MANDRAKE RESOURCES

ASX Announcement
29 January 2026

QUARTERLY ACTIVITIES REPORT

For the period ended 31 December 2025

ASX Code: MAN

Capital Structure
Ordinary Shares: 627,259,920
Current Share Price: 2.5c
Market Capitalisation: $15.7M
Cash: $12M (Dec. 2025)
Debt: Nil

Directors
Lloyd Flint
Chairman/Company Secretary

James Allchurch
Managing Director

Roger Fitzhardinge
Non-Executive Director

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Highlights

- **The Utah Lithium Project hosts an Inferred Resource estimate of 3.3Mt Lithium Carbonate Equivalent (LCE)[1] establishing it as a top tier US-domiciled lithium brine asset**
- **Brine Flow Modelling Study outlined two potential zones of high lithium concentrations (sweet spots) overlapping with high quality reservoir rock**
- **Brine Flow Modelling Study identified high-grade lithium brines similar to the world-class Smackover Formation with sampling returning lithium concentrations up to 340mg/L[2]**
- **Lithium offtake - non-binding Letter of Intent (LOI) signed with US-based lithium refiner Stardust Power (NASDAQ: SDST)**
- **Agreement signed with DISA Technologies to evaluate/treat mine waste dumps to recover saleable uranium and other critical minerals within the 93,755-acre Utah Project area**
- **The Company continues to pursue both organic and inorganic growth initiatives in the US and internationally**

Utah Lithium Project

Mandrake Resources Limited (ASX: MAN) (Mandrake or the Company) is pleased to provide the following operations report for activities at the Company's 100%-owned 93,755-acre (~379km^2) Utah Lithium Project for the quarter ending 31 December 2025.

The Utah Lithium Project is a top tier US-domiciled lithium brine asset with an Inferred Mineral Resource Estimate (MRE) of 3.3Mt Lithium Carbonate Equivalent (LCE).

Brine Flow Model Results

During the December 2025 quarter, Mandrake completed the various work streams required to create a conceptual model of 2D lithium brine flow designed to assist with exploration targeting.

The comprehensive brine flow model incorporated the following:

- Core-based porosity/permeability and flow-test permeability trends

[1] ASX announcement 22 October 2024. With the exception of the information included in this report, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement. The Company confirms that the form and context in which the Competent Person's findings were presented have not been materially modified from the original announcements.
[2] See ASX announcement of 17 September 2025

- Fault geometries from 3D seismic and well data
- Regional lithium brine chemistry trends – Leadville and Paradox Formations
- Potentiometric surfaces for brine flow directions and migration duration
- Petra®-generated maps and cross sections

The model has greatly enhanced exploration at the Utah Lithium Project through the identification of zones of high-grade lithium brine within the Leadville Formation whilst also generating a reliable potentiometric vector map detailing brine flow direction, and relative brine-migration-duration within the Leadville Formation.

Permeability Analysis

Permeability data for the Leadville Formation was derived from core plug analyses in eight wells and from DST results compiled by Teller and Chafin (1986)[3]. A total of 17 Leadville wells were utilized to generate a geometric mean permeability grid.

Results indicate that areas with complex faulting - including fault intersections, re-activated horst and graben systems, and fault terminations - show enhanced Leadville permeability. Some areas of enhanced permeability are also characterized by elevated net pay thicknesses, and a long brine flow path from the northeast, indicating large volumes of highly permeable reservoir rock in an area identified by potentiometric mapping and lithium concentration distribution analysis as containing elevated lithium brine concentrations (sweet spots) (Figures 1 and 2).

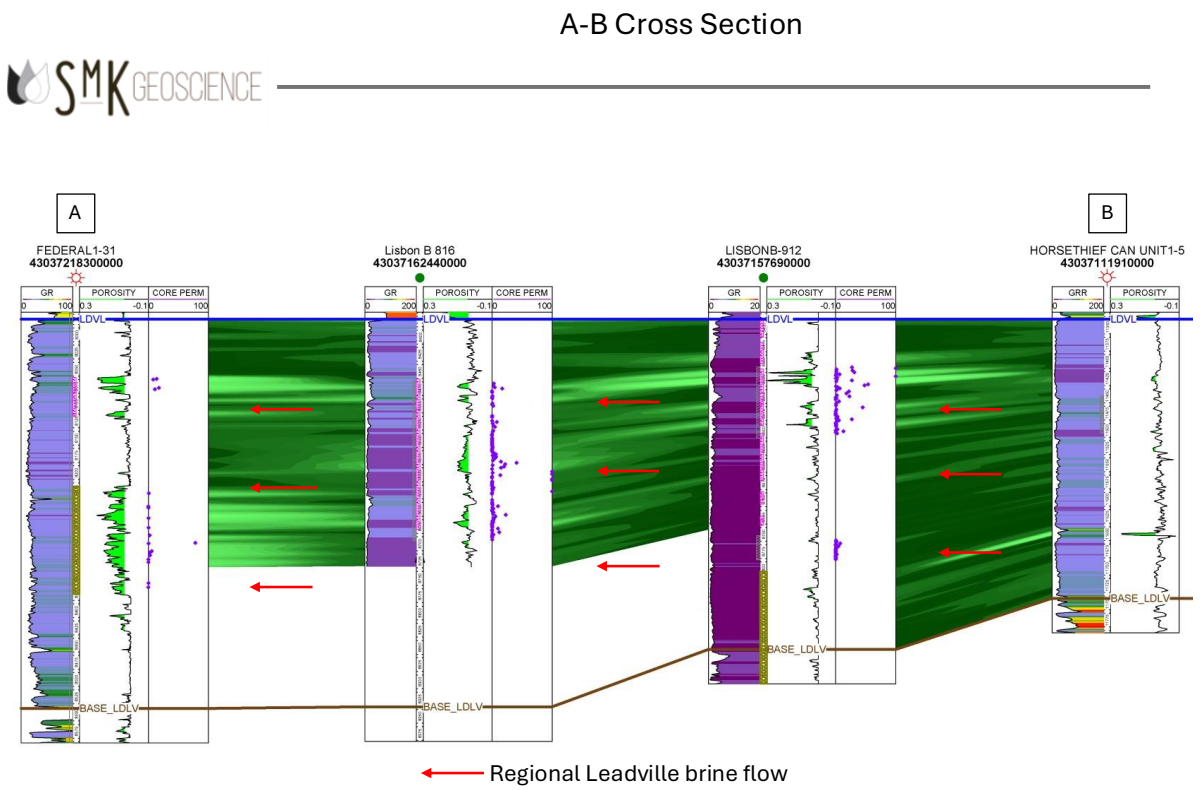


Figure 1. Southwest to northeast cross section A-B highlights log porosity (green) and permeability from core data (see Figure 2 for A-B location). Net pay trends increase to the SW as the Leadville thickens and more porosity is developed. Brine flow in the Leadville is from the NE to the SW.

[3] Teller, R.W. and Chafin, D.T., 1986, Selected drill-stem test data for the Upper Colorado River Basin

Basement and Potentiometric Mapping of Leadville Brines

Dissolved lithium within Leadville Formation-hosted brines is likely to have been sourced from connate water which has strongly interacted with radiogenic, high $^{87}Sr/^{86}Sr$, crystalline Precambrian basement.

Comprehensive potentiometric brine flow mapping of the Leadville was achieved through the painstaking compilation of detailed time-pressure tests, drill stem tests (DSTs) and shut-in tests gleaned from the well files of hundreds of historical wells across the study area.

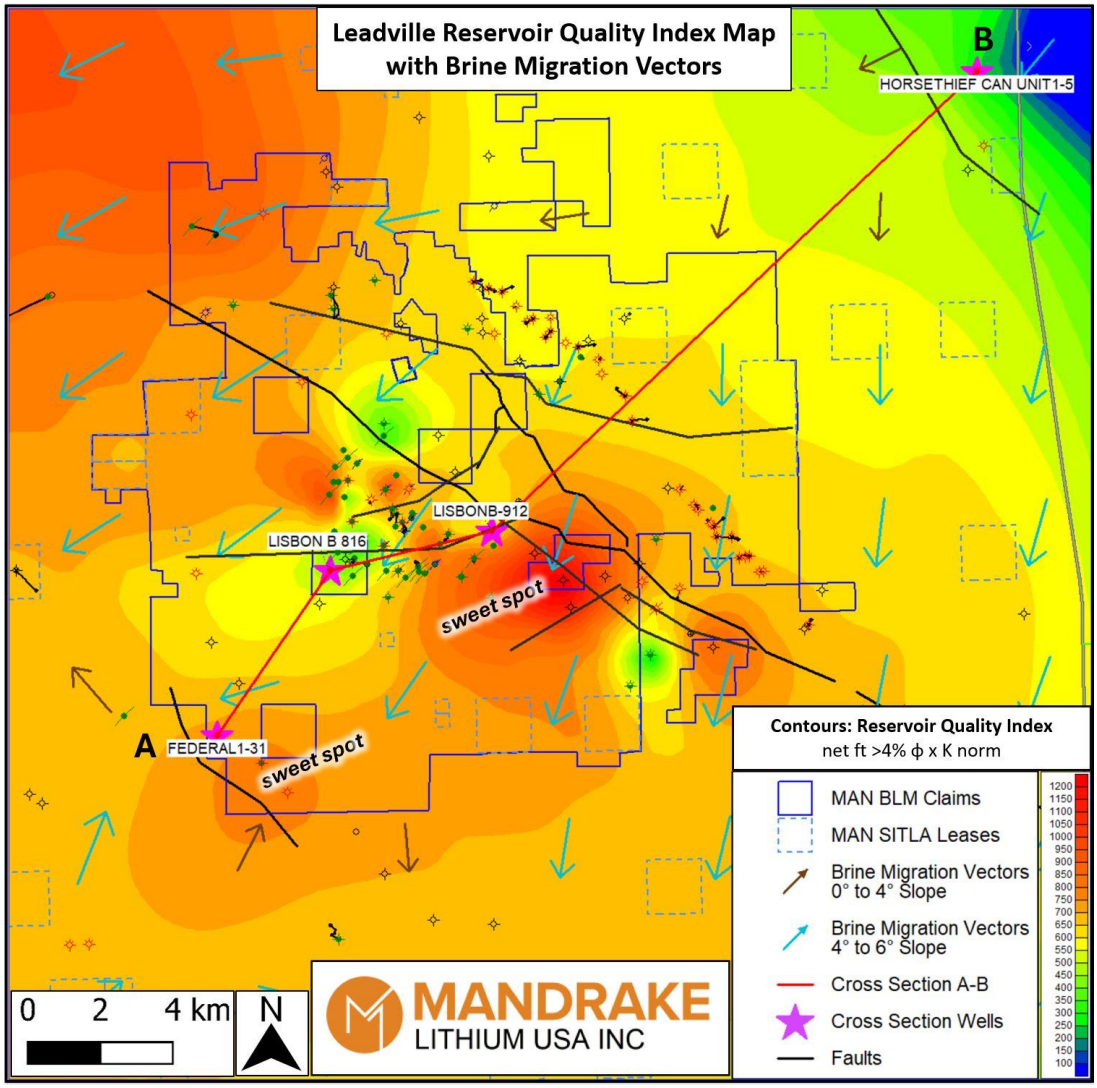
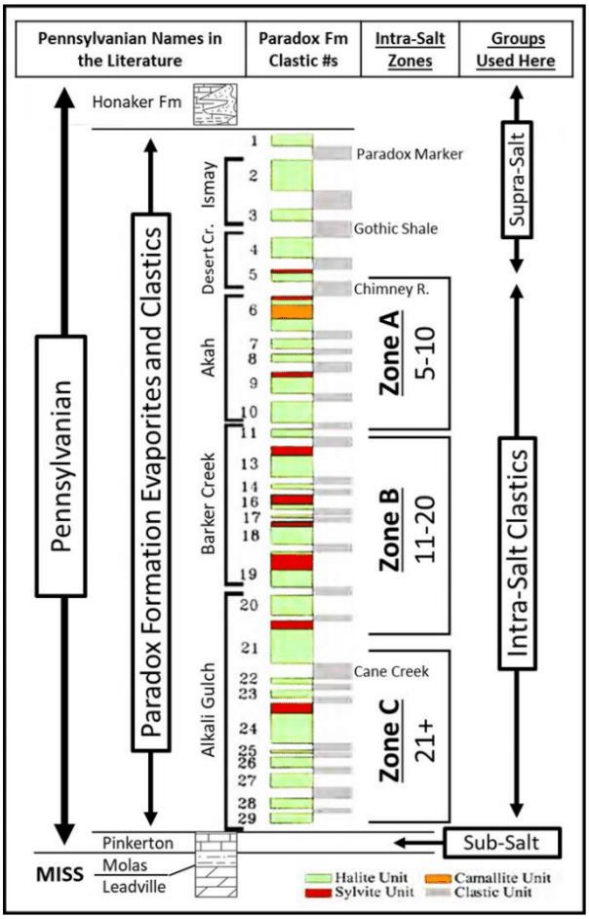


Figure 2. Leadville reservoir quality map with brine flow vectors showing the location of high lithium concentration sweet spots as generated in Petra®.

The resulting potentiometric brine flow map demonstrates distinct zones of brine influx and shows brine-flow directions within the Leadville. Lithium in the Leadville is sourced from the underlying basement, and lithium concentrations are expected to be highest where brines have had the longest residence time and most extensive basement–fluid interactions. Based on the brine flow map, areas in the south-southwest of the project area are interpreted as priority targets, or 'sweet spots', for elevated lithium brine concentrations (see Figure 2).

Paradox Formation Clastic Units – Lithium Concentrations up to 340mg/L



Detailed modelling and assessment of the Paradox Formation has identified the potential for high-grade bulk lithium brines hosted within the constituent clastic zones.

Mapping, interpretation and petrophysical analyses focusing on over 22 oil and gas wells within the project area has demonstrated an aggregate clastic net pay thickness[4] of 59m within the Paradox Formation. This demonstrates the significant potential for large-scale high-grade lithium brines hosted within the Paradox Formation, comparable to world-class lithium brine precincts of the Smackover Formation and Lithium Triangle of South America.

Based on stratigraphic trends, Li concentration, and the major-cation balance within Pennsylvanian brines of the Paradox Basin, the clastic units were divided into Zones A (clastic units 5 to 10), B (clastic units 11 to 20) and C (clastic units 21 to 29) (Figure 3).

Figure 3 (left). Stratigraphic column showing clastic units and zones within the Paradox Formation.

Clastic units 5 to 20, Zones A and B, within the Pennsylvanian-aged Paradox Formation, have been identified as highly prospective for lithium brines, with historical lithium concentrations of 340 mg/L from the Peterson 88-21 well and Mandrake sampling from 2024 recording 147 mg/L at the Big Indian # 1 well.

Offtake Agreement with US Lithium Refinery

During the quarter ended 31 December 2025, Mandrake executed a non-binding Letter of Intent (LOI) with US lithium refinery developer Stardust Power Inc. (Stardust Power) to supply feedstock in the form of lithium chloride from its Utah Lithium Project.

The LOI contemplates Mandrake supplying 7,500 metric tons per annum of lithium chloride to Muskogee, with Mandrake benefiting from the Utah Lithium Project's proximity to key transport routes and established infrastructure.

Stardust Power (NASDAQ: SDST) is developing a strategic lithium processing facility in Muskogee, Oklahoma with anticipated production capacity of up to 50,000 metric tons of battery-grade lithium carbonate per annum.

[4] To qualify as 'net payable thickness' clastic material within Zones A and B must have porosity above 6% and shale volume below 70% as according to standard petrophysical log analysis of oil and gas wells across the project. The net pay cutoff ensures that non-productive clastic material is not captured in brine volume projections

Stardust Power is well positioned to take advantage of strong state support to strengthen Oklahoma's industrial base with over US$257M in funding potentially available through cash incentives, rebates and tax credits.

Binding Agreement Executed to Recover Uranium from Mine Waste Dumps

During the quarter ended 31 December 2025, Mandrake announced the signing of a formal binding Waste Treatment and Use Agreement (WTUA) with DISA Technologies Inc. (DISA) to evaluate the potential use of DISA's patented High Pressure Slurry Ablation (HPSA) technology to treat and recover uranium and other critical minerals from abandoned mine waste (AMW) material located within Mandrake's Utah Project.

Mandrake is to be paid a Gross Revenue Share (GRS) from any saleable uranium and other critical mineral concentrates recovered from waste dumps across the Utah Project via deployment of DISA's modular mobile plants utilising the patented HPSA technology. The GRS will take the form of a sliding scale royalty rate of between 2.5 to 4% (determined by prevailing UXC spot price of U308), less typical allowable pre and post-treatment costs.

Mandrake has an Additional Interest Purchase Option which enables the Company to convert the GRS into a 25% participating profit-sharing interest in the operations. The purchase price for the conversion shall be based on mutually agreed valuation that reflects fair market value for treatment and processing operations.

DISA will be the operator of the Utah Project HPSA, funding all associated costs of commercial evaluation, permitting and ongoing treatment.

DISA has conducted sampling and evaluation work within Mandrake's Utah Project area to support material characterisation and treatment feasibility, identifying 19 individual sites requiring comprehensive characterisation.

DISA received a Service Provider License (SPL) from the US Nuclear Regulatory Commission (NRC) in September 2025, authorizing DISA to remediate abandoned uranium mine waste across the western United States. The license, the first of its kind ever issued by the NRC,

represents a major milestone in modernizing how the US addresses legacy uranium contamination and advances national efforts to strengthen domestic nuclear fuel supply chains.

Next Steps

With the global lithium market showing potential early signs of improvement, Mandrake has ramped up the review of existing suspended and depleted oil and gas wells as potential low-cost candidates for re-entry to facilitate flow/pressure testing, chemical analysis of brine and bulk brine sampling for the Company's Direct Lithium Extraction (DLE) partners.

Negotiations with operators of existing wells within the area have commenced together with the formulation of well work-over plans by third party consultant engineers.

New Projects

During the December 2025 quarter, the Company actively reviewed a range of new project opportunities in both the United States and internationally, focusing on precious and base metal assets that have the potential to deliver strong shareholder returns. A number of opportunities have progressed to preliminary technical and commercial assessment.

In parallel, the Company is pursuing organic project generation initiatives within the United States across multiple commodity classes, leveraging its technical expertise, existing datasets, and local network to identify and secure high-quality resource opportunities.

Jimperding Project

Following a review of exploration results, Mandrake has elected to relinquish the Jimperding Project. All priority drill targets have been tested, and no divestment opportunities were identified.

Continued exploration of existing projects

Although the primary focus of the Company has been on the Utah Lithium Project and new opportunities, Mandrake continues to assess the Berinka (gold/copper in NT) project.

Corporate

As at 31 December 2025, Mandrake had approx. A$12M in cash, with total net cash used in operations for the December 2025 quarter of A$111,000.

Additional ASX disclosure information

ASX Listing Rule 5.3.2: There was no substantive mining production and development activities during the quarter.

ASX Listing Rule 5.3.3 - Schedule of Mineral Tenements as at 31 December 2025

Location	Project	Status	Tenement	Interest - start of quarter	Interest - end of quarter
Utah, USA	Utah Lithium	Granted	MANPBLM-1 to MANPBLM-3036	100%	100%
Utah, USA	Utah Lithium	OBA*	MANOBA	100%	100%
Utah, USA	Utah Uranium	Granted	MANLBLM-1 to MANLBLM-12	100%	100%
NT, Australia	Berinka	Granted	EL31710	100%	100%
WA, Australia	Jimperding	Relinquished	EL70/5345	100%	-

*- Recorded BLM claims and OBA gives Mandrake 100% lithium rights

ASX Listing Rule 5.3.5: Payments to related parties of the Company and their associates during the quarter per Section 6.1 of the Appendix 5B total $125,000, comprised of Directors' fees, salaries and secretarial and accounting services performed by directors.

This announcement has been authorised by the board of directors of Mandrake.

About Mandrake Resources

Mandrake is an ASX listed explorer, focused on advancing its large-scale lithium project in the prolific 'lithium four corners' Paradox Basin in south-eastern Utah, USA. The Company's 100%-owned tenure position exceeds 93,000 acres (~379km^2) and incorporates a large-scale maiden Inferred Resource estimate of 3.3Mt Lithium Carbonate Equivalent (LCE), establishing the Utah Lithium Project as a top tier US-domiciled lithium brine asset.

Positioned within Utah's pro-mining jurisdiction, the project benefits from a favourable regulatory environment that supports mining activities. The project has access to Tier 1 infrastructure, including power and water resources.

Furthermore, the project aligns with the proactive efforts of the US government and industry to promote domestic exploration and production of strategic and critical materials.

The Inferred MRE is summarised in Table 1, with further details provided in Mandrake's ASX release dated 22 October 2024.

Table 1. Maiden JORC Inferred Resource Summary for the Utah Lithium Project

Resource Category	Formation	Brine Volume (billion m^3)	LCE (Mt)[1]
Inferred	Paradox Clastics A, B & C	2.5	1.5
	Leadville	4.2	1.6
	McCracken	0.5	0.2
	Totals	**7.2**[2]	**3.3**

[1] Conversion factor of 5.323 used to convert lithium tonnes to lithium carbonate equivalent (LCE) tonnes
[2] Assumes production from all formations
There may be minor discrepancies in the above table due to rounding

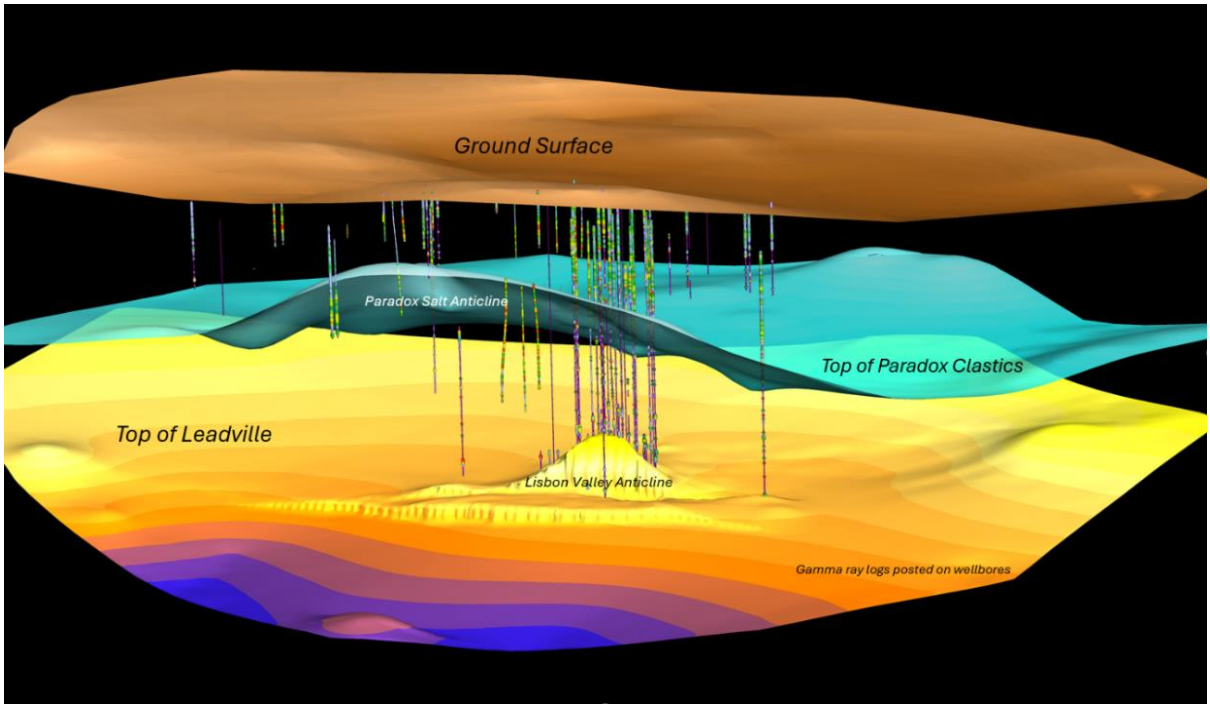


Figure 4. 3D model of stratigraphic intervals of the lithium brine host formations at the Utah Lithium Project. 3D seismic data was integrated to determine the continuity of geologic units and fault geometries

For further information visit www.mandrakeresources.com.au

The Mineral Resources information contained in this ASX release is extracted from the ASX release entitled "Maiden Inferred Resource of 3.3Mt LCE" dated 22 October 2024, available at www.mandrakeresources.com.au and www.asx.com. Mandrake confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. Mandrake confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Forward looking statements

Statements regarding plans with respect to the Company's mineral properties are forward looking statements. There can be no assurance that the Company's plans for development of its mineral properties will proceed as expected. There can be no assurance that the Company will be able to confirm the presence of mineral deposits, that any mineralisation will prove to be economic or that a mine will successfully be developed on any of the Company's mineral properties.

Competent Persons Statement

The technical information in this announcement complies with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) and has been compiled and assessed under the supervision of Mr James Allchurch, Managing Director of Mandrake Resources. Mr Allchurch is a Member of the Australian Institute of Geoscientists. He has sufficient experience that is 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 JORC Code. Mr Allchurch consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MANDRAKE RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
60 006 569 124	31 December 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (..6.months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(110)	(1,273)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	-	-
	(e) administration and corporate costs	(122)	(280)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	121	262
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(111)**	**(1,291)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (..6.months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**-**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	12,070	13,250
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(111)	(1,291)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (..6.months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**11,959**	**11,959**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	159	270
5.2	Call deposits	11,800	11,800
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**11,959**	**12,070**

6.	**Payments to related parties of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to related parties and their associates included in item 1	125
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-
7.5	**Unused financing facilities available at quarter end**		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(111)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(111)
8.4	Cash and cash equivalents at quarter end (item 4.6)	11,959
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	11,959
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	107.7

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: n/a

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: n/a

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: n/a

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: .....29 January 2026.....

Authorised by: .....Board of Directors.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.