PEGMONT

Half-Year Report 2026

Financial Report for the
Half-Year ended 30 June 2026

PEGMONT MINES LIMITED
ACN 003 331 682

Directors' Report

The Directors of Pegmont Mines Limited submit herewith the financial report for the half-year ended 30 June 2026. In order to comply with the provisions of the Corporations Act, the Directors report as follows:

The names and particulars of Directors of the company in office during the half year and on the day this report is made out are:

ORITI, Hadyn G. (Non-Executive Chairman) *LLB*

Mr Oriti, aged 63, is a practicing solicitor in Port Macquarie with experience in commercial investments.

MONTGOMERIE, John W. (Non-Executive Director***)*** *FCA*

Mr Montgomerie, aged 78, is a Chartered Accountant with 30 years experience in raising finance and in various listed and unlisted companies as a director, founder and shareholder.

McDONALD, Walter L. (Non-Executive Director***)***

Wally McDonald, aged 68, is a commercial lawyer with significant tax, corporate, mining and finance experience, he has substantial interest in Pegmont Mines Ltd, with considerable knowledge of the company's dealings with Austral Resources and Vendetta Mining Corp.

WOODS, Richard S. (Non-Executive Director***)*** FCA

Mr Woods, aged 73, is a Chartered Accountant and former partner of Walker Wayland NSW Chartered Accountants for 27 years with extensive taxation experience.

Principal Activity

The principal activity of the company during the financial half year to 30th June 2026 was the continuation of its indirect interest as a Royalty holder in its mining resource investments.

Review of Operations

The company's operations during the half year to 30 June 2026 resulted in a net loss of $103,723, a decrease on a loss of $139,214 for the corresponding half year to June 2025. During the six months to June 2026 the company did not conduct any share trading activities. At 30th June 2026 the company held two remaining ASX listed share investments which have a market value of $54,546 (31st December 2025 $57,371) The loss provision on these shares was increased by $2,825 to reflect the market value of these investments at 30th June 2026.

	Segment Revenue 2026 $	**Segment Profit/(Loss) 2026 $**	**Segment Profit/(Loss) 2025 $**
Share Trading before market gain/loss	-	-	8,262
Gross Revenue from share trading	-	-	8,262
Interest	7,778	7,778	9,058
Unallocated expenses		(108,676)	(121,128)
Fair value gain/(loss) on financial assets		(2,825)	(35,406)
Income Tax Expense		–	–
Profit/(loss) for the half- year after income tax		(103,723)	(139,214)
Earnings(loss) per share		(0.001)	(0.002)

Review of Operations (continued)

Consistent with the last half year the company's focus has been on minimizing its overheads without comprising the integrity of its ability to maintain its listing on the NSX and the overseeing and holding to account the reporting of copper production and copper cathode sold from the Reefway Royalty Tenements.

Austral Resources Limited (AR1) who operate the Reefway Royalty tenements reported to the ASX on 30th April 2026 following their successful recapitalisation programme that AR1 became debt free with approximately $83 million cash in hand.

In the same report AR1 announced mining at Anthill was successfully completed and that over the coming 11 months processing of ore from heap leach stockpiles will continue to take place.

AR1 also announced in the same report that the inaugural blast at Flying Horse open pit (A tenement under the Reefway Royalty Tenements Agreement) was successfully executed marking the commencement of mining at this brownfields deposit and signaling AR1's transition into the next phase of operations following the completion of Anthill mining operations.

The total copper cathode sold during the March 2026 Quarter was 2,024t down on the December quarter of 2,668t but up from the corresponding periods in 2024/5 where it was around 1,405t. AR1's forecast production for the June 2026 quarter was for 2,010t, all from Anthill heap leach stockpiles as mining has been completed at this mine.

As inaugural blasting has commenced at Flying Horse open pit it is hoped but not known that AR1's processing plant at Mt Kelly will receive feed stock of ore for the coming 11 months from both Anthill heap leach stockpiles as well as ore from Flying Horse.

Currently at the end of the March 2026 quarter AR1 have provided Pegmont with accumulated cathode copper sales reports of 82,129t (with production forecasts of 2,020t for June 2026). Assuming the June production figures realize approximately the same in sales for the June quarter, accumulated copper cathode sales will have reached approximately 84,000t by 30th June 2026.

This will mean for Pegmont to attain its 100,000t of copper cathode sales threshold under the Reefway Royalty Tenement Agreement before royalties are earned, AR1 will have to produce and sell another approximate 16,000t. To meet Pegmonts expectations of reaching the 100,000t threshold by December 2027 sales of copper cathode would have to be around 2,666t per quarter.

Pegmont remains hopeful now that AR1 has recapitalised and inaugural blasting has occurred at the Flying Horse open pit that its expectations will be achieved by December 2027 or early in the first quarter of 2028

Changes In State of Affairs

The Company continued to place cash funds on bank term deposits with a balance held of $330,702 at 30th June 2026 changed from $430,702 at 31st December 2025. Cash held in the company's current account at 30th June 2026 was $122,008 (31st December 2025 $113,342)

The companies three inactive subsidiaries of many years Pilbara Ventures Limited, Kimberley Ventures Limited and Queensland Copper Mines Pty Limited were deregistered with ASIC on 17th August 2025.

AUDITORS' INDEPENDENCE- SECTION 307C

The lead auditor's independence declaration under S307C of the *Corporations Act 2001* is set out on page 15 for the half-year ended 30 June 2026.

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

Dated this 23rd day of July 2026

On behalf of the Directors

HG Oriti

Chairman

Directors' Declaration

For The Half-Year Ended 30 June 2026

In accordance with a resolution of the Directors of Pegmont Mines Limited, the Directors declare that:

1. The attached financial statements and notes there to are in accordance with the *Corporations Act 2001* including:
   a) Complying with Accounting Standard AASB 134: Interim Financial Reporting; and
   b) Giving true and fair view of the Company's financial position as at 30th June 2026 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that Pegmont Mines Limited will be able to pay its debts as and when they become due and payable.

JW Montgomerie
Director

Dated this 23rd day of July 2026.

Statement of Profit or Loss and Other Comprehensive Income

For The Half-Year Ended 30 June 2026

	Note	Half-year Ended 30 June 2026 $	Half-year Ended 30 June 2025 (Consolidated) $
Revenue from continuing operations			
Gross revenue from share trading		-	74,588
Cost of sales		-	(66,326)
Gain/(Loss) on sale of shares		-	8,262
Fair value gain/ (loss) on financial assets		(2,825)	(35,406)
		(2,825)	(27,144)
Investment income		7,778	9,058
Expenses from ordinary activities		(108,676)	(121,128)
Income tax credit/(expense)	5	–	–
Net Profit/(loss) from ordinary activities for half-year after income tax		(103,723)	(139,214)
Profit/(loss) for half year attributable to members of Pegmont Mines Ltd and recognised directly in equity		(103,723)	(139,214)
Retained Profits (Losses) brought forward		(6,224,559)	(5,950,688)
Dividend Paid		–	–
Retained Profits (Losses) at end of half-year		**(6,328,282)**	**(6,089,902)**
Earnings (loss) per share – basic	4	(0.001)	(0.002)

Balance Sheet

As at 30 June 2026

	Half-year 30 June 2026 $	Annual Report 31 Dec 2025 $
Current Assets		
Cash and Cash Deposits	125,986	117,316
Prepayments and Receivables	15,512	27,050
Financial assets at amortised cost	330,702	430,702
Financial assets at fair value through profit and loss	54,546	57,371
Total Current Assets	**526,746**	**632,439**
Non-Current Assets		
Royalty assets	200,000	200,000
Total Non-Current Assets	**200,000**	**200,000**
Total Assets	**726,746**	**832,439**
Current Liabilities		
Payables	13,421	15,391
Total Current Liabilities	**13,421**	**15,391**
Non-Current Liabilities	–	–
Total Liabilities	**13,421**	**15,391**
Net Assets	**713,325**	**817,048**
Equity		
Contributed equity	4,841,607	4,841,607
Reserves	2,200,000	2,200,000
Retained profits/(Losses)	(6,328,282)	(6,224,559)
Total entity interest	**713,325**	**817,048**
Net tangible assets per share cents	0.66	0.79

Statement of Cash Flows

For The Half-Year Ended 30 June 2026

	Note	Half-year ended 30 June 2026 $	Half-year ended 30 June 2025 (Consolidated) $
Cash flows from operating activities			
Directors & secretary fees		(57,120)	(73,806)
Payments to suppliers and contractors		(35,789)	(60,981)
Interest and other items of a similar nature received		1,579	9,058
Net cash from operating activities		**(91,330)**	**(125,729)**
Cash Flows Related to Investing Activities			
Receipt from term deposit		100,000	-
Payments for purchase of shares		-	(46,193)
Receipts from sale of shares		-	74,588
Purchase of financial assets at amortised cost		-	(7,678)
Net cash provided from investing activities		**100,000**	**20,717**
Net increase/(decrease) in cash and cash equivalents		**8,670**	**(105,012)**
Cash and cash equivalents at the beginning of the half year		117,316	300,875
Cash and cash equivalents at end of half year	**3**	**125,986**	**195,863**

Statement of Change in Equity

For the Half-Year Ended June 2026

Contributed Equity - Shares	Half-year Ended 30 June 2026 Number Issued	Half-year Ended 30 June 2025 Number Issued
Ordinary shares issued at 31 December 2024	–	79,816,556
31 December 2025	79,816,556	-
Ordinary shares issued at 30 June 2025		79,816,556
30 June 2026	79,816,556	–
	79,816,556	**79,816,556**

	$	$
Total Equity at the beginning of the period	**817,048**	**1,090,919**
Total recognised income and expense for the half year	(103,723)	(139,214)
Total Equity at the end of the period	**713,325**	**951,705**

Notes to the Financial Statements

For the Half-Year ended 30 June 2026

1. Summary of Material Accounting Policy Information

a) Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 30 June 2026 have been prepared in accordance with the requirements of the *corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting.* The company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Pegmont Mines Limited. As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the company.

It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the company for the year ended 31 December 2025, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 23rd July 2026.

b) Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.
The company has considered the implications of new and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted

2. Revenue and Expense

Operating Profit/(Loss) before income tax is arrived at after:

	Current Half-year 30th June 2026 $	**Previous Corresponding Half-year 30th June 2025 $**
a) crediting interest as revenue	7,778	9,058

3. Reconciliation of cash

Cash at the end of the half-year as shown in the statement of cash flows is reconciled to the related items in the accounts as follows:(Comparatives are at 31st December 2025)

Cash on hand and at bank	122,008	113,342
Deposits at call	3,978	3,974
Cash and cash equivalents at 30 June 2026	**125,986**	**117,316**

The Company has continued to place cash funds on bank term deposits.

NOTES TO THE FINANCIAL STATEMENTS (CONT)

4. Earnings per share.

	Current Half-year 30th June 2026 $	Previous Corresponding Half-year 30th June 2025 $
Basic losses per share	(0.001)	(0.002)
The weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	79,816,556	79,816,556

5. Income Tax

Prima facie tax payable on the operating profit at 25%	–	–
Timing Differences	–	–
Income Tax Expense	–	–

Tax Losses at 30 June 2025 not taken into account were $ 11,581,804

6. Commitments for expenditure

Mineral tenement leases

The Company does not hold any mineral tenements.

7. Segmental Information

The operations of the economic entity consist of investment in resource listed entities.

8. Changes in Group Structure

On 17th August 2025 the company was advised by ASIC its three non operating wholly owned subsidiaries: Pilbara Ventures Limited, Kimberley Ventures Limited, and Queensland Copper Mines Pty Limited were deregistered. These entities being non operating had no material impact on the company's financial performance and were part of ongoing cost savings by the company.

9. Subsequent Events

No matter or circumstance has arisen since the end of the half-year which significantly affected or may significantly affect the operations of the Company, the results of the Company, or the state of affairs of the Company as reported to the half-year ended 30 June 2026

10. Fair Value Measurement

	30-Jun-26		31-Dec-25	
	Carrying Amount	**Fair Value**	**Carrying Amount**	**Fair Value**
Financial Assets	**$**	**$**	**$**	**$**
Financial assets mandatorily measured at fair value through profit or loss:				
Held for trading Australian Shares	54,546	54,546	57,371	57,371
	54,546	54,546	57,371	57,371

As the carrying amount of cash and cash equivalents, trade and other receivables, and trade and other payables approximate their fair values, they have not been included in the above table.

11. Related-party transactions

The Company's key management personnel comprise the Directors of Pegmont Mines Limited.

During the half-year ended 30 June 2026, the Company recognized director fees and associated superannuation of $51,120 in respect of services provided by the Directors.

The Company also recognized company-secretarial fees of $6,000 payable to Mr John Montgomerie, who is both a Director and the Company Secretary. The fees were incurred under a Board-approved arrangement providing for annual company-secretarial remuneration of $12,000.

During the half-year, the Company reimbursed Directors a total of $1,916 for travel, postage, meals and other expenses incurred on behalf of the Company. These reimbursements represented repayment of actual business expenses and did not constitute additional remuneration to the Directors.

The Company also reimbursed DOH Lawyers, an entity associated with Director Hadyn Oriti $1,297, for travel expenses incurred on behalf of the Company.

There were no amounts payable to or receivable from Directors or director-related entities as at 30 June 2026 in respect of these transactions.

Other than the transactions disclosed above, there were no material related-party transactions during the half year.

12. Royalty assets

As at 30 June 2026, the carrying amount of the Company's royalty assets was $200,000, unchanged from 31 December 2025. The Reefway royalty was carried at $200,000, and the Vendetta/Pegmont royalty remained fully impaired with a nil carrying amount.

During the half-year, the Directors considered updated production and sales information relating to the Reefway tenements, including the completion of mining at Anthill and commencement of mining at Flying Horse. The Directors also considered the timing of the contractual 100,000-tonne qualifying-sales threshold and the attribution of production from tenements covered by the Reefway Royalty Agreement.

Based on the assessment performed, the recoverable amount of the Reefway royalty exceeded it's carrying amount and no impairment loss was recognized. No circumstances were identified that supported reversal of the impairment previously recognized against the Vendetta/Pegmont royalty.

There were no additions, disposals, impairment losses or impairment reversals relating to royalty assets during the half-year.

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF PEGMONT MINES LIMITED

In accordance with Section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the Directors of Pegmont Mines Limited. As the lead auditor for the review of the financial report of Pegmont Mines Limited for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

i. the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

ii. any applicable code of professional conduct in relation to the review.

NorthCorp Accountants

Bart Lawler
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

23 July 2026

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PARTNERS
Paul Fahey B Bus CA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PEGMONT MINES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Pegmont Mines Limited (the Company), which comprises the Statement of Financial Position as at 30 June 2026, the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the Directors' Declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Company does not comply with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Company's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and

b) complying with Australian Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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PARTNERS
Paul Fahey B Bus CA
Bart Lawler B Com CA
Patrick Brennan B Com CA
Alison McKinnon B Bus CA

INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF PEGMONT MINES LIMITED

Responsibilities of the Directors for the Financial Report

The Directors of Pegmont Mines Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standard AASB 134 and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Company's financial position as at 30 June 2026 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

NorthCorp Accountants

Bart Lawler
Registered Company Auditor

10-12 Short Street
Port Macquarie NSW 2444

23 July 2026