HALF-YEAR REPORT

Financial Report for the half-year ended 31 December 2025

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Directors' Report

The Directors of Power Minerals Limited (Power or the Company) present their report together with the consolidated financial report, on the Company and its subsidiaries (the Group) for the half-year ended 31 December 2025.

Directors

The following persons were Directors of Power Minerals Limited during the whole of the half-year and up to the date of this report, except as otherwise noted:

- Stephen Ross
- Mena Habib
- James Moses
- Caue Pauli de Araujo

Company Secretary

- Aaron Bertolatti

Review of Operations

Overview

During the half-year, Power Minerals Limited ("Power" or "the Company") delivered substantial progress at the **Santa Anna rare earth elements (REE)-Niobium-Gallium Project in Brazil.** After completing the project acquisition, Power advanced drilling, geophysics and metallurgical testwork. Santa Anna is the Company's primary operational focus and the key driver of technical and strategic momentum.

The Company also advanced its **Salta Lithium Project** in Argentina, where it completed a reset of the development strategy at the Rincon project to retain 100% ownership, and completed a Conceptual Development Study at the Incahuasi Project.

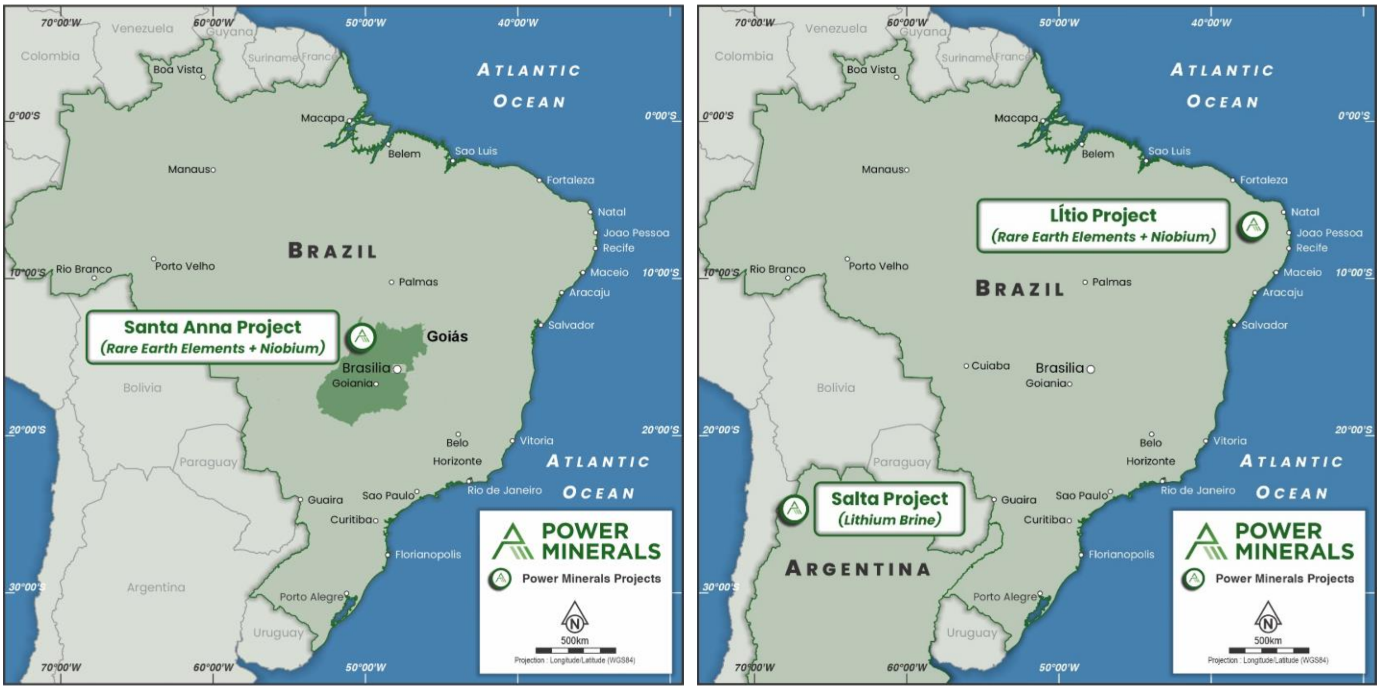

Figure 1: Map of South American Projects

Santa Anna Niobium-REE-Gallium Project, Brazil

In August 2025, Power announced it had successfully completed due diligence and would proceed to complete the acquisition of the Santa Anna Niobium-REE-Gallium Project in Goiás State, Brazil. The acquisition was completed in December 2025.

The Santa Anna Project is a high-grade carbonatite-hosted niobium and REE asset. The project has a comprehensive historic database of 192 drillholes for 5,377 metres in total, 196 surface geochemical samples, plus extensive trenching data. The complex is approximately 2.5km across, and large areas have little to no previous drilling. Also, 78% of the historical drillholes are 30m or less in depth, presenting the opportunity for additional niobium and REEs discoveries in the undrilled areas and also at depth within the Santa Anna Alkaline Complex.

The project consists of two granted permits that encompass the entire complex, with excess tenure surrounding the interpreted margin. It is possible that late-stage dykes may penetrate outside the main circular intrusion, and the large permit area would facilitate exploration in this area. The ground around the target area also provides setback space for any potential large open-pit depth and processing facilities.

Power completed detailed due diligence before completing the acquisition. A core component of this was a maiden 29-hole reverse circulation drilling program, which intersected broad zones of niobium and high-grade REE, and confirmed that mineralisation occurs at surface (weathered zone) and at depth (fresh rock) within the carbonatite deposit at Santa Anna.

Power formed a strategic partnership with Brazilian mining and development company EDEM, the project vendor, over the Santa Anna Project in May 2025, with Power to leverage EDEM's scale, presence and expertise, including its existing infrastructure, strong local relationships and permitting for the Santa Anna Project. Under the partnership, it is envisaged that Power will explore and develop the Santa Anna Project's critical minerals and that EDEM will focus on the Project's phosphate potential.

Drilling programs

Power's maiden 29-hole, 2,272m RC drilling program at Santa Anna intersected multiple wide zones of niobium as well as multiple zones of high-grade REE mineralisation in multiple drillholes.

The due diligence drilling validated Power's exploration model for the Project, and highlighted its expansion potential at depth and at surface, where nearly 90% of the surface area of the Alkaline Complex remains untested.

Highlight results included:

- **87m at 2,124ppm Nb_2O_5** from 24m, incl. **1m at 5,745ppm Nb_2O_5** from 107m and **3m at 10,117ppm Nb_2O_5** from 24m in MN-RC-028
- **76m to End of Hole (EOH,100m) at 3,424ppm Nb_2O_5** from 24m, incl. **26m at 5,317ppm Nb_2O_5** from 24m, incl. **5m at 825ppm Nb_2O_5** from 29m and **5m at 6,802ppm Nb_2O_5** from 41m in MN-RC-045
- **34m at 3,019ppm Nb_2O_5** from 6m, incl. **5m at 5,615ppm Nb_2O_5** from 20m in MN-RE-041
- **114m at 3,012ppm TREO** from surface, incl. **16m at 5,300ppm TREO** from 97m from MN-RC-028
- **60m at 9,202ppm TREO** from surface, incl. **14m at 18,768ppm TREO** from 30m in MN-RC-045
- **34m at 4,544ppm TREO** from surface containing **21.3% MREO**, incl. **14m at 6,936ppm TREO** from surface in MN-RC-025
- **35m at 8,050ppm TREO** from 11m, incl. **7m at 17,163ppm TREO** from 21m in MN-RC-042
- **25m at 8,809ppm TREO** from surface, incl. **5m at 15,975ppm TREO** from 9m and **5m at 11,483ppm TREO** from 20m in MN-RC-041.

Previous drilling, conducted by EDEM, was predominantly shallow with 78% of historic holes drilled to a depth of 30m or less. Power's initial drilling program intersected multiple zones of strong niobium and REE mineralisation from near-surface in the weathered zone and into the deeper 'fresh rock' in numerous holes, at depths of up to 100m. Multiple separate mineralised zones were reported along the length of the drillhole in a number of holes.

In August 2025, Power commenced an auger drilling program targeting Nb-REE in the near-surface top 15 metres of a highly weathered and clay-rich layer. This vertical auger drilling was at a nominal spacing of 80m.

This program continued into 2026, with the final results released in February. The auger program successfully provided continuous concentrations of Nb and REE across 3.4 million cubic metres.

Highlight total rare earth oxide (TREO) results from the auger drilling program included:

- **15.5m at 6,754 ppm TREO from surface** to EOH, including: **12m at 7,346 ppm TREO** from 2m in MN-TM033
- **15m at 6,818 ppm TREO from surface** to EOH, including: **2m at 11,686 ppm TREO** from 3m in MN-TM-032.

Highlight niobium (Nb2O5) results included:

- **1m at 5,327 ppm Nb_2O_5 from 13m** in drillhole MN-TM-032
- **15m at 2,852 ppm Nb_2O_5 from surface** to EOH, including: **8m at 3,662 ppm Nb_2O_5 from 6m** in MN-TM-033.

Post period end, in January 2026, Power commenced a major RC drilling campaign, of up to 10,000m, to follow up broad zones of niobium and high-grade REE intersected in previous drilling programs. It aims to extend the Project's mineralised footprint to the west of previous drilling, targeting magnetic features and deeper niobium and REE in yet to be tested areas of the Santa Anna Alkaline Complex. Drilling is expected to be completed in March 2026.

Geophysical survey identifies new targets

In November, Power announced that it had identified new exploration targets from an airborne-drone geophysical survey over the Santa Anna Carbonatite Alkaline Complex. The drone-supported aerial magnetic-DEM survey was completed as the next step in its expedited exploration plans for the Project. The survey was designed to provide details on the lateral and depth potential of the mineralised system.

Preliminary survey images revealed previously undetected structural features, which further enhance the geological understanding of the complex. Results from this geophysical program will assist in targeting new areas of high-grade mineralisation, in addition to the high-grade areas defined by previous and current drilling.

Re-assay program

In September, Power announced results from re-assays completed on 21 samples from Santa Anna, which returned the project's highest REE grades to date. These results were not repeats, but more complete analyses of the historic drill pulps. Pulp samples were recovered from the previous laboratory and were re-tested, as initial results were incomplete, with some REE values exceeding the limit for the assay method used. These samples were not resubmitted as quality control samples, but rather to provide a more comprehensive analysis of the original samples.

This returned the highest TREO values at Santa Anna to date of;

- **1m at 6.20% TREO** from 4m in MN-AC-007
- **1m at 5.50% TREO** from 8m in MN-RC-009
- **1m at 5.29% TREO** from 28m in MN-RC-009.

Leach testing

In September, Power commenced a leach testing program on high-grade drilling samples from the weathered zone of Santa Anna. The leach testing program was undertaken on samples from Power's maiden RC drilling program at Santa Anna, which returned exceptionally high-grade clay-rich REE results and high-grade niobium intersections.

The leach testing targeted the near-surface layer of REE-bearing clays, down to a potential depth of 50m of weathered material. To date, only a small portion of the Santa Anna alkaline complex has been thoroughly drilled, leaving significant areas without sampling. Power's goal is to systematically map and sample the niobium and REE mineralisation both laterally and at depth. Each individual sample represents one metre and the intervals range from 3m to 5m. Five RC drillholes were selected to test various areas of the alkaline complex, with the two furthest holes over 900m apart.

MRE preparation

In January 2026, post the period, Power announced the engagement of SRK Consulting to prepare a maiden Mineral Resource Estimation (MRE) for the Santa Anna Project.

The MRE will target niobium (Nb_2O_5) and rare earth elements (REEs) within the currently drill-defined area of the Project, based on data from the 272 drillholes completed at the Project as of 19 January 2026. It will not include data from Power's major drilling campaign currently underway, which will target areas outside the existing drill-defined area with the Project. It is anticipated that the results of this drilling will form the basis of future MRE upgrades.

The maiden MRE is expected to be completed in Q1 CY2026.

Salta Lithium Project, Argentina

Power's Salta Project is located in the Salta province in northwest Argentina, within the Lithium Triangle, the world's leading lithium brine region. The Project consists of five salares (salt lakes) that sit within seven mining leases, over 147.07km^2.

Power is focused on the accelerated development of the assets within the Salta Lithium Project into potential, future lithium-producing operations.

Rincon Project

The Rincon Project is Power's most advanced asset within its Salta Project area. In December, it commenced an extensive Mineral Resource expansion program at Rincon. The Rincon Project is situated on the same salar as Rio Tinto and Argosy Minerals' lithium producing operation. This reinforces the significant geological potential of Power's Rincon project and emphasises its compatibility with a basin that is already exhibiting successful commercial lithium production.

Geophysics will be undertaken to provide a better understanding beyond the existing drilling. This includes beneath Power's diamond-cored drillhole (PM23-VI-02), which surpassed 600 metres – the deepest known intersection at Rincon to date – whilst still being within lithium brine at the conclusion of the hole, 605m beneath the surface.

Geophysical surveys are scheduled to begin in the first quarter of 2026, contingent upon the availability of suitable contractors.

In January, post the period, Power announced the implementation of a new development strategy for its Rincon Project, terminating its Rincon JV agreement with joint venture partner, Navigate Energy Technology Limited (Navigate Energy) and related project documentation.

Power determined that, given the improving lithium market outlook and the opportunities afforded by the Rincon Project's strategic location within the Rincon Salar, related supporting tenure and access to infrastructure, the Rincon JV arrangements no longer represented Power's optimal value proposition for the development of its Rincon Project.

With ASX peer Argosy Minerals' (ASX: AGY) Rincon lithium project located on the Rincon salar, Power believes it can achieve a similar path to production. As a next development step, Power will progress an engineering study for the installation of evaporation ponds, which support enhanced production.

Power also intends to establish a production hub for the Rincon Project at its nearby Pocitos Project, due to its proximity to existing infrastructure and potential to provide a fresh water source, which is required for processing brine from the Rincon Project.

The JV parties agreed to terminate the Rincon JV effective from the date of repayment of the US$1M facilitated by Navigate Energy as part of the Rincon JV arrangements.

Power has commenced initial discussions with potential joint venture partners, with the aim of holding a majority stake in any arrangement for future funding and development of the Rincon Project. Power intends to secure future funding and development arrangements by leveraging the strengthening lithium market and the Rincon Project's strategic location within an operating lithium-producing salar to maximise value to shareholders and the Company.

Operationally, the next step at the Project will be the development of a lithium brine pilot plant for brine testing (subject to funding). A pilot plant would test the Project's lithium brine qualities and help tailor suitable Direct Lithium Extraction (DLE) technology to maximise output from a commercial-scale lithium production operation. Power will also repay the initial US$1 million in operational funding introduced by Navigate Energy as part of the transaction arrangements to advance the Rincon JV.

Incahuasi Project

In November, Power announced robust outcomes from a concept study (Study) of the Incahuasi Project.

The Study considered brine extraction and concentration on-site by evaporation, followed by transportation of the brine concentrate to a shared, central direct lithium extraction (DLE) facility at Pocitos for lithium recovery and eluate purification via Summit's denaLi™ technology, followed by conversion to lithium carbonate.

The Study was undertaken by Power and its joint venture partner at the Incahuasi Project, Summit Nanotech Corporation, to establish the technical viability of the Project. Economic outcomes await further engineering and costing, and were not included in the Study.

The outcomes of the Study indicate that the Project may be technically viable and robust (based on assumptions and scenarios presented in the Study), and provide an attractive baseline for the JV Partners to continue development of the Project towards production, with a pre-feasibility study, the next step to commence over the next six months.

The Study contemplated the possibility of producing high-purity lithium carbonate (99.95% Li_2CO_3), subject to a prefeasibility study. This is based on the Project's JORC 2012 Measured and Indicated Mineral Resource of 235,073t LCE at 198 mg/L Li5), which comprises a Measured Mineral Resource of 160,556t LCE at 198 mg/L Li and an Indicated Mineral Resource of 74,517t LCE also at 198 mg/L Li (see Table 1, PNN December 2025 Quarterly Activities Report).

Potential may exist to increase the production profile and/or the mine life contemplated in the Study based on future Mineral Resource upgrades at the Project, which were not addressed in the Study.

Energy Infrastructure

Power is advancing plans for energy infrastructure development for Salta, assessing the feasibility of connecting to an existing high voltage line at the nearby Altiplano solar park, which benefits from some of the world's best sun exposure. Altiplano plans to produce 108 MW of green electricity and is Argentina's second-largest solar farm. Argosy Minerals (ASX: AGY) is currently utilising this solar park for its nearby project at Rincon.

Power recently met with Salta Province's Director of Energy and Director of Mining to discuss energy and associated infrastructure requirements for the Project.

Government representatives are planning further discussions with potential users to explore options for collaboration on infrastructure projects to achieve better economies of scale.

Santa Ines Copper-Gold Project, Argentina

In January 2026, post the period, Power relaunched activities at the Santa Ines Project following regaining 100% control of the asset following the termination of a previous agreement to divest the Project (see ASX release dated 15 May 2023). This will allow Power to move forward independently during a period of significant price appreciation in the global copper and gold markets.

The Company aims to unlock the project's latent value by integrating high-grade surface results with a new, deep-exploration targeting strategy.

It has planned to commence a robust data-integration phase, which will involve:

- **Geophysical Reinterpretation**: Utilising modern processing techniques on historical magnetic and IP data to better define the geometry of the deep targets.
- **Structural Modelling**: Integrating the 600m of drill core data with surface structural mapping to project the mineralised dikes toward the deep geophysical anomalies.
- **Target Generation**: Defining high-impact, deep-diamond-drilling targets to test the potential for a large-scale porphyry or high-grade feeder system.

The Project has a logistical advantage due to its proximity, just 5km from the Salta-Antofagasta railway, which offers a direct connection to the west coast port and is readily accessible via existing roads and tracks. For additional information, refer to Note 4 within the Financial Report.

Gamma REE-Uranium Project, California, USA

In October, Power announced it had entered into a binding agreement with Californian Heavy Rare Earths Corporation Pty Ltd (Californian HRE) to acquire the high-grade Gamma HRE Project in California.

The Gamma Project is located in San Bernardino County in the eastern region of California, in the same REE precinct as MP Materials Corp (MP: NYSE) Mountain Pass REE Project.

Power completed first-pass geological reconnaissance at Gamma during the period, as part of its due diligence in respect of the potential acquisition. After undertaking due diligence, Power decided that it will not proceed with the acquisition.

Eyre Peninsula Kaolin-Halloysite Project, South Australia

The Eyre Peninsula Project consists of three Exploration Licences (EL6677, EL6681 and EL6689) covering a total area of 1,413km^2. The Company has previously reported high-grade REE results from drilling programs at the project.

No substantive exploration work was completed on the project during the period. The Company is currently rationalising its Project portfolio and as a result, an impairment expense was recognised on the Eyre Peninsula Project.

Musgrave Nickel-Copper-Cobalt Project, South Australia

The Musgrave Project comprises one Exploration Licence and eight Exploration Licence Applications (ELAs) held, or under farm-in, by wholly-owned Power subsidiary, NiCul Minerals Ltd. The Project covers 13011km^2 within the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, in the Musgrave Province of north-west South Australia.

No substantive exploration work was completed on the project during the period. The Company is currently rationalising its Project portfolio, and as a result, an impairment expense was recognised on the Musgrave Project.

CORPORATE

Placements

In July, Power received binding commitments from professional and sophisticated investors to raise A$2,574,998 (before costs) through the issue of 51,499,963 fully paid ordinary shares (New Shares) at an issue price of A$0.05 per New Share (Placement) in two tranches, with the second completed in October. Oakley Capital, acted as Lead Manager to the Placement.

Participants in the Placement received one (1) free attaching listed option (ASX: PNNOA) for every two (2) New Shares subscribed, exercisable at A$0.10 each and expiring on 31 December 2029 (Free Attaching Options).

Power announced a further Placement which raised $3,725,000 (before costs) in two tranches completed in October and December 2025 at an issue price of $0.10 per share. The Placement was to sophisticated investors, including Tribeca Investment Partners and S3 Consortium (Stocks Digital) and was joint lead managed by Oakley Capital Partners and GBA Capital.

Trading commenced on OTCQB

In December, Power received approval to trade on the Over-the-Counter (OTCQB) stock exchange in the USA and commenced trading. Power commenced trading on the OTCQB on 23 December under the code "PEIMF".

The OTCQB listing, upgrading from the OTC 'Pink Market', represents a significant milestone in the Company's strategy to broaden its US investor base and enhance access for North American institutional and retail investors. No new ordinary shares have been issued in connection with the OTCQB listing, and there is no change to the Company's capital structure.

Cash Position

The Company's cash position as at 31 December 2025 was $3,748,606.

Results of Operations

The loss for the consolidated entity for the 6 months to 31 December 2025, after providing for income tax, amounted to $4,636,843 (31 December 2024: $18,144,651).

Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with the Corporations Instrument to the nearest dollar.

Dividends

No dividends have been paid, recommended or declared during the current or previous reporting periods.

No further dividends have been declared up to the date of this Report.

Significant changes in state of affairs

There was no significant change in the state of affairs of the Group during the financial year, other than what has been reported in other parts of this Report.

Matters subsequent to the end of the period

Matters subsequent to the end of the financial year are disclosed in Note 13 to the financial statements.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is included within this half-year financial report and forms part of this Directors' Report.

Resolution of Directors

Signed in accordance with a resolution of Directors pursuant to section 306(3) of the *Corporations Act 2001.*

On behalf of the Directors

Mena Habib
Managing Director
10 March 2026

Compliance Statement

With reference to previously reported Exploration Results, 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 are presented have not been materially modified from the original market announcement.

Forward-looking Statements

This report contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward- looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

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DECLARATION OF INDEPENDENCE
BY JOSHUA CARVER
TO THE DIRECTORS OF POWER MINERALS LTD

As lead auditor for the review of Power Minerals Ltd for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Power Minerals Ltd and the entities it controlled during the period.

JDCarver

Joshua Carver
Director

BDO Audit Pty Ltd

Adelaide, 10 March 2026

Consolidated statement of profit or loss and other comprehensive income
for the half-year ended 31 December 2025

	Note	Consolidated	
		31 December 2025 $	31 December 2024 $
Income			
Revenue from Continuing Operations	3	19,962	51,745
Other Income	3	3,757	563,915
Total Income		**23,719**	**615,660**
Expenses			
Depreciation and amortisation		(77)	(15,004)
Employment and contractor costs		(328,748)	(344,695)
Investor relations		(218,438)	(82,094)
Compliance and regulatory expenses		(290,467)	(176,705)
Consulting fees		(527,526)	(18,085)
Foreign currency gain/(loss)	3	(83,990)	(17,115)
Operating expenses		(143,403)	(82,967)
Share based payments expense	10b	(2,013,601)	(586,350)
Legal Fees		(102,253)	(194,096)
Interest expense		(9,689)	(3,327)
Impairment expense	4,5	(942,370)	(17,169,368)
Total expenses		**(4,660,562)**	**(18,689,806)**
Loss before tax		**(4,636,843)**	**(18,074,146)**
Income tax benefit/(expense)		-	(70,505)
Loss for the half-year		**(4,636,843)**	**(18,144,651)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Foreign currency translation	10	(332,537)	827,744
Total other comprehensive income		**(332,537)**	**827,744**
Total comprehensive Loss for the half-year		**(4,969,380)**	**(17,316,907)**
Attributable to:			
Members of Power Minerals Limited		(4,969,380)	(17,316,907)
		(4,969,380)	**(17,316,907)**
Earnings per share for loss attributable to the ordinary equity holders of the company:			
Basic loss (cents per share)		(2.3)	(16.6)
Diluted loss (cents per share)		(2.3)	(16.6)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated statement of financial position
as at 31 December 2025

	Note	Consolidated 31 December 2025 $	30 June 2025 $
Current assets			
Cash and cash equivalents		3,748,606	1,220,697
Trade and other receivables		194,625	175,639
Financial assets		-	150,000
Held for sale asset	4	1,639,536	2,139,536
Total current assets		**5,582,767**	**3,685,872**
Non-current assets			
Trade and other receivables		29,900	72,131
Exploration and evaluation expenditure	5	19,929,471	17,248,889
Property, plant and equipment		37,310	51,346
Total non-current assets		**19,996,681**	**17,372,366**
Total assets		**25,579,448**	**21,058,238**
Current liabilities			
Trade and other payables		469,590	1,208,806
Financial liabilities	6	1,672,828	2,338,843
Employee benefits		133,641	118,243
Total current liabilities		**2,276,059**	**3,665,892**
Total liabilities		**2,276,059**	**3,665,892**
Net assets		**23,303,389**	**17,392,346**
Equity			
Issued capital	9	63,334,913	55,491,091
Reserves	10	6,603,340	4,191,876
Retained earnings		(46,634,864)	(42,290,621)
Total equity attributable to equity holders of the Company		**23,303,389**	**17,392,346**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity
for the half-year ended 31 December 2025

Consolidated	Issued Capital $	Reserves $	Retained Earnings $	Total Equity $
Balance at 1 July 2025	**55,491,091**	**4,191,876**	**(42,290,621)**	**17,392,346**
Profit / (Loss) after income tax expense	-	-	(4,636,843)	(4,636,843)
Other comprehensive income, net of tax	-	(332,537)	-	(332,537)
Total comprehensive (loss)/income	**-**	**(332,537)**	**(4,636,843)**	**(4,969,380)**
Issue of shares, net of transaction costs and tax	7,843,822	-	-	7,843,822
Share based payments	-	3,036,601	-	3,036,601
Transfer from reserves	-	(292,600)	292,600	-
Balance at 31 December 2025	**63,334,913**	**6,603,340**	**(46,634,864)**	**23,303,389**

Consolidated	Issued Capital $	Reserves $	Retained Earnings $	Total Equity $
Balance at 1 July 2024	**52,149,201**	**4,520,129**	**(21,832,016)**	**34,837,314**
Profit / (Loss) after income tax expense	-	-	(18,144,651)	(18,144,651)
Other comprehensive income, net of tax	-	827,744	-	827,744
Total comprehensive (loss)/income	**-**	**827,744**	**(18,144,651)**	**(17,316,907)**
Issue of shares, net of transaction costs and tax	2,473,084	-	-	2,473,084
Share based payments	-	621,750	-	621,750
Transfer from reserves	-	(1,467,075)	1,467,075	-
Balance at 31 December 2024	**54,622,285**	**4,502,548**	**(38,509,592)**	**20,615,241**

The above consolidated statements of changes in equity should be read in conjunction with the accompanying notes

Consolidated statement of cash flows
for the half-year ended 31 December 2025

	Note	Consolidated	
		31 December 2025 $	**31 December 2024 $**
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		2,310	6,010
Payments to suppliers and employees (inclusive of GST)		(1,615,281)	(1,041,856)
Net cash used in operating activities		**(1,612,971)**	**(1,035,846)**
Cash flows from investing activities			
Interest received		11,217	7,609
Receipts from blue chip swap transactions		3,757	49,633
Payments for exploration and evaluation activities		(2,266,130)	(1,400,813)
Receipts from repayment of loan from other entity		150,000	50,000
Net cash used in investing activities		**(2,101,156)**	**(1,293,571)**
Cash flows from financing activities			
Proceeds from issues of equity securities		7,571,080	2,450,000
Costs of issuing shares		(656,077)	(282,021)
Proceeds from borrowings		19,936	732,870
Repayment of borrowings		(675,000)	(457,445)
Interest paid		(19,517)	(760)
Repayment of lease liabilities		-	(14,465)
Net cash from financing activities		**6,240,422**	**2,428,179**
Net increase in cash and cash equivalents		**2,526,295**	**98,762**
Cash and cash equivalents at the beginning of the reporting period		**1,220,697**	**473,399**
Effects of exchange rate changes on cash and cash equivalents		1,614	3,760
Cash and cash equivalents at the end of the end of the reporting period		**3,748,606**	**575,921**

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements
for the half-year ended 31 December 2025

Basis of Preparation

Note 1 Reporting Entity

This financial report covers the consolidated financial statements for the consolidated entity consisting of Power Minerals Limited (the "Company" or "Parent") and its controlled entities (the "Group" or the "consolidated entity").

The Company's registered office and its principal place of business is Level 1, 389 Oxford Street, Mount Hawthorn WA 6016. Power Minerals Limited was incorporated in Australia and is domiciled in Australia.

Note 2 Basis of preparation

i Statement of Compliance

The half-year financial report for the six months ended 31 December 2025 is a general-purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 Interim Financial Reporting (AASB 134). Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 Interim Financial Reporting.

The half-year financial report is intended to provide users with an update on the latest annual financial statements of the Group and as such they do not include full disclosures of the type normally included in the annual report. It is recommended that they be read in conjunction with the 2025 Annual Report and any public announcements made by Power during the half-year reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules.

ii Material Accounting Policies

The half-year financial report has been prepared in accordance with the accounting policies adopted in the 2025 Annual Report and have been consistently applied by the entities in the Group except for those that have arisen as a result of new standards, amendments to standards and interpretations effective from 1 July 2025. The Group has adopted all of the new and revised standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half-year. These have not had a significant or immediate impact on the Group's half-year financial report.

There are no standards issued but not yet effective that are expected to have a material impact on the entity in future reporting periods or on foreseeable future transactions.

iii Critical accounting estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report as at and for the year ended 30 June 2025.

iv Going concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

For the period ended 31 December 2025 the entity recorded a loss after tax of $4,636,843 and had net cash outflows from operating activities and investing activities of $1,612,971 and $2,101,156 respectively, while cash and cash equivalents amounted to $3,748,606. The Group's ability to finance planned exploration and ongoing capital projects is reliant on third party funding sources. The uncertainty of obtaining said financing indicates the existence of a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern and, therefore, the entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

While no assurances can be given about the future ability to source finance for the Group's activities, the Directors believe, given the quality of the Group's assets, that the Group can, if required, fund future activities through a combination of existing cash and future capital raises to meet its obligations as and when they fall due, and has therefore prepared the financial report on a going concern basis. Management believes there are sufficient funds to meet the entity's working capital requirements as at the date of this report.

Note 3 Revenue and other income

The Group's income for the half-year is as follows:

	Consolidated	
	Half-year ended 31 December 2025 $	**Half-year ended 31 December 2024 $**
Revenue from continuing operations		
Interest	19,962	45,735
Revenue from customers	-	6,010
Total	**19,962**	**51,745**
Other income		
Gain on blue chip swap transactions	3,757	49,633
Fair value gain on convertible loan	-	514,282
Total	**3,757**	**563,915**
Foreign currency gain/(loss)		
Foreign currency gain/(loss) on exchange movements	(83,990)	(17,115)
Total	**(83,990)**	**(17,115)**

Note 4 Held for sale assets

	Consolidated	
Movements in Held for sale assets	**Half-year ended 31 December 2025 $**	**Year ended 30 June 2025 $**
Balance at beginning of period	**2,139,536**	**1,410,000**
Reclassification from exploration and evaluation assets	-	1,639,536
Impairment	(500,000)	(910,000)
Balance at end of period	**1,639,536**	**2,139,536**

Santa Ines assets held for sale

In May 2023, the Group entered into an agreement with Fuyang Mingjin New Energy Development Co Ltd to dispose of its Santa Ines assets for cash consideration of AUD 1,500,000, less a 6% commission payable to advisors. Although efforts were undertaken to progress the transaction, the counterparty was unable to satisfy the conditions precedent and the sale did not complete.

In March 2025, the Group entered into an amended Share Purchase Agreement reducing the consideration to AUD 500,000, with completion scheduled for 28 March 2025. Completion ultimately did not occur, and both parties subsequently agreed to terminate the sale arrangements.

As at the reporting date, management has reassessed the recoverable amount of the Santa Ines Project and determined it to be nil. This assessment reflects the absence of a feasible development pathway and the lack of observable market interest, as evidenced by unsuccessful recent expressions of interest and the failure to secure binding offers.

Accordingly, the carrying value of the assets has been fully impaired, resulting in an impairment expense of AUD 500,000 being recognised in the Statement of Profit or Loss and Other Comprehensive Income for the period.

Management continues to monitor the position; however, any potential future outcomes are considered speculative and have not been incorporated into the recoverable amount assessment.

Pocitos assets held for sale

In April 2025, the Group entered into an agreement with Legendary Star Investment Asia Pte. Ltd, Repenergy Investment Private Limited and Navigate Energy Technology Limited in connection with the proposed disposal of the Rincon Joint Venture (Rincon JV), whereby, on completion of the proposed transaction, the Rincon JV would acquire the Pocitos Project. Under the proposed terms, consideration for the Pocitos Project was US$1,100,000, to be satisfied via settlement of the loan receivable owing to the Group.

At 31 December 2025, the Group continued to classify the Pocitos Project as an asset held for sale. This assessment was based on management's intention and commitment at that date to complete the disposal under the proposed transaction structure, the fact that the project remained available for immediate sale in its present condition, and the expectation that completion would occur within a timeframe consistent with the Group's held-for-sale assessment under AASB 5. At that date, there was no observable information available to the Group that indicated the transaction would not proceed, nor were there any identified conditions or events suggesting that completion of the disposal pathway was no longer highly probable.

Subsequent to the end of the reporting period, the Group announced that it had agreed with its joint venture partner, Navigate Energy Technology Limited, to terminate the Rincon Joint Venture agreement and related documentation, with termination conditional upon repayment of the US$1,100,000 operational funding advanced by Navigate Energy plus interest (refer ASX announcement dated 14 January 2026 and Note 13). This subsequent information confirms that the previously contemplated Rincon JV transaction structure under which the Pocitos Project was expected to be transferred is no longer proceeding.

Management has assessed this matter as a non-adjusting event after the reporting period under AASB 110. The decision and agreement to terminate the Rincon JV, and the resulting change in the likelihood of completing the planned disposal pathway, reflect circumstances and strategic decisions occurring after 31 December 2025 rather than providing evidence of conditions that existed at the reporting date. Accordingly, the carrying amount and held-for-sale classification of the Pocitos Project have not been adjusted in the half-year financial statements.

The termination of the Rincon JV subsequent to the reporting date does not reflect any deterioration in the underlying value or prospects of the Pocitos Project, nor does it indicate that the asset was impaired as at 31 December 2025. The decision not to proceed with the contemplated transaction structure was driven by a reassessment of the Group's strategic objectives and preferred ownership structure, rather than asset-specific valuation considerations. As a result, management remains satisfied that the carrying amount of the Pocitos Project as at 31 December 2025 was appropriate.

Notwithstanding the above, the termination of the Rincon JV indicates that, from the date of that subsequent event, the criteria for classification of the Pocitos Project as an asset held for sale under AASB 5 are no longer satisfied. On that basis, and assuming no alternative sale arrangement becomes highly probable before 30 June 2026, the Group expects to reclassify the Pocitos Project from assets held for sale back to Exploration and Evaluation assets in the annual financial statements for the year ending 30 June 2026. The amount expected to be reclassified is the carrying value of the Pocitos Project recognised as held for sale at 31 December 2025 ($1,639,536), subject to any measurement impacts required by the applicable standards at the time of reclassification.

Note 5 Exploration and evaluation expenditure

	Consolidated	
Movements in exploration and evaluation asset	**Half-year ended 31 December 2025 $**	**Year ended 30 June 2025 $**
Balance at beginning of period	**17,248,889**	**33,445,498**
Additions	3,379,091	2,496,902
Tenements received on Ultra Lithium settlement	-	836,373
Reclassification to Assets held for sale	-	(1,639,536)
Foreign currency movement	(256,139)	371,172
Impairment	(442,370)	(18,261,520)
Balance at end of period	**19,929,471**	**17,248,889**

Impairment expense for the period relates to due diligence costs incurred on the Gamma Heavy Rare Earths Project in California (Gamma Project) and the Eyre Peninsula and Musgrave Projects in Australia which have all been written down to a nil carrying value. During the period, the Company had a binding option agreement to acquire the Gamma Project. Following the due diligence process, the Company decided not to exercise the Option and proceed with the acquisition.

The ultimate recoupment of costs carried forward for exploration expenditure is dependent on the successful development and commercial exploitation or sale of the respective mining areas.

Note 6 Financial Liabilities

Financial Liabilities	Consolidated Half-year ended 31 December 2025 $	Consolidated Year ended 30 June 2025 $
Loan payable to Director	-	685,951
Loan payable - Other	1,652,892	1,652,892
Insurance Premium Funding	19,936	-
Balance at end of period	1,672,828	**2,338,843**

Loan Payable to Director

On 25 January 2024 the Company secured a $1,000,000 funding facility from the Managing Director, Mena Habib which was extended during the previous financial year to expire on 24 January 2026. The loan facility was unsecured with interest payable at a rate of 5% per annum. During the period the balance owing of $675,000 was repaid in addition to $19,517 in accrued interest.

The loan payable was recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

Loan payable - Other

On 17 May 2024, the Company entered into a binding term sheet and convertible loan agreement with Legendary Star Investment Asia Pte. Ltd., Repenergy Investment Private Limited and Li Energy Technology Limited, pursuant to which Legendary Star advanced US$1 million to the Company to enable the Company to advance the Rincon Project.

The first instalment of US$500,000 from Legendary Star was provided to the Company on 24 May 2024 and the second instalment of US$500,000 was paid on 20 September 2024 after the parties entered into a binding incorporated joint venture agreement for the Rincon project between the Company (together with its wholly owned subsidiaries PepinNini Minerals International Pty Ltd and Power Minerals Sociedad Anonima (PMSA) and Repenergy Investment Private Limited and Navigate Energy Technology Limited.

In February 2025 the Group entered into a binding Memorandum of Understanding (MOU) whereby the US$1,000,000 loan and interest to Legendary Star will be repaid from funds received from the sale of the Pocitos Project. In April 2025, a further Amendment to the MOU (AMOU) was entered into whereby the parties have renegotiated as followings:

- The Pocitos Project sale price will be US$1,100,000;
- The Rincon JV will apply the US$1,100,000 to repay the US$1,000,000 loan principal and fixed interest of US$100,000 to Legendary Star.
- Remaining capital investment funds (~US$2,600,000) from Navigate Energy will be applied to Rincon JV project development.

Completion of the transaction, including transfer of the Pocitos Project into the Rincon JV, was to occur following overseas investment (ODI) approval from Chinese government authorities, and the incorporation of the Rincon JV entity in Argentina.

Subsequent to the end of the period the Group negotiated a termination to the Rincon JV (refer to Note 13). The termination of the Rincon JV is contingent on repayment of the convertible loan owing.

Note 7 Business and Geographical Segments

The operating segments are identified by management based on the geographical region. Discrete financial information about operating businesses is reported to the executive management (executive Directors) on at least a monthly basis.

	Consolidated	
	Half-year ended 31 December 2025 $	**Year ended 30 June 2025 $**
Non-current operating assets		
Australia	-	37,612
Argentina	15,779,856	15,800,804
Brazil	4,149,615	1,410,473
Total	**19,929,471**	**17,248,889**

Note 8 Dividends

No dividends have been paid for the half-year ended 31 December 2025 or the year ended 30 June 2025.

Note 9 Issued Capital

Fully paid ordinary shares	**6 months to 31 December 2025**		**12 months to 30 June 2025**	
	No.	**$**	**No.**	**$**
Balance at beginning of the reporting period	**127,362,736**	**55,491,091**	**92,605,037**	**52,149,201**
Issue of shares – Placement	125,756,630	8,320,298	29,444,616	3,203,100
Issue of shares – Other non cash	20,236,112	1,882,600	5,013,083	477,000
Issue of shares on the exercise of options or conversion of performance rights	1,649,995	165,000	300,000	46,480
Share issue costs (net of tax effect)	-	(2,524,076)	-	(384,690)
Balance at end of the reporting period	**275,005,473**	**63,334,913**	**127,362,736**	**55,491,091**

As at 31 December 2025, 11,666,668 ordinary shares issued to the Santa Anna vendors are under voluntary escrow until June 2026 (555,556 shares) and December 2026 (11,111,112 shares).

Note 10 Reserves

Consolidated	Options reserve $	Share based payments reserve $	Foreign currency translation reserve $	Total reserves $
Balance at 1 July 2024	**308,697**	**3,767,231**	**444,201**	**4,520,129**
Translation of foreign operations	-	-	827,744	827,744
Transfer to retained earnings	-	(1,467,075)	-	(1,467,075)
Share based payments	387,718	234,032	-	621,750
Balance at 31 December 2024	**696,415**	**2,534,188**	**1,271,945**	**4,502,548**

Consolidated	Options reserve $	Share based payments reserve $	Foreign currency translation reserve $	Total reserves $
Balance at 1 July 2025	**696,415**	**2,823,384**	**672,077**	**4,191,876**
Translation of foreign operations	-	-	(332,537)	(332,537)
Transfer to retained earnings	-	(292,600)	-	(292,600)
Share based payments	1,398,000	1,638,601	-	3,036,601
Balance at 31 December 2025	**2,094,415**	**4,169,385**	**339,540**	**6,603,340**

The Options Reserve is used to recognise the value of options issued for cash consideration and the issue of listed options.

The Share-Based Payment Reserve represents the cumulative equity recognised for equity-settled share-based payment arrangements. The grant-date fair value of shares or options is recognised progressively over the vesting period as services are received, with a corresponding credit to this reserve and a debit to profit or loss or capitalised assets, as appropriate.

(a) Recognised Reserve transactions

Share based payment transactions recognised either as operational expenses in the statement of profit or loss and other comprehensive income or as capital raising costs in equity during the period were as follows:

Movement in Option Reserve

	6 months to 31 December 2025 $
Listed Options issued to lead managers and recognised in equity	1,398,000
Movement in Options reserve	**1,398,000**

The fair value at grant date of listed options issued is determined with reference to the quoted price of the Option issued.

Movement Share based payments Reserve

	6 months to 31 December 2025
	$
Performance rights issued to employees, consultants or Directors – expense	1,638,601
Transfer to retained earnings for lapsed unlisted securities	(292,600)
Movement in Share based payments Reserve	**1,346,001**

(b) Share based payments expense

Share-based payment transactions have been recognised within the statement of profit or loss and other comprehensive income as follows:

	6 months to 31 December 2025
	$
Performance rights issued to employees, consultants or Directors	1,638,601
Shares issued to Suppliers	375,000
	2,013,601

(c) Performance Rights issued to Consultants

The fair value at grant date of performance rights granted during the reporting period, was determined using a binomial option pricing model that takes into account the exercise price, the term of the performance right, the share price at grant date, the expected price volatility of the underlying share and the risk-free interest rate for the term of the performance right. The table below summarises performance rights granted during the half-year ended 31 December 2025:

Grant Date	Expiry date	Granted during the period Number	Exercised during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
15/10/25	31/12/27	7,000,000	-	-	7,000,000	7,000,000[1]

[1] Each Performance Right is exercisable into one (1) fully paid ordinary share upon and from the date of satisfaction of the relevant vesting conditions until the expiry date. The Performance Rights vested during the period upon the achievement of a 10 day Volume Weighted Average Price (VWAP) of $0.10 in the share price of the Company's ordinary shares.

The value of each performance right was $0.195, the model inputs, not included in the table above, for performance rights granted during the year included:

a) performance rights were granted for nil consideration;
b) expected life of the performance rights of 2.2 years;
c) share price at grant date of $0.195;
d) expected volatility of 100%;
e) expected dividend yield of nil; and
f) a risk-free interest rate of 3.40%

Note 11 Related party information

During the period the Company repaid loan principal of $675,000 and $19,517 in accrued interest owing to Managing Director, Mena Habib. Refer to Note 6.

There were no other significant related party transactions during the half-year ended 31 December 2025 other than already disclosed in this report.

Note 12 Contingent liabilities and contingent assets

During the period the Group entered into a Definitive Acquisition Agreement and completed the acquisition of the Santa Anna Project. Under the terms of the Agreement the previous vendors may receive the following milestone payments, subject to the achievement of project milestones and in the case of share consideration, subject to shareholder approval:

Payment of A$1,500,000 and the issue of A$1,000,000 worth of Shares on the earlier to occur of:

- PNN confirming a 2012JORC MRE of 20Mt at an average grade equal to or exceeding 0.75% Nb at the Santa Anna Project; or
- the date that is 24 months after execution of the Acquisition Agreement;

Payment of A$750,000 and the issue of A$1,000,000 worth of Shares on the earlier to occur of:

- securing a grant of Mining Concession by the ANM at the Santa Anna Project; or
- the date that is 36 months after execution of the Acquisition Agreement;

Payment of A$750,000 and A$1,000,000 worth of Shares on the earlier to occur of:

- the completion of a Bankable Feasibility Study (BFS) for the Santa Anna Project; or
- the date that is 60 months after the execution of the Acquisition Agreement;

Payment of A$1,000,000 upon PNN confirming a JORC MRE of 30Mt at an average grade of 0.75% Nb or above at the Santa Anna Project; and

Payment of A$1,000,000 upon PNN confirming a JORC MRE of 35Mt at an average grade 0.75% Nb or above at the Santa Anna Project.

The milestone Shares to be issued will be at a deemed price equal to the higher of either $0.09 per Share or the 20-day VWAP of Shares prior to the date of issuance. The Vendors will also be entitled to a 2% net smelter royalty on the commodities produced.

The Group has also agreed to payment of a facilitation fee of 15% to the value of cash and securities consideration for each completed milestone. The fee will be paid in shares based on the 15 day VWAP prior to the share issue.

Under the terms of the Acquisition Agreement, the Group has the right, at any time and without justification, to withdraw from the agreement by providing at least 30 days' written notice to the vendors. Exercise of this right of withdrawal does not constitute a contractual default and does not give rise to any penalty. In the event of withdrawal, the Group is not required to pay any purchase price instalments that have not fallen due as at the date of withdrawal, and only amounts already due at that date remain payable. Upon withdrawal, the Group is required to retransfer title to the Mining Rights to the vendors within 60 days and to provide all technical and exploration data generated during the period of ownership. Until completion of the retransfer, the Group remains responsible for certain regulatory, environmental and third-party obligations arising from its management of the Mining Rights. Once the retransfer obligations have been completed, all future obligations under the Acquisition Agreement are extinguished, other than those which are intended to survive termination.

Management has assessed the contingent consideration arrangements in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets. While the Santa Anna Project (completed in December 2025) is considered prospective and exploration activities are ongoing, achievement of the relevant milestones within the specified timeframes remains subject to significant exploration, regulatory, funding and strategic uncertainties, none of which have occurred between the completion of the acquisition and the reporting date. In addition, the Group retains a unilateral, penalty-free right to withdraw from the Acquisition Agreement prior to any milestone becoming due. Accordingly, as at 31 December 2025, no present obligation exists and an outflow of economic benefits is not considered probable. As a result, no provision has been recognised and the arrangements continue to be disclosed as contingent liabilities.

Accordingly, the vendors' entitlement to the contingent cash and equity consideration described above is dependent on the Group electing to continue with the Project and achieving the relevant project milestones, and is not unconditional as at the reporting date.

There have been no other changes in contingent liabilities and contingent assets since 30 June 2025.

Note 13 Subsequent events

Termination of Rincon Joint Venture (Pocitos Project):

Subsequent to 31 December 2025, the Group announced that it had agreed with its joint venture partner, Navigate Energy Technology Limited, to terminate the Rincon Joint Venture agreement and related documentation. The termination is conditional upon repayment of the US$1,100,000 operational funding advanced by Navigate Energy including interest (refer ASX announcement dated 14 January 2026).

The termination of the Rincon Joint Venture results in the previously contemplated transaction structure, under which the Pocitos Project was expected to be transferred, no longer proceeding. Management has assessed this matter as a non-adjusting event after the reporting period under AASB 110, as the agreement to terminate the joint venture and the resulting change in the likelihood of completing the proposed disposal pathway arose after 31 December 2025 and does not provide evidence of conditions that existed at the reporting date.

Accordingly, no adjustment has been made to the carrying amounts recognised in the half-year financial statements as at 31 December 2025. However, the subsequent termination of the Rincon Joint Venture indicates that, from the date of the subsequent event, the criteria for classification of the Pocitos Project as an asset held for sale under AASB 5 are no longer satisfied. Subject to no alternative sale arrangement becoming highly probable, the Group expects that the Pocitos Project will be reclassified from assets held for sale back to Exploration and Evaluation assets in the annual financial statements for the year ending 30 June 2026.

Santa Ines Project – Recommencement of Activities:

Subsequent to 31 December 2025, and following the termination of the previous agreement and the Group regaining 100% control of the Santa Ines Project, the Company recommenced limited, preliminary technical review and data integration activities. This matter has been assessed as a non-adjusting subsequent event, as the recommencement of activities occurred after the reporting period and does not provide evidence of conditions that existed at 31 December 2025.

As at 31 December 2025, the Santa Ines Project was classified as held for sale and, in the absence of a feasible development pathway, observable market interest, or successful disposal outcomes at that date, the carrying value of the asset had been fully impaired to nil. The post-period recommencement of preliminary technical work does not change management's assessment of the asset's recoverable amount at the reporting date. Any future costs incurred in relation to the Santa Ines Project will be capitalised as exploration and evaluation assets in accordance with the Group's accounting policy. There is no intention to reverse impairment losses previously recognised, as those impairments arose when the asset was classified as held for sale rather than as an exploration and evaluation asset.

Acquisition of Morro Do Ferro Rare Earth Project and Capital Raising:

On 5 March 2025 the Group announced it had entered into a binding Letter of Intent (LOI) to acquire the Morro Do Ferro Rare Earth Project (the Project) in Brazil through initial cash consideration of $3,000,000 and $3,000,000 in fully paid ordinary shares plus total deferred consideration of $9,000,000 in cash and $7,500,000 in shares over 6 years subject to time and/or project milestones. The Project acquisition is subject to a 30 day due diligence period and entering a definitive agreement with the Vendors.

To facilitate the acquisition the Company also announced it had received firm commitments for a placement of $10,250,000 at $0.105 per share with one free attaching PNNOA Option for every two shares subscribed. The placement will be completed in two tranches with Tranche 1 being $6,750,000 expected to be settled on or around 13 March 2026 and Tranche 2 being $3,500,000 and the free attaching options to be issued following shareholder approval expected to be arranged in approximately 60 days. Oakley Capital Partners and GBA Capital acted as join lead managers and will receive a cash fee of 6% of the funds raised and 20,000,000 PNNOA broker options (subject to shareholder approval).

Other than the above, there has not been in the period since 31 December 2025 and up to the date of this report any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Directors' declaration

1. In the opinion of the Directors:

   a) the financial statements and notes of Power Minerals Limited for the half-year ended 31 December 2025 are in accordance with the Corporations Act 2001, including:

      i. giving a true and fair view of the Company's financial position as at 31 December 2025 and of its performance for the period ended on that date; and

      ii. complying with Accounting Standards AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001; and

   b) the financial statements and condensed notes also comply with International Financial Reporting Standards as disclosed in note 2.

2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.

Mena Habib
Managing Director
10 March 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF POWER MINERALS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Power Minerals Limited (the Company) and its subsidiaries (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, material accounting policy information 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 Group does not comply with the *Corporations Act 2001* including:

i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
ii. 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 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 the 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 2(iv) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company 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 is true and fair 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 Group's financial position as at 31 December 2025 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.

BDO Audit Pty Ltd

Joshua Carver
Director

Adelaide, 10 March 2026