PEGMONT

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

17th July 2026

Dear Sir,

Quarterly Activity Report
30th June 2026

1. Summary

Investment Activities during the quarter were limited with no share transactions undertaken. The adjustment to market value at 30th June 2026 of the two remaining shareholdings in the investment portfolio resulted in a increase in the provision for loss of $1202. Together with interest income for the quarter of $3,607 a net profit from investment activities amounted to $2,431.

Cash at bank was $456,688 a reduction of $40,195 due primarily to the operating deficit for the quarter of $53,875 which includes accrued expenditure of approximately $9000.

Corporate costs (including Administration costs) for the quarter were $56,306, against a budgeted $55,000 for the quarter.

Royalty Tenements operated by Austral Resources Australia Ltd (AR1) exceeded an accumulative total of 82,129t of copper sold at end of June 2026 quarter. At the date of this report AR1 have not reported their June quarter Copper Cathode Sales.

Metal prices were generally steady compared to last quarter with the LME Index closing at 4,462 on 30th June 2026 compared to 4,700 on 31st March 2026. Gold was down at $US4,010/oz (March 2026 $US4,578/oz) and in Australian dollars $A6,020/oz (March 2026 $A6,738/oz).

2. Cash and Investing Activities

Cash and Term deposits total $456,688 (including portfolio cash credit of $3,978). The cash also includes cash held in the current trading account of $122,008.

Portfolio cost was $136,037 which had a market value of $54,545 at 30th June 2026. The unrealized loss of $81,492 being fully provided for at 30th June 2026.

The Management accounts for the June 2026 Quarter record a Loss of $53,875 (March 2026 Qtr $49,848 Loss) after providing for an increase of $1,202 to the unrealized loss on investments of $81,492.

3. Royalty Interests

Royalty interests at Mt Kelly (including the Anthill Mine) and other Reefway tenements were maintained by AR1. AR1's 2025 Annual Report advised mining at Anthill Mine has finished with only processing of the tail continuing. The report from the Chair indicates AR1 will be focusing on ready to go pits at Mt Clarke/Flying Horse (both included in the Reefway Agreement) and at Lady Annie cutback which is not part of the Reefway Agreement.

Estimated cumulative sales of copper cathode from the tenements now exceeds 82,129t at 31st March 2026. At the date of this report AR1 have not reported Copper Cathode sales for the June 2026 quarter.

It is noted AR1 in their March 2026 Quarterly report issued on 30th April 2026 reported that the inaugural blast at the Flying Horse open pit was successfully executed, marking the commencement of mining at the brownfields deposit and signaling AR1's transition into the next phase of operations following the completion of the Anthill mining operations. It was also reported that processing of ore from Anthill stockpiles would continue for the coming 11 months to meet its obligations under its Anthill Project Agreement.

Vendetta Mining Corporation has not posted any further information at the date of this report since its last posting in April 2025.

4. Commodity Background

Oil prices dropped significantly from 31st March 2026 of $US102 to $US 69.50 at 30th June 2026 as the geopolitical risk premium faded with the US/Iran ceasefire and the opening of the Strait of Hormuz. Global supply also increased with OPEC approved production quota hikes accompanied by a softening in demand growth with an economic cooling in Chinese fuel consumption.

Iron ore has remained reality steady with a 0.80% increase since December 2024. There has been an increase in the LME index of 14.26% since December 2024 indicating the metal market still remains relatively strong in an uncertain market.

The demand for gold as a safe haven in this market of global economic uncertainty and geopolitical instability has continued to see a substantial increase of 53.05% in price since December 2024 but down 12% from 31st March 2026 prices. The increase still being affected by emerging Central Banks, particularly in China, India and Turkey increasing their gold reserves. The recent drop in price from record highs in January 2026 of $US 5,600 to $US 4,010/oz at 30th June 2026 is seen to be driven by a stronger US dollar, reduced expectations of Federal Reserve rate cuts and technical selling at the $US 4,000 level.

The copper price at the end of June 2026 was $US 13,278/t remaining well up at 52.39% on December 2024 levels of $US/t 8,713. Copper prices continue to be strong brought about by the same combination of factors being supply shortages and operational disruptions at major supply mines in Chile, Indonesia and DRC, surging demand from renewable energy infrastructure (Sola/Wind) and data (A1) centres, low inventory levels and China's demand from its high-tech manufacturing and power grid. Forecasts from JP Morgan, Bank of America continue to have copper in 2026 in the range from $US 11,000/t up to $US 12,000/t. Goldman Sachs are now reporting a price for 2026 of around $US 13,735 where previously in March 2026 they were predicting around $US 12,000/t.

The All Ords index has seen a decrease from December 2025 record levels brought about primarily by a fall in iron ore prices (a major influencer on the All Ords Index) tensions in the Middle East, increased energy costs, inflation and interest rate increases. However the All Ords Index is still up by 65.79% and the Gold Index on ASX 200 up 78.09% since December 2024. The $A at 30th June 2026 of $A 0.68 to the $US has weakened slightly against a stronger US dollar at 31st March 2026 of $A 0.69 to $US.

Summary of Selected Commodity Price Movements - to 30th June 2026

		2026 30-Jun	2026 31-Mar	2025 31-Dec	2025 30-Jun	2024 31-Dec	% Gain or (Loss) 31.12.24
Oil-WTI	$US/bb	69.5	102.24	57.64	64.98	71	-2.11
Iron Ore (62% FE Lump)	$US/t	100.2	106.38	107.13	94.47	99.4	0.80
LME Index		4,462	4,700	4,700	4,239	3,905	14.26
Lithium Carbonate	$US/t	21,000	20,991	16,510	7,533	7,569	177.44
Zinc	$US/t	3,460	3,234	3,121	2,784	3,016	14.72
Copper	$US/t	13,278	12,214	12,504	9,879	8,713	52.39
Gold	$US/oz	4,010	4,578	4,333	3,303	2,620	53.05
	$A/oz	6,020	6,738	6,560	5,032	4,100	46.83
$A/$US		0.68	0.69	0.67	0.65	0.64	6.25
All Ords index		8,986	8,684	9,018	8,733	5,420	65.79
Gold Index (ASX 200)		15,008	16,658	18,825	11,557	8,427	78.09

5. Income and Expenditure (unaudited)

Income Received ($)	June 2026 Quarter	Year to June 2026	Guidance Year December 2026
Interest/Dividends/Other	3,633	7,778	15,000
Realised profit/(loss) from Sale of Shares	Nil	Nil	5,000
	3,633	**7,778**	**20,000**
Provision to Market Gain/(Loss)	(1,202)	(2,825)	-
Net Income/(Loss) from investing Activities	2,431	4,953	20,000
Net Income/(Loss)	**2,431**	**4,953**	**20,000**
Expenditures			
Exploration			
Expenses	Nil	Nil	Nil
	Nil	**Nil**	**Nil**
Corporate			
Administration	22,083	40,050	117,000
Audit Fees	4,070	8,320	17,000
Directors Fees	25,560	51,120	102,000
NSX / Listing Expenses	4,593	9,186	18,000
	56,306	108,676	220,000
Net Operating Surplus/(Deficit)	**(53,875)**	**(103,723)**	**(200,000)**
Working Capital-Change	13,680	12,393	-
Net Cash Surplus/(Deficit)	(40,195)	(91,330)	(200,000)
Add: Opening Cash Balance	496,883	548,018	548,018
Closing Cash Balances	**456,688**	**456,688**	**348,018**

6. Guidance for 2026

The company's cash position is $456,688 plus a share portfolio having a market value of $54,545 at 30th June 2026, sufficient to last until end of 2027 based on net expenditure rate of $200,000 per year.

AR1's June 2026 quarter sales report of Copper Cathode has not been received at the date of this report. Quarterly sales of at least 2,600t will have to be attained by AR1 for Pegmont's entitlement to a royalty income stream to be achieved by the end of December 2027.

Yours faithfully,

John Montgomerie
Non Executive Director