



The Manager
The National Stock Exchange of Australia
Level 3,
1 Bligh Street
Sydney NSW 2000

20th Oct 2025

Dear Sir,

Quarterly Activities Report 30th September 2025

1. Summary

Investment Activities during the quarter were limited with no share transactions undertaken. The adjustment to market value at 30th September 2025 of the two remaining shareholdings in the investment portfolio resulted in an increase in the provision for loss of \$21,850. Together with interest income for the quarter of \$5,145 a net loss from investment activities amounted to \$16,705.

Cash at bank was \$595,088 a reduction of \$89,349 due primarily to the operating deficit for the quarter of \$80,573.

Corporate costs (including Administration costs) for the quarter were \$63,868 and for the 9 months to date \$184,996 against a budgeted \$264,000 for the year.

Royalty Tenements operated by Austral Resources Australia Ltd (ARI) exceeded an accumulative total of 75,100t of copper sold at end of June quarter. Further copper production is expected during the September quarter with ARI June Quarterly Report indicating production guidance estimated figures for the September quarter to be 2,638t

Metal prices were again generally higher with the LME Index closing at 4,416 on 30th September 2025 compared to 4,239 on 30th June 2025. Gold was up at \$US 3,833/oz (June \$US3,303/oz) and in Australian dollars \$A 5,833/oz (June \$A5,032/oz).

2. Cash and Investing Activities

Cash and Term deposits total \$595,088 (including portfolio cash credit of \$33,873). The cash also includes cash held in the current trading account of \$70,874. A drawdown of around \$60,000 can be expected during the remaining 3 months of 2025.

Portfolio cost was \$136,037 which had a market value of \$57,045 at 30th September 2025. The unrealized loss of \$78,992 being fully provided for at 30th September 2025.

3. Royalty Interests

Royalty interests at Mt Kelly (including the Anthill Mine) and other Reefway tenements were maintained by ARI. Estimated cumulative sales of copper cathode from the tenements now exceeds 75,100t with additional sales to come from the September quarter's estimated production of 2,638t. Further sales for the last quarter of the year from the Anthill Mine are expected.

It is noted ARI has issued a Prospectus on 3rd September 2025 to raise \$40 million with a closing date of 20th October 2025. A copy of the Prospectus is available on ARI's website under ASX announcements.

Vendetta Mining Corporation has not posted any further information at the date of this report since its last posting in April 2025 as advised in Pegmont's June Quarterly Report.

4. Commodity Background

Oil prices continued to decline since December 2024 they have declined by 11.98% with an increased supply to the market particularly from the US and Canada. A contributing factor has also been the uncertainty in the market following the imposition and increase in US tariffs and the negative impact on economic activity.

Iron ore has steadily increased, (apart from a small dip in June) since December 2024 and there has been an increase in the LME index of 12.93% indicating the metal market still remains relatively strong in an uncertain market, (the exception being the demand for Zinc).

The demand for gold as a safe haven in this market of global economic uncertainty and geopolitical instability has seen a substantial increase of 46.29% in price since December 2024. This increase has also been affected by the Central Banks increasing their gold reserves and investor demand for gold backed ETF's (Exchange Traded Funds)

The copper price is up from the slight dip at June 2025 to \$US 9,879 and at the end of September 2025 was \$US10,300 remaining well up at 18.21% on December 2024 levels of \$US/t 8,713. As previously reported as China consumes approximately 50% of global copper production there has been some uncertainty from the imposition of US tariffs on the demand for manufactured goods imported from China. However Goldman Sachs (according to Reuters) projects copper prices for 2026/27 to be in the range of \$US10,000t to \$US11,000t.

In face of this global economic uncertainty the All Ords index has continued to increase driven by the substantial increase in the Gold Index. The All Ords Index up by 69.31% and the Gold Index on ASX 200 up 90.81% since December 2024. The \$A has again strengthened slightly against a weakening in the US dollar.

Summary of Selected Commodity Price Movements – to 30th September 2025

							%
		2025 30 Sep	2025 30 June	2025 31 March	2024 31 Dec	2023 31 Dec	Gain on (Loss) 31.12.24
Oil-WTI	\$US/bb	62.49	64.98	71.5	71.0	71.6	(11.98)
Iron Ore (62% FE Lump)	\$US/t	105.29	94.47	102.5	99.4	136.4	5.92
LME Index		4,416	4,239	4,197	3,905	3,713	12.93
Lithium Carbonate	\$US/t	9,114	7,533	8,759	7,569	7,000	20.41
Zinc	\$US/t	2,917	2,784	2,829	3,016	2,640	(3.28)
Copper	\$US/t	10,300	9,879	11,100	8,713	8,544	18.21
Gold	\$US/oz	3,833	3,303	3,089	2,620	2,085	46.29
	\$A/oz	5,833	5,032	4,919	4,100	3,082	42.76
\$A/\$US		.66	0.65	0.62	0.64	0.67	3.12
All Ords index		9,177	8,733	8,053	5,420	7,852	69.31
Gold Index (ASX 200)		16,080	11,557	10,981	8,427	7,379	90.81

5. Income and Expenditure (unaudited)

	Sep 2025	9 Months to Sep 2025	Guidance Year December
Income Received (\$)	Quarter		2025
Interest/Dividends/Other	5,145	14,204	20,000
Realised profit/(loss) from Sale of Shares	Nil	8262	(10,000)
	5,145	22,466	10,000
Provision to Market Gain/(Loss)	(21,850)	(57,256)	Nil
Net Income/(Loss) from investing Activities	(16,705)	(34,790)	10,000
Net Income/(Loss)	(16,705)	(34,790)	10,000
Expenditures			
Exploration			
Expenses	Nil	Nil	Nil
	Nil	Nil	Nil
Corporate			
Administration	31,075	94,736	131,000
Audit Fees	3,000	9,322	17,000
Directors Fees	25,200	76,345	106,000
NSX / Listing Expenses	4,593	4,593	10,000
	63,868	184,996	264,000
Net Operating Surplus/(Deficit)	(80,573)	(219,786)	(254,000)
Working Capital-Change	(8776)	33,104	10,000
Net Cash Surplus/(Deficit)	(89,349)	(186,682)	(244,000)
Add: Opening Cash Balance	684,437	781,770	781,770
New Issue – Gross Proceeds	Nil	Nil	Nil
Closing Cash Balances	595,088	595,088	537,770

6. Guidance for 2025

The company's cash position is \$595,088 plus a share portfolio having a market value of \$57,045 at 30th Sep 2025, sufficient to last until end of 2027 based on expenditure rate of \$250,000 per year. Unfortunately, it appears from ARI's reports of actual copper sold for the June quarter of 1806t expected sales are falling short of the 2,489t per quarter required to meet Pegmont's expectations of cathode copper to be sold of 24,888t to December 2027 before a royalty income stream could be expected in 2028.

On the close of ARI's Prospectus, Pegmont will be in a better and more confident position to know and report on ARI's arrangements to increase production and sales.

Yours faithfully,



John Montgomerie
Non Executive Director