



# **MANDRAKE RESOURCES LIMITED**

A.B.N. 60 006 569 124

## **INTERIM FINANCIAL REPORT**

**FOR THE HALF-YEAR ENDED**

**31 December 2025**

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## CORPORATE DIRECTORY

### Directors

Lloyd Flint – Non-Executive Chairman  
Roger Fitzhardinge – Non-Executive Director  
James Allchurch – Managing Director

### Company Secretary

Lloyd Flint

### Registered office

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West Perth 6005  
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Website: [www.mandrakeresources.com.au](http://www.mandrakeresources.com.au)

### Auditors

Stantons International Audit and Consulting Pty Ltd  
Level 2, 40 Kings Park Road  
West Perth WA 6005

### Share Registry

Automic Registry Services  
Level 5, 191 ST GEORGES TERRACE  
PERTH WA 6000 Australia  
Postal Address: GPO Box 5193  
Sydney NSW 2001 Australia  
Telephone: 1300 288 664 (within Australia)  
+61 8 9698 5414

### Bankers

National Australia Bank  
1232 Hay Street  
West Perth WA 6005

### Securities Exchange Listing

Australian Securities Exchange Limited

**ASX Code – MAN**

## DIRECTORS' REPORT

Your directors submit the financial report of the Group for the half-year ended 31 December 2025.

### Directors

The names of directors who held office during or since the end of the half-year:

Name	Status
Mr Lloyd Flint	Non-Executive Chairman
Mr Roger Fitzhardinge	Non-Executive Director
Mr James Allchurch	Managing Director

### Company Secretary

Mr Lloyd Flint

### Operating Results

The consolidated loss of the group for the period after providing for income tax amounted to \$3,268,117 (2024: Loss of \$419,055).

### Review of Operations

#### Utah Lithium Project (Mandrake 100%)

During the half year ending 31 December 2025, Mandrake Resources Ltd (Mandrake or Company) focussed on the Utah Lithium Project and continued to pursue both organic and inorganic growth initiatives in the US and internationally.

Mandrake controls over 93,755 acres (approximately 379 km<sup>2</sup>) in the Lisbon Valley, Paradox Basin in southeast Utah. The land tenure comprises:

1. 34,670 acres of leases pursuant to an Other Business Agreement (OBA) with the Utah School and Institutional Trust Lands Administration (SITLA), the organization which manages the Utah State Government's trust lands and mineral rights.
2. Over 2,950 claims have been acquired on Bureau of Land Management (BLM) land which totals over 59,085 acres. Claim staking has targeted the most prospective lithium brine areas in the Paradox Basin.

The Paradox Basin, in the 'lithium four corners' area, hosts hypersaline brines containing significant concentrations of lithium, boron, potassium salts (potash) and other elements. The United States' biggest potash producer, Intrepid Potash (NYSE: IPI) operates the Cane Creek potash mine which is located approx 50km to the north west of the Utah Lithium Project whilst mid-tier ASX-listed lithium developer Anson Resources (ASX: ASN) is located approx 60km north west (Figure 1).

The Utah project is also a historical prolific uranium province which, between 1949 and 2019, accounted for nearly 78 million pounds (Mlb) of U<sub>3</sub>O<sub>8</sub> production, or 64% of the Utah's<sup>1</sup> total production and approximately 8% of total United States production<sup>2</sup>.

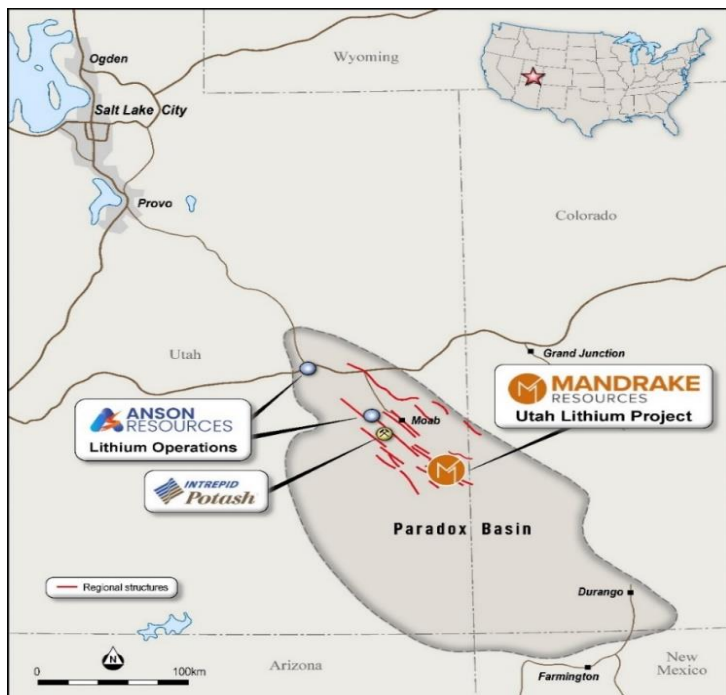
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<sup>1</sup> Mills, S.E. and Jordan, B., 2021, Uranium and vanadium resources of Utah—an update in the era of critical minerals and carbon neutrality: Utah Geological Survey Open-File Report 735

<sup>2</sup> Table 8.2 - Uranium Overview. Washington, DC: U.S. Energy Information Administration. April 2020.

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)  
and Controlled Entities**

**Directors Report** continued  
**Review of Operations** continued



**Figure 1. Location of the Utah Lithium Project**

**Mineral Resource Estimate – 3.3Mt Inferred LCE Resource**

Mandrake generated an Inferred Mineral Resource Estimate (MRE) of 3.3Mt Lithium Carbonate Equivalent (LCE) at the Utah Lithium Project, confirming the project as a top tier US-domiciled lithium brine asset. 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 <sup>3</sup> )	LCE (Mt) <sup>1</sup>
Inferred	Paradox Clastics A, B & C	2.5	1.5
	Leadville	4.2	1.6
	McCracken	0.5	0.2
	<b>Totals</b>	<b>7.2<sup>2</sup></b>	<b>3.3</b>

<sup>1</sup> Conversion factor of 5.323 used to convert lithium tonnes to lithium carbonate equivalent (LCE) tonnes

<sup>2</sup> Assumes production from all formations

**There may be minor discrepancies in the above table due to rounding**

The Mineral Resources information contained in this directors report is extracted from the ASX release entitled “Maiden Inferred Resource of 3.3Mt LCE” dated 22 October 2024, available at [www.mandrakeresources.com.au](http://www.mandrakeresources.com.au) and [www.asx.com](http://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.

**Brine Flow Modelling**

During the half year ended 31 December 2025, Mandrake completed the various work streams required to create a conceptual model of 2D lithium brine flow, designed to assist with exploration targeting.

**Directors Report** continued  
**Review of Operations** continued

The comprehensive brine flow model incorporated the following:

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

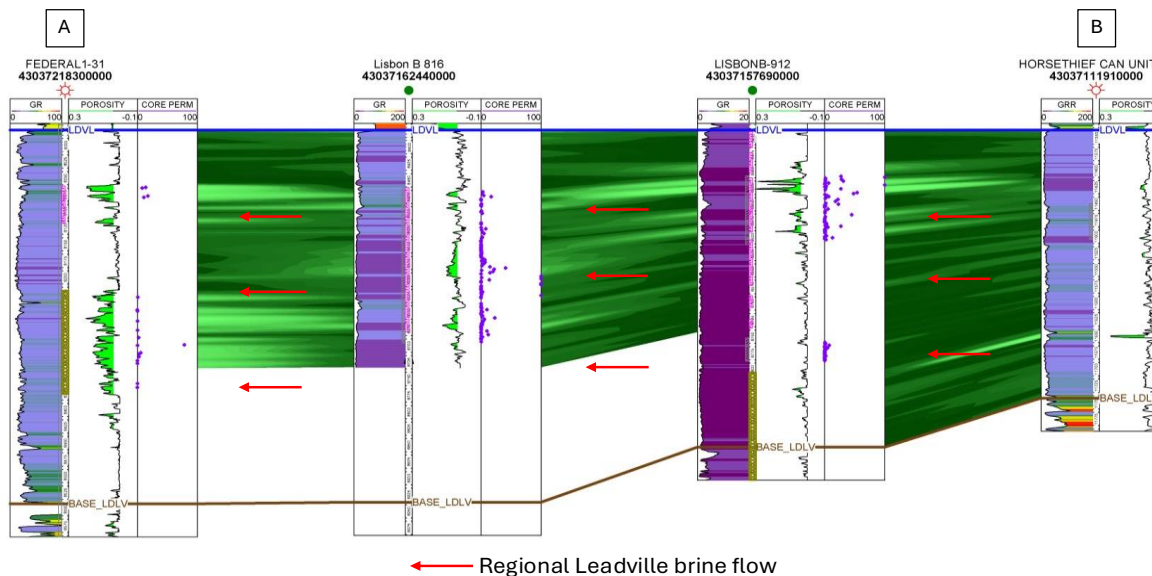
The model has greatly enhanced exploration at the Utah Lithium Project through the identification of zones of high-grade lithium brine within the Leadville Formation whilst also generating a reliable potentiometric vector map detailing brine flow direction, and relative brine-migration-duration within 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)<sup>3</sup>. 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) (Figure 3).

A-B Cross Section



**Figure 2. Southwest to northeast cross section A-B highlights log porosity (green) and permeability from core data (see Figure 3 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.**

*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 <sup>87</sup>Sr/<sup>86</sup>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.

<sup>3</sup> Teller, R.W. and Chafin, D.T., 1986, Selected drill-stem test data for the Upper Colorado River Basin

Directors Report continued  
Review of Operations continued

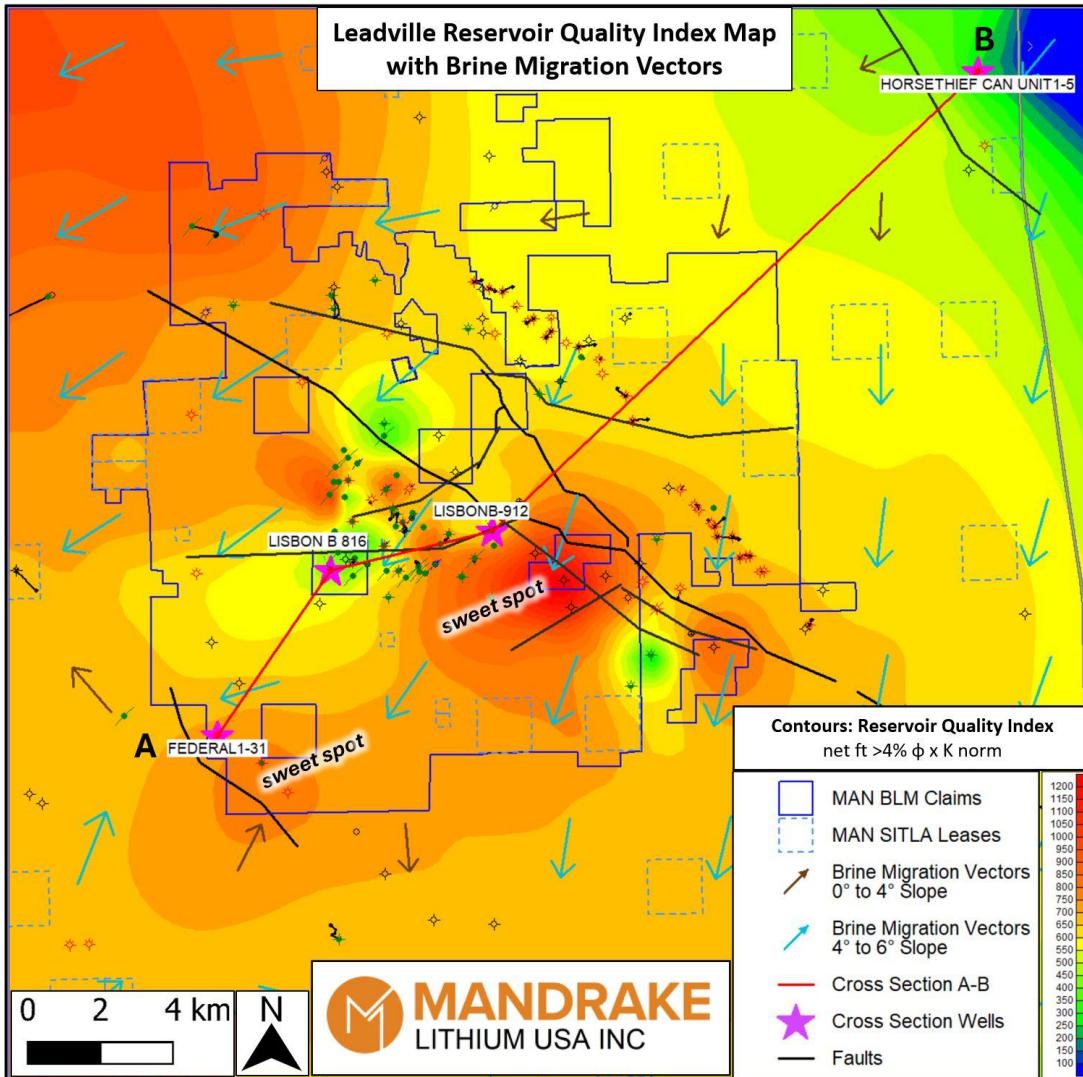


Figure 3. Leadville reservoir quality map with brine flow vectors showing the location of high lithium concentration sweet spots as generated in Petra®.

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 3).

*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<sup>4</sup> 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.

<sup>4</sup> 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

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
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**Directors Report** continued  
**Review of Operations** continued

Two broad zones 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.

**Receipt of US\$1M in Funding Grant from DOE**

Mandrake has announced the receipt by Idaho National Laboratories (INL), the National Laboratory of the Rockies (NLR)(formerly the National Renewable Energy Laboratory (NREL)), the University of Utah and Mandrake Resources (together, the Paradox Basin Lithium Group) of US\$1 million in federal funding to conduct relevant field work and research to: *'Characterize and Estimate Reserves of Lithium and Other Critical Minerals in the Paradox Basin, Utah.'*

The US\$1 million in funding comes from the US Department of Energy's (DoE) Geothermal Technologies Office (GTO), under the Office of Energy, Efficiency and Renewable Energy (EERE).

Partnering with INL, NLR and the University of Utah will give Mandrake access to the foremost US scientists and sophisticated US-funded laboratories and thrust both Mandrake and the lithium potential of the Paradox Basin into the US national spotlight.

Outstanding funding opportunities and general support from the US government are currently available for US-based critical minerals projects as the US seeks to promote a domestic supply of critical minerals and navigate the geopolitical permutations of the new energy transition.

Mandrake will apply funds from this grant to forthcoming re-entry activities.

**Offtake Agreement with US Lithium Refinery**

During the half year 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.

**Binding Agreement Executed to Recover Uranium from Mine Waste Dumps**

During the half year 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.

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.

**Berinka Pine Creek Gold-Copper Project (Mandrake 100%)**

Previous drilling results at Berinka defined gold mineralisation over a strike length of greater than 2km between the Vegetation Anomaly and Terry's Prospects and also identified platinum and palladium anomalism for the first time in the Sandy Creek Complex gabbro host rock. Most of the Vegetation and Terry's Prospect area is under cover and there is insufficient drilling to enable a complete understanding of the extent of higher-grade zones or their controlling structures.

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
**and Controlled Entities**

**Directors Report** continued  
**Review of Operations** continued

**Jimperding Project**

Following a review of exploration results, Mandrake relinquished the Jimperding Project during the half year ended 31 December 2025. All priority drill targets have been tested, and no divestment opportunities were identified.

**New Projects**

The Company is actively reviewing 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.

**Corporate**

During the period 30,000,000 performance rights lapsed unvested.

30,000,000 performance rights with a hurdle of a 20 day VWAP of \$0.08 approved at the 2025 annual general meeting were issued to directors.

**Events subsequent to the reporting date**

The directors are not aware of any significant events since the end of the interim period.

**Auditor's Independence Declaration**

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 10 for the half-year ended 31 December 2025.

This directors' report is signed in accordance with a resolution of the Board of Directors.



James Allchurch  
Managing Director  
Dated 9 March 2026



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ABN: 84 144 581 519  
www.stantons.com.au

9 March 2026

Board of Directors  
Mandrake Resources Limited  
Level 1, 10 Outram Street  
West Perth, WA 6005

Dear Sirs

**RE: MANDRAKE RESOURCES 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 Mandrake Resources Limited.

As Audit Director for the review of the financial statements of Mandrake Resources Limited for the half-year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours faithfully

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

A handwritten signature in black ink that reads "Waseem Akhtar".

**Waseem Akhtar**  
**Director**

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
**and Controlled Entities**

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME**

**FOR THE HALF-YEAR ENDED  
31 DECEMBER 2025**

	Note	Half-year	
		31.12.25	31.12.24
		\$	\$
Interest income		261,602	346,550
Administration, accounting and audit		(119,187)	(86,124)
Corporate Costs		(135,800)	(109,705)
Exploration expense written down		(2,981,007)	-
Legal, compliance and professional fees		(19,680)	(30,813)
Share based payments		(259,556)	(519,112)
Travel		(14,489)	(19,851)
<b>Loss before income tax</b>		<b>(3,268,117)</b>	<b>(419,055)</b>
Income tax expense			-
<b>Net (Loss) for the period</b>		<b>(3,268,117)</b>	<b>(419,055)</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
<b>Total comprehensive loss for the period</b>		<b>(3,268,117)</b>	<b>(419,055)</b>
<b>Loss is attributable to:</b>			
Members of the parent entity		<b>(3,268,117)</b>	<b>(419,055)</b>
		<b>(3,268,117)</b>	<b>(419,055)</b>
<b>Total comprehensive loss for the half-year is attributable to:</b>			
Members of the parent entity		<b>(3,268,117)</b>	<b>(419,055)</b>
		<b>(3,268,117)</b>	<b>(419,055)</b>
<b>Loss per share from continuing operations:</b>			
– basic and diluted loss per share (cents)		(0.5)	(0.07)

*As a result of the loss for the period, the potential ordinary shares are anti-dilutive.*

The accompanying notes form part of these financial statements.

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
and Controlled Entities

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

AS AT 31 DECEMBER 2025

	Note	31.12.25	30.06.25
		\$	\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		11,958,794	13,249,647
Trade and other receivables		85,739	118,067
<b>TOTAL CURRENT ASSETS</b>		<b>12,044,533</b>	<b>13,367,714</b>
<b>NON-CURRENT ASSETS</b>			
Exploration and evaluation expenditure	2	8,877,515	10,607,711
<b>TOTAL NON-CURRENT ASSETS</b>		<b>8,877,515</b>	<b>10,607,711</b>
<b>TOTAL ASSETS</b>		<b>20,922,048</b>	<b>23,975,425</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		57,412	102,227
<b>TOTAL CURRENT LIABILITIES</b>		<b>57,412</b>	<b>102,227</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		-	-
<b>TOTAL LIABILITIES</b>		<b>57,412</b>	<b>102,227</b>
<b>NET ASSETS</b>		<b>20,864,636</b>	<b>23,873,198</b>
<b>EQUITY</b>			
Issued capital	3(a)	37,692,563	37,692,563
Performance rights reserves	3(b)	3,759,811	3,500,255
Option Reserve		1,990,716	1,990,716
Accumulated losses		(22,578,454)	(19,310,336)
<b>TOTAL EQUITY</b>		<b>20,864,636</b>	<b>23,873,198</b>

The accompanying notes form part of these financial statements.

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
and Controlled Entities

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

FOR THE HALF-YEAR ENDED  
31 DECEMBER 2025

Note	Issued Capital	Performance Rights Reserve	Option Reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
<b>Balance at 1.7.24</b>	37,445,626	2,966,011	1,990,716	(18,686,625)	23,715,728
Loss attributable to members of parent entity	-	-	-	(419,055)	(419,055)
Transactions with owners:					
Performance rights issued 3(b)	-	269,112	-	-	269,112
Shares issued during the period net of transaction costs 3(a)	246,937	-	-	-	246,937
<b>Balance at 31.12.24</b>	<b>37,692,563</b>	<b>3,235,123</b>	<b>1,990,716</b>	<b>(19,105,680)</b>	<b>23,812,722</b>
<b>Balance at 1.7.25</b>	<b>37,692,563</b>	<b>3,500,255</b>	<b>1,990,716</b>	<b>(19,310,336)</b>	<b>23,873,198</b>
Loss attributable to members of parent entity	-	-	-	(3,268,117)	(3,268,117)
Transactions with owners:					
Performance rights issued 3(b)	-	259,556	-	-	259,556
Shares issued during the period net of transaction costs 3(a)	-	-	-	-	-
<b>Balance at 31.12.25</b>	<b>37,692,563</b>	<b>3,759,811</b>	<b>1,990,716</b>	<b>(22,578,454)</b>	<b>20,864,636</b>

The accompanying note form part of the financial statements

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
and Controlled Entities

**CONSOLIDATED STATEMENT OF CASH FLOWS**

FOR THE HALF-YEAR ENDED  
31 DECEMBER 2025

	Note	Half-year	
		31.12.25	31.12.24
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Payments to suppliers		(301,644)	(343,556)
Interest received		261,602	346,550
<b>Net cash provided by/(used in) operating activities</b>		<b>(40,042)</b>	<b>2,994</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Exploration and evaluation expenditure	2	(1,250,811)	(1,431,455)
<b>Net cash (used in) investing activities</b>		<b>(1,250,811)</b>	<b>(1,431,455)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Share issue costs	3(a)	-	(3,063)
<b>Net cash provided by/(used in) financing activities</b>		<b>-</b>	<b>(3,063)</b>
Net increase/(decrease) in cash held		(1,290,853)	(1,431,524)
Cash and cash equivalents at beginning of period		13,249,647	14,921,088
<b>Cash and cash equivalents at end of period</b>		<b>11,958,794</b>	<b>13,489,564</b>

**NON-CASH INVESTING ACTIVITIES**

There were no non-cash investing activities during the period.

The accompanying notes form part of these financial statements.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2025 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting. The Group 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 Mandrake Resources Limited (the Company) and its subsidiaries (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2025, together with any public announcements made during the following half-year. The accounting policies adopted are consistent with those adopted and disclosed in the Company's Annual Report for the year ended 30 June 2025 unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

These interim financial statements were authorised for issue on 9 March 2026.

#### b. Adoption of new and revised standards

##### Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2025.

##### New and amended standards adopted by the Group

The impact of other new and amended standards adopted by the Group, has not had a material impact on the amounts presented in the Group's financial statements.

#### c. Going Concern

The financial statements have been prepared on the going concern basis, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The net loss after income tax for the Group for the six months to 31 December 2025 was \$3,268,117 (31 December 2024: loss of \$419,055). As at 31 December 2025, the Group has a net asset position of \$20,864,636 (30 June 2025: net assets of \$23,873,198) and cash and cash equivalent of \$11,958,794 (30 June 2025: \$13,249,647).

The Directors believe the Group will continue as a going concern and able to pay its debts as and when they fall due. Forecast cashflows demonstrate that the Group can operate on a Going Concern basis.

#### d. Functional and presentation currency

The functional currency of the parent entity and its subsidiaries is measured using the currency of the primary economic environment in which each entity operates. The functional and presentation currency of the parent entity and its subsidiaries is Australian Dollars (AUD\$).

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)**

**e. Segment information**

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers currently as the Group is still in exploration phase, not generating revenue. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result, no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

The operations and assets of Mandrake Resources Limited and its controlled entities are primarily employed in exploration and evaluation activities relating to minerals in Australia and the USA.

**f. Significant Estimates & Judgements**

The significant estimates and judgements adopted are consistent with those adopted and disclosed in the Company's Annual Report for the year ended 30 June 2025.

**NOTE 2: EXPLORATION AND EVALUATION EXPENDITURE**

	<b>31.12.25</b>	<b>30.6.25</b>
	<b>\$</b>	<b>\$</b>
Opening balance at beginning of the period	10,607,711	8,873,882
Capitalised mineral exploration and evaluation	1,250,811	1,733,829
Exploration and evaluation expenditure written down <sup>1</sup>	(2,981,007)	-
Closing balance	8,877,515	10,607,711

<sup>1</sup> On 31 December 2025 the Group recognised an impairment charge of \$2,981,007 relating to the Jimperding project. The charge reflects the non-renewal of Exploration Licence E 70/5345 by its due date, which indicates that the carrying amount is not recoverable. The recoverable amount was assessed at nil, given the absence of enforceable tenure and market evidence to support fair value less costs of disposal.

Other exploration assets were reviewed and not impaired.

**NOTE 3: ISSUED CAPITAL**

**a. Share Capital**

	<b>31.12.25</b>		<b>30.6.25</b>	
	<b>\$</b>	<b>Number</b>	<b>\$</b>	<b>Number</b>
Balance at 1 July	37,692,563	627,259,920	37,445,626	616,759,920
Share issue in lieu of cash	-	-	250,000	7,500,000
Conversion of rights	-	-	-	3,000,000
Share Issue Costs	-	-	(3,063)	-
<b>Period closing balance</b>	<b>37,692,563</b>	<b>627,259,920</b>	<b>37,692,563</b>	<b>627,259,920</b>

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
**and Controlled Entities**

<b>b. Performance Rights Reserves</b>	<b>31.12.25</b>		<b>30.6.25</b>	
	Number	\$	Number	\$
Period opening balance	65,000,000	3,500,255	38,000,000	2,966,011
Issue of Performance Rights	30,000,000	18,059	30,000,000	127,204
Expensed to share based payments during the period <sup>1</sup>	-	241,497	-	407,040
Lapsed	(30,000,000)	-	(3,000,000)	-
Period closing balance	65,000,000	3,759,811	65,000,000	3,500,255

A total of 30,000,000 Performance Rights approved at the 2025 Annual General Meeting on 26 November 2025 were issued to the directors of the Company. The terms of the Performance Rights are as follows:

Class	Vesting Condition
Performance Rights	The 20 Day volume weighted average price of Shares traded on ASX is greater than \$0.08 per Share subject to holder continuing to be an employee, consultant or Director of the Company or as the Board decides otherwise in its absolute discretion.

*The Rights were valued as follows:*

Methodology	Performance Rights Barrier up-and-in trinomial hybrid method
Inputs:	
Underlying security spot price	\$0.024
Exercise price	Nil
Valuation date	26 November 2025
Commencement of performance period	26 November 2025
End of performance period	26 November 2028
Performance period (years)	3
Implied share price barrier	\$0.08
Volatility	100%
Risk-free rate	3.877%
Dividend yield	Nil
Value per right	\$0.01885

The value of the grant of the rights was calculated to be \$565,500 of which \$18,059 has been expensed to share based payments in the statement of profit or loss and other comprehensive income during the period ended 31 December 2025.

The rights were issued pursuant to approval at the 2025 annual general meeting as follows:

Class Rights	Lloyd Flint entitlement	Value \$	Roger Fitzhardinge entitlement	Value \$	James Allchurch entitlement	Value \$	Total Value \$
Performance Rights	5,000,000	94,250	7,500,000	141,375	17,500,000	329,875	565,500

Note 1. Expensed to share based payments during the period:

Expense related to performance rights approved and granted at 2022 AGM	133,139
Expense related to performance rights approved and granted at 2024 AGM	108,358
Expense related to performance rights approved and granted at 2025 AGM	18,059
	<u>259,556</u>

**NOTE 4: CONTINGENT LIABILITIES**

There has been no change in contingent liabilities since the last annual reporting period.

**MANDRAKE RESOURCES LTD (ABN 60 006 569 124)**  
**and Controlled Entities**

**NOTE 5: COMMITMENTS**

The minimum expenditure on the Berinka project license is \$85,000pa. There has been no other change in commitments since the last annual reporting period.

**NOTE 6: RELATED PARTY TRANSACTIONS**

There are no significant changes to the nature of related party relationships and transactions from those disclosed in the 30 June 2025 annual financial report.

**NOTE 7: EVENTS AFTER THE END OF THE INTERIM PERIOD**

The directors are not aware of any significant events since the end of the interim period.

**NOTE 8: CONTROLLED ENTITIES**

Name	Country of incorporation	Percentage owned	
		31 December 2025	30 June 2025
Focus Exploration Pty Ltd	Australia	100%	100%
Seventh Son Pty Ltd	Australia	100%	100%
Mandrake Lithium USA, Inc	USA	100%	100%

## DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mandrake Resources Limited, the directors of the company declare that:

1. The financial statements and notes, as set out above are in accordance with the *Corporations Act 2001*, including:
  - a. complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
  - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



James Allchurch  
Managing Director

Dated 9 March 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF  
MANDRAKE RESOURCES LIMITED**

**Report on the Half-Year Financial Report**

**Conclusion**

We have reviewed the half-year financial report of Mandrake Resources Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of material 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 causes us to believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with 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 Group 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.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

**Responsibility of the Directors for the Financial Report**

The directors of Mandrake Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 Responsibility for the Review of the 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 31 December 2022 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.

**STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD**  
**(An Authorised Audit Company)**

*Stantons International Audit & Consulting Pty Ltd*

*Waseem Akhtar*

**Waseem Akhtar**  
Director

West Perth, Western Australia  
9 March 2026