Australian Dollar	Singapore Dollar	Total
Cash and cash equivalents	1,743	-	9,739	409	11,891
Other receivables	787,348	-	-	-	787,348
Other payables	(164,322)	-	(624,378)	(645)	(789,345)
Accrued expenses	(130,098)	-	-	(66,170)	(196,268)
Borrowings	-	-	(833,461)	-	(833,461)
Net financial (liabilities)/assets	494,671	-	(1,448,100)	(66,406)	(1,019,835)
Less: Net financial liabilities/ (assets) denominated in the respective entities' functional currency	(494,671)	-	-	-	(494,671)
Currency exposure	-	-	(1,448,100)	(66,406)	(1,514,506)

A 5% strengthening of the United Dollar against the following foreign currencies at the statement of financial position date would increase/(decrease) net loss by the amounts shown below. This analysis assumes that all other variables, in particular interest and tax rates, remain constant.

	Consolidated		Parent	
	Increase/ (Decrease) 2025 Net loss	Increase/ (Decrease) 2024 Net loss	Increase/ (Decrease) 2025 Net loss	Increase/ (Decrease) 2024 Net loss
Australian Dollar				
- Strengthened	11,085	(60,096)	11,034	(60,096)
- Weakened	(11,085)	60,096	(11,034)	60,096
Singapore Dollar				
- Strengthened	(3,354)	(2,756)	(3,299)	(2,756)
- Weakened	3,354	2,756	3,299	2,756

A 5% weakening of the United States Dollar against the above foreign currencies would have had the equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Consolidated Entity adopts the policy of dealing only with high credit quality counterparties.

As the Consolidated Entity and the Company do not hold collateral, the maximum exposure to credit risk to each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

The Consolidated Entity and the Company held cash and cash equivalents with banks with high credit ratings and are considered to have low credit risk. Other receivables and cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss unless otherwise stated.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 20. Financial instruments (continued)

The movement in allowance for expected credit loss for other receivable in subsidiaries are as follows:

	Parent	
	2025 US\$	2024 US\$
Beginning of the financial year	476,861	486,627
Movement in the allowance recognised in the profit or loss	-	34,556
Currency translation differences	33,866	(44,322)
End of financial year	<u>510,727</u>	<u>476,861</u>

Liquidity risk

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

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

Remaining contractual maturities

The table below analyses non-derivative financial liabilities of the Consolidated Entity and the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

	1 year or less US\$	Between 1 to 3 years US\$	Remaining contractual maturities US\$
Consolidated – 2025			
Other payables	1,287,787	-	1,287,787
Accrued expenses	208,323	-	208,323
Convertible notes	157,344	-	157,344
Total	<u>1,653,454</u>	-	<u>1,653,454</u>
Consolidated – 2024			
Other payables	1,163,229	-	1,163,229
Accrued expenses	208,317	-	208,317
Lease liabilities	26,093	-	26,093
Convertible notes	833,461	-	833,461
Total	<u>2,231,100</u>	-	<u>2,231,100</u>

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 20. Financial instruments (continued)

	1 year or less US\$	Between 1 to 3 years US\$	Remaining contractual maturities US\$
Parent – 2025			
Other payables	909,942	-	909,942
Accrued expenses	196,199	-	196,199
Convertible notes	157,344	-	157,344
Total	1,263,485	-	1,263,485
Parent – 2024			
Other payables	789,345	-	789,345
Accrued expenses	196,268	-	196,268
Convertible notes	833,461	-	833,461
Total	1,819,074	-	1,819,074

Fair value of financial instruments

The carrying amounts of financial assets and liabilities with maturities of less than one year approximate their respective fair values due to the relatively short-term maturities of these financial assets and liabilities except for lease liabilities and employee benefit provision.

The Consolidated Entity and the Company assessed that any unadjusted fair value arising from non-current accrual would be immaterial as the carrying amount approximate their fair value

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

Note 21. Financial instruments by category

The carrying amount of the different categories of financial instruments are as follows:

	Consolidated		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Financial assets				
At amortised cost				
Cash at banks and deposits	1,381,350	144,089	1,288,004	11,891
Refundable deposits	16,109	12,915	-	-
Other receivables	501,370	266,553	1,425,063	787,348
Total	1,898,829	423,557	2,713,067	799,239

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 21. Financial instruments by category (continued)

	Consolidated		Company	
	2025 US\$	2024 US\$	2025 US\$	2024 US\$
Financial liabilities				
At amortised cost				
Other payables	1,287,787	1,163,229	909,942	789,345
Accrued expenses	208,323	208,317	196,199	196,268
Lease liabilities	-	26,093	-	-
Convertible notes	157,344	833,461	157,344	833,461
Total	1,653,454	2,231,100	1,263,485	1,819,074

Note 22. Auditors' remuneration

	Consolidated	
	31 December 2025 US\$	31 December 2024 US\$
Amounts paid to the auditors of the Consolidated Entity		
Audit services		
- Auditor of the Company	94,539	66,170
- Other auditors of the Consolidated Entity	7,601	10,574
Total	102,140	76,744

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 23. Key management personnel disclosures

Compensation

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

	Consolidated	
	2025	2024
	US\$	US\$
Wages and salaries	427,737	265,134
Post-employment benefits	-	5,756
Share-based payments*	90,069	272,385
	<u>517,806</u>	<u>543,275</u>

* Share based payments represents the component of directors' fee for the year ended 31 December 2025 that is paid or payable through the issue of the shares.

Note 24. Contingent liabilities

(a) The Company has following contingent liabilities towards Thai Goldfields NL as performance payments related to tungsten production at the Khao Soon Tungsten Project:

- (i) Thai Goldfields NL ("TGF") will receive a A\$2 million cash payment upon first WO3 concentrate production being achieved for a tungsten project on Special Prospecting Licence Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine; and
- (ii) TGF will receive a A\$2 million cash payment upon first WO3 concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title.

Note 25. Related party transactions

Parent entity

Flagship Minerals Limited is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in Note 23.

Transactions with related parties

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

Receivable from and payable to related parties

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

Loans to/from related parties

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

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 26. Commitments

- (a) In prior financial year 31 December 2024, the Company entered into a Capital Commitment Agreement with Global Emerging Markets Group (“GEM”). Under the terms of this agreement, GEM grants to the Company a commitment to subscribe for shares having a total issue price not exceeding A\$35 million, for a period of 4 years from the date of the agreement. The Company is not obligated to use this facility and is not subject to any penalty or enforcement clauses should it not use the facility.
- (b) The Consolidated Entity has the following commitments in Chile:
- (i) Rosario Copper Project:
The Consolidated Entity had entered into Mining Concession Purchase Option Agreement effective from 14 September 2024 for a term of 3 years with Sociedad Minera Rajo SpA, which provides the Consolidated Entity an option to purchase mineral exploration and exploitation concessions, within an Area of Interest called the Rosario Copper Project, for a purchase consideration of US\$2 million. The payment of the price shall be at the discretion of the Consolidated Entity and in no case obligatory. To keep the purchase option offered valid, the Consolidated Entity is required to pay an annual option payment each September of US\$100,000 for each year that the agreement is in force. The Agreement can be extended for 1 year by mutual agreement.
- (ii) Pantanillo Gold Project
The Consolidated Entity had entered into Mining Concession Purchase Option Agreement on 10 April 2025 for a term of 5 years with Compañía Minera Atahualpa SpA, which provides the Consolidated Entity an option to purchase mineral exploration and exploitation concessions within the Pantanillo Gold Project, for a purchase consideration of US\$11 million. The payment of the price shall be at the discretion of the Consolidated Entity and in no case obligatory. To keep the purchase option offered valid, the Consolidated Entity is required to pay an annual option payment at each anniversary of the option, with the 1st Anniversary payment being US\$200,000 and the 2nd, 3rd and 4th being US\$300,000, US\$400,000 and US\$500,000 for each year that the agreement is in force.
- (iii) The Consolidated Entity had entered into a Purchase Option Agreement on the 27th of August 2025, with Anglo American Norte SpA for all of the historical exploration data related to the Pantanillo Gold Project. To keep the purchase option offered valid, the Consolidated Entity is required to pay an annual option payment at the 1st anniversary of the option of US\$250,000 and the 2nd Anniversary of US\$500,000, which is obligatory, and should the Consolidated Entity exercise its Option Agreement with Compañía Minera Atahualpa SpA and purchase the Pantanillo Gold Project, then a final payment of US\$1,000,000.
- (c) The Consolidated Entity was granted licences (DSPL1/2567 and DSPL2/2567) in March 2024, which are subject to minimum annual expenditures commitments to maintain the active licences. The required minimum expenditures are as follows:
- Year 1: US\$13,964 (440,000 Thai Baht)
Year 2: US\$71,246 (2,245,000 Thai Baht)
Year 3: US\$100,919 (3,180,000 Thai Baht)
Year 4: US\$151,695 (4,780,000 Thai Baht)
Year 5: US\$105,679 (3,330,000 Thai Baht)

Note 27. Events after the reporting period

On 07 January 2026, the Company issued 170,834 shares at A\$0.12 per share upon exercise of options.

On 08 January 2026, the Company issued 36,235 shares at A\$0.1775 per share in lieu of services.

On 19 January 2026, the Company issued 441,667 shares at A\$0.12 per share upon exercise of options.

On 20 January 2026, the Company issued 399,104 shares at A\$0.075 per share towards repayment of Convertible Notes and associated interest.

On 18 February 2026, the Company issued 10,358 shares at A\$0.2317 per share in lieu of services.

In February 2026, the Company issued 1,500,000 shares at A\$0.125 per share upon exercise of options at various dates.

Flagship Minerals Limited
Notes to the financial statements
31 December 2025

Note 27. Events after the reporting period (continued)

In February 2026, the Company's wholly owned subsidiary, Pan Asia Metals Chile SpA, incorporated a wholly owned subsidiary, Flagship San Lorenzo SpA, with an initial share capital of US\$1,100.
 In March 2026, the Company issued 9,033,335 shares upon exercise of options at different exercise price at various dates.

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

Note 28. Loss per share

	Consolidated	
	2025	2024
	US\$	US\$
Loss after income tax attributable to the owners of Flagship Minerals Limited (Note 8)	<u>(2,722,842)</u>	<u>(2,185,237)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>233,606,564</u>	<u>182,491,593</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>233,606,564</u>	<u>182,491,593</u>
	Cents	Cents
Basic loss per share	(1.17)	(1.20)
Diluted loss per share	(1.17)	(1.20)

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF FLAGSHIP MINERALS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Flagship Minerals Limited (the “Company”) and its subsidiaries (collectively, the “Consolidated Entity”), which comprise the consolidated statement of financial position of the Consolidated Entity and the statement of financial position of the Company as at 31 December 2025, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Consolidated Entity for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Consolidated Entity and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (“SFRS(I)s”) so as to give a true and fair view of the consolidated financial position of the Consolidated Entity and the financial position of the Company as at 31 December 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Consolidated Entity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Consolidated Entity in accordance with the Accounting and Corporate Regulatory Authority (“ACRA”) Code of Professional Conduct and Ethics applicable to Public Accountants and Accounting Entities (“ACRA Code”) as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**INDEPENDENT AUDITOR’S REPORT
TO THE MEMBERS OF FLAGSHIP MINERALS LIMITED**

Report on the Audit of the Financial Statements (continued)

Key Audit Matters (continued)

1. Carrying value and capitalisation of exploration and evaluation assets	
Refer to Note 2 and Note 13	How our audit addressed it
<p>The Consolidated Entity has incurred exploration and evaluation costs for exploration projects in South-East Asia over several years, which have been capitalised in the statement of financial position in accordance with its accounting policies. The carrying value of the exploration and evaluation assets amounted to approximately US\$13,313,943 (2024: US\$12,486,869).</p> <p>There is a risk that the Consolidated Entity may lose or relinquish its rights to explore and evaluate those areas of interest and therefore the amounts capitalised in the statement of financial position from the current year and historical periods may no longer be recoverable.</p> <p>Management has also assessed whether there are any facts and circumstances which suggest that the carrying amount of the assets may be impaired. During the current year, management assessed that there are no facts and circumstances which suggest that the carrying amount of the assets are impaired, and as such, no impairment charge was recognised in relation to exploration and evaluation assets.</p> <p>Due to the significance of exploration and evaluation assets, coupled with the high degree of management’s judgement and assumptions in determining whether there are any indicators of impairment, we identified this as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Evaluated and assessed the management’s basis and judgement in its review of existence of impairment indicators on the exploration and evaluation assets of the Consolidated Entity, considering, inter alia, the following points: <ul style="list-style-type: none"> - Rights to explore in the relevant exploration license; - Intention to carry out exploration and evaluation activities in the relevant exploration area; and - Ability to finance any planned future exploration and evaluation activities and its operations. • Obtained an understanding of, and where applicable verified, the relevant supporting documents for the underlying contractual entitlements to explore and evaluate each area of interest. • Performed assessment on the recognition and measurement of exploration expenditure in accordance with the relevant provisions of SFRS (I) 6. • Reviewed and assessed the adequacy and appropriateness of the Consolidated Entity’s disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAGSHIP MINERALS LIMITED

Report on the Audit of the Financial Statements (continued)

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements with respect to the Consolidated Entity's and the Company's ability to continue as going concerns. During the financial year ended 31 December 2025, the Consolidated Entity reported a net loss of US\$2,722,842. As at 31 December 2025, the Consolidated Entity has cash at bank and deposits of US\$1,381,350 and net cash outflows in operating activities of US\$2,270,645.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Consolidated Entity's and the Company's ability to continue as going concerns. Nevertheless, for the reasons disclosed in Note 1 to the financial statements, the Directors are of the view that it is appropriate for the financial statements of the Company to be prepared on a going concern basis. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for other information. The other information comprises the Directors' statement and other sections of the annual report, which we obtained prior to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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

The Directors' responsibilities include overseeing the Consolidated Entity's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAGSHIP MINERALS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 SSAs 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 these financial statements.

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FLAGSHIP MINERALS LIMITED

Report on the Audit of the Financial Statements (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 with the Directors, we determine those matters that were of most significance in the audit of the financial statements 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Loh Ji Kin.



CLA Global TS Public Accounting Corporation
Public Accountants and Chartered Accountants

Singapore

30 March 2026

Tenement and Option Schedule

The information set out below was applicable as at 5 March, 2025.

Tenement/ application	Holder/ applicant	% held	Granted	Term (i) (years)	Area (km ²)	Country
RK Lithium Project (RK, BT and KT Lithium Prospects) (ii)						
SPLA 1/2567	SIM	100	Re-application	5	20.1	Thailand
SPLA 2/2567	SIM	100	Re-application	5	22.0	Thailand
DSPL1/2567	PAM2	100	29-Mar-2024	5	8.2	Thailand
DSPL2/2567	PAM2	100	29-Mar-2024	5	10.2	Thailand
Khao Soon Tungsten Project (iii)						
TSPLA 1/2549	TMV	100	Application	5	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

(i) For Application and Re-application areas, the term of 5 years will begin upon approval of the application and its conversion into a license, at which point a 'Granted' date will be provided in the above table.

(ii) The SPLA 1/2567 application area is expected to be reduced from 20.1Km² to ~14.5-16.0Km² and the SPLA2/2567 application area reduced from 22.0Km² to ~16.0-17.5Km² once expected carveouts have been applied. See FLG ASX Release titled 'RK Lithium Project - License Re-Application' and dated 22 February 2022.

(iii) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO₃ concentrate production being achieved for a tungsten project on Special Prospecting License Application No.1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO₃ concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Flagship Minerals and TGF.

Option Agreement Schedule as at 5 March 2025.

Parties

Project	Pantanillo Gold Project	Anglo Pantanillo Project Data	Rosario Copper Project
Purchaser	Flagship Minerals Limited through its Chilean Subsidiaries		
Project Concession Area	~110km ²	N/A	~41km ² .

Key Commercial Terms

Term	5 Years	5 Years	3 Years + 1 Year by mutual Agreement ⁽¹⁾
Term Start	April 2025	April 2025	September 2024
Earn-in	100%	N/A	100%
Management	Flagship	N/A	Flagship
Licensing	Where relevant, meet all obligations including annual licensing payments to maintain titles in good standing		
Minimum Annual Spend	Not applicable	Not applicable	Not applicable
Option Payments⁽²⁾⁽³⁾	Apr '26: US\$ 200,000 Apr '27: US\$ 300,000 Apr '28: US\$ 400,000 Apr '29: US\$ 500,000	Aug '26: US\$ 250,000 Aug '27: US\$ 500,000	Sep '26: US\$100,000 Sep '27: US\$100,000 ⁽¹⁾
Option Exercise	Apr '30: US\$11,000,000 ⁽²⁾	Apr '30: US\$1,000,000	Sep '27 (or Sep '28) US\$2,000,000 ⁽¹⁾⁽³⁾⁽⁴⁾
Royalty	2% Net Smelter Royalty ⁽⁵⁾	Not applicable	Not applicable

1. By mutual agreement FLG can seek an extension of the term of the Option Agreement by 1 year, and if extended FLG would be required to pay an additional Option Payment of US\$100,000 in September 2027 and the Option exercise would extend by 1 year to September 2028.
2. For the Pantanillo Gold Project the payment terms are Cash or, subject to agreement between Flagship Minerals and the Vendor, a combination of cash and shares with the share price based on the average share price for the 5 business days prior to payment.
3. For the Rosario Copper Project option payments can be made in cash or 50% cash and 50% FLG shares at FLG's option.
4. FLG can exercise the US\$2 million Option Payment early, upon which no further annual payments of US\$100,000 will be payable.
5. Flagship has an option to buy back one half of the **NSR** (1% NSR) for US\$5,000,000.

Shareholder Information

In accordance with ASX Listing Rule 4.10, the Directors provide the following information as at 5 March 2025.

Stock Exchange Quotation

The Company's shares are quoted on the Australian Securities Exchange (ASX) under the code FLG.

Securities

Type	Security	Number of Securities	Number of Security Holders
ASX Listed	Fully paid ordinary shares (FLG)	320,232,328	1,777
Unlisted	Options expiring 13 November 2026 exercisable at \$0.15	5,155,907	22
Unlisted	Options expiring 25 July 2027 exercisable at \$0.12	8,124,586	31
Unlisted	Options expiring 28 November 2028 exercisable at \$0.16*	2,250,000	1
Unlisted	Options expiring 28 November 2028 exercisable at \$0.20*	2,250,000	1
Unlisted	Options expiring 28 November 2028 exercisable at \$0.24*	2,250,000	1
Unlisted	Options expiring 28 November 2028 exercisable at \$0.28*	2,250,000	1
Unlisted	Options expiring 19 November 2029 exercisable at \$0.125	2,500,000	2
Unlisted	Options expiring 19 November 2029 exercisable at \$0.20	10,000,000	1

*Exercisable after 10 Day VWAP of strike price plus 10c.

Top 20 largest shareholders

Rank	Name	07 Mar 2025	% of units
1	CITICORP NOMINEES PTY LIMITED	36,798,335	11.49
2	MR PAUL DAVID LOCK	28,412,485	8.87
3	BNP PARIBAS NOMINEES PTY LTD	26,737,793	8.35
4	MR PAUL DAVID LOCK	25,000,000	7.81
5	SYDNEY EQUITIES PTY LTD	24,147,657	7.54
6	BNP PARIBAS NOMS PTY LTD	12,721,464	3.97
7	HOLICARL PTY LIMITED	10,385,077	3.24
8	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	9,685,992	3.02
9	ALEXANDER ASSETS PTY LTD	8,670,000	2.71
10	MR DAVID JOHN HOBBY	8,221,367	2.57
11	NETWEALTH INVESTMENTS LIMITED	7,419,472	2.32
12	MR THANASAK CHANYAPOON	6,083,554	1.90
13	CLAYMORE CAPITAL PTY LTD	5,426,251	1.69
14	ALPHA INVESTMENT PARTNERS PTY LTD	4,011,100	1.25
15	MR DAVID ANDREW MCDUGALL	2,555,020	0.80
16	BNP PARIBAS NOMINEES PTY LTD	2,536,420	0.79
17	GRUPO RAJO O SOCIEDAD MINERA RAJO SPA	2,405,697	0.75
18	JURRAH INVESTMENTS PTY LTD	2,181,111	0.68
19	NETWEALTH INVESTMENTS LIMITED	2,031,439	0.63
20	MR PETER KARAS & MRS CHRISTINA KARAS	2,000,000	0.62
	Total	227,430,234	71.02
	Balance of register	92,802,094	28.98
	Grand total	320,232,328	100.00

Shareholder Information

Substantial Shareholders

A substantial shareholder is one who has a relevant interest in 5 per cent or more of the total issued shares in the Company.

Securities

Rank	Name	07 Mar 2025	% of units
1*	MR PAUL DAVID LOCK	65,079,082	20.32
2*	CITICORP NOMINEES PTY LIMITED	36,798,335	11.49
4	BNP PARIBAS NOMINEES PTY LTD	26,737,793	8.35
5	SYDNEY EQUITIES PTY LTD	24,147,657	7.54
5	BNP PARIBAS NOMS PTY LTD	11,728,669	5.76
Total		152,762,867	47.70
Balance of register		167,469,461	52.30
Grand total		320,232,328	100.00

*Paul Lock's shareholding of 53,412,485 shares plus 11,666,667 shares held by HSBC Custody and other custodians on behalf of Global Emerging Markets (GEM) as escrow and loan shares in relation to the A\$35M equity facility that FLG has with GEM.

Voting Rights

Under the Company's Constitution, at any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hand unless before, or on declaration of the result of the show of hands, a poll is demanded by the Chairman, or a member or members with not less than 5% of total voting rights.

On a show of hands, each member present at a meeting in person or by proxy has one vote and, on a poll, each member (or proxy) has one vote for each share held.

Distribution Schedule

Range	Securities	%	Number of Security Holders	%
100,001 and Over	297,673,160	92.96	181	10.19
10,001 to 100,000	17,995,921	5.62	531	29.88
5,001 to 10,000	2,869,855	0.90	348	19.58
1,001 to 5,000	1,599,945	0.50	569	32.02
1 to 1,000	93,447	0.03	148	8.33
Total	320,232,328	100.00	1,777	100.00
Unmarketable Parcels	268,318	0.08	279	15.70

Shareholder Information

Unmarketable Parcel Holders

FLG has 279 shareholders holding less than a marketable parcel of 1,754 shares each (i.e. less than \$500 per parcel of shares) based on the closing price of AUD \$0.285 on 5 March 2026 representing a total of 268,318 shares or 0.08% of shares outstanding.

Option Holdings

Option Series	No. Issued	Strike Price	Term (Yr)	Expiry	%
15c Call Options	5,155,907	0.150	2	13 Nov 2026	14.4%
12c Call Options	8,124,586	0.120	2	25 Jul 2027	22.7%
16c Call Options*	2,500,000	0.160	3	28 Nov 2028	7.0%
20c Call Options*	2,500,000	0.200	3	28 Nov 2028	7.0%
24c Call Options*	2,500,000	0.240	3	28 Nov 2028	7.0%
28c Call Options*	2,500,000	0.280	3	28 Nov 2028	7.0%
12.5c Call Options	2,500,000	0.125	5	19 Nov 2029	7.0%
15c Call Options	10,000,000	0.150	5	19 Nov 2029	28.0%
Total	35,780,493				100.0%

Shares Outstanding 320,232,328

Options as a % of Shares Outstanding 11.2

*Exercisable after 10 Day VWAP of strike price plus 10c.

On-Market Buy-Back

There is no current on-market buy-back of any securities.



Corporate Directory

In accordance with ASX Listing Rule 4.10, the Directors provide the following information as at 5 March, 2026

Directors	<p>Mr Paul Lock (Executive Chairman and Managing Director)</p> <p>Mr David Hobby (Executive Director and Technical Director)</p> <p>Mr David Docherty (Non-Executive Director)</p> <p>Mr Thanasak Chanyapoon (Non-Executive Director)</p> <p>Mr John Zhang (Non-Executive Director) <i>(Appointment scheduled for April 2026)</i></p>
Company Secretaries	<p>Ms Elissa Hansen (Australia)</p> <p>Ms Fiza Alwi (Singapore)</p>
Corporate Address	<p>36 Robinson Road, #20-01 City House, Singapore 068877</p> <p>Cerro Colorado 5858, Office 208, Las Condes, Santiago, Chile</p> <p>Level M, 388 George Street, Sydney, NSW, 2000, Australia</p>
Share register	MUFG Corporate Markets, Level 12, 680 George Street, Sydney NSW 2000
Bankers	<p>DBS Bank Limited, Singapore, 12 Marina Boulevard, Level 3 MBFC Tower 3 Singapore 018982</p> <p>Westpac Banking Corp., Australia, Royal Exchange, Cnr Pitt & Bridge St Sydney NSW 2000</p> <p>Banco BICE, Av. Apoquindo 3846, Las Condes, Santiago, Chile</p>
Legal Advisors	Steinepreis Paganin, Level 6, 99 William Street, Melbourne VIC 3000
Accountants	Vistra Australia, Level 4, 100 Albert Road, Melbourne VIC 3205
Auditors	CLA Global TS Public Accounting Corporation, 80 Robinson Road, #25-00 Singapore 068898
Stock exchange listing	Flagship Minerals Limited's shares are listed on the Australian Securities Exchange (ASX code: FLG)
Website	www.flagshipminerals.com



ASX code

