

## Due Diligence and Valuation Report

|                            |                                              |
|----------------------------|----------------------------------------------|
| <b>Arrowhead code:</b>     | 22-02-05                                     |
| <b>Coverage initiated:</b> | July 14, 2025                                |
| <b>This Document:</b>      | August 26, 2026                              |
| <b>Fair value bracket:</b> | A\$0.328-A\$0.410 per share (base: A\$0.369) |
| <b>Share price:</b>        | A\$0.019                                     |



|               |                                                                            |
|---------------|----------------------------------------------------------------------------|
| Company:      | Metals Australia Ltd                                                       |
| Ticker:       | ASX: MLS                                                                   |
| Headquarters: | West Perth, Australia                                                      |
| CEO:          | Paul Ferguson                                                              |
| CFO:          | Tanya Newby                                                                |
| Website:      | <a href="http://www.metalsaustralia.com.au">www.metalsaustralia.com.au</a> |

### Market Data

|                                 |                     |
|---------------------------------|---------------------|
| 52-Week Range:                  | A\$0.016 – A\$0.039 |
| Average Daily Volume (3M Avg.): | 396,465             |
| Market Cap. (August 26, 2026):  | A\$13.95 million    |

### Company Overview

Metals Australia Ltd (ASX: MLS) is developing an integrated Québec graphite-to-battery-anode-materials platform. Its flagship Lac Carheil project hosts a 50.0Mt resource at 10.2% Cg and a maiden 21.51Mt Ore Reserve at 11.14% Cg. The company also owns interests in Manindi, Corvette River and Warrego East.

### Current Investment Case

The June 2026 PFS provides a study-grade basis for the upstream mine and concentrator. The April 2026 PEA outlines a larger downstream value-add opportunity at Baie-Comeau. Arrowhead now models both stages through explicit annual cash flows, including the physical transfer and stockpiling of fine-flake concentrate.

### Headline Valuation

Arrowhead estimates pre-financing fair value of A\$0.328-A\$0.410 per share, with a base value of A\$0.369 (A\$271.0m equity value). The base graphite value blends market comparables and the integrated DCF equally; Manindi and Corvette add A\$0.022 per share.

### Project Economics

The upstream PFS reports A\$572m after-tax NPV8. The downstream PEA reports A\$1.98bn after-tax NPV8. Arrowhead reconstructs the downstream cash flows at A\$1.991bn NPV8, approximately 0.5% above the published figure.

### Principal Risk

The headline valuation excludes the future financing structure. Arrowhead estimates an indicative A\$1.261bn funding requirement after incentives and available cash. The financing sensitivity is deliberately conservative and does not credit potential government-backed project finance, strategic investment or project-level transactions; illustrative scenarios produce A\$0.129-A\$0.230 per share and leave current holders with 9.1%-20.8% of the pro forma company.

### Other Assets

The base SOTP includes A\$7.01m for the 80%-owned Manindi zinc-copper-silver resource, A\$6.00m for Manindi VTM and A\$3.22m for Corvette. These assets are optionality rather than the central investment thesis.

### Near-Term Priorities

The next phase centers on feasibility-level engineering, permitting, bulk-sample and product-qualification work, customer and offtake engagement, strategic partnerships, and development of an executable financing plan for the integrated Québec platform.

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## 1. Investment Thesis

### Integrated Québec graphite-to-anode platform

Metals Australia is now best assessed as an integrated development company rather than solely as a graphite explorer. The June 2026 Lac Carheil PFS and maiden Ore Reserve define the upstream mine and concentrator, while the April 2026 PEA defines a modular downstream battery-anode-materials facility at Baie-Comeau.

### Study-backed upstream foundation

Lac Carheil hosts a 50.0Mt resource at 10.2% Cg, including a 21.51Mt Ore Reserve at 11.14% Cg containing 2.40Mt of graphite. The modeled operation produces 101,241 tonnes of concentrate annually from FY2030 to FY2053. No value is assigned to the 6.6Mt of Inferred material within the current pit design.

### Downstream value is the principal DCF driver

The refinery is modeled in three 25ktpa feed modules, producing approximately 51ktpa of battery-anode material at full capacity. Module 1 begins in FY2030, Modules 2 and 3 in FY2031, and the full plant reaches nameplate in FY2034. Downstream production continues through FY2054 using fine-flake inventory accumulated during ramp-up.

### Explicit integrated valuation

Arrowhead values the graphite platform at A\$0.141 per share using market comparables and A\$0.553 per share using an explicit integrated DCF. The base case gives each method a 50% weight, resulting in A\$0.347 per share for graphite. Manindi and Corvette add A\$0.022 per share.

### Pre-financing fair-value range

The resulting pre-financing fair-value range is A\$0.328-A\$0.410 per share, with a base value of A\$0.369. The lower, base and upper cases use graphite comps/DCF weightings of 60%/40%, 50%/50% and 40%/60%, respectively.

### Funding is material, but not the only value pathway

The integrated development requires substantially more capital than the company can fund from its present balance sheet. Arrowhead therefore presents an illustrative A\$1.261bn funding requirement and financing sensitivity, but does not treat that sensitivity as a forecast. Canadian public-sector project finance can become material as critical-minerals projects de-risk: in March 2026, Export Development Canada and the Canada Infrastructure Bank executed an approximately C\$459m senior secured project debt facility for Nouveau Monde Graphite's Matawinie mine, subject to financial close. Strategic investment, a joint venture or farm-in, a project-level sale or a broader corporate transaction could also create value without Metals Australia funding 100% of the integrated build itself.

### Other assets provide quantified optionality

The base SOTP includes A\$7.01m for the 80%-owned Manindi zinc-copper-silver resource, A\$6.00m for Manindi VTM and A\$3.22m for Corvette. These values are deliberately modest relative to the graphite platform and do not drive the central investment case.

## 2. Business Overview

### 2.1. Background

Metals Australia Limited is an Australian critical-minerals exploration and development company headquartered in West Perth. Its principal value driver is the integrated Lac Carheil graphite and Québec battery-anode-materials platform, supported by exploration-stage interests at Manindi, Corvette River and Warrego East.

| Project              | Location                      | Metals/Minerals              | Current stage                                                                       |
|----------------------|-------------------------------|------------------------------|-------------------------------------------------------------------------------------|
| Lac Carheil Graphite | Québec, Canada                | Graphite                     | PFS and maiden Ore Reserve completed June 2026; downstream PEA completed April 2026 |
| Corvette River       | James Bay, Québec             | Gold, silver and base metals | Early-stage exploration; no mineral resource assumed in valuation                   |
| Warrego East         | Northern Territory, Australia | Copper, gold and bismuth     | First-pass geochemical drilling completed; early-stage exploration                  |
| Manindi              | Western Australia             | Zn-Cu-Ag and VTM             | Zn-Cu-Ag resource defined; VTM drilling and metallurgical testwork completed        |

Flagship Project: Lac Carheil is the Company's most advanced asset. The June 2026 PFS declared a maiden 21.51Mt Ore Reserve at 11.14% Cg and established a 24-year upstream production plan. The April 2026 downstream PEA outlines a modular battery-anode-materials facility at Baie-Comeau. Together, the studies provide the current technical basis for the integrated development.

Recent Exploration: Since 2025, MLS has advanced drilling, field exploration and technical programs across Lac Carheil, Manindi, Corvette River and Warrego East. This work established the current Lac Carheil resource and reserve base and expanded the geological evidence across the secondary portfolio.

In late 2025, the Company completed a 15-hole, 2,774m RC drilling program at its Manindi VTM Project in WA, with 14 of 15 holes intersecting thick mineralisation across more than 1,200m of strike length. February 2026 assays confirmed a high-grade V-Ti-Fe discovery, and the project is now being progressed toward an initial Mineral Resource Estimate, supported by updated metallurgical testwork demonstrating recovery of high-purity (>97%) TiO<sub>2</sub>, which will lay the groundwork for further technical and economic evaluation.

Capital Allocation Priorities: The immediate priorities are further engineering, permitting, product qualification, offtake and strategic-partner engagement, and development of a viable financing structure for the upstream and downstream projects. Exploration at Manindi, Corvette and Warrego East remains secondary to delivery of the graphite platform.

## 2.2. Projects

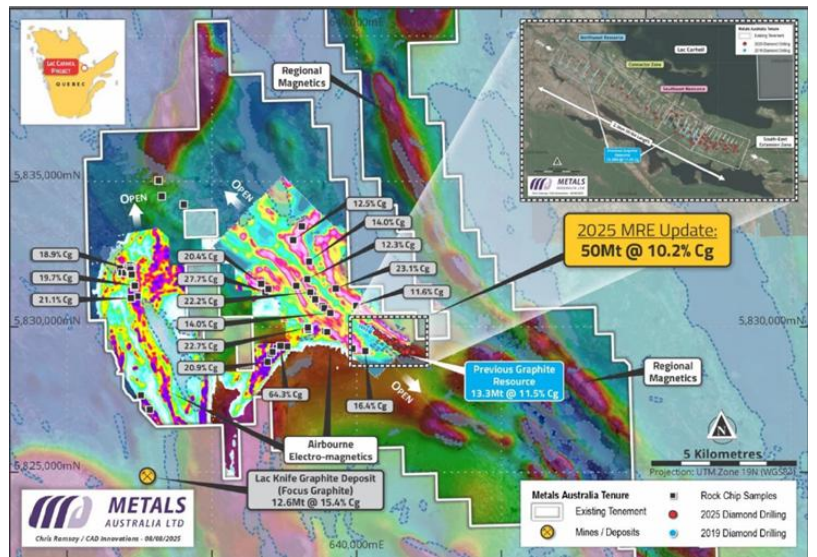
### 2.2.1. Lac Carheil Graphite Project, Québec, Canada

#### Project Overview

The Lac Carheil Graphite Project is Metals Australia's flagship Project, located in eastern Québec, Canada, within a major graphite province. The project benefits from well-established infrastructure in the region, including hydroelectric power, nearby rail access, and a new highway link under construction to the town of Fermont, just 20km north of the current project area. The project is wholly owned through the Company's Canadian subsidiary, Northern Resources Inc.

The landholding includes 36km of mapped and sampled graphitic trends, indicating strong potential for further graphite resource additions. The June 2026 PFS now defines the upstream mine and flake-graphite-concentrate development case, while the April 2026 PEA defines the proposed downstream spherical-graphite and battery-anode-material pathway.

**Exhibit 1: 2025 Updated MRE and Exploration Potential**



Source: Company Website

#### Mineral Resources and Geological Upside

Metals Australia engaged ERM Australia Consultants Pty Ltd to deliver an updated MRE for the Lac Carheil Graphite Project in Québec, Canada, in compliance with the JORC Code (2012) and NI 43-101 standards. The updated MRE is 50.0 Mt @ 10.2% total graphitic carbon (TGC), including 24.8 Mt @ 11.3% TGC indicated resources and 25.2 Mt @ 9.1% TGC inferred resources. The Company also filed an NI 43-101-compliant technical report in Canada on SEDAR+ under Northern Resources Inc.

The updated MRE is based on just one of ten mapped and sampled graphite trends, extending over 2.3km of continuous strike and remaining open in all directions. Across the broader project area, MLS has identified ten graphite trends with a combined strike length of approximately 36km, highlighting substantial exploration upside. Importantly, nine of the ten identified trends remain undrilled, while the Company's tenure position has expanded more than threefold since the original mapping and sampling program.

**Exhibit 2: Mineral Resource Estimate**

| Type                   | Tonnage (Mt) | TGC          | Contained Graphite (Mt) |
|------------------------|--------------|--------------|-------------------------|
| Inferred Resources     | 25.2         | 9.1%         | 2.3                     |
| Indicated Resources    | 24.8         | 11.3%        | 2.8                     |
| <b>Total Resources</b> | <b>50.0</b>  | <b>10.2%</b> | <b>5.1</b>              |

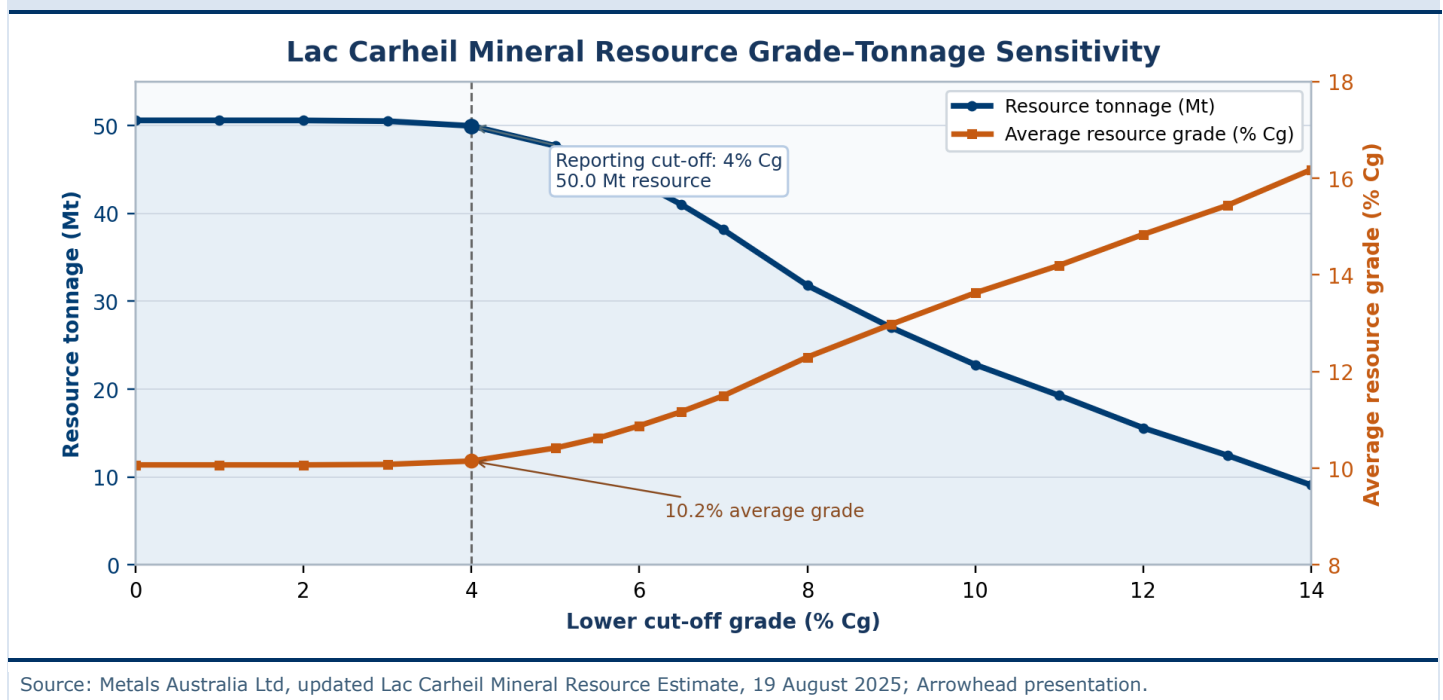
Source: Company Website

The updated MRE shows a significant increase in indicated resources, rising from 1.26 Mt to 2.8 Mt of contained graphite (+121%), while inferred resources grew from 0.27 Mt to 2.3 Mt of contained graphite (+740%) compared to the maiden

resource estimate. The indicated resource zones were prioritized within the PFS mining study led by DRA Americas, and 86% of the Indicated Resource was subsequently converted into the maiden Ore Reserve declared in the June 2026 PFS. The updated MRE is supported by grade-tonnage analysis, which shows resource tonnage is largely unaffected at the 4% TGC cut-off. This highlights the flexibility of the deposit to withstand potential price volatility compared to lower-grade projects. The updated MRE was also evaluated for its Reasonable Prospects for Eventual Economic Extraction (RPEEE) test, which confirmed that the entire 50.0 Mt resource lies within a viable open-pit shell.

Recent results reported in August 2025 by the Company from 64 diamond drill holes, totalling 11,792m of NQ drilling, have significantly improved the delineation of mineralization within this zone. The 2025 drilling program confirmed the zone to be much wider than previously modelled and outlined new mineralized horizons in the footwall as well as along both strike directions.

**Exhibit 3: Lac Carheil Mineral Resource Grade-Tonnage Curve**



This grade-tonnage curve shows how the Lac Carheil resource responds to different cut-off grades. At the reporting cut-off of 4% TGC, the total tonnage remains close to 50 Mt while maintaining a strong average grade of 10.2% TGC. Lower cut-offs, such as 2–3%, add less than 0.6 Mt of extra tonnage and do not improve grade, offering little benefit. By contrast, higher cut-offs above 6% reduce tonnage significantly, even though grades increase. This demonstrates that 4% represents the optimal balance point, capturing nearly the full resource while reporting a high grade.

Exploration outside the defined resource area has also returned highly encouraging results. Sampling conducted on 10 separate graphitic trends across the project yielded 80 rock chip samples, with an average grade exceeding 11% graphitic carbon (Cg). One standout sample returned 64.3% Cg, sourced from the 6km-long West Carheil trend, where multiple samples exceeded 20% Cg and were associated with strong electromagnetic (EM) anomalies.

## Prefeasibility Study (PFS) – Results, June 2026

The PFS for the upstream Lac Carheil Project was released to the ASX on 30 June 2026. It is the current study basis for the open-cut mine and flake graphite concentrate plant near Fermont, Québec; the valuation therefore uses the PFS assumptions rather than the 2021 Scoping Study assumptions.

**Exhibit 4A: Lac Carheil PFS – Headline Outcomes**

| Metric                               | USD               | AUD (at 1.43)      |
|--------------------------------------|-------------------|--------------------|
| Pre-tax NPV at 8%                    | \$553 mn          | A\$790.8 mn        |
| Post-tax NPV at 8%                   | \$400 mn          | A\$572.0 mn        |
| Internal rate of return (24-year)    | 22.0%             | —                  |
| Payback period                       | 4.2 years         | —                  |
| Pre-production CAPEX                 | \$346.3 mn        | A\$495.2 mn        |
| CTM Investment Tax Credit            | \$96.7 mn         | A\$138.3 mn        |
| <b>Effective CAPEX after credits</b> | <b>\$249.6 mn</b> | <b>A\$356.9 mn</b> |
| Sustaining capital over life of mine | \$79.5 mn         | A\$113.7 mn        |
| All-in sustaining cost               | \$533.12/t conc.  | —                  |
| Weighted average product price       | \$1,385/t conc.   | —                  |

Source: ASX:MLS announcement, 30 June 2026

**Maiden Ore Reserve.** The study declared a maiden Ore Reserve of 21.51 Mt grading 11.14% Cg for 2.40 Mt of contained graphite, reported to JORC 2012. This represents an 86% conversion of the 24.8 Mt Indicated Mineral Resource. No Inferred material is included in the production target or the forecast financial information. Total Mineral Resources are unchanged at 50 Mt grading 10.2% Cg for 5.1 Mt of contained graphite. The declaration lifted Canada's reported graphite reserves by approximately 40%, from 5.9 Mt to 8.3 Mt.

**Production and processing.** The mine plan supports annual average production of 101,241 tonnes of flake graphite concentrate grading 95.4% Cg over an initial 24-year life, from 0.86 Mt of ore milled per year at a carbon recovery of 96.7%. Approximately 21.5 Mt of ore is mined over the scheduled life. The project produces three concentrate products: large flake (+48 mesh) at 6.0% of output, medium flake (48 to +100 mesh) at 19.5%, and fine flake (–100 mesh) at 74.5%.

**Capital cost.** Total pre-production capital of US\$346.3 million comprises Process Plant and Infrastructure of US\$264.9 million (76.5%), Open Cut Mine and Infrastructure of US\$30.1 million (8.7%), the Tailings Co-Disposal Facility at US\$17.3 million (5.0%), Water Management Systems at US\$22.0 million (6.4%), and Project Infrastructure — the 26 km powerline and 10 km access road — at US\$12.0 million (3.5%). A contingency of US\$40 million, or 11.5% of total capital, is included. Sustaining capital of US\$79.5 million is identified over the life of the project, driven principally by growth and replacement of mining and service equipment and by expansion of the tailings and water management facilities.

**Exhibit 4B: Lac Carheil PFS – Operating Cost Structure**

| Cost centre                    | US\$/t milled | US\$/t concentrate | Share       |
|--------------------------------|---------------|--------------------|-------------|
| Mining                         | 23.04         | 204.00             | 43.1%       |
| Processing                     | 22.45         | 198.80             | 41.9%       |
| Tailings and water management  | 3.54          | 31.30              | 6.6%        |
| General and administrative     | 4.50          | 39.80              | 8.4%        |
| <b>On-site production cost</b> | <b>53.53</b>  | <b>473.90</b>      | <b>100%</b> |
| Shipping to Baie-Comeau        | 3.00          | 26.52              | —           |
| Sustaining capital             | 3.69          | 32.70              | —           |
| <b>All-in sustaining cost</b>  | <b>60.32</b>  | <b>533.12</b>      | <b>—</b>    |

Source: ASX:MLS announcement, 30 June 2026, Table 3

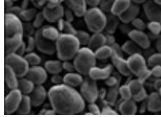
**Pricing.** The PFS price deck assigns average prices of US\$2,375/t to large flake, US\$1,829/t to medium flake and US\$1,189/t to fine flake. Arrowhead's integrated model sells the 6.0% large and 19.5% medium fractions externally and transfers the 74.5% fine fraction to the downstream refinery, where the value added is captured in battery-anode-material revenue.

**Sensitivity.** The study ranks price as the dominant driver of value, ahead of operating cost and then capital cost. A 10% fall in price reduces pre-tax NPV to approximately US\$400 million; a 10% increase in capital cost leaves it above US\$500 million. At a 6% discount rate pre-tax NPV rises to US\$727 million; at 10% it falls to US\$420 million. Modelling the US\$1,500/t price floor extended to Nouveau Monde Graphite — equivalent to an 8.3% increase on the base price set — lifts pre-tax NPV by US\$123 million to US\$676 million, raises the IRR to 24.8% and shortens payback to 3.7 years. No price floor has been assumed for Lac Carheil.

**Benefits to the region.** The project requires an initial workforce of 143 full-time personnel, peaking at 183, drawn from the local communities of Fermont, Wabush and Labrador City. The process plant has been designed to produce dry tailings, mitigating concerns raised by First Nations groups and other stakeholders regarding large-scale open tailings dams in the region. No royalties are payable on the project.

**Remaining work.** Metallurgical and environmental programs for the Feasibility Study commenced during the June 2026 quarter. The Clean Technology Manufacturing Investment Tax Credit requires production before 31 December 2031, and the Company's schedule targets first production ahead of that date.

Exhibit 4C: Lac Carheil Flake-Graphite to Battery Anode Flow Sheet

| Category:             | JORC 2012 Mineral Resource                                                        | Grinding and Flotation Concentrate                                                | Battery-Grade Spherical Graphite                                                    | Electrochemical Test Work                                                           |
|-----------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| Graphite Grade/Purity | 50.0Mt @ 10.2% Cg                                                                 | 95.4% Cg                                                                          | 99.99% Cg                                                                           | Lithium-Ion Battery Anode                                                           |
| Product               |  |  |  |  |

Source: Company Website

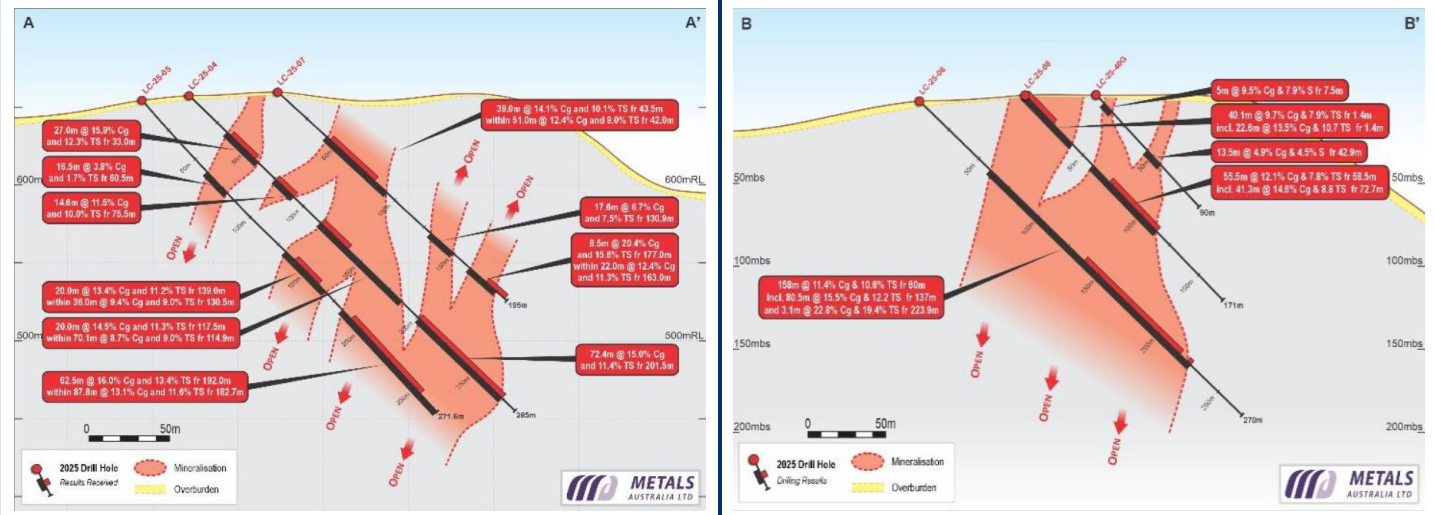
## Drilling Program

In 2025, Metals Australia Ltd completed a 9,538m winter drilling program at the Lac Carheil Project, increasing total drilling to approximately 11,800m. The program identified an additional 4,955m of graphite-bearing core, taking cumulative graphitic mineralisation logged to nearly 6,000m. The drilling program targeted four zones. The Southeast Extension and expanded Southeast Zone account for approximately 94% of the indicated resource, while the Connector Zone and Northwest area contain over half of the inferred resource. Zones hosting indicated resources consistently return graphite grades above 11% TGC.

The Southeast extension includes step-out sections A-A' and B-B', which have returned several high-grade graphite intersections:

- Section A-A' (150m southeast of prior drilling):
  - LC-25-04: 72.4m at 15.0% Cg
  - LC-25-05: 62.5m at 16.0% Cg
  - LC-25-07: 8.5m at 20.4% Cg
  - Combined: 417.3m of mineralization (11.7% Cg average at >3.5% cut-off; 264m at 15.0% Cg at >6.4% cut-off)
- Section B-B' (100m further southeast):
  - LC-25-06: 80.5m at 15.5% Cg from 137.5m
  - LC-25-06: 3.1m at 22.8% Cg from 223.9m
  - LC-25-08: 41.3m at 14.6% Cg from 72.7m
  - Combined: 281.9m of mineralization from 531m drilled (11.6% Cg average at >3.5% cut-off; 149.6m at 15.0% Cg at >6.4% cut-off)
- LC-25-12, drilled 550m southeast of previous zones, intersected 40.3m at 16.1% Cg from 50.8m, further confirming that the mineralized system remains open along strike and at depth.

## Exhibit 5: Preliminary Mineralization Results from Section A-A' and B-B', which is a Part of the New SE Extension Zone. Black Represents the Graphitic Carbon Intersections, and Red Represents High-Grade Intersections

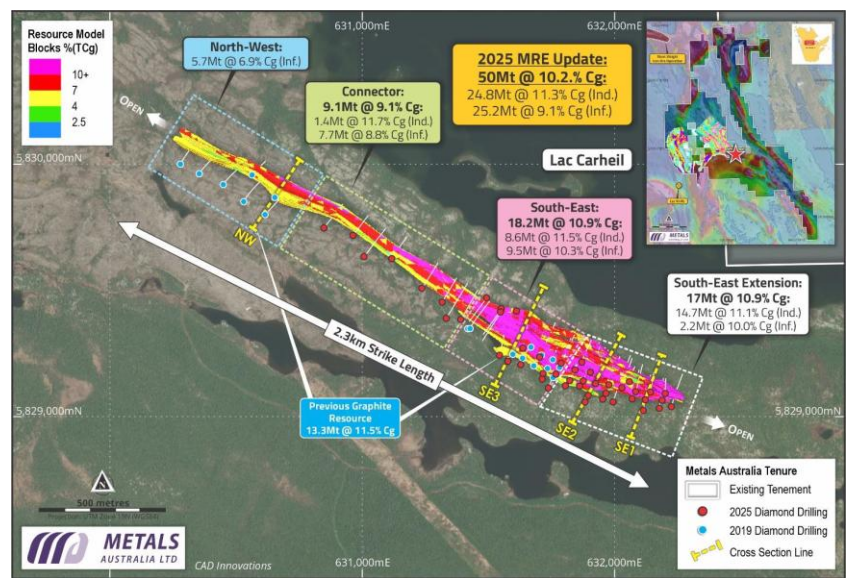


Source: Company Website

A total of 26 holes were drilled using diamond drilling in the new Southeast extension, totaling 4,884m, with 2,777m of graphite-bearing intercepts, representing a 56.7% success rate. The weighted average grade across these intercepts was 12.4% TGC, above the maiden MRE grade of 11.5% TGC. These results have been incorporated into the updated MRE.

The Southeast extension and the upgraded Southeast resource have emerged as the core of the Lac Carheil project, together accounting for 23.3 Mt of the 24.8 Mt indicated resources. The 2025 drilling program significantly improved geological understanding of these zones, confirming wider and thicker mineralized horizons from surface to depth, with average grades above 10% TGC. Their near-surface geometry and strong grade continuity are expected to support early-stage production in the mine plan. Also, the geometry of these zones suggests lower strip ratios, which should improve project economics by reducing waste movement and increasing operational efficiency. The open zone between the Southeast and Northwest resource areas has been tested with 1,680m of drilling, resulting in 710m of graphite-bearing intervals at a weighted average grade of 9.0% TGC. More than half of the inferred resources are located within the newly defined

## Exhibit 6: The Updated MRE and a Summary of the Indicated and Inferred Mineral Resource Distributed by Zone [SE Extension, SE, Connector & NW zones] Now Continuously Extended Over 2.3km



Source: Company Website

connector zone and the original Northwest area. Across all zones classified as indicated, graphite grades remain consistently above 11% TGC.

| <b>Exhibit 7: Breakdown of the Indicated and Inferred Mineral Resources across the 4 Zones</b> |                            |                     |                                      |                                |
|------------------------------------------------------------------------------------------------|----------------------------|---------------------|--------------------------------------|--------------------------------|
| <b>Resource Zone</b>                                                                           | <b>JORC Classification</b> | <b>Tonnage (Mt)</b> | <b>Average Graphite Grade (TGC%)</b> | <b>Contained Graphite (Mt)</b> |
| <b>North-West Resource Zone</b>                                                                | Indicated                  | -                   | -                                    | -                              |
|                                                                                                | Inferred                   | 5.7                 | 6.9                                  | 0.4                            |
|                                                                                                | <b>Sub-Total</b>           | <b>5.7</b>          | <b>6.9</b>                           | <b>0.4</b>                     |
| <b>Connector Zone</b>                                                                          | Indicated                  | 1.41                | 11.7                                 | 0.2                            |
|                                                                                                | Inferred                   | 7.7                 | 8.8                                  | 0.7                            |
|                                                                                                | <b>Sub-Total</b>           | <b>9.1</b>          | <b>9.2</b>                           | <b>0.8</b>                     |
| <b>South-East Resource Zone</b>                                                                | Indicated                  | 8.6                 | 11.5                                 | 1.0                            |
|                                                                                                | Inferred                   | 9.5                 | 10.3                                 | 1.0                            |
|                                                                                                | <b>Sub-Total</b>           | <b>18.2</b>         | <b>10.9</b>                          | <b>2.0</b>                     |
| <b>South-East Extension Zone</b>                                                               | Indicated                  | 14.7                | 11.1                                 | 1.6                            |
|                                                                                                | Inferred                   | 2.2                 | 10.0                                 | 0.2                            |
|                                                                                                | <b>Sub-Total</b>           | <b>17.0</b>         | <b>10.9</b>                          | <b>1.9</b>                     |
| <b>Mineral Resource Estimate</b>                                                               | Indicated                  | 24.8                | 11.3                                 | 2.8                            |
|                                                                                                | Inferred                   | 25.2                | 9.1                                  | 2.3                            |
| <b>Grand Total</b>                                                                             |                            | <b>50.0</b>         | <b>10.2</b>                          | <b>5.1</b>                     |

#### **Reasonable Prospects for Eventual Economic Extraction (RPEEE) Test**

The RPEEE assessment described below was completed in August 2025 and has been superseded, for the Indicated portion of the resource, by the maiden Ore Reserve declared in the June 2026 PFS. It is retained here because it remains the governing assessment for the Inferred material, which is not included in the Ore Reserve or in any production target. The updated Mineral Resource Estimate (MRE) has been independently assessed for Reasonable Prospects for Eventual Economic Extraction (RPEEE). The review confirmed that the entire 50.0 Mt resource is contained within a single, viable open-pit shell, validating the project's long-term development potential. Of the contained graphite, 55% is classified as indicated and 45% as inferred.

The RPEEE analysis benchmarked assumptions from the 2021 Scoping Study and comparable graphite projects in Québec. A conservative approach was adopted, retaining pit slope assumptions from 2021 and testing over 90 pit shell scenarios for sensitivity to revenue and cost parameters. Price assumptions were based on feasibility studies of peer projects, while costs were adjusted for inflation and depth-based mining variations, with an assumed selling price of US\$1,100 per ton.

Key results highlight stronger fundamentals in the updated resource model. The strip ratio decreased from 5.6 in the Scoping Study to 2.3 under the new resource model, suggesting potential for reduced waste movement and lower operating costs, though this benefit is not captured in current cost modeling. Similarly, metallurgical testing achieved a 96.7% recovery rate (up from 86.3% in the Scoping Study), while in the RPEEE, 93% was applied. The unit operating cost was modeled conservatively at US\$515 per ton of concentrate.

The 2021 Scoping Study estimated a pre-tax NPV (8%) of US\$123.0 mn, an Internal Rate of Return (IRR) of 18.9%, and a capital payback period of 3.4 years, with initial capital expenditure projected at US\$189.8 mn. It also supported a 15-year mine life with annual production of 100,000 tons of high-grade graphite concentrate.

### Metallurgical Test Work

The Company has completed an advanced PFS-level metallurgical program in collaboration with SGS Canada Inc., under the guidance of MetPro Management Inc., at its Lakefield laboratories in Ontario. The program produced a large concentrate sample and confirmed a significant improvement in graphite recovery, from 86.3% in the 2021 Scoping Study to 96.7% at a concentrate grade of 95.4% Cg. The following compares key results with the 2023 ProGraphite test work:

- A high yield of 72% (previously 65%) in converting graphite concentrate into spherical graphite, significantly above the industry average of approximately 50%, indicating the potential for improved spherical graphite production economics.
- A tap density of 0.99 g/cm<sup>3</sup> (previously 0.97 g/cm<sup>3</sup>), exceeding the standard benchmark of 0.95 g/cm<sup>3</sup>, which supports higher lithium-ion battery capacity.
- Battery-grade spherical graphite purity of 99.99% fixed carbon (previously 99.96%), achieved using an environmentally sustainable purification method.

Following completion of the updated MRE, PFS and maiden Ore Reserve, the next technical work is directed toward feasibility-level metallurgical and environmental programs, pilot work, bulk concentrate production and downstream product qualification. An approximately 1.5-tonne sample of graphitic ore representing the first 10 years of mining from the newly defined Mineral Reserves has been sent to the SGS laboratory in Québec City, and metallurgical test work for the upstream project has commenced to support Feasibility Study-level design of the flake graphite concentrate plant.

The key components of the program are structured into sequential phases, progressing based on the success of each stage:

- Sample collection and characterisation – Representative sampling from the reserve-backed mine plan to support feasibility work, pilot testing and product qualification (completed).
- Sample characterization – Evaluation of material properties and graphite quality (completed).
- Comminution testing – Optimizing size reduction for efficient product recovery and equipment selection
- Concentration testing – Assessment of screening and separation performance
- Flotation testing – Refinement of the integrated process, including tailings management
- Tailings production in dry state – producing both high sulphide and low sulphide tailings streams.
- Investigation of recovery for other minerals identified in the graphite zones (precious, base and critical minerals)
- Pilot plant program – Process validation and equipment selection using the bulk sample
- Economic evaluation – Assessment of cost efficiency and flowsheet viability
- Bulk concentrate production – Generation of a sample via the pilot plant to support downstream testing and product qualification by potential offtake partners and end users

### Battery Anode Material Plant

Metals Australia is advancing the downstream Battery Anode Material Plant associated with the Lac Carheil Graphite Project in Québec, Canada. The April 2026 Preliminary Economic Assessment (PEA) for the BAM Facility reported an after-tax NPV of US\$1.39 bn at an 8% discount rate, a post-tax IRR of 25.6% and a 4.5-year payback period over a 25-year project life. Total CAPEX is estimated at US\$883.8 mn across three production modules, with full-production OPEX of US\$120.6 mn per annum. The Jean-Noël-Tessier Industrial Park in Baie-Comeau, Québec, has been selected as the preferred refinery location following a comprehensive transportation study.

Initial micronization and spheroidization of the natural flake graphite ("NFG") concentrate were carried out at the facilities of NETZSCH Trockenmahntechnik GmbH ("NETZSCH"), a company with extensive expertise in graphite spheroidization and advanced classifier milling technology. NETZSCH applied this technology to the mechanical rounding

of the graphite particles, which reduces the milling stages required and consequently lowers layout complexity, maintenance requirements, operating costs, and energy consumption. The purpose of the program was to convert the concentrate into Spherical Graphite (SG) products suitable for battery applications. The first product produced was a medium to coarse SG product with a median size distribution (D50) of 17 to 19 microns. Fine material generated from the production of the first product was then used to produce a second, finer SG product of 8 to 10 microns (D50). The first product achieved a D50 of 18.4 microns (SG18), while the finer product was optimized at a D50 of 9.6 microns (SG10). The combined products resulted in an overall yield of 72% (conversion of concentrate to SG product). The SG18 product has an excellent tap density (0.99 g/cm<sup>3</sup>) against the target (0.95 g/cm<sup>3</sup>). The remaining production (28 wt.%) is a micronized, super-fine byproduct that can also be sold into a wide variety of applications in the metallurgical industry. Accordingly, there is no waste stream produced in the Battery Anode Material Plant. Opportunities exist to further optimize milling and spheroidization parameters and enhance product yield. These will be investigated during the Feasibility phase of the study. Removing the coarser concentrate fraction may further improve overall spheroidization yield.

The upstream project separates the coarser flake product (+100 Mesh) for use in high-value industrial markets, while the finer concentrate (-100 Mesh) is designated as feedstock for the Battery Anode Material Plant. The finer concentrate represents around 71.1 wt.% of the total mineral resource average. This finer fraction will be targeted for upgrading into purified spherical graphite products. The coarser concentrate, planned for sale into high-value industrial application markets, represents 28.9 wt.% of the concentrate produced. The following exhibit summarizes results from the flake graphite concentrate test work conducted at SGS Lakefield laboratory, which was used to design the flake graphite concentrate plant (or upstream project).

**Exhibit 8: Mass Recovery by Size Distribution for Samples from Northwest & Southeast Resource Zones**

| Size Fraction          | Mass Recovery (NW) | Mass Recovery (SE) | Mass Recovery (Total) |
|------------------------|--------------------|--------------------|-----------------------|
| +48 Mesh               | 5.9                | 6.0                | 5.9                   |
| +100 Mesh              | 26.6               | 19.5               | 23                    |
| -100 Mesh              | 67.5               | 74.5               | 71.1                  |
| <b>Total Resources</b> | <b>100</b>         | <b>100</b>         | <b>100</b>            |

Source: Company Website

The Battery Anode Material Plant is designed around three parallel 25ktpa feed modules, for up to 75ktpa of processing capacity. At full production, the combined process is expected to generate up to 51ktpa (68%) of battery-anode-material products (CSPG 18 and CSPG 10) and 24ktpa (32%) of superfines for alternative industrial markets.

For valuation purposes, and consistent with Mineral Reserve reporting, Arrowhead uses the PFS product mix of 6.0% large flake, 19.5% medium flake and 74.5% fine flake. The plant is modeled as three 25ktpa feed modules. Module 1 begins production in FY2030; Modules 2 and 3 begin in FY2031. Each module follows the PEA ramp profile, with the combined operation reaching full nameplate in FY2034. The downstream facility continues through FY2054 using stockpiled fine-flake feed after upstream production ends in FY2053.

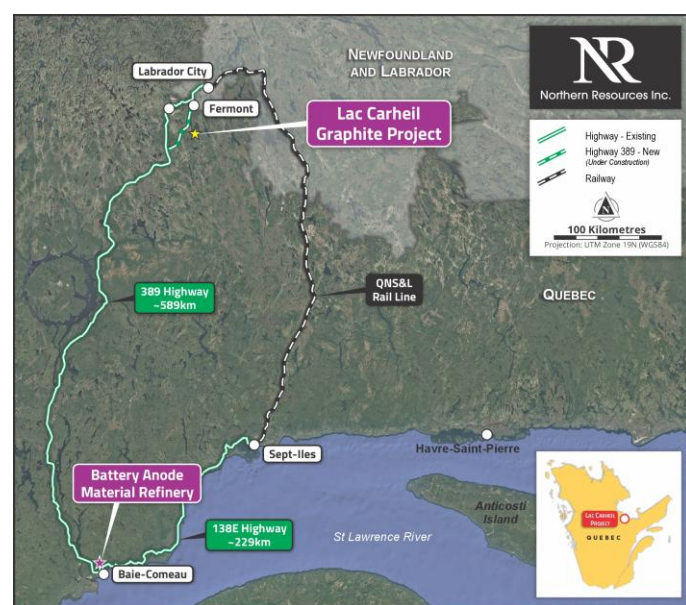
Purification of the SG products was assessed against four processing approaches — standard HF purification, caustic baking, caustic pressure leaching, and thermal purification. The optimized solution for Lac Carheil graphite is the caustic-baking route, selected over thermal purification because of its comparatively lower energy requirements. Test work achieved a fixed-carbon grade of 99.99 wt.%, qualifying the product as battery-grade material. Importantly, the thermal pre-treatment step is expected to be eliminated at full-plant scale, provided the NFG concentrate feed contains ≤0.5 wt.% sulphur — an assumption supported by historical SGS test work in 2020 demonstrating achievable sulphur levels of 0.21–0.36 wt.% in Lac Carheil concentrate.

The metallurgical testwork programme has determined the optimum design parameters for the PEA, with coating identified as essential for improving the electrochemical performance of SPG for use as an anode material in lithium-ion

batteries (LIBs). Three coating trials were conducted on the SPG 18 sample, with pitch tar additions of 5.0 wt.-%, 7.5 wt.-%, and 10.0 wt.-% evaluated to determine the preferred coating layer thickness. A pitch tar addition of 7.5 wt.-% (Coating Layer 2) was selected as the optimum, delivering a CSPG product with a BET surface area of 1.1 m<sup>2</sup>/g and tap density of 1.01 g/cm<sup>3</sup>, both meeting battery manufacturer market specifications. Applying pitch coating to natural spherical graphite can significantly enhance its electrochemical performance, including improving initial coulombic efficiency, cycle life, and the overall stability of lithium-ion battery anodes. Confirmatory coating and electrochemical testing was separately conducted by Xinde New Material (Xinde), a China-based specialist in pitch tar supply, using the same Metals Australia SPG 18 sample. Xinde assessed its coated sample against the Chinese National Standard for CSPG (GB/T 38887-2020) and confirmed it meets the required chemical, physical, and electrochemical specifications.

Electrochemical characterisation of the CSPG 18 sample (Coating Layer 2, 7.5 wt.-% pitch tar addition) was conducted by ANZAPLAN. Testing included tap density, compacted density, specific surface area, particle size distribution, ash content, and full electrochemical performance characterisation. The sample achieved a first cycle efficiency (FCE) of 95.0% and an initial discharge capacity (IDC) of 362 mAh/g, both above typical benchmarks for coated reference materials. Rate capability testing confirmed consistently higher discharge capacities versus reference materials across all tested C-rates, indicating efficient lithium-ion transport within the electrode structure. Charge-discharge, rate capability, and CCCV cycling performance of the pitch-coated spherical graphite material were all evaluated, with the sample retaining 99.5% of initial capacity after 100 cycles.

## Exhibit 9: Connectivity of Baie-Comeau



Source: Company Website

The Company has selected the Jean-Noël-Tessier Industrial Park in Baie-Comeau, Québec, as the preferred location for the Battery Anode Material Facility. The Jean-Noël-Tessier Park, now in the development stage, is set to host industrial projects such as metallurgical processing and green energy production, and offers all necessary bulk infrastructure and services including electricity, gas, process water, and wastewater handling.

Baie-Comeau, situated in Québec's Côte-Nord region, offers a compelling combination of strategic logistics, reliable renewable power, and accessible industrial land for a battery material processing facility. The facility is connected to the upstream Lac Carheil Graphite Project via Route 389, which links to the graphite deposit and concentration plant located near Fermont (~20 km from the deposit), while Route 138 provides access to the Port of Baie-Comeau approximately 10 km away. The SOPOR rail-ferry service provides year-round connectivity between the port and Matane, linking to the

broader CN Rail network. Baie-Comeau airport, located approximately 22 km away, services regional flights within the province of Québec. Hydro-Québec's extensive hydroelectric network is assumed to power the BAM Facility, with final power allocation to be confirmed in the next project phase in alignment with Canada's critical mineral strategy.

#### **Canadian Governments Clean Technology Manufacturing (CTM) Investment Tax Credit (ITC)**

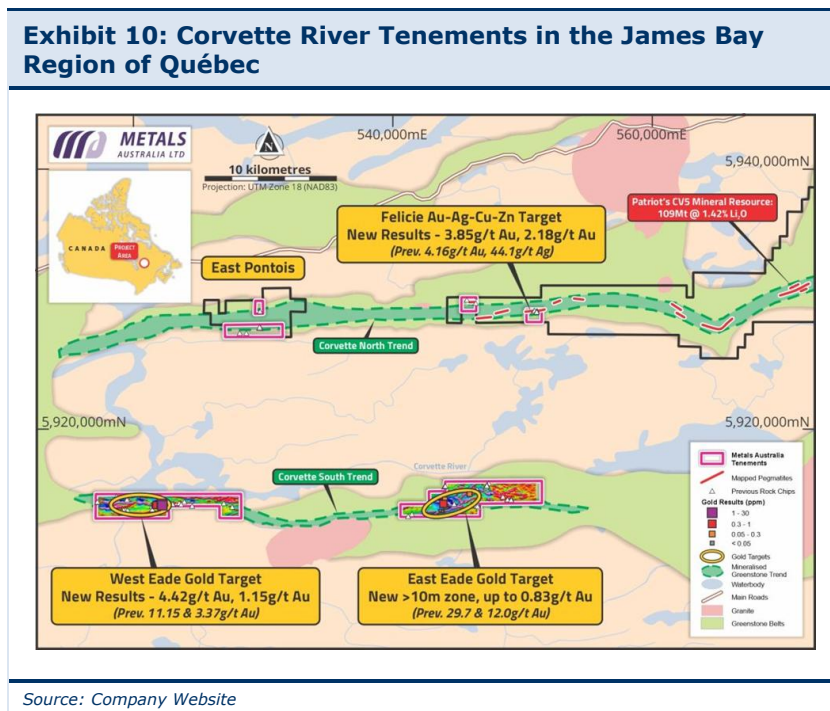
Canada's Clean Technology Manufacturing (CTM) Investment Tax Credit (ITC) is a refundable credit supporting investments in six priority critical minerals, including graphite extraction and processing. The CTM ITC offers a credit rate of 30% on qualifying capital expenditures until December 31, 2031, tapering to zero after December 31, 2034. Applied to qualifying equipment CAPEX across all three modules, the credit is expected to generate a cash benefit of approximately US\$263 mn for the BAM Facility, received across the first two years of production. Given its refundable nature, the CTM ITC represents a direct reduction in net CAPEX exposure and is a material contributor to the project's 4.5-year payback period. Metals Australia will continue to assess the full scope of qualifying capital expenditures, including mining and processing equipment and downstream BAM Facility investments, to ensure maximum utilisation of this credit in alignment with Canada's critical minerals strategy. As disclosed in the full release of the Company's PEA, the Company's economic modelling assumptions for the application of the CTM ITC were included in a memo prepared by BDO Canada.

## 2.2.2. Corvette River Project, James Bay Region, Québec

Metals Australia's tenement portfolio in the James Bay lithium region of Québec, Canada, includes the 100%-owned East Pontois, Felicie, and West Pontois projects, as well as the West and East Eade tenements on the parallel Corvette South Trend. The Company has identified strong gold, silver, and base metals potential across these holdings.

In July 2024, the Company completed a Phase 1 mapping and sampling program across the Corvette River Project, targeting three high-priority zones within a broader landholding that spans over 22km of strike length along the Lac Guyer Greenstone Belt. This belt lies both north and south of the Corvette River.

The Phase 1 mapping and sampling program focused on the Felicie, East Eade, and West Eade areas, where prior sampling indicated the presence of high-grade Gold-Silver-Copper-Zinc mineralization. This program included geological mapping, rock chip sampling, and trenching activities designed to validate historic results and identify new mineralized zones. The Company also carried out drone magnetics across key areas to delineate structural controls associated with mineralization.



Sampling results from each of the target areas are outlined below:

- Felicie Project:** Recent trench sampling at the western zone returned grades up to 3.85 g/t gold (Au), 19.8 g/t silver (Ag), 0.14% copper (Cu), 0.84% zinc (Zn), and 0.5% lead (Pb). These results correlate well with historical rock chip assays, which included values up to 4.2 g/t Au, 44.1 g/t Ag, 0.23% Cu, 1.25% Zn, and 1.39% Pb. Mineralization is hosted in a Northeast-trending shear zone extending at least 200m and remains open along strike.
- West Eade Project:** New rock chip samples returned up to 4.42 g/t Au, reinforcing prior gold results of 11.45 g/t and 8.56 g/t (2005), 3.37 g/t (2019), and 2.56–5.5 g/t (2020). Mineralization has been observed within a folded and faulted banded iron formation (BIF) unit up to 300m wide and 2km long, delineating an east-west corridor with >1,000m of confirmed gold-bearing strike. Sampling and mapping have highlighted quartz veining and sulfide content as key geological markers.

- **East Eade Project:** Trench assays confirmed broad zones of gold mineralization, including 1m @ 0.83 g/t within a quartz-sulfide system. The mineralized corridor spans more than 400m and is associated with a 3.6km folded and faulted BIF outcrop. It remains open to the east and west. The zone aligns with prior boulder samples located 160m to the east, which returned grades of 29.7 g/t Au and 12 g/t Au.

The Company has outlined follow-up exploration aimed at extending known mineralized corridors and refining future drill targets. Priority areas include extensions of the Felicie shear zone and the mineralized BIF corridors at East and West Eade. Further geophysical surveys are under consideration to improve drill positioning.

These prospects remain of significant interest for future investigation in their own right, given the similarity of the discoveries, so far, to the highly successful Eleonore Gold Mine discovered in similar geological settings (Eleonore was sold by Newmont in early 2025 for US\$795 mn after mining more than 350,000 ounces of gold per annum for more than a decade).

## 2.2.3. Manindi Critical Minerals Project, WA

Metals Australia holds an 80% interest in the Manindi Project. The project is located 20km southwest of the Youanmi Gold Mine in the Murchison District, approximately 500km northeast of Perth in Western Australia. It is held under three granted mining leases and comprises two principal mineral opportunities:

- **Manindi Zinc-Copper-Silver Resources:** A high-grade Zinc-Copper-Silver project with an established MRE of 1.08 Mt grading 6.52% Zn, 0.26% Cu, and 3.19 g/t Ag. This resource is identified as shallow and potentially amenable to open cut mine extraction. The value of the inground mineral value of this resource comes into close focus when its potential extraction is considered in combination with its neighbour project.
- **Manindi Vanadium-Titanium-Magnetite Project:** A high-grade Vanadium-Titanium-Magnetite project located less than 1.5 km west of the Zinc-Copper-Silver resource, with drilling confirming mineralisation over 1,200 m of strike.

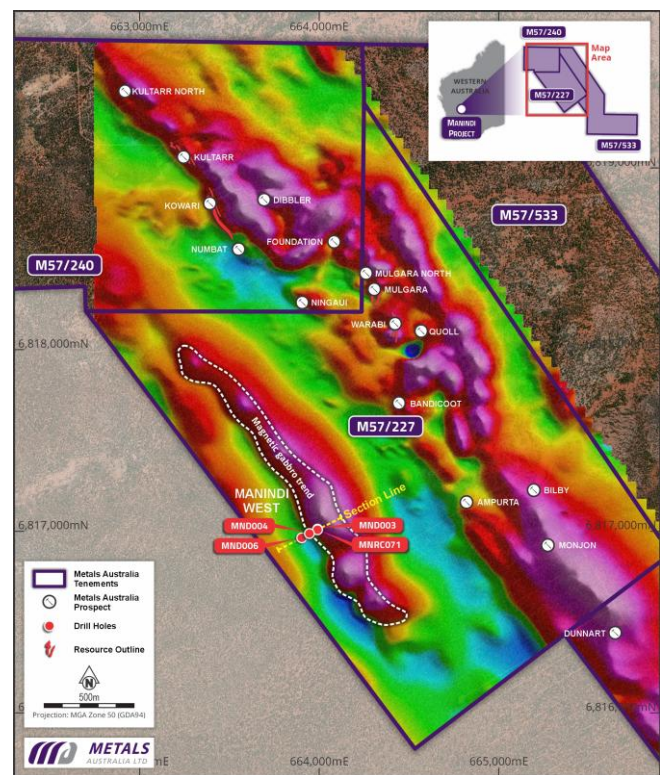
### Manindi Zinc-Copper-Silver Resources

Manindi Zinc-Copper-Silver Project contains a JORC-compliant MRE totalling 1.08 Mt grading 6.52% Zn, 0.26% Cu, and 3.19 g/t Ag. The project was largely on hold following a sharp decline in zinc prices during the first half of 2022.

In 2025, the Company continued its re-evaluation of the project and a comprehensive review of all available data, including the existing MRE and potential extensions, following the recovery of metal prices and the project's proximity to the high-grade Vanadium-Titanium-Magnetite prospect. This review continues in 2026. The Company has previously completed and reported down-hole electromagnetic work (DHEM), which identified drill targets at depth, including between the known Kultarr and Kowari Resources.

The existing mineral resource base lies within 2km east of the nearby high-grade Vanadium-Titanium-Magnetite prospect. The Company is planning a future scoping study to evaluate potential integrated development of the two projects and assess operational, regional and processing synergies. Further work will determine the most effective strategy to maximize value from both the existing Zn-Cu-Ag resource and the high-grade V-Ti-Fe prospect.

Exhibit 11: Manindi Project Overview, Regional Magnetics, Zinc-Copper-Silver Resource locations and the VTM discovery.



Source: Company Website

Exhibit 12: Manindi Zinc-Copper-Silver Resource Estimate

| Type                   | Tons             | Zinc         | Copper       | Silver          |
|------------------------|------------------|--------------|--------------|-----------------|
| Measured Resources     | 37,697           | 10.22%       | 0.39%        | 6.24 g/t        |
| Inferred Resources     | 906,690          | 6.17%        | 0.25%        | 2.86 g/t        |
| Indicated Resources    | 131,472          | 7.84%        | 0.32%        | 4.6 g/t         |
| <b>Total Resources</b> | <b>1,075,859</b> | <b>6.52%</b> | <b>0.26%</b> | <b>3.19 g/t</b> |

Source: Company Website

The MRE contains approximately 70.1kt of zinc, 2.83kt of copper and 110koz of silver. Arrowhead values the project through current resource comparables and applies Metals Australia's 80% ownership, producing an attributable value of A\$7.01m. Commodity-price-based in-ground value is not used in the selected SOTP. In late August 2026, LME 3-month zinc and copper prices were approximately US\$3,700/t and US\$14,000/t, respectively, while spot silver was approximately US\$68/oz. These prices indicate substantial gross in-ground metal value for a shallow resource with potential open-pit development, although Arrowhead does not use in-ground metal value in the SOTP.

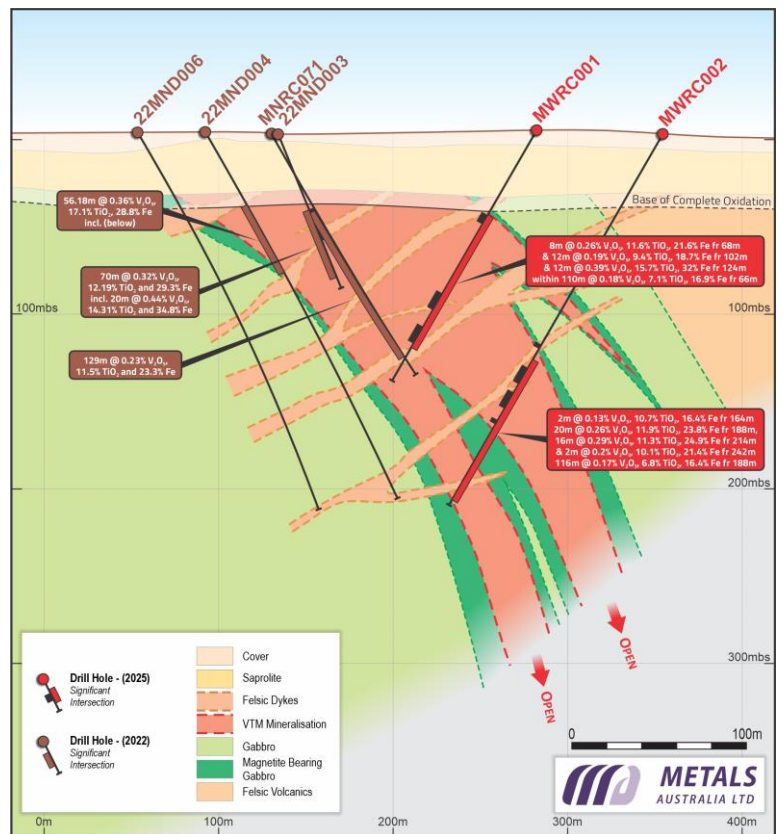
## Manindi West – Vanadium, Titanium, and Magnetite Project

Manindi West Vanadium-Titanium-Magnetite (VTM) Project is in the Murchison region of WA. The VTM prospect is located along a 2km magnetic trend and is within 2 km of the Company's existing high-grade Zinc-Copper-Silver resource, enabling potential development synergies.

As part of the initial discovery program, Metals Australia drilled three key holes (22MND003, 22MND004 and MNRC071), all of which intersected thick, high-grade vanadium-titanium-magnetite (VTM) mineralisation. Hole MNRC071 returned 70m @ 0.30% V<sub>2</sub>O<sub>5</sub>, 11.5% TiO<sub>2</sub> and 28.0% Fe from 48m, including 20m @ 0.44% V<sub>2</sub>O<sub>5</sub>, 14.3% TiO<sub>2</sub> and 34.8% Fe from 80m, while 22MND003 intersected 129m @ 0.23% V<sub>2</sub>O<sub>5</sub>, 11.5% TiO<sub>2</sub> and 23.3% Fe from 53m. Hole 22MND004 returned 58m @ 0.36% V<sub>2</sub>O<sub>5</sub>, 23.4% TiO<sub>2</sub> and 28.8% Fe from 61m, from which a 117kg composite sample was prepared for metallurgical test work.

Following the success of the initial discovery holes, Metals Australia commenced a follow-up RC drilling program at the Manindi West VTM Project to test the strike extensions, geometry and depth continuity of the mineralised intrusion. The program was originally planned as 12 RC holes for up to 2,500m; however, given the highly visual nature of the magnetite-ilmenite mineralisation encountered during drilling and logging, the campaign was expanded by 25%, ultimately comprising 15 RC holes for 2,774m, including 14 holes within the

Exhibit 13: Manindi VTM Project – X Section Showing the Position of Holes Referenced in the Overview, along with Mineralized Intervals and Grades. New hole positions are also included.



Source: Company Website

Discovery Zone. Drilling confirmed that the VTM mineralisation extends over more than 1,200m of strike length, with true widths ranging between 75m and 95m and cover depths between 16.5m and 52m below surface. The mineralisation remains open along strike and at depth, with vertical mineralisation now confirmed to approximately 260m below surface.

Assay results from the expanded drilling program confirmed broad zones of high-grade titanium, vanadium and iron mineralisation across the discovery zone. Significant intercepts included MWRC003 returning 104m @ 0.25% V<sub>2</sub>O<sub>5</sub>, 9.7% TiO<sub>2</sub> and 22.0% Fe from 2m, including 28m @ 0.36% V<sub>2</sub>O<sub>5</sub>, 14.8% TiO<sub>2</sub> and 30.8% Fe, while MWRC007 intersected 86m @ 0.24% V<sub>2</sub>O<sub>5</sub>, 10.2% TiO<sub>2</sub> and 22.7% Fe from surface. The Company also successfully intersected mineralisation at a secondary magnetic target located over 1km east of the main discovery zone, supporting the potential for additional VTM discoveries across the broader project area.

Assay results are consistently high-grade with wide intervals of high grade TiO<sub>2</sub> in the central and near surface southern zone highlighted below:

| Central Section of Discovery Zone  | Intersection | V <sub>2</sub> O <sub>5</sub> | TiO <sub>2</sub> | Fe           | Depth      |
|------------------------------------|--------------|-------------------------------|------------------|--------------|------------|
| <b>MWRC001</b>                     | <b>110m</b>  | <b>0.18%</b>                  | <b>7.1%</b>      | <b>16.9%</b> | <b>66m</b> |
|                                    | 8m           | 0.26%                         | 11.6%            | 21.6%        | 68m        |
|                                    | 12m          | 0.39%                         | 15.7%            | 32.0%        | 124m       |
| <b>MWRC003</b>                     | <b>104m</b>  | <b>0.25%</b>                  | <b>9.7%</b>      | <b>22.0%</b> | <b>2m</b>  |
|                                    | 28m          | 0.36%                         | 14.8%            | 30.8%        | 2m         |
|                                    | 26m          | 0.30%                         | 10.6%            | 25.2%        | 80m        |
| <b>MWRC004</b>                     | <b>150m</b>  | <b>0.14%</b>                  | <b>7.2%</b>      | <b>14.3%</b> | <b>36m</b> |
|                                    | 30m          | 0.25%                         | 12.3%            | 20.9%        | 88m        |
|                                    | 16m          | 0.19%                         | 13.1%            | 23.7%        | 128m       |
| Southern Section of Discovery Zone | Intersection | V <sub>2</sub> O <sub>5</sub> | TiO <sub>2</sub> | Fe           | Depth      |
| <b>MWRC007</b>                     | <b>86m</b>   | <b>0.24%</b>                  | <b>10.2%</b>     | <b>22.7%</b> | <b>0m</b>  |
|                                    | 62m          | 0.26%                         | 12.3%            | 23.7%        | 2m         |
| <b>MWRC008</b>                     | <b>92m</b>   | <b>0.30%</b>                  | <b>9.4%</b>      | <b>22.7%</b> | <b>0m</b>  |
|                                    | 40m          | 0.28%                         | 11.7%            | 25.9%        | 2m         |
|                                    | 40m          | 0.39%                         | 9.6%             | 25.2%        | 76m        |
| <b>MWRC010</b>                     | <b>66m</b>   | <b>0.28%</b>                  | <b>9.3%</b>      | <b>22.5%</b> | <b>16m</b> |
|                                    | 32m          | 0.33%                         | 10.5%            | 20.4%        | 16m        |
|                                    | 30m          | 0.25%                         | 8.6%             | 22.5%        | 52m        |

The mineralisation is locally intruded by narrow biotitic amphibolite dykes and broader pegmatitic-aplitic dykes containing minor rubidium and lithium-bearing micas. Modelling work is now underway to assess the exploration target and Mineral Resource potential for this project.

Metallurgical test work on the 22MND004 composite sample was conducted at Nagrom Laboratories (Western Australia), with oversight from Metpro Management Inc. and SEM analysis completed by Microanalysis Australia.

The main aim of the program was to determine whether the concentrating process can economically generate separate concentrate streams of commercial grade TiO<sub>2</sub> & Fe and a Vanadium-Fe product. Specifically, the testing sought to generate a magnetite grade targeting greater than 60% Fe and > 1% V<sub>2</sub>O<sub>5</sub>, as well as a titanium-rich ilmenite concentrate targeting > 50% TiO<sub>2</sub> and > 25% Fe.

The results of metallurgical test work have identified two commercially attractive concentrate products with a combined sample mass recovery of 65.3%:

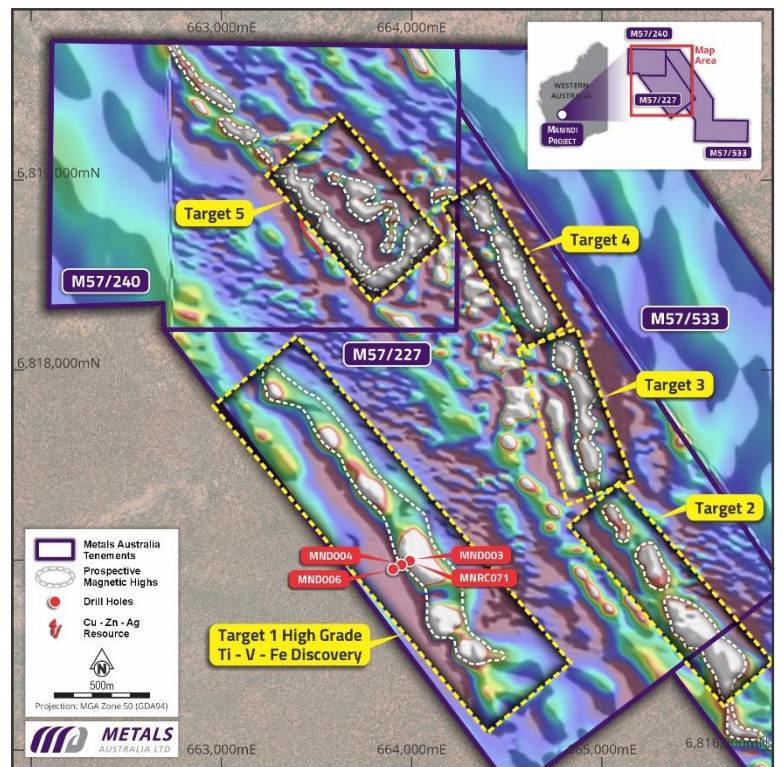
- Iron-Vanadium Concentrate:** Product 1 was produced following simple crush and grind stages using a single stage of Low Intensity Magnetic Separation (LIMS) from 45-micron material. The concentrate achieved grades of 66.0% Fe and 1.19% V<sub>2</sub>O<sub>5</sub>, representing 27.1% of recovered sample mass with a specific gravity of 5.02 t/m<sup>3</sup>. Metallurgical distribution results showed that Product 1 recovered 52.2% of total Fe and 73.0% of contained V<sub>2</sub>O<sub>5</sub> from the composite sample. Management highlighted the product's low impurity characteristics and favourable early-stage industry feedback, noting that the high-grade iron product benefits from additional vanadium credits and strong blending potential.

- Titanium-Iron (Ilmenite) Concentrate:** Product 2 was produced from the non-magnetic tails generated from Product 1, followed by further grinding to 32 microns and processing through a single stage of Wet High Intensity Magnetic Separation (WHIMS). The resulting concentrate graded 43.8% TiO<sub>2</sub> and 32.0% Fe, representing 38.2% of recovered sample mass with a specific gravity of 4.47 t/m<sup>3</sup>. Distribution analysis demonstrated that Product 2 recovered 80.6% of total TiO<sub>2</sub> from the composite sample. The Company noted that only ~16% of TiO<sub>2</sub> remained within tailings material, indicating further optimisation potential to increase final TiO<sub>2</sub> grades. Ongoing metallurgical work remains focused on improving ilmenite liberation, concentrate grade and downstream processing opportunities.

Combined metallurgical recoveries from the two concentrate streams accounted for 87.8% of total Fe, 84% of TiO<sub>2</sub> and 91.9% of V<sub>2</sub>O<sub>5</sub> contained within the original composite sample, demonstrating strong beneficiation characteristics and the potential for scalable commercial processing routes.

Scanning Electron Microscope (SEM) analysis confirmed that titanium is predominantly contained within ilmenite, while vanadium is almost entirely within magnetite. This analysis also indicated good liberation of ilmenite at 45 microns. SEM analysis of the -45 micron WHGMS magnetic product (Product 2) identified amphibole (16.91%) as the most abundant diluent, with other light minerals like chlorite also present. The sum of these lighter minerals is approximately 20%, representing significant upgrading potential. Gravity separation technologies are being evaluated to significantly enhance the TiO<sub>2</sub> concentration in the ilmenite concentrate.

Exhibit 14: Manindi West Project Map indicates lookalike targets to the discovery zone (Target 1), from a high-resolution magnetic survey



Source: Company Website

Exhibit 15: Metallurgical test results from LIMS & WHGMS processing of 22MND004 core sample

| Product                                     | SG Mass |      |      | Grade % |                    |                                 | Distribution % |                    |                                 | Notes                                      |
|---------------------------------------------|---------|------|------|---------|--------------------|---------------------------------|----------------|--------------------|---------------------------------|--------------------------------------------|
|                                             | t/bcm   | Kg   | %    | Fe %    | TiO <sub>2</sub> % | V <sub>2</sub> O <sub>5</sub> % | Fe %           | TiO <sub>2</sub> % | V <sub>2</sub> O <sub>5</sub> % |                                            |
| Sample                                      | 4.29    | 117  | 100  | 34.5    | 20.7               | 0.45                            | 100            | 100                | 100                             |                                            |
| Product 1: Fe-V <sub>2</sub> O <sub>5</sub> | 5.02    | 31.7 | 27.1 | 66.0    | 2.59               | 1.19                            | 52.2           | 3.4                | 73.0                            | LIMS CL Mag – 45 Micron                    |
| Product 2: Fe-TiO <sub>2</sub>              | 4.47    | 44.6 | 38.2 | 32.0    | 43.8               | 0.22                            | 35.6           | 80.6               | 18.9                            | WHGMS 145 Scav Mag – 32 Micron             |
| Tails                                       | 3.51    | 40.7 | 34.8 | 12.0    | 9.58               | 0.10                            | 12.1*          | 16.1*              | 8.2*                            | * Values do not add to 100 due to rounding |

A comprehensive geophysical data review across the mining leases has identified four additional "look-alike" target zones situated within 1–2km of the original discovery. Initial drilling at Target 2 successfully intersected 61m of magnetite-ilmenite mineralisation, validating management's interpretation that the additional targets may host similar VTM systems and significantly expand the project's overall mineral inventory potential. Ongoing metallurgical optimisation work is focused on improving ilmenite liberation, enhancing TiO<sub>2</sub> concentrate grades and evaluating downstream processing pathways aimed at producing high-purity TiO<sub>2</sub> products. The Company noted that high-purity TiO<sub>2</sub> products attract materially higher price premiums than conventional ilmenite concentrate products, supporting the strategic importance of continued test work. Metals Australia has also reported early-stage industry and third-party interest in both the iron-vanadium and titanium-rich concentrate streams, with future work expected to support customer evaluation, potential offtake engagement and broader project-development studies.

The next phase at Manindi VTM is expected to focus on further drilling, geological definition and metallurgical optimisation. Arrowhead assigns an attributable A\$6.0m risk-adjusted exploration value; this is not a resource multiple or study-derived NPV.

- Additional drilling within the Discovery Zone to further define the geometry.
- Systematic exploration drilling targeting the four additional "look-alike" magnetic anomalies, aiming for further high-grade discoveries, significantly increasing the project's overall resource base.
- Ongoing metallurgical optimisation work focused on improving ilmenite liberation, increasing TiO<sub>2</sub> concentrate grades and evaluating downstream processing pathways.
- Further work to produce a high purity TiO<sub>2</sub> product from the ilmenite ore.

## 2.2.4. Warrego East Copper-Gold Project, Northern Territory (NT)

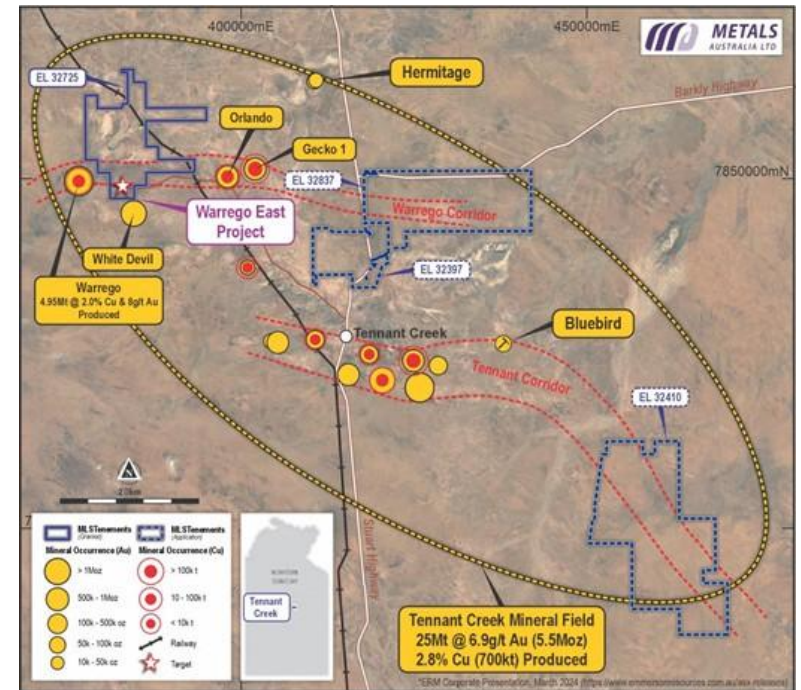
Metals Australia holds an 80% interest in the Warrego East Project, a Copper-Gold-Bismuth exploration opportunity located within the prolific Tennant Creek Mineral Field (TCMF) in the Northern Territory of Australia. The Project includes the granted exploration license EL32725 along with three pending applications EL32397, EL32837 and EL32410, collectively forming a substantial landholding across a highly prospective, underexplored corridor.

The TCMF has historically produced 25 Mt @ 6.9 g/t Au and 2.8% Cu, with most production sourced from deposits located in areas with minimal surface outcrop. An exception is the Warrego deposit, which was discovered beneath a shallow cover. Metals Australia's tenements lie along Copper-Gold trends in regions with shallow soil cover that remain untested by modern exploration methods.

The Warrego East tenement (EL32725) lies immediately east of the high-grade Warrego Copper-Gold deposit that produced 4.75 Mt @ 8 g/t Au, and 2.0% Cu. Warrego East is situated within a major east-west trending fault corridor, interpreted from detailed magnetic data and the Company's gravity survey imagery, linking the Warrego deposit with the Gecko and Orlando Copper-Gold deposits.

The Warrego, Orlando, and Gecko Copper-Gold deposits are linked to subdued magnetic anomalies, which are interpreted to reflect alteration zones containing secondary magnetite or non-magnetic hematite. This structural corridor extends across EL32725. Within this tenement, Metals Australia has reprocessed detailed magnetic data and identified several similar magnetic anomalies. In addition, a previously completed gravity survey highlighted multiple anomalies that partially align with these magnetic features. Together, these magnetic and gravity anomalies define priority targets for Tennant Creek-style, ironstone-hosted Copper-Gold deposits in areas of shallow soil cover that remain untested by drilling.

Exhibit 16: Location of Tennant Creek Project Tenements and Major Cu-Au Deposits and Targets

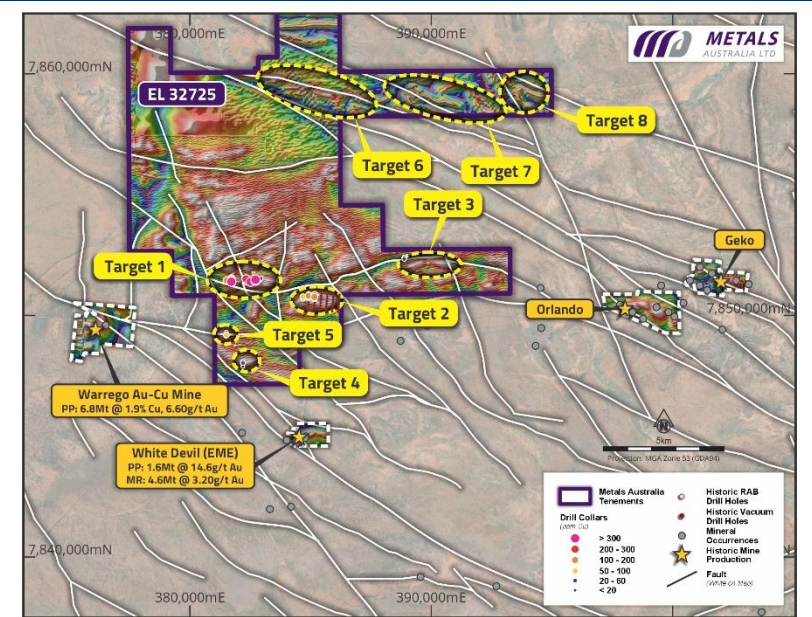


Source: Company Website

In 2024, Metals Australia developed and submitted a Mine Management Plan (MMP) to the NT Government, outlining a Phase 1 Aircore drilling program designed to test the high-priority magnetic and gravity anomalies. Approval for the MMP was received in late 2024. The plan also includes provision for a follow-up reverse circulation (RC) or diamond drilling program contingent on positive initial results. In parallel, the Company finalized a land access agreement with the pastoral leaseholder for EL32725, enabling field activities to commence.

Progress was also made on the three licence applications through ongoing engagement with Indigenous stakeholders. Following meetings in late 2024, the three applications were cleared to advance through the formal approval process. The combination of granted and in-progress tenements provides the Company with a strategic position in a region undergoing renewed interest in copper-gold exploration.

**Exhibit 17: Total Magnetic Intensity (TMI) with Significant Cu-Au Deposits and MLS Targets**



Source: Company Website

## Drilling Program Completed

Metals Australia completed a maiden 34-hole, 3,216m air-core (AC) and slim-line reverse circulation (SLRC) drilling program at the Warrego East Project (EL32725) in 2025, with highly anomalous copper results released in December 2025. The program tested five undercover targets prospective for Tennant Creek-style copper-gold-bismuth mineralisation, with 17 new holes drilled at the Target 1 area located approximately 5km east of the historic Warrego Mine. All five targets are prospective for copper, gold and bismuth and are located in geological settings comparable to those of the White Devil Mine and the Warrego Mine.

The targets are blind, sub-surface anomalies identified through detailed magnetic and gravity surveys, reflecting the typical pipe-like ironstone bodies that hosted significant mineralisation across the Tennant Creek Mineral Field. Two targets have been refined using shallow historical drilling that returned geochemically anomalous copper and low-level bismuth patterns similar to those surrounding the Warrego Number 1 orebody. All five targets lie within the Warramunga Formation, where major deposits such as Orlando, Ivanhoe and Gecko were discovered in non-outcropping zones using similar geophysical methods.

Warrego historically produced over 4.75Mt @ 2.0% Cu, 8g/t Au and 0.3% Bi from underground operations up until 1989, while the White Devil Mine, situated directly to the south, produced 1.3Mt @ 15.2g/t Au. An updated Mineral Resource Estimate for White Devil (4.6Mt @ 4.2g/t Au for 611,400oz Au) further underlines the district's prospectivity. Renewed interest in the Tennant Creek Mineral Field has been supported by strong metal prices and transactions such as Pan African Resources' A\$80 mn acquisition of Tennant Creek Mining Group.

Drilling at Target 1 intersected broad zones of anomalous copper, bismuth, cobalt, zinc and iron enrichment within oxide and saprolite zones interpreted as mineralised halos above a deeper bedrock source. Key results from Target 1 drilling included:

- 18m @ 136ppm Cu and 10.1% Fe from 36m in WERC004, including 3m @ 376ppm Cu from 66m
- 24m @ 188ppm Cu and 13.5% Fe from 28m in WERC011, including 6m @ 257 ppm Cu from 45m
- 9m @ 205ppm Cu and 7.8g/t Bi from 25m in WERC010, including 6m @ 225 ppm Cu, 9.7 g/t Bi from 28m
- 24m @ 232ppm Cu and 11.2% Fe from 28m in WERC015, including 5m @ 384ppm Cu and 14.2% Fe from 35m

Iron enrichment of up to 24% Fe supports the interpretation of a deeper ironstone-associated copper-gold system beneath the broad geochemical halo, comparable to the Warrego deposit which occurred from 140m to 790m. Mineralisation remains open along strike and at depth.

Anomalous copper and gold results were also returned from Target 2, with these results to be assessed prior to recommendations for further work. Additional magnetic ironstone targets have been identified in the northern portion of the tenement (targets 6,7 and 8 are shown in exhibit 17 above), with interpretation of magnetics showing potential for ironstone-hosted Cu-Au deposits on faults along strike from the Gecko and Orlando deposits. The Company plans further gravity surveys, mapping and drilling, subject to expanded Environmental Mining Licence approvals.

### **2.3. Investment Attributes**

Metals Australia's investment attributes are led by a high-grade, reserve-backed Québec graphite project, a downstream value-add strategy, access to low-carbon hydroelectricity and potential government incentives. These attributes must be weighed against the scale of funding, execution, permitting and customer-qualification risk.

#### **Portfolio of Diverse Critical Mineral Assets in Canada and Australia**

Metals Australia Ltd owns a portfolio of diverse critical mineral projects in Canada and Australia, strategically designed to reduce single-commodity risk and align with the global shift toward electrification and decarbonization. In Canada, the flagship Lac Carheil Graphite Project in Québec hosts high-grade graphite, while the Corvette River Project in the James Bay region offers multi-commodity potential, including Gold, Silver, and base metals. In Australia, the Manindi Project provides exposure to Zinc, Copper, and Vanadium-Titanium-Magnetite mineralization, complemented by the Warrego Project targeting Copper, Gold, and other strategic minerals. This balanced asset base positions the Company well to benefit from structural demand growth across the critical minerals sector.

#### **Well-positioned to Supply Battery-Grade Graphite to North American Markets**

Metals Australia's Lac Carheil Graphite Project hosts a high-grade resource of 50 Mt @ 10.2% TGC for 5.1 Mt of contained graphite, placing it among the few projects globally that combine high grade (>9% TGC) with significant contained tonnage (>4 Mt). Located in Québec, a Tier 1 jurisdiction with strong federal and provincial support, Lac Carheil is well positioned to contribute to Canada's Critical Minerals Strategy, which targets five graphite mines and five downstream anode facilities by 2040. MLS's Canadian subsidiary, Northern Resources, has two CMIF applications under review, further underscoring the project's strategic relevance to securing long-term, lower-risk supply for EV and energy-storage markets.

#### **Access to Capital Facilitating Exploration Activities and Project Growth**

Metals Australia held A\$3.733m in cash at 30 June 2026. This supports ongoing technical and corporate work but is not sufficient to fund construction. The key capital question is therefore not whether the current balance sheet can fund the full development, but which mix of project debt, government-backed finance, strategic capital, joint-venture or farm-in structures and new equity becomes available as the project is de-risked.

#### **Technical and Strategic Partnerships to Support Project Development**

Metals Australia strategically leverages a network of technical and strategic partnerships to advance its diverse project portfolio. For its flagship Lac Carheil Graphite Project, DRA Americas led the mining study component of the PFS, while SGS Canada Inc. Laboratories and MetPro Management Inc. are responsible for metallurgical test work, and Lycopodium Minerals Canada Inc. designed the concentrate plant and managed delivery of the broader PFS. ERM Australia Consultants were engaged to prepare the MRE for the Lac Carheil Graphite Project in accordance with the JORC Code (2012) and NI 43-101. The Company has engaged Norda Stelo for environmental reviews, Transfert for stakeholder engagement, and NETZSCH for spheroidisation technology. These relationships enhance Metals Australia's technical credibility and provide specialist expertise across key development stages. The Company has committed to the

metallurgical test-work program required to advance both the upstream and downstream projects toward Feasibility Study-level design. In parallel, Norda Stelo commenced formal biophysical surveys at the Lac Carheil project site during the 2026 northern hemisphere summer. The results are expected to support a formal Project Notice of Intent (NOI) submission to Québec's environmental regulator in early 2027, the Ministère de l'Environnement, de la Lutte contre les changements climatiques, de la Faune et des Parcs.

### **Strategic Peer Comparison with Nouveau Monde Graphite**

Metals Australia's Lac Carheil Graphite Project in Québec shares several strategic similarities with Nouveau Monde Graphite Inc. and its Matawinie Graphite Project, with both companies pursuing integrated mine-to-battery anode material development strategies targeting the North American EV battery supply chain. While NMG remains at a more advanced development stage, Lac Carheil compares favourably across several key project metrics, particularly its materially higher graphite grades, which are expected to support lower mining and processing intensity and potentially stronger project economics. The proposed concentrate and downstream battery anode materials plants are also expected to operate with lower concentrate feed requirements while targeting competitive production output, further strengthening the Project's strategic positioning within Québec's critical minerals sector. NMG also provides a relevant financing precedent. Investissement Québec disclosed C\$4.1m of equity and C\$18.0m of debt exposure to NMG at 31 March 2025. In March 2026, Export Development Canada and the Canada Infrastructure Bank executed a senior secured project debt facility of approximately C\$459m for Matawinie, subject to financial close. NMG launched construction of the Matawinie mine in May 2026, with commercial arrangements covering more than 70% of expected mine output. This precedent does not imply equivalent support for Lac Carheil, but it demonstrates that public-sector and strategic funding can become meaningful once a Québec critical-minerals project reaches a more advanced and substantially de-risked stage.

## **2.4. Company Risks**

Metals Australia is exposed to key risks common to mineral exploration and early-stage development companies, including funding constraints, project execution challenges, regulatory approvals, and global trade uncertainty. Managing these risks is essential to ensure consistent project advancement and value creation.

### **Exploration and Execution Risk**

Metals Australia, like other exploration and early-stage development companies, depends heavily on discovering mineral reserves and establishing the economic viability of production. The capital-intensive nature of exploration activities, especially in the early stages, exposes companies to significant operational risk because the outcomes of these activities are uncertain. Projected grades and quantities are approximations and may not lead to economically viable operations due to factors such as insufficient grade, limited resource size, or fluctuating commodity prices. These challenges can result in project abandonment and the loss of significant drilling investments. Despite these challenges, Metals Australia's portfolio of diverse projects reduces reliance on any single project and mitigates the impact of individual project setbacks.

### **Financial and Dilution Risk**

Metals Australia is pre-revenue and relies on external capital. Arrowhead estimates an indicative A\$1.261bn funding requirement after CTM incentives, peak downstream working capital and cash above an A\$3.0m minimum balance. Under the illustrative debt-and-equity financing cases shown below, current holders retain 9.1%-20.8% of the pro forma company and post-financing value is A\$0.129-A\$0.230 per share. These cases are sensitivities, not forecasts of the ultimate financing structure.

The larger issue is scale. The net funding requirement is large relative to Metals Australia's present corporate scale, and achieving acceptable financing terms will likely depend on further technical, permitting, offtake and strategic de-risking. The ultimate structure may combine project debt, government-backed support, strategic capital and new equity rather than relying primarily on common equity.

Arrowhead's financing sensitivity does not assume uncommitted grants or other non-dilutive funding and should therefore be read as an illustration of equity-dilution risk rather than the only financing outcome. Potential mitigants include the CTM incentive framework, government-backed project finance, strategic or customer investment, staged construction, equipment finance and project-level partnerships. A joint venture, farm-in, partial project sale or broader corporate transaction could also crystallise project value without Metals Australia independently constructing and funding the entire integrated project.

### Regulatory Risk

Metals Australia operates in jurisdictions including Québec, Canada, and WA/NT, Australia. Regulatory risk involves potential government intervention, such as license loss due to non-compliance with permit obligations or obstruction of exploration activities. Therefore, the Company needs to carefully manage regulatory challenges to minimize the impact of government interventions and ensure ongoing operational success. To its credit, the Company actively engages with the Québec Ministry of Natural Resources and Forests for permits and complies with local regulations. In December 2024, the Company was awarded an impact exploration permit to conduct drilling on its claims in Québec. Similarly, in the NT, the Company secured a Mine Management Plan and Land Access Agreement. Effective navigation of these regulatory requirements is essential to maintain project timelines and preserve long-term operational continuity.

### Economic Risk

Metals Australia is strategically positioned amid evolving critical-minerals policy and supply-chain concentration. The U.S. Department of Commerce reached final affirmative dumping and subsidy determinations for active anode material from China in February 2026, but the USITC's March 2026 final determination was negative. Accordingly, this report does not assume an active U.S. AD/CVD order or a tariff-supported price premium. The more durable strategic factors are China's processing concentration, the need for qualified alternative supply and Canadian support for domestic critical-minerals development.

## 2.5. Shareholding and Capital Structure

Metals Australia has 734,220,000 ordinary shares on issue. The August 2026 substantial-holder notices disclose the James del Piano group at 100,795,732 votes (13.73%) and the Paul Ferguson group at 36,841,714 shares (5.018%). These notices are presented as current substantial-holder disclosures, not as a complete top-20 register.

| Holder group                | Votes / shares | Voting interest |
|-----------------------------|----------------|-----------------|
| James John del Piano group  | 100,795,732    | 13.73%          |
| Paul Dominic Ferguson group | 36,841,714     | 5.018%          |

## 2.6. Listing Information

Metals Australia Limited, headquartered in West Perth, Australia, is listed on the ASX (ASX: MLS).

|                       |                                                                            |
|-----------------------|----------------------------------------------------------------------------|
| <b>Head Office</b>    | Level 1, 8 Parliament Place, West Perth, WA 6005, Australia                |
| <b>Contact Number</b> | +61 (8) 9481 7833                                                          |
| <b>Website</b>        | <a href="http://www.metalsaustralia.com.au">www.metalsaustralia.com.au</a> |
| <b>Email Id</b>       | info@metalsaustralia.com.au                                                |

## 2.7. Company Milestones

| Year | Event                                                                                                                                                                                                   |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2020 | High-grade graphite zone identified and maiden Lac Carheil resource established.                                                                                                                        |
| 2021 | Scoping study completed for Lac Carheil; project development work advanced.                                                                                                                             |
| 2022 | Portfolio expanded and board strengthened; exploration and funding programs progressed.                                                                                                                 |
| 2023 | Battery-grade spherical graphite purity of 99.96% achieved; Paul Ferguson appointed CEO effective January 2024.                                                                                         |
| 2024 | Project landholdings and drilling programs expanded; Baie-Comeau subsequently selected as the preferred downstream location.                                                                            |
| 2025 | Lac Carheil resource increased to 50.0Mt at 10.2% Cg; Manindi VTM and Warrego East drilling completed; downstream testwork advanced.                                                                    |
| 2026 | Downstream PEA published in April; Lac Carheil PFS and maiden 21.51Mt Ore Reserve published in June; feasibility-level work commenced; August substantial-holder notices updated the ownership picture. |

### 3. Recent Developments

#### **Battery-anode-materials PEA - 28 April 2026**

The PEA for the proposed Baie-Comeau refinery outlined a three-module, 75ktpa feed operation producing approximately 51ktpa of BAM products. It reported A\$1.98bn after-tax NPV8, a 25.6% IRR and a 25-year project life.

#### **Lac Carheil PFS and maiden Ore Reserve - 30 June 2026**

The upstream PFS reported A\$572m after-tax NPV8, a 22.0% IRR and US\$346.3m initial capex. It converted 21.51Mt at 11.14% Cg into a maiden Ore Reserve containing 2.40Mt of graphite.

#### **June-quarter update - 30 July 2026**

The Company reported A\$3.733m cash at 30 June 2026 and confirmed ongoing metallurgical and environmental work directed toward the next study stage.

#### **Change in substantial holding - 11 August 2026**

The James John del Piano group disclosed 100,795,732 votes, representing 13.73% of the Company.

#### **Becoming a substantial holder - 18 August 2026**

The Paul Dominic Ferguson group disclosed 36,841,714 shares, representing 5.018% of the Company as at 13 August 2026.

### 3.1. Current priorities

The present development agenda is further engineering and feasibility work, permitting, bulk-sample and product-qualification programs, offtake and strategic-partner engagement, and development of a financeable capital structure.

## 4. Management and Governance

Metals Australia's board combines accounting, governance, engineering, mining and ESG experience, while the executive team provides project-development, finance and geological capability. The roles and biographies below reflect the Company's current disclosures as at 26 August 2026.

### Board and Management

| Executive         | Current role                  | Selected experience                                                                                                                                                   |
|-------------------|-------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Michael Scivolo   | Non-Executive Chairman        | Accounting and taxation specialist with extensive ASX-listed mining-board experience; former partner/director of a CPA firm.                                          |
| Alexander Biggs   | Non-Executive Director        | Mining and mechanical engineer with more than 20 years across operations, consulting, finance, capital raising and transaction structuring.                           |
| Rachelle Domansky | Non-Executive Director        | ESG, mining and energy law specialist and consultant psychologist with experience across sustainability, people, culture and governance.                              |
| Basil Conti       | Non-Executive Director        | Chartered accountant with more than 25 years of professional involvement in mining, corporate planning, taxation and financial management.                            |
| Paul Ferguson     | Chief Executive Officer       | Mining engineer with more than 30 years across North America, Asia and Australia, including project delivery and operating roles with ExxonMobil, BHP and GMA Garnet. |
| Tanya Newby       | CFO / Joint Company Secretary | Finance and governance professional with more than 20 years supporting listed resource companies from exploration through development and production.                 |
| Chris Ramsay      | General Manager, Geology      | Geologist and project manager with more than 25 years in exploration, mine development and operations across precious metals, base metals, nickel, bauxite and coal.  |

Source: Metals Australia Ltd, Board & Management disclosures and July 2026 Investor Presentation.

## 5. Industry Analysis

### 5.1. Global Mining and Critical Minerals Context

The mining industry supplies the minerals, metals and industrial materials required for construction, transport, agriculture, power infrastructure, manufacturing and national security. The present cycle is increasingly shaped by electrification, digital infrastructure, industrial policy and supply-chain security rather than by traditional commodity demand alone. This is particularly relevant to graphite because it serves both mature industrial markets and the rapidly expanding lithium-ion-battery value chain.

The International Energy Agency (IEA) reported that global battery demand grew by more than 35% in 2025 to exceed 1.5 TWh, while the energy sector accounted for approximately 75% of demand growth across key energy minerals. At the same time, critical-minerals capital expenditure declined by 9%, battery-material investment fell by more than 20% and exploration expenditure declined by more than 10%. The widening gap between long-term demand expectations and near-term capital availability makes project quality, permitting, customer support and financeability increasingly important differentiators.

#### Critical Minerals Market Dashboard

| 2025 / 2026 indicator        | Latest reference point                         | Industry relevance                                          |
|------------------------------|------------------------------------------------|-------------------------------------------------------------|
| Global battery demand        | >1.5 TWh; >35% annual growth in 2025           | Supports structural demand for anode material.              |
| Energy-sector demand share   | Approximately 75% of key-mineral demand growth | Energy technologies increasingly shape mineral investment.  |
| Critical-minerals investment | Down 9% in 2025                                | Financing discipline and project quality remain decisive.   |
| Battery-material investment  | Down more than 20% in 2025                     | Strategic importance does not remove funding risk.          |
| Public-sector commitments    | Approximately US\$65bn in advanced economies   | Potential support remains instrument- and project-specific. |

Source: IEA, *Global Critical Minerals Outlook 2026*. Figures are global and are not Metals Australia forecasts.

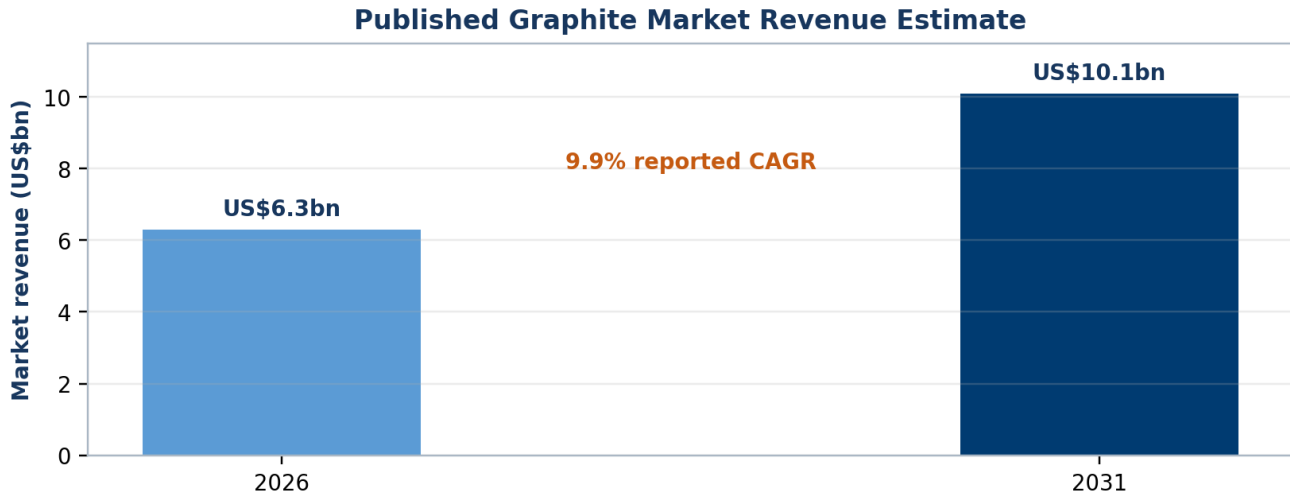
### 5.2. Graphite Market

Graphite is a naturally occurring form of carbon with a layered crystal structure that provides electrical conductivity, thermal stability, lubricity and chemical resistance. Natural graphite is mined from metamorphic deposits and upgraded through crushing, grinding and flotation, followed by sizing and, where required, purification. Synthetic graphite is manufactured from carbon-rich feedstocks through energy-intensive thermal processing. The two forms compete and blend across a range of end uses, but their production routes, cost structures and environmental footprints differ materially.

Traditional demand includes refractories, foundries, lubricants, friction products, steelmaking electrodes and specialist thermal applications. The strategic growth market is battery anode material. Natural flake concentrate must be micronised, spheroidised, purified and coated before it can be qualified as active anode material. Consequently, mine concentrate and coated spherical purified graphite are different products with different customers, prices, yields and execution risks. The Arrowhead valuation reflects this distinction by separating upstream coarse/medium flake sales from downstream battery-anode-material production.

Third-party market-revenue estimates provide one measure of industry growth but should be interpreted cautiously because providers use different product scopes and price assumptions. Mordor Intelligence estimates the graphite market at approximately US\$6.3bn in 2026 and US\$10.1bn in 2031, implying a 9.9% CAGR. Arrowhead does not use this market-size estimate as a valuation input; the valuation uses project-specific volume and price assumptions from the PFS and PEA reconstruction.

**Exhibit 18: Graphite Market Size (US\$bn)**



Source: Mordor Intelligence, Global Graphite Market. Market estimates are provider-specific and are shown for industry context only.

## 5.2.1. Types of Graphite

### Synthetic Graphite

Synthetic graphite is produced by graphitising petroleum coke, coal-tar pitch or related carbon feedstocks at very high temperatures. The process gives manufacturers control over purity, particle characteristics and performance, which supports use in electric-arc-furnace electrodes and battery anodes. Its principal disadvantages are high electricity consumption, exposure to carbon-feedstock prices and a generally higher production footprint where power is carbon-intensive. Scale, installed furnace capacity and process know-how support the position of incumbent Asian producers.

### Natural Graphite

Natural graphite can provide a lower-cost and potentially lower-carbon anode feedstock, particularly where high-grade ore, renewable power and non-hydrofluoric-acid purification are available. Commercial outcomes depend on ore grade, recovery, flake-size distribution, impurity profile, spheroidisation yield and customer qualification. Natural graphite also retains established industrial uses in refractories, foundries, friction products, lubricants and thermal-management applications.

### Natural and Synthetic Graphite Comparison

| Characteristic         | Natural flake graphite                                       | Synthetic graphite                                      |
|------------------------|--------------------------------------------------------------|---------------------------------------------------------|
| Feedstock              | Mined graphitic ore upgraded to concentrate                  | Petroleum coke or related carbon feedstock              |
| Processing             | Flotation, sizing, spheroidisation, purification and coating | Calcination, shaping, graphitisation and coating        |
| Energy intensity       | Potentially lower, particularly with hydropower              | High because of graphitisation temperatures             |
| Battery role           | Qualified CSPG or blended anode material                     | High-consistency anode material and blends              |
| Commercial sensitivity | Grade, recovery, flake split, yield and purification         | Feedstock, power, furnace utilisation and specification |

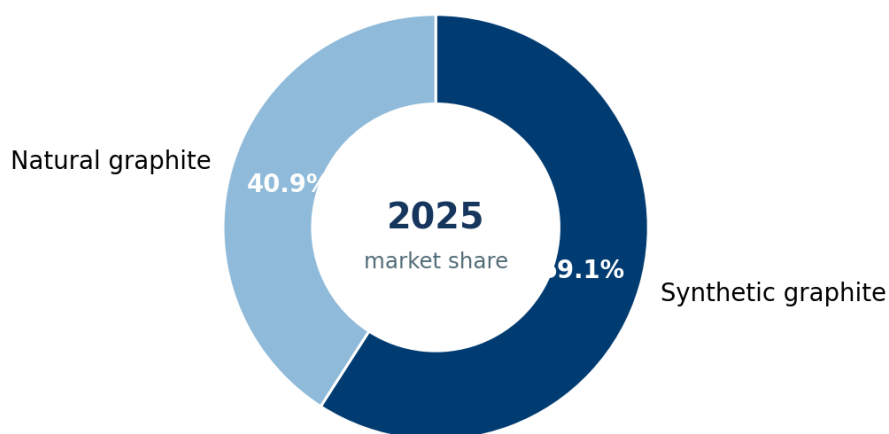
**Exhibit 19: Indicative Natural and Synthetic Graphite Prices (August 2026)**

| Region         | Natural graphite (A\$/t) | Synthetic graphite (A\$/t) |
|----------------|--------------------------|----------------------------|
| North America  | 1,798.4                  | 4,042.8                    |
| Europe         | 2,049.3                  | 3,317.9                    |
| Northeast Asia | 2,551.2                  | 3,220.3                    |
| Africa         | 864.3                    | N/A                        |
| South America  | 2,718.5                  | N/A                        |

Source: Business Analytiq natural and artificial graphite price indices, August 2026; converted at US\$1.00 = A\$1.39408. These regional observations are indicative, specification-dependent snapshots and are not the price deck used in Arrowhead's valuation.

**Exhibit 20: Market Share by Graphite Type (2025)**

### Published Market Share by Graphite Type



Source: Mordor Intelligence, Global Graphite Market. Market share is a revenue-based third-party estimate and may differ from physical production shares.

### 5.2.2. Segment Analysis

Graphite markets are segmented by product form and end use because specifications are not interchangeable. Battery applications require high purity, controlled particle shape and consistent electrochemical performance. Steelmaking electrodes require synthetic graphite with high conductivity and thermal resistance. Refractory, foundry, lubricant and friction markets place greater emphasis on flake size, thermal behaviour, oxidation resistance and delivered cost. Nuclear, thermal-management and other high-technology applications can command attractive pricing but generally require specialist qualification and smaller volumes.

This segmentation is important for Lac Carheil. The PFS preserves coarse and medium flake for industrial sale while directing fine flake to the proposed Baie-Comeau refinery. Project economics therefore depend on both the recoverable product split and the ability to achieve downstream yields and customer specifications, rather than on a single headline graphite price.

### Graphite End-Use Segments

| Segment          | Principal graphite requirement                                          | Current market dynamic                                            |
|------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------|
| Battery anodes   | High-purity natural or synthetic material; controlled shape and coating | Largest structural growth driver; lengthy customer qualification. |
| Steel electrodes | Predominantly synthetic graphite electrodes                             | Linked to electric-arc-furnace output and electricity costs.      |

| Segment                       | Principal graphite requirement                              | Current market dynamic                                                 |
|-------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|
| Refractories / foundries      | Natural flake and grades with thermal resistance            | Mature industrial demand tied to steel, casting and production cycles. |
| Lubricants / friction         | Natural or synthetic grades selected for lubricity and size | Specification-driven niches and aftermarket demand.                    |
| Nuclear / thermal / high-tech | Very-high-purity and engineered products                    | Smaller volumes with high technical barriers.                          |

### 5.2.3. Geographical Landscape

#### Global Graphite Supply Overview

Natural graphite mine supply is concentrated but geographically broader than battery-grade processing. USGS estimates that China produced approximately 1.4Mt of natural graphite in 2025, representing about 78% of world output. Madagascar, Tanzania, Brazil and Mozambique together accounted for a further material share, while Canada remained a small producer despite its large development pipeline. Reserve distribution is less concentrated than production, indicating that geology alone does not explain current market structure.

The greater strategic bottleneck is refining and anode-material production. The IEA estimates that China accounts for more than 90% of global graphite refining and notes that midstream and downstream capacity outside the leading producer continues to lag announced mining capacity. Qualified processing equipment, process know-how, operating scale and customer relationships are therefore as important as resource availability.

#### Exhibit 21: Natural Graphite Production and Reserve Statistics (2025)

| Country         | 2025 production (kt) | Production share | Reserves (kt) | Reserve share |
|-----------------|----------------------|------------------|---------------|---------------|
| China           | 1,400.0              | 77.78%           | 100,000.0     | 32.26%        |
| Madagascar      | 80.0                 | 4.44%            | 27,000.0      | 8.71%         |
| Tanzania        | 75.0                 | 4.17%            | 18,000.0      | 5.81%         |
| Brazil          | 65.0                 | 3.61%            | 74,000.0      | 23.87%        |
| Mozambique      | 60.0                 | 3.33%            | 25,000.0      | 8.06%         |
| Russia          | 25.0                 | 1.39%            | 14,000.0      | 4.52%         |
| India           | 17.0                 | 0.94%            | 8,600.0       | 2.77%         |
| Canada          | 8.0                  | 0.44%            | 5,900.0       | 1.90%         |
| North Korea     | 8.0                  | 0.44%            | 2,000.0       | 0.65%         |
| Norway          | 6.6                  | 0.37%            | 600.0         | 0.19%         |
| Other countries | 55.4                 | 3.08%            | 34,900.0      | 11.26%        |
| World total     | 1,800.0              | 100.00%          | 310,000.0     | 100.00%       |

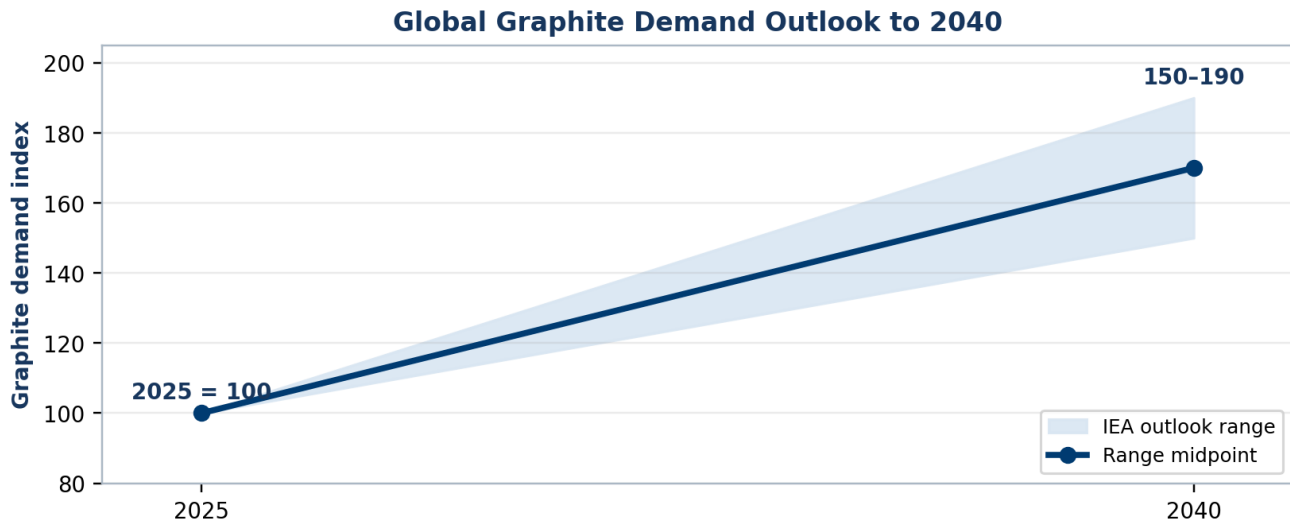
*Source: U.S. Geological Survey, Mineral Commodity Summaries 2026. Production and reserve figures are thousand metric tonnes; shares are calculated from the published world totals.*

#### Global Graphite Demand Overview

Demand is supported by both mature industrial applications and rapid growth in lithium-ion batteries. Asia-Pacific remains the largest production and consumption centre through its battery, steel and electronics industries. North America and Europe are investing in cells, active materials and critical-minerals projects to reduce import dependence, while Brazil, Africa and other resource regions are expanding mine supply. The commercial challenge is matching new mine output with qualified processing and contracted demand.

Under the IEA Stated Policies Scenario, graphite demand increases by approximately 50%–90% between 2025 and 2040. Electric vehicles and stationary storage are the central growth engines, while steel, refractories, thermal management and other industrial uses provide a diversified demand base. The range is more decision-useful than a single point forecast because battery size, chemistry, recycling, material efficiency and silicon blending can materially change graphite intensity.

## Exhibit 22: Global Graphite Demand Overview



Source: IEA, *Global Critical Minerals Outlook 2026*. Indexed illustration based on the IEA's stated 50%–90% graphite demand growth range to 2040; it is not a Metals Australia forecast.

### 5.2.4. Key Trends and Drivers in the Graphite Market

#### Explosive Growth Driven by Lithium-Ion Battery Demand

Lithium-ion batteries remain the principal structural growth driver because graphite is the dominant anode material across commercial lithium-iron-phosphate and nickel-rich cathode systems. Global battery demand exceeded 1.5 TWh in 2025 according to the IEA. Future demand will depend on EV sales, stationary storage, average battery size, recycling, fast-charging requirements and the amount of silicon blended into anodes.

#### Strategic Investment and Acquisitions

Mining companies, oil and gas groups, battery manufacturers and governments are investing across natural graphite, synthetic graphite and active-anode-material capacity. Transactions such as ExxonMobil's acquisition of Superior Graphite assets illustrate the value placed on established processing technology, customer relationships and domestic capacity. For development companies, strategic investment or offtake can improve bankability, but announced interest should not be treated as committed funding until terms are binding.

#### Increase in Steel Production and Electric-Arc-Furnace Capacity

Graphite electrodes are essential consumables in electric-arc-furnace steelmaking, and refractory graphite is used across furnaces and foundries. Growth in EAF capacity, particularly in Asia and the Middle East, supports synthetic-electrode and industrial-graphite demand. These markets are cyclical and linked to steel utilisation, electricity prices and construction activity, but they diversify graphite demand beyond batteries.

#### Energy Generation and High-Temperature Applications

Graphite's thermal stability, conductivity and chemical resistance support uses in nuclear systems, solar and thermal-energy equipment, fuel cells, supercapacitors, heat management and other high-temperature applications. These markets are smaller than batteries or steel, yet their qualification barriers and strategic relevance can support specialised products and longer-duration customer relationships.

#### Supply-Chain Diversification and Industrial Policy

Graphite's high refining concentration, limited substitutes and strategic end uses have elevated supply security alongside price in procurement decisions. Canada's Clean Technology Manufacturing Investment Tax Credit provides a 30% refundable credit for eligible property available for use through 2031, with a phased reduction thereafter. Grants, loans, guarantees and offtake support can also help, but eligibility, timing and execution remain project-specific.

#### Product Quality, Yield and Vertical Integration

Natural graphite value depends on grade, recovery and flake distribution at the mine, then spheroidisation yield, purification, coating and qualification downstream. Vertical integration may capture more value and improve traceability,

but it also adds process technology, commissioning, working-capital and customer-acceptance risk. A refinery is not simply an extension of a concentrator.

## Policy and Trade Landscape

| Policy / market development   | Status at 26 August 2026                                                     | Relevance to Metals Australia                                                 |
|-------------------------------|------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| Canada CTM ITC                | 30% refundable credit through 2031; phased reduction thereafter              | Included in study and funding assumptions, subject to eligibility and timing. |
| IEA diversification agenda    | Greater use of grants, guarantees, offtake support and price-risk tools      | Supports strategic engagement but is not committed MLS funding.               |
| U.S. active-anode AD/CVD case | Commerce affirmative; USITC final determination negative in March 2026       | Policy attention is relevant, but no active order is assumed in valuation.    |
| Chinese export controls       | Controls expanded across strategic battery-supply-chain technologies in 2025 | Reinforces the strategic case for qualified non-Chinese supply.               |

### 5.2.5. Restraints

#### Environmental Regulations and Sustainability Concerns

Natural graphite extraction can disturb land, create dust and require careful water and tailings management. Synthetic graphitisation is energy- and emissions-intensive, particularly where fossil electricity is used. Purification chemistry is another key differentiator. Renewable hydropower and non-hydrofluoric-acid processes can improve project positioning, but permitting, monitoring and community engagement remain critical-path obligations.

#### Competitive Pressure from Alternative Materials

Silicon-containing anodes can improve energy density and reduce graphite intensity per unit of battery capacity, while sodium-ion and other battery systems may change the long-term demand mix. Most near- and medium-term commercial pathways still use substantial graphite, but producers must continue to improve cost, consistency and electrochemical performance rather than assume permanent technological dominance.

#### Price Fluctuations and Supply-Chain Volatility

Graphite is not exchange traded, and realised prices vary by purity, flake size, location, qualification status, contract term and volume. Concentrated production and processing create exposure to export controls, trade measures and logistics disruptions. Published assessments can differ materially from contracted prices, making product-specific sensitivities more appropriate than a single spot-price assumption.

#### Incumbent Cost Advantage

Established Chinese natural and synthetic supply benefits from scale, integrated processing, equipment availability, technical experience and established customers. New Western projects may require superior product quality, lower-carbon credentials, policy support or security-of-supply premiums to compete through the cycle.

#### Qualification Timelines

Battery-anode customers require extensive sampling, testing and consistency data before approving material. A technically successful pilot or plant may therefore face a long interval before full commercial qualification and contracted sales. Qualification must progress in parallel with engineering and financing.

#### Capital Intensity, Sequencing and Dilution

Mine, concentrator and anode facilities require substantial capital before cash flow. Staging may reduce initial funding pressure but can defer scale benefits and introduce interfaces between modules. The IEA's reported decline in battery-material investment demonstrates that strategic importance does not guarantee capital; cost overruns, interest during construction and low equity issue prices can materially dilute existing holders.

### 5.2.6. Implications for Metals Australia

Lac Carheil is positioned around the market attributes that currently attract strategic attention: a large, high-grade North American resource; a reserve-backed upstream plan; access to Québec hydroelectricity; and a downstream route to battery-anode material. The 11.14% Cg Ore Reserve supports comparatively low ore throughput for the planned

concentrate output, while the PFS preserves coarse and medium flake for industrial sale and directs fine flake to the proposed refinery.

The opportunity is not simply exposure to a higher graphite price. It is the potential to convert resource quality, product mix, location and traceability into qualified supply for industrial and battery customers. The decisive commercial evidence will be feasibility-level engineering, pilot-scale production, product qualification, binding offtake or strategic investment, permits and a financeable construction plan.

Arrowhead's valuation reflects this distinction. Product-specific upstream prices are taken from the PFS framework, downstream product volumes and prices are modelled through explicit annual cash flows, and the headline fair value remains pre-financing. A separate financing sensitivity shows how debt capacity and future equity issue prices could affect value per share and current holders' ownership. No premium is assigned solely for policy support, trade friction or strategic status.

### Industry Read-Through for Metals Australia

| Industry factor                | Positive read-through                                                     | Required evidence / remaining risk                                                     |
|--------------------------------|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| High-grade reserve             | Lower material movement and processing intensity per tonne of concentrate | Reserve conversion, recoveries and costs must hold through feasibility and operations. |
| Québec location                | Hydropower, infrastructure and proximity to North American customers      | Permits, local engagement and infrastructure agreements remain outstanding.            |
| Integrated downstream strategy | Potential value capture, traceability and strategic relevance             | Qualification, commissioning, yield, working capital and larger funding requirement.   |
| Policy support                 | CTM incentive can materially reduce net capital requirement               | Eligibility, construction schedule and available-for-use dates must be achieved.       |
| Diversification demand         | Customers may value secure non-Chinese supply                             | Commercial premium is not assured without binding contracts.                           |

## 6. Financial Analysis

### 6.1. Historical Financial Position

The latest audited financial statements are FY2024 and FY2025. The six months ended 31 December 2025 are the latest reviewed interim figures. The June 2026 quarterly is used only to update cash; FY2026 annual financial statements had not been published as at the valuation date.

#### Historical Income Statement Summary

| A\$m                | FY2024  | FY2025  | 1H FY2026 |
|---------------------|---------|---------|-----------|
| Total income        | 0.792   | 1.782   | 0.116     |
| Net income / (loss) | (0.538) | (1.560) | (0.913)   |

Cash declined from A\$5.584m at 31 December 2025 to A\$4.399m at 31 March 2026 and A\$3.733m at 30 June 2026 as technical and corporate expenditure continued.

### 6.2. Forecast Operating Profile

The integrated forecast begins production in FY2030 and reaches full downstream nameplate in FY2034. The following table shows the ramp years; the full annual forecast remains in the supporting valuation model.

#### Integrated Forecast Summary

| A\$m                | FY2030  | FY2031 | FY2032 | FY2033 | FY2034 |
|---------------------|---------|--------|--------|--------|--------|
| Revenue             | 182.4   | 490.4  | 680.1  | 720.8  | 745.4  |
| EBITDA              | 76.4    | 290.1  | 422.1  | 450.3  | 467.5  |
| Net income / (loss) | (148.8) | 189.8  | 309.9  | 281.1  | 302.4  |

The forecast balance sheet and cash-flow statement contain an illustrative external-funding requirement to balance the statements. That line is not an assumed debt/equity structure and does not drive the DCF. Indicative debt and equity outcomes are presented separately in the financing sensitivity.

## 7. Valuation

### 7.1. Valuation Summary

Arrowhead estimates a pre-financing fair-value range of A\$0.328-A\$0.410 per share, with a base value of A\$0.369. The range changes only the relative weighting of graphite comparables and the integrated DCF; other-asset values are held constant.

#### Arrowhead Fair-Value Range

| Case  | Graphite comps | DCF | Equity value (A\$m) | Fair value/share |
|-------|----------------|-----|---------------------|------------------|
| Lower | 60%            | 40% | 240.8               | A\$0.328         |
| Base  | 50%            | 50% | 271.0               | A\$0.369         |
| Upper | 40%            | 60% | 301.2               | A\$0.410         |

#### Base Sum-of-the-Parts Valuation

| Component         | Value (A\$m) | Value/share | Selected treatment                 |
|-------------------|--------------|-------------|------------------------------------|
| Graphite platform | 254.736      | A\$0.347    | 50% comps / 50% DCF                |
| Manindi Zn-Cu-Ag  | 7.012        | A\$0.010    | 80% attributable                   |
| Manindi VTM       | 6.000        | A\$0.008    | 80% attributable exploration value |
| Corvette          | 3.220        | A\$0.004    | Early-stage explorer cross-check   |
| Total             | 270.968      | A\$0.369    | Pre-financing equity value         |

### 7.2. Graphite Comparable Valuation

The current peer set uses direct Capital IQ enterprise values and project-specific technical denominators. The selected metrics are EV per contained resource, EV per contained reserve and EV/project NPV. Peer stage weights reflect differences in technical maturity and comparability.

#### Selected Graphite Peers

| Peer           | Project basis  | EV (A\$m) | Resource (Mt Cg) | Reserve (Mt Cg) | NPV (A\$m) | Weight |
|----------------|----------------|-----------|------------------|-----------------|------------|--------|
| Renascor       | Siviour        | 51.6      | 8.500            | 4.300           | 1,500.0    | 100%   |
| Graphite One   | Graphite Creek | 188.3     | 16.364           | 3.717           | 7,211.6    | 100%   |
| Focus Graphite | Lac Knife      | 50.7      | 1.800            | 1.394           | 290.5      | 50%    |
| Nouveau Monde  | Matawinie      | 231.6     | 6.530            | 2.600           | 1,509.7    | 10%    |

**Basis of the peer set.** The four peers span a range of development stages, and their weights in the benchmark reflect that. Renascor Resources (Siviour, South Australia) is at Definitive Feasibility Study stage with an integrated battery-anode-material project, and Graphite One (Graphite Creek, Alaska) is at Feasibility Study stage with integrated active-anode-material development; both are treated as core, full-weight peers. Focus Graphite (Lac Knife, Québec) is a Québec upstream Feasibility Study peer, given a 50% weight. Nouveau Monde Graphite (Matawinie, Québec) has taken a Final Investment Decision and is in construction with an integrated project; as the most advanced peer it is an upper-stage benchmark and is heavily downweighted to 10% so that construction-stage pricing does not dominate the multiple.

**Company assets versus project denominators.** Each peer's enterprise value reflects the whole company, while the resource, reserve and NPV denominators are referenced to the primary project named above. This is most material for Focus Graphite, whose enterprise value also carries the Lac Tétépisca deposit (approximately 14.7 Mt of contained graphite) that is excluded from the Lac Knife denominator, and for Nouveau Monde Graphite, whose Uatnan deposit (approximately 14.4 Mt) and Bécancour downstream assets are excluded from the Matawinie denominator. Graphite One's enterprise value likewise includes material downstream anode-material development. The peer-stage weightings

partially offset this, but the resulting multiples should be read as project-referenced valuation indicators rather than pure consolidated-company multiples. A separate consolidated-resource sensitivity, which credits each peer with its additional graphite, is shown later in this section and reduces the base fair value only marginally.

All peer enterprise values are based on S&P Capital IQ market data as at 26 August 2026 and expressed in Australian dollars. The supplied Capital IQ export was in U.S. dollars and has been converted at A\$1.39408 per US\$1.00. Exhibit 4A separately reproduces the Company's PFS conversion at A\$1.43 per US\$1.00; that study rate is retained for PFS-derived project figures and is not the spot rate used for current peer market data.

### Graphite Comparable Outputs

| Method                  | Peer benchmark | MLS denominator | Value/share | Weight |
|-------------------------|----------------|-----------------|-------------|--------|
| EV/resource             | A\$13.55/t Cg  | 5.1Mt Cg        | A\$0.099    | 25%    |
| EV/reserve              | A\$34.53/t Cg  | 2.4Mt Cg        | A\$0.118    | 40%    |
| EV/NPV                  | 0.0628x        | A\$2.552bn      | A\$0.198    | 35%    |
| Weighted graphite comps | -              | -               | A\$0.141    | 100%   |

Only the downstream PEA component of MLS's project NPV receives a 15% technical-stage haircut; the PFS-stage upstream component receives no haircut. For the EV/project-NPV method, the 0.0628x peer benchmark is first applied to the A\$2.552bn combined published project NPV. Applying the 15% haircut only to the downstream PEA component equates to an 11.638% reduction to the combined NPV and produces an implied enterprise value of approximately A\$141.5m. Arrowhead then adds A\$3.733m of net cash before dividing by 734.22m shares, producing approximately A\$0.198 per share. The EV/resource and EV/reserve methods use the same net-cash bridge from enterprise value to equity value.

The EV/project-NPV method and the DCF deliberately use different discount rates, and the two are complementary rather than contradictory. The comparable method anchors to market-observed peer multiples applied to the project NPV as published at an 8% real rate, capturing how the market prices peer developers on a like-for-like basis. The integrated DCF instead discounts Arrowhead's own reconstructed cash flows at a 13.25% cost of equity, reflecting the required return for a pre-development, single-asset company at this stage. Blending the two at equal weight balances the market view against Arrowhead's intrinsic view.

### Consolidated-Resource Transparency Sensitivity

| Item                  | Primary-project basis | Consolidated-resource sensitivity |
|-----------------------|-----------------------|-----------------------------------|
| Weighted EV/resource  | A\$13.55/t            | A\$7.78/t                         |
| Resource-method value | A\$0.099/share        | A\$0.059/share                    |
| Graphite comps value  | A\$0.141/share        | A\$0.131/share                    |
| Base total fair value | A\$0.369/share        | A\$0.364/share                    |

*Focus also owns Lac Tétépisca and Nouveau Monde also owns Uatnan. The primary-project basis remains selected because it provides the closer project-stage comparison; the consolidated view is shown for transparency.*

### 7.3. Integrated DCF Valuation

The DCF models explicit annual upstream, downstream and corporate cash flows at a 13.25% discount rate. It includes the downstream module ramp, product-specific volumes and pricing, operating costs, tax depreciation, tax losses, capex, CTM incentives, sustaining capex and working capital. It uses no terminal value and excludes the financing structure.

#### Integrated DCF Summary

| DCF component                        | Present value at 30 June 2026 (A\$m) |
|--------------------------------------|--------------------------------------|
| Upstream integrated cash flows       | (318.4)                              |
| Downstream BAM cash flows            | 731.3                                |
| Corporate and exploration cash flows | (14.9)                               |
| Total at 30 June 2026                | 398.0                                |
| Roll-forward to 26 August 2026       | 1.0196x                              |
| DCF at valuation date                | 405.8                                |
| DCF per share                        | A\$0.553                             |

The negative upstream allocation is an integrated-model presentation effect: fine-flake revenue is captured in the downstream cash flows while upstream costs are applied to all mine production. It does not mean the published upstream PFS is negative; the standalone PFS reports A\$572m after-tax NPV8.

Arrowhead's standalone downstream reconstruction produces A\$1.991bn NPV8 compared with the Company's published A\$1.98bn, a variance of approximately +0.5%. The written PEA describes sales and marketing as 2% of CSPG revenue, while its published cash-flow table behaves more like approximately 2% of plant operating costs. Arrowhead follows the published cash-flow-table behaviour to maintain the NPV reconciliation.

The integrated DCF uses a 13.25% cost of equity, reflecting the required return selected for a pre-development, single-asset company at this stage. The rate is tested through the model sensitivity.

Tax treatment is conservative: the integrated forecast does not assume that accumulated upstream tax losses can be offset against downstream taxable income. Any ability to utilise those losses will depend on the eventual Canadian legal and tax structure; no value is assigned to that potential benefit.

### 7.4. Other Assets

#### Other-Asset Valuation

| Asset            | Gross (A\$m) | value | Ownership | Selected (A\$m) | value | Basis                                   |
|------------------|--------------|-------|-----------|-----------------|-------|-----------------------------------------|
| Manindi Zn-Cu-Ag | 8.765        |       | 80%       | 7.012           |       | Resource peer comps                     |
| Manindi VTM      | 7.500        |       | 80%       | 6.000           |       | Risk-adjusted exploration value         |
| Corvette         | 3.220        |       | 100%      | 3.220           |       | Early-stage Québec explorer cross-check |
| Total            | -            | -     |           | 16.232          |       | A\$0.022/share                          |

Manindi Zn-Cu-Ag is valued on an attributable basis. Manindi VTM remains a judgmental Arrowhead exploration value rather than a resource-derived multiple. Corvette assumes no mineral resource and is cross-checked against early-stage Québec and James Bay explorers.

## 7.5. Financing Sensitivity

The headline fair value is pre-financing. The following sensitivity illustrates one potential financing pathway and shows how alternative debt capacity and future equity issue prices could affect value per share and the ownership retained by current shareholders. It is not a company financing forecast, does not replace the headline valuation and should not be interpreted as the only route to project development or value realisation.

### Indicative Permanent Funding Basis

| Indicative funding requirement           | A\$m    |
|------------------------------------------|---------|
| Upstream net capex after CTM incentive   | 356.9   |
| Downstream net capex after CTM incentive | 887.7   |
| Peak downstream working capital          | 17.2    |
| Less cash above A\$3.0m minimum          | (0.7)   |
| Total indicative requirement             | 1,261.2 |

### Illustrative Financing Outcomes

| Scenario     | Upstream debt | Downstream debt | Issue prices U/D | Equity raised | Current holders | Post-financing FV |
|--------------|---------------|-----------------|------------------|---------------|-----------------|-------------------|
| Conservative | 50%           | 35%             | A\$0.08/A\$0.12  | A\$786.7m     | 9.1%            | A\$0.129          |
| Base         | 60%           | 45%             | A\$0.12/A\$0.18  | A\$662.9m     | 15.2%           | A\$0.190          |
| Stronger     | 65%           | 55%             | A\$0.15/A\$0.22  | A\$555.3m     | 20.8%           | A\$0.230          |

*The sensitivity excludes detailed debt draw timing, interest during construction, amortisation, ITC bridge financing and refinancing. It also gives no base-case value to uncommitted grants, government-backed project finance beyond the modeled debt assumptions, strategic capital, customer prepayments, equipment finance, joint ventures, farm-ins or asset-level transactions.*

The scenarios assume Metals Australia remains the project sponsor and funds construction primarily through debt and new equity. Potentially less-dilutive alternatives include additional Canadian public-sector financing, strategic or customer capital, a joint venture or farm-in, a partial project sale or a corporate transaction. The NMG precedent shows that significant public-sector project finance can emerge after substantial de-risking, but Arrowhead does not assume comparable support for Metals Australia in the headline valuation or financing sensitivity.

## 7.6. Conclusion

Arrowhead values Metals Australia at A\$0.328-A\$0.410 per share on a pre-financing basis, with a base fair value of A\$0.369. The wide difference between the A\$0.141 comparable value and A\$0.553 DCF value is central to the conclusion: technical studies support substantial project value, while public markets heavily discount development-stage graphite companies for financing, execution and commercial risk. Equal weighting is therefore appropriate in the base case. Financing remains a major execution variable for value per current share, but the sensitivity is not a forecast and does not capture every route to value realisation. The NMG precedent demonstrates that significant public-sector project finance can emerge after de-risking, while strategic investment, a joint venture or farm-in, an asset-level transaction or a corporate transaction could reduce or avoid the need for Metals Australia to fund the full integrated development on its own balance sheet.

## **Important Information on Arrowhead Methodology**

The principles of the valuation methodology employed by Arrowhead BID are variable to a certain extent, depending on the sub-sectors in which the research is conducted. But all Arrowhead valuation research possesses an underlying set of common principles and a generally common quantitative process.

With Arrowhead's commercial and technical due diligence, Arrowhead researches the fundamentals, assets, and liabilities of a Company, and builds estimates for revenue and expenditure over a coherently determined forecast period.

Elements of past performance, such as price/earnings ratios, indicated as applicable, are mainly for reference. Still, elements of real-world past performance enter the valuation through their impact on the commercial and technical due diligence.

We have presented a Comparable Company Analysis on which the fair value bracket is built.

## **Arrowhead BID Fair Market Value Bracket**

The Arrowhead Fair Market Value is given as a bracket. This is based on quantitative key variable analyses, such as key price analysis for revenue and cost drivers or analysis and discounts on revenue estimates for projects, especially relevant to projects estimated to provide revenue near the end of the chosen forecast period. Low and high estimates for key variables are produced as a valuation tool.

In principle, an investor comfortable with the high brackets of our key variable analysis will align with the high bracket in the Arrowhead Fair Value Bracket, and, likewise, in terms of low estimates. The investor will also note the Company's intangibles to analyze the strengths and weaknesses, and other essential Company information. These intangibles serve as supplementary decision factors for adding or subtracting a premium in an investor's analysis.

The bracket should be taken as a tool by Arrowhead BID for the reader of this report, and the reader should not solely rely on this information to make their decision on any particular security. The reader must also understand that while on the one hand global capital markets contain inefficiencies, especially in terms of information, on the other, corporations and their commercial and technical positions evolve rapidly. This present edition of the Arrowhead valuation is for a short to medium-term alignment analysis (one to twelve months).

## 8. Analyst Certifications

The Arrowhead Research Analyst Team certifies that all of the views expressed in this research report accurately reflect the team's views about the subject security and the subject company, based on the collection and analysis of public information and public company disclosures.

Arrowhead Business and Investment Decisions, LLC has received fees in 2026, and will receive further fees in 2026, from Metals Australia Ltd for researching and drafting this report and for a series of other services to Metals Australia Ltd, including the distribution of this report and investor relations services. Neither Arrowhead nor any of its principals or employees holds any long or short position in Metals Australia Ltd. Arrowhead does not intend to seek a mandate for investment banking services from Metals Australia Ltd. Aside from certain reports published on a periodic basis, the large majority of reports are published by Arrowhead at irregular intervals as appropriate in the analyst team's judgment. Any opinion expressed in this report constitutes Arrowhead's judgment as of the date of this report and is subject to change without notice.

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### Important disclosures

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their own due diligence. Arrowhead accepts no liability for any loss arising from the use of, or reliance on, the information contained in this report.

Metals Australia Ltd reports in Australian dollars and all monetary figures in this report are in AUD unless otherwise stated. Comparable-company data was exported in U.S. dollars and converted to AUD at A\$1.39408 per US\$1.00 as of the 26 August 2026 valuation date; currency movements will alter peer multiples. Actual financial figures are drawn from the Company's filings and the S&P Capital IQ export. The reference share price, 52-week range and three-month average volume are based on the ASX market snapshot supplied for 26 August 2026. Forecast operating figures and valuation assumptions not explicitly identified as Company guidance represent Arrowhead's analytical estimates. Market data, peer multiples, share count and cash were refreshed for final publication on 26 August 2026.

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