



PEARL GULL IRON

PEARL GULL IRON LIMITED

ABN 62 621 103 535

ANNUAL REPORT

2025

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Corporate Directory

Directors:

Mr Russell Clark
Non-Executive Chairman

Mr Alex Passmore
Non-Executive Director

Mr Mathew O'Hara
Non-Executive Director

Company Secretary:

Mr Mathew O'Hara

Bank:

Westpac Banking Corporation
 40 St George's Terrace
 Perth WA 6000

Auditor:

KPMG
 235 St Georges Terrace
 Perth WA 6000

Telephone: (08) 9322 2022
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Solicitors:

Thomson Geer
 Level 27, Exchange Tower
 2 The Esplanade
 Perth WA 6000

Telephone: (08) 9404 9100
 Facsimile: (08) 9300 1338

For shareholder information contact:

Share registry:

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 Level 2, 267 St Georges Terrace
 Perth, WA 6000
 Email: hello@automic.com.au
 Website: www.automic.com.au

Stock exchange:

ASX Limited
 ASX: PLG

For information on the Company contact:

Principal & Registered Office:

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Telephone: (08) 6143 6730
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Review of Operations

Pearl Gull Iron Limited (**Pearl Gull** or the **Company**) is a focussed iron ore exploration and development company with mining title over a significant portion of Cockatoo Island. Cockatoo Island is situated off the coast of Northwest Australia and has a rich history of high-grade iron ore mining since the 1950's. Pearl Gull holds a significant tenure position as well as critical infrastructure on Cockatoo Island. During September 2025, the Company entered into a binding Asset Sale and Purchase Agreement to sell its Cockatoo Island Project, with completion expected to occur in late Q4, 2025.

Pearl Gull's experienced Board and management has the skills and track record to identify new projects and growth opportunities, with the aim of generating value for shareholders and future investors.

The Company incurred a net loss after tax for the year ended 30 June 2025 of \$0.51 million (2024: \$1.2 million loss). The loss includes an income tax benefit of \$0.73 million (2024: nil) and exploration expenditure charged directly to the statement of comprehensive income of \$0.14 million (2024: \$0.21 million). Net cash outflows from operating activities were \$0.82 million (2024: \$0.90 million). At 30 June 2025, the Company had cash on hand of \$0.06 million (2024: \$0.9 million).

Cockatoo Island activities

On 4 September 2025, the Company announced that it had entered into a binding Asset Sale and Purchase Agreement (**Sale Agreement**) with Buccaneer Resources Pty Ltd (**Buccaneer**), Crestlink Pty Ltd (**Crestlink**) and JCA WA Nominees Pty Ltd (**JCA**), pursuant to which the Company has agreed to sell 100% of the Company's interest in the Tenements which comprise its Cockatoo Island Project (including mining lease 04/235), together with all mining information, plant and infrastructure and the benefit of certain contracts relating to those Tenements (and associated environmental liabilities) (together, the **Sale Assets**) for cash consideration of A\$4.5 million, a 4% equity interest in Crestlink and royalties payable on certain materials extracted from the Tenements (**Proposed Transaction**).

The Board considers the Proposed Transaction to be a successful outcome for the Company and its shareholders taking into consideration the early stage of the Company and the work and expenditure required to continue to progress the Cockatoo Island Project. The cash consideration component will provide funding to the Company for the identification of potential new projects and growth opportunities, with the aim of generating value for shareholders and future investors whilst retaining exposure to the Cockatoo Island Project via the equity interest in Crestlink and any royalties payable in the future.

The consideration for the Sale Assets comprises the following:

- **Cash Consideration:** The Company to receive cash consideration of A\$4.5 million in the following instalments:
 - A\$100,000 which was paid 5 business days following acceptance of an indicative offer and is being held in escrow pending satisfaction of the conditions precedent under the Sale Agreement (**First Payment**)
 - A\$500,000 which was paid 5 business days following execution of the Sale Agreement and is being held in escrow pending satisfaction of the conditions precedent under the Sale Agreement (**Second Payment**);
 - A\$1.9 million payable at completion of the Proposed Transaction (**Third Payment**); and
 - A\$2.0 million payable 12 months after completion of the Proposed Transaction (**Fourth Payment**).
- **Consideration Shares:** Pearl Gull is to receive a 4% direct or indirect equity interest in Crestlink at completion of the Proposed Transaction. The issue of shares to Pearl Gull in Crestlink is subject to Crestlink shareholder approval. If such approval is not obtained, JCA (88% ownership in Crestlink) has agreed to issue shares in JCA to Pearl Gull so that its indirect equity interest in Crestlink is equal to 4%. If Crestlink undertakes an equity raising at a deemed enterprise value of A\$75 million or less, Crestlink (or JCA) must issue additional Crestlink (or JCA) shares to Pearl Gull, such that Pearl Gull retains a 4% equity interest in Crestlink. The Consideration Shares will be subject to normal dilution arising from an equity raising where Crestlink's deemed enterprise value exceeds A\$75 million.
- **Royalties:** The payment of two royalties comprising 2% of the free on-board value of all iron ore recovered from the Tenements and sold by Buccaneer, and A\$0.50 per tonne of ballast extracted from the Tenements and used by Crestlink for the construction of its multi-user supply base on Cockatoo Island.

Review of Operations

The Proposed Transaction is subject to the satisfaction or waiver (as applicable) of a number of conditions precedent, including:

- The Company obtaining all necessary shareholder approvals required by the Corporations Act, the ASX Listing Rules and its constitution to give effect to the Proposed Transaction. The Company is seeking shareholder approval at its upcoming Annual General Meeting, which if received, will satisfy this condition precedent;
- The grant of Ministerial consent under the Mining Act for the transfer of the Tenements from the Company to Buccaneer;
- The Purchaser obtaining all third party approvals and consents necessary to give effect to the transfer of the Sale Assets;
- The Company obtaining all third party approvals and consents necessary to give effect to the transfer of the Tenements; and
- Buccaneer receiving notice under the FIRB Act from the Department of the Treasury indicating no objection to or its approval for the proposed acquisition of the Tenements, either on an unconditional basis or subject only to such conditions acceptable to the Company and Buccaneer, acting reasonably.

The Directors are confident that the above conditions precedent will all be met. The First Payment was paid on 22 April 2025 and the second payment was paid on 8 September 2025. The First and the Second payments are to be held in escrow pursuant to the terms of escrow deeds and will be released on the date that all the conditions precedent are satisfied (or waived) under the Sale Agreement. Pearl Gull has been granted the right to lodge a mining mortgage (in the form prescribed by the Mining Act) over all or any of the granted Tenements up until receipt of the Fourth (final) Payment.

As the Proposed Transaction constitutes a disposal of the Company's main undertaking, the Company will be seeking shareholder approval for the Proposed Transaction pursuant to ASX Listing Rule 11.2, expected to be sought in early November 2025. Following completion, the Company intends to continue as a listed company and continue to identify new projects and growth opportunities, that will aim to generate value for shareholders and future investors.

Care and maintenance activities

With increased activity on Cockatoo Island during the year ended 30 June 2025 by other parties operating on the island, the Company completed a number of site visits to actively monitor this activity and specifically its impact in relation to Pearl Gull's tenements.

Care and maintenance activities undertaken during the year consisted of the compilation and submission of the Annual Environmental Review report to the Department of Mines, Petroleum and Exploration (**DMPE**) in compliance with tenement conditions reporting. Other activities consisted of site visits to the island to undertake inspections for both environmental compliance in the areas of weed management and control, surface water control and inspections for general site safety conditions in areas like wall stability. The Company also undertook necessary repairs to fencing around the historic workshops, and to the water bores as well as inspections on the island airstrip and removal of rubbish and other items in line with its obligations.

Pearl Gull continues its care and maintenance activities with ongoing routine inspections and liaising with DMPE regarding its environmental obligations.

Review of Operations

Other opportunities

During the year ended 30 June 2025, new project generation remained a key focus. As announced on 14 June 2024, the Company entered into a binding term sheet to acquire 100% of the fully paid ordinary shares in Huemul Holdings Pty Ltd, which had signed an agreement to have the right to earn up to an 80% interest in NeoRe SpA and the underlying La Marigen Rare Earths Project in Chile. However, in August 2024, by mutual agreement between the Company and the shareholders of Huemul Holdings Pty Ltd, the binding term sheet was terminated. Due to current market sentiment and headwinds in the market price for rare earth elements, the Company considered that it was no longer in its best interests to farm in to the La Marigen Rare Earths Project in Chile, in these prevailing conditions.

Following the announcement of the Proposed Transaction, the Company will continue to identify and review new projects and growth opportunities with the aim of generating value for shareholders and future investors.

Corporate Activities

Following the end of the year, the Company entered into an unsecured loan facility up to \$500,000 with Malekula Projects Pty Ltd (**Loan Facility**). This facility has an interest rate of 13% per annum on any drawn down funds and an expiry date of 29 January 2026.

As a result of the current cash balance, the Directors also elected to put their fees on hold (and accrue these fees) from 1 June 2025. The fees will remain on hold until completion of the Proposed Transaction and the Company will not be utilising funds drawn down under the Loan Facility to pay Director fees.

Forward-Looking Statements

This report may include forward-looking statements and opinions. Forward-looking statements, opinions and estimates are only predictions and are subject to risks, uncertainties and assumptions which are outside the control of Pearl Gull.

Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements, opinions or estimates. Actual values, results or events may be materially different to those expressed or implied in this announcement.

Given these uncertainties, readers are cautioned not to place reliance on forward-looking statements, opinions or estimates. Any forward-looking statements, opinions or estimates in this announcement speak only at the date of issue of this announcement. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Pearl Gull does not undertake any obligation to update or revise any information or any of the forward-looking statements opinions or estimates in this announcement or any changes in events, conditions or circumstances on which any such disclosures are based.

Directors' Report

The Directors present their report on Pearl Gull Iron Limited (**Pearl Gull** or **the Company**) for the financial year ended 30 June 2025 (the **financial year**).

Directors

The names and details of the Directors of the Company in office during the financial year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

Mr Russell Clark	Non-Executive Chairman (<i>appointed on 1 July 2021</i>)
Mr Alexander Passmore	Non-Executive Director (<i>appointed on 15 August 2017</i>)
Mr Mathew O'Hara	Non-Executive Director (<i>appointed on 31 March 2023</i>)

Names, Qualifications, Experience and Special Responsibilities

Mr Russell Clark (*Non-Executive Chairman, appointed 1 July 2021*) – B.Science, GradDipFinInv, Fellow of AICD

Mr Clark is an internationally experienced executive mining professional with over 45 years' experience in board, senior corporate, operational and project development roles. He holds a Bachelor of Science (Hons) in Mineral Resources Engineering from the Royal School of Mines and a Graduate Diploma in Finance and Investment Analysis from the Securities Institute of Australia. Mr Clark is a Fellow of the Australian Institute of Company Directors.

Mr Clark has held Board and management roles and has been Chief Executive Officer and Chief Executive Officer at various ASX listed mining companies. Mr Clark is currently Non-Executive Chairman of Vault Minerals Limited and CZR Resources Limited and a Non-Executive Director of Tungsten Mining Limited

Mr Alex Passmore (*Non-Executive Director, appointed 15 August 2017*) – B.Sc (Hons), GradDipAppFin, GAICD

Mr Passmore is a qualified geologist with extensive corporate experience. Mr Passmore holds a Bachelor of Science degree with First Class Honours in Geology from the University of Western Australia and a Graduate Diploma of Applied Finance from the Securities Institute of Australia.

Mr Passmore is an experienced corporate executive and company director with appointments including Chief Executive Officer of Cockatoo Iron NL, Non-Executive Director of Aspire Mining Ltd, Non-Executive (and Executive) Director of Equator Resources Ltd/Cobalt One Ltd (which merged with TSX-listed First Cobalt Corp), and CEO of Draig Resources Ltd (now Bellevue Gold Ltd).

Mr Passmore has also spent a considerable time in the finance sector, where he became well known over ten years at Patersons Securities Ltd in roles such as Director – Corporate Finance, Head of Research, Resources Analyst, and Institutional dealer. He was also Executive Director – Natural Resources & Institutional Banking for Commonwealth Bank of Australia for two years.

Mr Passmore is currently the Chief Executive Officer of New Murchison Gold Limited and a Non-executive Director of Blencowe Resources Limited (London listed). In the last three years Mr Passmore was a Non-executive Director of Rox Resources Limited and Cannon Resources Limited.

Mr Mathew O'Hara (*Non-Executive Director & Company Secretary, appointed 31 March 2023 and 28 April 2023 respectively*) – B.Com, CAANZ, MAICD

Mr O'Hara is a Chartered Accountant with extensive professional experience in capital markets, corporate financing, financial reporting and governance and has been employed by, and acted as Director, Company Secretary and Chief Financial Officer of several ASX-listed companies, predominantly in the resources sector. Prior to these roles, he spent more than a decade working as an associate director at an international accounting firm in both the Corporate Finance/Advisory and Audit divisions, gaining significant experience with publicly listed clients across a diverse range of industries, including mining and metals, oil and gas, technology and infrastructure. He had a particular focus in M&A, valuations, financial modelling, due diligence and financial reporting.

Mr O'Hara is currently a Non-executive Director of African Gold Limited, Lion Rock Minerals Ltd and Benz Mining Corp.

Directors' Report

Interest in the Share and Options of the Company

As at the date of this report, the interest of the Directors in the shares and options of Pearl Gull Iron Limited were as follows:

Shareholder	Ordinary Shares	Unlisted Options
Russell Clark	475,000	633,333
Alex Passmore	4,420,458	2,213,333
Mathew O'Hara	-	-

(Loss)/Profit Per Share

Basic and diluted (loss)/profit per share for the year was (0.25) cents, 2024: (0.59) cents.

Dividends

No amounts have been paid or declared by way of dividend of the Company since the date of incorporation and the Directors do not recommend the payment of any dividend.

Directors' Report

Operating and Financial Review

Pearl Gull Iron Limited is a public company limited by shares which is incorporated and domiciled in Australia.

Nature of Operations and Principal Activities

The principal activity of the Company during the financial year was mineral exploration.

Results from Operations and Financial Position

The Company incurred a net loss after tax for the year ended 30 June 2025 of \$0.51 million (2024: \$1.20 million loss). The loss includes an income tax benefit of \$0.73 million (2024: nil) and exploration expenditure charged directly to the statement of comprehensive income of \$0.14 million (2024: \$0.21 million). Net cash outflows from operating activities were \$0.82 million (2024: \$0.90 million).

At 30 June 2025, the Company had cash on hand of \$0.06 million (2024: \$0.90 million). The Directors believe the Company maintains a prudent capital structure and is in a robust position to continue progressing its projects.

Risk Management

The Company takes a proactive approach to risk management. The Board is responsible for ensuring that risks, including emerging risks, and also opportunities, are identified on a timely basis and the Company's objectives and activities are aligned with the risks and opportunities identified by the Board. The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. The Company manages the material business risks identified below and other day-to-day risks through a number of risk controls and mitigants. Specific risk controls and mitigants include but are not limited to:

- Board risk oversight;
- implementation and adoption of Company policies and standards;
- insuring business activities and operations in accordance with industry practice; and
- engaging appropriate finance, accounting, and legal advisors.

The Company has identified various material business risks it considers could impede the achievement of future operational performance and financial success, as set out below. Such risks are not intended to constitute an exhaustive list of all risks applicable to the Company.

- (a) *Exploration and development risks:* mineral exploration and development are high-risk undertakings. While the Company has been progressing a systematic exploration program, there can be no assurance that exploration of current or future projects acquired will result in the discovery of an economic or exploitable resource.
- (b) *Operating risk:* the operations of the Company may be affected by various operational factors, including failure to locate or identify mineral deposits, failure to achieve predicted grades in exploration and mining, plant and equipment issues or breakdowns, unanticipated metallurgical problems, adverse weather conditions, industrial and environmental accidents, industrial disputes and availabilities and increased costs, which are largely outside the control of the Company and may adversely impact the Company's operations and performance.
- (c) *Regulatory risk:* the Company's operations require approvals, consents or permits from government or regulatory bodies, including work permits and environmental approvals, which may not be forthcoming or which may not be able to be obtained on terms acceptable to the Company. The Company cannot guarantee that any required approvals, consents or permits will be obtained, either without significant delay or at all, which may significantly impact on the Company's operations.
- (d) *Access:* access arrangements need to be negotiated in order for the Company to undertake further exploration on all of its projects. The Company may be unable to secure such arrangements on reasonable terms or at all given third parties are involved, which may impact the Company's ability to explore such areas.

Directors' Report

- (e) *Title risk*: the Company's tenement portfolio is governed by the *Mining Act 1978 (WA)*, and related subsidiary legislation, which requires annual expenditure and/or reporting commitments, as well as other conditions requiring compliance. In order to mitigate such risks, the Company designs exploration programs that will meet minimum expenditure requirements and advance the development of the tenements in a timely manner.
- (f) *Commodity price volatility*: the Company's ability to proceed with the development of projects and benefit from any future mining operations will depend on market factors, some of which are beyond its control. It is anticipated that any revenues derived from mining will primarily be derived from the sale of iron ore or if the Company acquires a project in a different commodity. Consequently, any future earnings are likely to be closely related to the price of this commodity and the terms of any off-take agreements that the Company enters into. The market for iron ore is subject to many variables and may fluctuate markedly, which may adversely effect the Company's activities and financial performance.
- (g) *Native title and Aboriginal heritage risks*: the Company's current or future projects may be over areas where legitimate common law native title rights of Aboriginal Australians exist. If native title rights do exist, the ability of the Company to gain access to its Tenements (through obtaining consent of any relevant landowner), or to progress from the exploration phase to the development and mining phases of operations may be adversely affected. The Company must also comply with Aboriginal heritage legislation which makes it an offence for a person to damage or in any way alter an affected site. The Company appoints legal and other advisers to assist and it conduct its activities in a manner which minimises such Native Title and Aboriginal Heritage risks, although some risks are outside of the Company's control.
- (h) *Environmental risks*: the operations and proposed activities of the Company are subject to laws and regulations concerning the environment. As with most exploration projects and mining operations, the Company's activities are expected to have an impact on the environment, particularly if advanced exploration or field development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Directors' Meetings

The number of meetings of Directors (including meetings of committees of Directors) held during the financial year and the numbers of meetings attended by each Director were as follows:

	Directors' Normal Meetings		Directors' Remuneration and Nomination Meetings		Directors' Audit and Risk Management Meetings	
	No. Eligible	No. Attended	No. Eligible	No. Attended	No. Eligible	No. Attended
Russell Clark	3	3	-	-	-	-
Alex Passmore	3	3	-	-	-	-
Mathew O'Hara	3	3	-	-	-	-

Notes:

1. There were no separate meetings held for the Audit and Risk Management and the Remuneration and Nomination Committee during FY25 as the full Board met to discuss matters pertaining to these Committees.

Directors' Report

Committee Membership

As at the date of this report, the Company does have separately constituted Audit and Risk, Remuneration and Nomination Committees, with the full Board residing on those Committees under specific charters.

Significant Changes in State of Affairs

During the financial year, the following significant changes in state of affairs occurred:

- During the financial year ended 30 June 2025, the Company terminated an agreement to acquire 100% of the fully paid ordinary shares in Huemul Holdings Pty Ltd, which held the right to earn up to an 80% interest in NeoRe SpA and the underlying La Marigen Rare Earths Project in Chile.

There were no other significant changes in the state of affairs of the Company during the year.

Matters Subsequent to the End of the Financial Year

Post year end, the following significant changes in state of affairs occurred:

- In July 2025, the Company entered into an unsecured loan facility up to \$500,000 with unrelated party Malekula Projects Pty Ltd. This facility has an interest rate of 13% per annum on any drawn down funds and an expiry date of 29 January 2026. \$100,000 was drawn down under this loan agreement on 1 August 2025 with a further \$100,000 drawn down on 16 September 2025.
- In September 2025, the Company announced that it had entered into the Sale Agreement, pursuant to which the Company has agreed to sell 100% of the Company's interest in the Tenements which comprise its Cockatoo Island Project (including mining lease 04/235), together with all mining information, plant and infrastructure and the benefit of certain contracts relating to those Tenements (and associated environmental liabilities) for cash consideration of A\$4.5 million, a 4% equity interest in Crestlink and royalties payable on certain materials extracted from the Tenements.

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Environmental Issues

The Company carries out mineral exploration at its various projects which are subject to environmental regulations under both Commonwealth and State legislation. During the financial year, there has been no breach of these regulations.

Likely Developments and Expected Results of Operations

The Company will continue to identify and review new projects and growth opportunities with the aim of generating value for shareholders and future investors.

Indemnification and Insurance of Directors and Officers

During the financial year, the Company paid an insurance premium to insure certain officers of the Company.

The Director and Officers Liability insurance provides cover against all costs and expenses that may be incurred in defending civil or criminal proceedings that fall within the scope of the indemnity and that may be brought against the Directors and Officers in their capacity as officers of the Company. The total amount of insurance premium paid is confidential under the terms of the insurance policy.

Indemnification of Auditors

The Company has not indemnified its auditors, KPMG, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify KPMG during or since the financial year.

Directors' Report

Share Options

At the date of the Directors' Report, the following unlisted options are on issue:

Options (Number)	Exercise Price (\$)	Expiry Date
6,469,998 ¹	Nil	1 June 2026
20,000,000	\$0.05	6 February 2026
26,469,998		

Notes:

1. Subject to vesting conditions that makes 6,313,333 of these options incapable of vesting.

No options were issued, exercised or expired during the year ending 30 June 2025.

Since the end of the financial year no options have been exercised and converted to ordinary shares.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company or any related body corporate or in the interest issue of any other registered scheme.

Auditor Independence and Non-Audit Services

Section 307C of the *Corporations Act 2001* requires the Company's Auditors to provide the Directors of Pearl Gull Iron Limited with an Independence Declaration in relation to the audit of the full-year financial report. This report has been received and is attached to the Directors' Report at page 20.

Non-Audit Services

During the financial year the entity's auditor, KPMG, provided nil non-audit services.

Directors' Report

Remuneration Report (Audited)

This Remuneration Report outlines the Director and Executive remuneration arrangements of the Company in accordance with the requirements of the *Corporations Act 2001* and its Regulations. For the purposes of this report, Key Management Personnel (**KMP**) are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company, directly or indirectly, including all Directors of the Company.

Details of Key Management Personnel

Russell Clark	Non-executive Chairman (<i>appointed 1 July 2021</i>)
Alex Passmore	Non- executive Director (<i>appointed 15 August 2017</i>)
Mathew O'Hara	Non- executive Director (<i>appointed 31 March 2023</i>)
	Company Secretary (<i>appointed 28 April 2023</i>)
Evan Spencer	Interim Chief Executive Officer (<i>appointed 1 April 2022</i>)

There were no changes to KMP after the reporting date and before the date the financial report was authorised for issue.

Remuneration and Nomination Committee

The Remuneration and Nomination Committee comprises Mr Russell Clark, Alex Passmore and Mathew O'Hara. Mr Russell Clark is the Chair of the Remuneration and Nomination Committee. The remuneration of any Non-Executive Director will be decided by the Board following the recommendation of the Remuneration and Nomination Committee, without the affected Non-Executive Director participating in that decision-making process.

The Remuneration and Nomination Committee reviews and approves the Company's remuneration policy in order to ensure that the Company is able to attract and retain executives and Directors who will create value for Shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant Directors' time, commitment and responsibility.

The Remuneration and Nomination Committee is also responsible for reviewing any employee incentive and equity-based plans including the appropriateness of performance hurdles and total payments proposed.

As the Remuneration and Nomination Committee consists of the whole Board, this committee met in conjunction with full Board meetings.

Remuneration Philosophy

The performance of the Company depends upon the quality of its Directors and Executives. To prosper, the Company must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Company embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre Executives;
- Establish appropriate hurdles for variable executive remuneration; and
- Encouragement for Directors to sacrifice a portion of their fees to acquire shares in the Company at market price.

Remuneration Structure

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Remuneration is separate and distinct.

Directors' Report

Remuneration Report (Audited) (Continued)

Non-Executive Director Remuneration

Objective

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst keeping costs acceptable to shareholders.

Structure

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Each Non-Executive Director receives a fee for serving as a Director of the Company. The remuneration of Non-Executive Directors for the years ended 30 June 2025 and 30 June 2024 is detailed later in this report.

Non-Executive Directors have long been encouraged by the Board to hold shares in the Company (purchased by the Director on market). In addition, long term incentives in the form of options may be awarded to Non-Executive Directors, subject to shareholder approval, in a manner which aligns this element of remuneration with the creation of shareholder wealth.

Executive Remuneration

Objective

The Company aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Company and so as to:

- Reward Executives for Company and individual performance against targets set by reference to appropriate benchmarks;
- Align interests of Executives with those of shareholders;
- Link reward with strategic goals; and
- Ensure total remuneration is competitive by market standards.

Structure

In determining the level and make-up of Executive remuneration the Board considers market conditions and remuneration paid to Senior Executives of companies similar in nature to Pearl Gull Iron Limited. Currently, the Company only has one executive, the Interim Chief Executive Officer, who is employed under a consultancy agreement and paid on an hourly rate.

Directors' Report

Remuneration Report (Audited) (Continued)

Fixed Remuneration

Objective

The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market.

Fixed remuneration is reviewed annually by the Board and the process consists of a review of individual performance, relevant comparative remuneration in the market and, where appropriate, external advice on policies and practices.

Structure

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Company.

The fixed remuneration component of the Directors is detailed later in this report.

Variable Remuneration - LTI

Objective

The objective of the LTI plan is to reward Executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such LTI grants are only made to Executives who are able to influence the generation of shareholder wealth. The Company considers that shareholder wealth is measured by changes to the Company's share price.

Structure

LTI grants to Executives are delivered in the form of options. The options, when issued to Executives, will not be exercisable for a price less than the then current market price of the Company's shares. The grant of LTI's is reviewed annually, although LTI's may not be granted each year. Exercise price and performance hurdles, if any, are determined at the time the LTIs are granted.

The Company may impose time-based service conditions on LTI grants. The Company believes that as options are issued at not less than the current market price of the Company's shares there is an inherent performance hurdle on those options as the share price of the Company's shares must increase significantly before there is any benefit to the Executive. To date, no LTI grants have been made to Executives.

Employment Contracts

The Interim Chief Executive Officer, Mr Evan Spencer is employed under contract. The material terms of Mr Evan Spencer's consultancy agreement are as follows:

- Commencement date: 1st April 2022
- Term: No fixed term Remuneration:
- \$250 per hour (including GST)
- Termination: 1 month notice by either Mr Spencer or the Company

Directors' Report

Remuneration Report (Audited) (Continued)

Services Agreements – Non-Executive Directors

On appointment to the Board, all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board's policies and terms, including compensation, relevant to the director, and among other things:

- the terms of the Directors appointment, including governance, compliance with the Company's Constitution, committee appointments, and re-election;
- the Directors' duties, including disclosure obligations, exercising powers, use of office, attendance at meetings and commitment levels;
- the fees payable, in line with shareholder approval, any other terms, timing of payments and entitlements to reimbursements;
- insurance and indemnity;
- disclosure obligations; and
- confidentiality

Name	Base Salary (incl-superannuation)
Russell Clark	\$70,000
Alex Passmore	\$50,175
Mathew O'Hara	\$50,000

Directors' Report

Remuneration Report (Audited) (Continued)

Remuneration of Key Management Personnel

The remuneration tables below set out the remuneration information for the Directors and Executives, which includes the Chief Executive Officer, who are considered to be KMP of the Company.

			Short-term		Long-term	Post-employment	Total	Performance related
2025	Salary & fees	STI bonus	SBP Options	Other	Other	Superannuation		
	\$	\$	\$	\$	\$	\$	\$	%
Directors								
Russell Clark	70,000	-	-	-	-	-	70,000	-
Mathew O'Hara ¹	80,000	-	-	-	-	-	80,000	-
Alex Passmore	45,000	-	-	-	-	5,175	50,175	-
Total Directors	195,000	-	-	-	-	5,175	200,175	-
Executives								
Evan Spencer	63,000	-	-	-	-	-	63,000	-
Total Executives	63,000	-	-	-	-	-	63,000	-
Total KMP	258,000	-	-	-	-	5,175	263,175	-

Notes:

1. Mr O'Hara was remunerated \$50,000 for his services as a Non-executive Director and \$30,000 for his services as the Company Secretary.
2. The Directors elected to put their fees on hold from 1 June 2025.

			Short-term		Long-term	Post-employment	Total	Performance related
2024	Salary & fees	STI bonus	SBP Options	Other	Other	Superannuation		
	\$	\$	\$	\$	\$	\$	\$	%
Directors								
Russell Clark	63,063	-	-	-	-	6,937	70,000	-
Mathew O'Hara ¹	80,000	-	-	-	-	-	80,000	-
Alex Passmore	45,000	-	-	-	-	4,950	49,950	-
Total Directors	188,063	-	-	-	-	11,887	199,950	-
Executives								
Evan Spencer	31,500	-	-	-	-	-	31,500	-
Total Executives	31,500	-	-	-	-	-	31,500	-
Total KMP	219,563	-	-	-	-	11,887	231,450	-

Notes:

1. Mr O'Hara was remunerated \$50,000 for his services as a Non-executive Director and \$30,000 for his services as the Company Secretary.

Incentive Options: Granted and Vested during the year

During the financial year no incentive options were issued to the KMP of the Company (2024: nil incentive options were issued).

Other Transactions with Key Management Personnel

During the financial year, the Company had the following transactions with KMP related parties:

- The Company charged New Murchison Gold Limited (formerly Ora Gold Limited) \$1,276 (2024: \$5,933) for services provided by the Company's staff, with nil balance receivable at 30 June 2025 (2024: \$1,850 receivable). Director Alexander Passmore is the CEO of New Murchison Gold Limited.

Directors' Report

Remuneration Report (Audited) (Continued)

Company Performance

The table below sets out information about the Company's earnings and movements in shareholder value since listing on 16 September 2021 up to 30 June 2025.

	2025	2024	2023	2022	2021
Net (loss)/profit after tax (\$m)	(0.51)	(1.2)	(1.1)	(5.0)	(2.4)
Basic (loss)/profit per share (cents)	(0.25)	(0.59)	(0.78)	(5.04)	(0.07)
Share Price at year end (cents)	0.60	1.50	2.70	4.00	n/a
Total dividends (cents per share)	-	-	-	-	-

Shareholdings of Key Management Personnel

The interests of KMP of the Company in shares at the end of the financial year 2025 is as follows:

2025	Balance as at 1 July 2024	Granted as Remuneration	Purchased	Net Change/ Other	Shares Issued on Exercise of Options	Balance as at 30 June 2025
Russell Clark	475,000	-	-	-	-	475,000
Alex Passmore	4,420,458	-	-	-	-	4,420,458
Mathew O'Hara	-	-	-	-	-	-
Evan Spencer	-	-	-	-	-	-
Total	4,895,458	-	-	-	-	4,895,458

Option holdings of Key Management Personnel

The options held by the KMP of the Company at the end of the financial year 2025 is as follows:

2025	Balance at 1 July 2024	Granted as Remuneration	Options Exercised	Options Expired	Balance as at 30 June 2025	Options Vested Not Yet Exercised
Russell Clark ¹	633,333	-	-	-	633,333	-
Alex Passmore ¹	2,358,027	-	-	(144,694)	2,213,333	-
Mathew O'Hara	-	-	-	-	-	-
Evan Spencer	-	-	-	-	-	-
Total	2,991,360	-	-	-	2,846,666	-

Notes:

- 633,333 unlisted incentive options held by Russell Clark and 2,213,333 unlisted incentive options held by Alex Passmore were not exercised or cancelled but became incapable of vesting on 1 June 2024.

End of Remuneration Report

Directors' Report-

Other Related Party Transactions

Refer to Note 24 for further detail on Related Party transactions.

Signed in accordance with a resolution of the Directors.



Russell Clark

Non-Executive Chairman

Perth, 30 September 2025



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Pearl Gull Iron Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Pearl Gull Iron Limited for the financial year ended 30 June 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG
KPMG

John Ward
John Ward

Partner

Perth

30 September 2025

Corporate Governance

Corporate Governance Statement

Pearl Gull Iron Limited has established a corporate governance framework, the key features of which are set out in this statement. In establishing its corporate governance framework, the Company has referred to the recommendations set out in the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations 4th edition. The Company has followed each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices do not follow a recommendation, the Board has explained the reasons for not following the recommendation and disclosed what, if any, alternative practices the Company has adopted instead of those in the recommendation.

The following governance-related documents can be found on the Company's website at

<https://www.pearlgulliron.com.au/corporate/corporate-governance/>

Charters

- Board
- Audit and Risk Management Committee
- Remuneration and Nomination Committee

Policies and Procedures

- Policy for Trading in Company Securities
- Shareholder Communication Policy
- Code of Conduct
- Disclosure Policy
- Whistleblower Protection Policy
- Diversity Policy
- Anti-Bribery and Anti-Corruption Policy
- Vision and Values Statement
- Board skills Matrix

The Company reports below on whether it has followed each of the recommendations during financial year 2025. The information in this statement is current at 30 September 2025. This statement was approved by a resolution of the Board on 30 September 2025.

Corporate Governance

Principle 1 - Lay solid foundations for management and oversight

Recommendation 1.1

The Company has established the respective roles and responsibilities of its Board and management, and those matters expressly reserved to the Board and those delegated to management and have documented this in its Board Charter, which is disclosed on the Company's website at:

<https://www.pearlgulliron.com.au/corporate/corporate-governance/>

Recommendation 1.2

The Company undertakes appropriate checks before appointing a person or recommending to shareholders a candidate for election as a Director and provides shareholders with all material information in its possession relevant to a decision on whether to elect or re-elect a Director.

The Company provided shareholders with all material information in relation to the re-election of all Directors at its 2024 Annual General Meeting held on 21 November 2024.

Recommendation 1.3

The Company has a written agreement with each Director and Senior Executive/Consultant setting out the terms of their appointment. The material terms of any employment, service or consultancy agreement the Company, or any of its subsidiaries, has entered into with its Chief Executive Officer, any of its Directors, and any other person or entity who is a related party of the Chief Executive Officer or any of its Directors has been disclosed in accordance with ASX Listing Rule 3.16.4 (taking into consideration the exclusions from disclosure outlined in that rule).

Recommendation 1.4

The Company Secretary is accountable directly to the Board, through the Chair, on all matters to do with the proper functioning of the Board as outlined in the Company's Board Charter.

Recommendation 1.5

The Company has a Diversity Policy. However, the Diversity Policy does not include requirements for the Board to set measurable objectives for achieving gender diversity and to assess annually both the objectives and the Company's progress in achieving them. Nor has the Board set measurable objectives for achieving gender diversity. Given the Company's stage of development as an exploration company and the number of employees, the Board considers that it is not practical to set measurable objectives for achieving gender diversity at this time.

The respective proportions of men and women on the Board, in Senior Executive positions and across the whole organisation as at the date of this statement are set out in the following table. "Senior Executive" for these purposes means a person who makes, or participates in the making of, decisions that affect the whole or a substantial part of the business or has the capacity to affect significantly the Company's financial standing. For the financial year, this included the Chief Executive Officer:

	Proportion of women
Whole organisation (including the Board)	0 out of 5 (0%)
Senior Executive positions	0 out of 1 (0%)
Board	0 out of 3 (0%)

Recommendation 1.6

The Chair is responsible for evaluating the Board and, when deemed appropriate, Board committees and individual Directors. During the financial year an evaluation of the Board, its committees, and individual Directors took place.

Recommendation 1.7

The Chief Executive Officer is responsible for evaluating the performance of Senior Executives. The Chair is responsible for evaluating the Chief Executive Officer, which was undertaken during the financial year.

Corporate Governance

Principle 2 - Structure the Board to be effective and add value

Recommendation 2.1

The Board has established a separate Remuneration and Nomination Committee, with the full Board being members of the Committee.

The Remuneration and Nomination Committee has adopted a Nomination Committee Charter, which describes the role, composition and responsibilities of the Committee.

Details of Director attendance at the Remuneration and Nomination Committee, during the financial year, are set out in a table in the Directors' Report on page 10. There were no meetings held for the Remuneration and Nomination Committee during financial year ended 30 June 2025 as the full Board met to discuss matters pertaining to this Committee.

Recommendation 2.2

The mix of skills and diversity for which the Board is looking to achieve in its membership is represented by the Board's current composition. Whilst the Company is at exploration stage, it does not wish to significantly increase the size of the Board and considers that the Board, which includes Directors with geological qualifications, exploration and mining industry experience, experience in the development and operation of mining projects in Australia and accounting and finance qualifications, is an appropriate mix of skills and expertise relevant to the Company. Notwithstanding the Board's current view that the composition of the Board is appropriate, as project acquisitions and development opportunities occur a review of the Board size and composition will be undertaken.

Recommendation 2.3

The Board considers the independence of Directors having regard to the relationships listed in Box 2.3 of the Principles & Recommendations and its Policy on Assessing the Independence of Directors. The independent Directors of the Company are Mr Russell Clark, Chairman of the Company, Mr Mathew O'Hara, a Non-Executive Director and Mr Alex Passmore, Non-Executive Director. None of the independent Directors of the Company have an interest, position or relationship of the type described in Box 2.3

The length of service of each Director is set out in the Directors' Report on page 7.

Recommendation 2.4

During the financial year, the Board had a majority of Directors who are independent. The Board considered that its composition was adequate for the Company's size and operations and included an appropriate mix of skills and expertise relevant to the Company's business.

As noted above, a review of the Board's size and composition, including the balance of independence on the Board may be undertaken in accordance with the Nomination Committee Charter.

Recommendation 2.5

The independent Chair of the Board is Mr Russell Clark, who is not also the Chief Executive Officer.

Recommendation 2.6

The Company has an induction program that it uses when new Directors join the Board and when new Senior Executives are appointed. The goal of the program is to assist new Directors to participate fully and actively in Board decision-making at the earliest opportunity and to assist Senior Executives to participate fully and actively in management decision-making at the earliest opportunity. The Company's induction program is disclosed on the Company's website.

The Remuneration and Nomination Committee regularly reviews whether the Directors of the Company have the skills, knowledge and familiarity with the Company and its operating environment required to fulfil their role on the Board and the Board committees effectively using a Board skills matrix. Where any gaps are identified, the Board considers the training or development that should be undertaken to fill those gaps. In particular, the Board ensures that any Director who does not have specialist accounting skills or knowledge has a sufficient understanding of accounting matters to fulfil his or her responsibilities in relation to the Company's financial statements. Directors also receive ongoing education on developments in accounting standards.

Corporate Governance

Principle 3 - Install a culture of acting lawfully, ethically and responsibly

Recommendation 3.1

The Company has articulated its values and disclosed them throughout its governance material, including its Code of Conduct which can be found on the Company website. The Company expects that its Board and Senior Executives will conduct themselves with integrity and honesty in accordance with the Code of Conduct. Directors, Executives and employees shall deal with the Company's customers, suppliers, competitors, shareholders and each other with honesty, fairness and integrity and observe the rule and spirit of the legal and regulatory environment in which the Company operates.

The Company aims to increase shareholder value within an appropriate framework which safeguards the rights and interests of the Company's shareholders and the financial community and to comply with systems of control and accountability which the Company has in place as part of its corporate governance with openness and integrity.

The Company complies with all legislative and common law requirements which affect its business wherever it operates. Currently the Company only operates in Australia. Should it in the future have operations overseas, it shall comply with the relevant local laws as well as any applicable Australian laws. Any transgression from the applicable legal rules is to be reported to the Chief Executive Officer as soon as a person becomes aware of such a transgression.

Recommendation 3.2

The Company has established a Code of Conduct for its Directors, Senior Executives and employees, which is disclosed on the Company's website. Any breach of that code is reported to the Board at the next meeting of Directors.

Recommendation 3.3

The Company has adopted a Whistleblower Policy to encourage the raising of any concerns or reporting of instances of any violations (or suspected violations) of the Code of Conduct (or any potential breach of law or any other legal or ethical concern) without the fear of intimidation or reprisal. Any material incidents may be reported to the Supervisors or Senior Managers, the Director, Company Secretary, the Whistleblower Protection Officer appointed by the Company as well as the other person and bodies outlined in the Company's Whistleblower Policy.

Recommendation 3.4

The Company has established an anti-bribery and corruption policy which is disclosed on the Company's website. Any material breach of that policy is immediately reported to the Chief Executive Officer and Chairman of the Board of Directors.

Principle 4 - Safeguard the integrity of corporate reports

Recommendation 4.1

The Board has established a separate Audit & Risk Management Committee.

The Audit and Risk Management Committee has adopted an Audit and Risk Committee Charter.

The Board is responsible for the initial appointment of the external auditor and the appointment of a new external auditor when any vacancy arises. Candidates for the position of external auditor must demonstrate complete independence from the Company through the engagement period. The Board may otherwise select an external auditor based on criteria relevant to the Company's business and circumstances. KPMG, the Company's auditor, was appointed at the 2021 AGM. The performance of the external auditor is reviewed on an annual basis by the Board.

Details of Director attendance at the Audit and Risk Management Committee, held during the financial year, are set out in a table in the Directors' Report on page 10.

Corporate Governance

Principle 4 - Safeguard the integrity of corporate reports (continued)

Recommendation 4.2

Before the Board approved the Company financial statements for the half year ended 31 December 2024 and the full-year ended 30 June 2025, it received from the Chief Executive Officer and the Chief Financial Officer a declaration that, in their opinion, the financial records of the Company for the relevant financial period have been properly maintained and that the Financial Statements for the relevant financial period comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company and the consolidated entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively (the **Declaration**).

The Board did not receive a Declaration for each of the quarters ending 30 September 2024, 31 December 2024, 31 March 2025 and 30 June 2025 because in the Board's view its quarterly reports are not financial statements to which the Declaration can be appropriately given.

Recommendation 4.3

Processes are in place to verify the integrity of the Company's periodic corporate reports released to the market that are not audited or reviewed by the external auditor. Examples of periodic corporate reports released by the Company include quarterly cash flow reports. The process to verify is includes circulation to Senior Executives and the Board for review prior to finalising and releasing to the market. The Company has adopted a Continuous Disclosure Policy which sets out how market announcements are prepared and released and has appointed the Company Secretary as the Continuous Disclosure officer who oversees the drafting of and approves the final release of announcements. The Company Secretary is responsible for satisfying themselves that the content of any announcement is accurate and not misleading and is supported by appropriate verification.

Principle 5 - Make timely and balanced disclosure

Recommendation 5.1

The Company has established written policies and procedures for complying with its continuous disclosure obligations under the ASX Listing Rules, in particular Listing Rule 3.1. A summary of the Company's Policy on Continuous Disclosure and Compliance Procedures are disclosed on the Company's website.

Recommendation 5.2

The Company Secretary circulates all material market announcements to the Board prior to release to the ASX.

Recommendation 5.3

All new and substantive investor or analyst presentations are released to the ASX ahead of any presentation to investors.

Principle 6 - Respect the rights of security holders

Recommendation 6.1

The Company provides information about itself and its governance to investors via its website at <https://www.pearlgulliron.com.au/> as set out in its Shareholder Communications Policy.

Recommendation 6.2

The Company has designed and implemented an investor relations program to facilitate effective two-way communication with investors. The program is set out in the Company's Shareholder Communication and Investor Relations Policy.

Recommendation 6.3

The Company has in place, a Shareholder Communication and Investor Relations Policy, which outlines the policies and processes that it has in place to facilitate and encourage participation at meetings of shareholders. The Company encourages shareholder attendance and participation at its meetings. The Chair of the meeting allows a reasonable opportunity for members to ask questions or make comments on the management of the Company.

Corporate Governance

Principle 6 - Respect the rights of security holders (continued)

Recommendation 6.4

All resolutions put to meetings of shareholders are decided by way of a poll.

Recommendation 6.5

Shareholders are given the option to receive communications from, and send communications to, the Company and its share registry electronically. The Company engages its share registry to manage the majority of communications with shareholders. Shareholders are encouraged to receive correspondence from the Company electronically, thereby facilitating a more effective, efficient and environmentally friendly communication mechanism with shareholders. Shareholders not already receiving information electronically can elect to do so through the share registry, Automic Group, at www.automic.com.au.

Principle 7 - Recognise and manage risk

Recommendation 7.1

The Board has established a separate Audit and Risk Management Committee which considers risks, with the full Board being members. There were no separate meetings held for the Audit and Risk Management Committee during financial year ended 30 June 2025 as the full Board met to discuss matter pertaining to this committee during the year.

Recommendation 7.2

The Audit and Risk Management Committee reviews the Company's risk management framework annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks that the Company faces and to ensure that the Company is operating within the risk appetite set by the Board. The full Board met to discuss the Company's risk management framework for financial year ended 30 June 2025.

Recommendation 7.3

The Company does not have an internal audit function. To evaluate and continually improve the effectiveness of the Company's governance risk management and internal control processes, the Board relies on ongoing reporting and discussion of the management of material business risks. The Board also reviews the effectiveness of its governance, risk management and internal control processes in accordance with its Audit and Risk Management Committee Charter and Board Charter.

Recommendation 7.4

As with most exploration projects and mining operations, the Company's operations and activities are expected to have an impact on the environment. This impact will likely increase once the Company is in production. The Company takes care to ensure that its operations comply with any environmental laws applicable to it, including the conditions attaching to any of its tenements.

Except as identified above the Company has not identified any significant exposure to any environmental and/or social sustainability risks in this financial year.

However, the Company does have a material exposure to the following economic risks:

- Market risk - movements in commodity prices. The Company manages its exposure to market risk by monitoring market conditions and making decisions based on industry experience.
- Future capital risk - cost and availability of funds to meet the Company's business requirements. The Company manages this risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows.

Corporate Governance

Principle 7 - Recognise and manage risk (continued)

Recommendation 7.4 (continued)

The Board has adopted a Risk Management Policy and Risk Management Procedures. Under the Risk Management Policy, the Board oversees the processes by which risks are managed. This includes defining the Company's risk appetite, monitoring of risk performance and the risks that may have a material impact on the business. Management is responsible for the implementation of the risk management and internal control system to manage the Company's risk and to report to the Board whether those risks are being effectively managed.

The Company's system to manage its material business risks includes the preparation of a risk register by management to identify the Company's material business risks, analyse, evaluate, and treat those risks (including assigning a risk owner to each risk). Risks and their management are to be monitored and reviewed at least annually by senior management. The risk register is to be updated and a report submitted to the Chief Executive Officer. The Chief Executive Officer is to provide a risk report at least annually to the Board.

Principle 8 – Remunerate fairly and responsibly

Recommendation 8.1

The Board has established a separate Remuneration and Nomination Committee. The Committee considers the level and composition of remuneration for Directors and Senior Executives and ensures that such remuneration is appropriate and not excessive, in accordance with the Remuneration and Nomination Committee Charter.

Details of Director attendance at meetings of the full Board, in its capacity as the Remuneration Committee, during the financial year, are set out in a table in the Directors' Report on page 10. There were no meetings held for the Remuneration and Nomination Committee during financial year ended 30 June 2025 as the full Board met to discuss matters pertaining to this Committee.

Recommendation 8.2

Details of remuneration, including details of the Company's Non-Executive remuneration and Executive remuneration practices and the Company's policy on "clawback policy" regarding the lapsing of performance-based remuneration in the event of fraud or serious misconduct and the clawback of the performance-based remuneration in the event of a material misstatement in the Company's financial statements, are contained in the "Remuneration Report" which forms of part of the Directors' Report and commences at page 13 of the Company's Annual Report for year ended 30 June 2025.

Recommendation 8.3

The Company's Securities Trading Policy includes a statement of the Company's policy that participants in the Company's equity-based remuneration schemes are prohibited from entering into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme.



PEARL GULL IRON

Financial Statements

2025

Statement of Financial Position

As at 30 June 2025

	Notes	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	10	61,368	899,045
Other receivables	11	4,344	13,335
Other current assets		25,623	30,033
Assets held for sale	20	9,129,930	-
Total current assets		9,221,265	942,413
Non-current assets			
Plant and equipment	12	-	7,497
Capitalised exploration and evaluation expenditure	13	-	9,220,106
Deferred tax asset	6	732,357	-
Total non-current assets		732,357	9,227,603
Total assets		9,953,622	10,170,016
Liabilities			
Current liabilities			
Trade and other payables	14	210,588	99,989
Provisions	15	-	702,431
Liabilities held for sale	20	7,722,584	-
Total current liabilities		7,933,172	802,420
Non-current liabilities			
Provisions	15	-	6,832,819
Total non-current liabilities		-	6,832,819
Total liabilities		7,933,172	7,635,239
Net assets		2,020,450	2,534,777
Equity			
Issued capital	16a	14,326,047	14,326,047
Other contributed equity	18	(2,004,891)	(2,004,891)
Reserves	16b	1,413,133	1,413,133
Accumulated losses	19	(11,713,839)	(11,199,512)
Total equity attributable to shareholders		2,020,450	2,534,777

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Comprehensive Income

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Income			
Interest revenue		4,297	20,759
Other income		10,556	31,784
Expenses			
Corporate expenses		(620,445)	(525,173)
Salaries, wages and superannuation		(193,141)	(235,064)
Exploration expenditure		(143,963)	(208,700)
Finance expense		(302,869)	(273,196)
Depreciation and amortisation	12	(1,119)	(9,362)
Loss before income tax		(1,246,684)	(1,198,952)
Income tax benefit	6	732,357	-
Net loss after income tax		(514,327)	(1,198,952)
Other comprehensive income			
Other comprehensive income net of tax		-	-
Total comprehensive loss for the year		(514,327)	(1,198,952)
Loss per share for the year attributable to shareholders			
		Cents	Cents
Basic loss per share	7	(0.25)	(0.59)
Diluted loss per share	7	(0.25)	(0.59)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2025

	Notes	2025 \$	2024 \$
Cash flows from operating activities			
Interest received		4,297	20,759
Other cash receipts		19,150	23,190
Payments to suppliers and employees		(717,715)	(718,833)
Interest paid		(1,248)	-
Expenditure on mineral interests		(127,411)	(226,519)
Net cash used in operating activities	10	(822,927)	(901,403)
Cash flows from investing activities			
Proceeds on disposal of property, plant and equipment		-	-
Net cash provided by investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of ordinary shares		-	-
Share issue costs		-	(26,326)
Repayment of borrowings		(14,750)	-
Net cash used in financing activities		(14,750)	(26,326)
Net decrease in cash and cash equivalents		(837,677)	(927,729)
Cash and cash equivalents at the beginning of the year		899,045	1,826,774
Cash and cash equivalents at the end of the year		61,368	899,045

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2025

	Issued Capital \$	Other Contributed Equity \$	Reserves \$	Accumulated Losses \$	Total \$
Balance as at 1 July 2023	14,352,373	(2,004,891)	1,413,133	(10,000,560)	3,760,055
Loss for the year	-	-	-	(1,198,952)	(1,198,952)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1,198,952)	(1,198,952)
Transactions with shareholders					
Issue of share capital	-	-	-	-	-
Issue of share options	-	-	-	-	-
Share issue costs	(26,326)	-	-	-	(26,326)
Share-based payments	-	-	-	-	-
Balance as at 30 June 2024	14,326,047	(2,004,891)	1,413,133	(11,199,512)	2,534,777
Balance as at 1 July 2024	14,326,047	(2,004,891)	1,413,133	(11,199,512)	2,534,777
Loss for the year	-	-	-	(514,327)	(514,327)
Other comprehensive loss	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(514,327)	(514,327)
Transactions with shareholders					
Issue of share capital	-	-	-	-	-
Issue of share options	-	-	-	-	-
Share issue costs	-	-	-	-	-
Share-based payments	-	-	-	-	-
Balance as at 30 June 2025	14,326,047	(2,004,891)	1,413,133	(11,713,839)	2,020,450

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1 – Corporate Information

Pearl Gull Iron Limited is a for profit company incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange (**ASX**). The registered address of Pearl Gull Iron Limited is Suite 23, 513 Hay Street, Subiaco WA 6008. The financial statements of the Company for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the Directors on 30 September 2025.

The nature of the operations and principal activities of the Company are described in the Directors' Report.

Note 2 – Material Accounting Policies

(a) Basis of preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on a historical cost basis. The financial report is presented in Australian dollars.

As a result of the uncertainties inherent in business and other activities, certain items in a financial report cannot be measured with precision but can only be estimated. The estimation process involves best estimates based on the latest information available, which are set out in Note 4.

(b) Rounding of Amounts

For the comparative financial report, the Company was of a kind referred to in ASIC Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the Directors' Report and Financial Report. As the Company had more than \$10,000,000 of total assets, amounts in the Directors' Report and Financial Report were rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar in reports for the comparative periods. As the Company no longer has more than \$10,000,000 of total assets at 30 June 2025, the concessions in this Class Order are no longer available to the Company, so amounts are only rounded off to the nearest dollar, for both current period balances and comparative balances presented in this report. This has led to changes to comparative balances because comparative balances are now presented to the nearest dollar.

(c) Going concern

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

The Company has incurred a net loss after tax for the year ended 30 June 2025 of \$514,327 (2024: \$1,198,952 loss) and experienced net cash outflows used in operating activities of \$822,927 (2024: \$901,403). As of 30 June 2025, the Company had net current assets of \$1,288,093 (2024: \$139,993) and cash and cash equivalents of \$61,368 (2024: \$899,045). These net current assets include \$1,407,346 (2024: nil) for the assets and liabilities of the Cockatoo Island Project, that are held for sale as disclosed in Note 20.

The Directors have prepared a cash flow for a period of 12 months (forecast period) from the date of signing this report which indicates that they have sufficient funds to meet the Company's expenditure requirements. The cash flow forecast assumes that the Company will complete the sale of the Cockatoo Island Project as disclosed in note 20, with \$2,500,000 expected to be received from this sale within the next 12 months and transfer the rehabilitation expenditure obligations with sale of this project. The cashflow forecast also assumes that funds will remain available from the Malekula Projects Pty Ltd loan facility until the completion of the sale. The Directors have elected to defer the payment of their fees from June 2025 until the sale transaction is completed and the Company will not be utilising funds drawn down under the Loan Facility to pay Director fees. The proposed sale is subject to several conditions precedent as described in Note 20, including the Company obtaining shareholder approval for the sale and the purchaser obtaining FIRB approval, which have not been obtained at the date of this report.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(c) Going concern (continued)

In the event the Company is not able to complete the sale of this project, the Directors are confident that they have the ability to raise funds and reduce expenditure as and when required including, but not limited to, reviewing all expenditure for deferral or elimination, to enable the Company to meet the minimum exploration requirements of the tenement and keep it in good standing.

As all of the conditions precedent included in the Sale and Purchase Agreement have not been met at the date of this report, there is a material uncertainty as to whether the Company can continue as a going concern in the period at least 12 months from the date of the approval of the financial statements of the Company, and therefore whether it will be able to realise its assets and discharge its liabilities in the normal course of business. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Company not be able to continue as a going concern.

(d) Compliance statement

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

(e) Accounting standards issued but not yet effective

The Australian Accounting Standards Board (AASB) has issued a number of new and amended Accounting Standards that have mandatory application dates for future reporting periods. Only the following are considered potentially relevant to the Company.

AASB 18 Presentation and Disclosure in Financial Statements

AASB 18 replaces AASB 101 as the standard describing the primary financial statements and sets out requirements for the presentation and disclosure of information in AASB-compliant financial statements. Amongst other changes, it introduces the concept of the “management-defined performance measure” to financial statements and requires the classification of transactions presented with the statement of profit or loss within one of five categories – operating, investing, financing, income taxes, and discontinued operations. Entities are also required to present a newly-defined operating profit subtotal. Entities’ net profit will not change. It also provides enhanced requirements for the aggregation and disaggregation of information. The Company is still in the process of assessing the impact of the new standard.

(f) New Accounting standards applicable to 30 June 2025 year end

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2024 affected any of the amounts recognised in the current period or the comparative period.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(g) Summary of material accounting policies

(i) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position and Statement of Cash Flows comprise cash at bank and in hand and deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(ii) Capitalised exploration and evaluation expenditure

Exploration and evaluation costs are expensed in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned or the Directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

Amortisation is not charged on costs carried forward in respect of areas of interest in the development phase until production commences.

(iii) Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently carried at amortised costs. Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services.

(iv) Issued capital

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

(v) Income tax

The income tax expense (benefit) for the period comprises current income tax expense (benefit) and deferred tax expense (benefit).

Current income tax expense charged to the Statement of Comprehensive Income is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expenses reflect movements in deferred tax assets and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense (benefit) charged is credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(g) Summary of material accounting policies (continued)

(v) Income tax (continued)

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(vi) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently carried at amortised cost less an allowance for impairment. Refer also to Note 2 (d)(xiv) Financial instruments.

(vii) Property, plant and equipment

All classes of equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis over the estimated useful life of the specific asset as follows:

Asset	2024	2023
Equipment	3-10 years	3-10 years

Depreciation is not charged on plant until production commences.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to be close to its fair value.

An impairment exists when the carrying values of an asset or cash generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

The recoverable amount of equipment is the greater of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Derecognition

Property, plant and equipment is derecognised upon disposal.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(g) Summary of material accounting policies (continued)

(vii) Property, plant and equipment (continued)

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Statement of Comprehensive Income in the period the item is derecognised.

(viii) Employee benefits

Provision is made for the employee benefits accumulated as a result of employees rendering services up to the reporting date. These benefits include wages and salaries, annual leave, sick leave and long service leave.

Liabilities arising in respect of wages and salaries, annual leave and other employee benefits expected to be settled within 12 months of the reporting date are measured at the nominal amounts based on remuneration rates which are expected to be paid when the liability is settled. All other employee benefit liabilities are measured at the present value of the estimated future cash outflow to be made in respect of services provided by employees up to the reporting date. In determining the present value of future cash outflows, the market yield as at the reporting date on national corporate bonds, which have terms to maturity approximating the terms of the related liability, are used.

(ix) Revenue recognition

Interest revenue

Interest income is recognised as the interest accrues (using the effective interest method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument) to the net carrying amount of the financial asset.

(x) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- where the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable
- receivables and payables are stated with the amount of GST included

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a net basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(g) Summary of material accounting policies (continued)

(xi) Earnings/loss per share

Basic earnings/loss per share is calculated by dividing the profit/loss from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings/loss per share is calculated as net profit/loss attributable to members, adjusted for:

- costs of servicing equity (other than dividends)
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses
- other discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares adjusted for any bonus element

(xii) Share based payment transactions

The Company provides benefits to employees (including Directors) of the Company in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the shares at the grant date.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Pearl Gull Iron Limited (market conditions and non-vesting conditions).

The cost of equity-settled transactions is recognised in the Statement of Comprehensive Income, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects the extent to which the vesting period has expired and the number of awards that, in the opinion of the Directors of the Company, will ultimately vest. This opinion is formed based on the best available information at balance sheet date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share, unless the Company is loss making, then it is anti-dilutive as the inclusion of these options would reduce the loss per share.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2 – Material Accounting Policies (continued)

(g) Summary of material accounting policies (continued)

(xiii) Provisions

Rehabilitation provision

The Company makes full provision for the future cost of rehabilitating mine sites and related production facilities on a discounted basis at the time of acquiring, or developing, the mines and installing and using those facilities.

The rehabilitation provision represents the estimated present value of rehabilitation costs relating to the Company's mine properties as at balance date. Assumptions are based on the current economic environment at each balance date, which management believe provide a reasonable basis upon which to estimate the future liability. These estimates are reviewed regularly to consider and material changes to the assumptions.

Actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.

A rehabilitation asset has been recognised in relation to rehabilitation provision which was recognised upon acquisition of tenements and any subsequent changes to the rehabilitation provision relating to initial disturbance are recognised as part of the cost of the rehabilitation asset. Any rehabilitation provision relating to incremental disturbance would be recognised in profit or loss consistent with the treatment of exploration expense.

A change in the estimate of the rehabilitation provision that relates to the periodic unwinding of the discount is always recognised in profit or loss as a finance cost as it occurs.

Furthermore, the timing of rehabilitation is likely to depend on when the mine commences and ultimately (if a decision to mine is made) ceases to produce at economically viable rates. This, in turn, will depend upon commodity prices, which are inherently uncertain.

(xiv) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. For financial assets, this is the date that the Company commits itself to either purchase or sale of assets.

(xv) Assets and liabilities held for sale

Non-current assets are reclassified as assets held for sale when it is highly probable that assets' carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Such assessment of probability is based on information available as at the balance date, with Directors intending to sell the assets, active marketing at a reasonable price, unlikelihood of significant change to the planned sale or withdrawal of the planned sale, and expected completion of the sale within a year unless delays have causes beyond the Company's control and the Company remains committed to the sale. Directly associated liabilities that are to be disposed of with the assets are reclassified as liabilities held for sale and included in a disposal group with the assets.

The value of assets and liabilities held for sale is measured at the lower of its combined carrying amount and the fair value less costs to sell, with carrying amounts of assets and liabilities measured in accordance with applicable accounting standards before reclassification.

Disposal groups are only recognised as discontinued operations if related operations and cash flows can be clearly distinguished, for both operational and financial reporting purposes, from the rest of the Company.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3 – Financial Risk Management and Policies

Overview

This note presents information about the Company's exposure to each of the below risks, its objectives, policies and processes for measuring and managing risk, and the management of capital.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Management monitors and manages the financial risks relating to the operations of the Company through regular reviews of the risks.

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk
- interest rate risk

Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk exposure arises principally from the Company's other financial assets, receivables, including receivables from related parties, security deposits and cash and cash equivalents.

Cash and cash equivalents

The Company's cash and cash equivalents are maintained in banks with credit ratings of AA- as per Standard & Poor's as at year-end.

Trade and other receivables

As the Company operates in the mining exploration sector its receivables generally relate to GST receivable from the Australian Taxation Authority and the credit risk is assessed similar to other financial instruments under AASB 9 and the credit risk is low.

Presently, the Company undertakes exploration and evaluation activities in Australia. At the balance sheet date there were no significant concentrations of credit risk. A credit note receivable of \$13,307 (\$USD8,721) was fully impaired at 30 June 2025 (2024: nil) with the impairment of \$13,307 recognised as a Finance expense in 2025 (2024: Nil).

Exposure to credit risk

The carrying amount of the Company's financial assets represents the Company's maximum credit exposure. None of the Company's trade and other receivables are past due other than the impaired credit note (2024: nil). As at 30 June 2025, the Company does not have any collective impairment on its other receivables (2024: nil).

Guarantees

At the date of this report there are no outstanding guarantees (2024: nil).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3 – Financial Risk Management and Policies (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash reserves by continuously monitoring forecast and actual cash flows.

The Company's liquidity risk arises from other financial liabilities and trade and other payables, together comprising the Company's financial liabilities.

Financial liabilities maturing profiles as follows:

	2025 \$	2024 \$
Maturity profiles		
Less than 6 months	210,588	99,989
Total	210,588	99,989

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Equity risk

The Company considers its exposure to equity risk minimal and has not developed any policies or procedures to manage such risk.

Currency risk

The Company considers that its exposure to currency risk is minimal and has not developed any policies or procedures to manage such risk.

The Company has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency.

Exposure to currency risk

The Company's exposure to foreign currency risk at reporting date was nil (2024: \$3,567), being the fully impaired credit note within the balance of Trade and other receivables (2024: one \$USD denominated creditor for a \$USD amount of \$USD2,378).

Interest rate risk

The Company is exposed to interest rate risk. The Company considers that its exposure to interest risk is minimal however, it has a policy of monitoring interest rates offered by competing financial institutions to ensure it is aware of market trends and it receives competitive interest rates. Although changes in interest rates affect the valuations of the non-current rehabilitation provision disclosed in Notes 15 and 20, which in turn affect the values of Capitalised exploration and evaluation expenditure disclosed in Notes 13 and 20, these are not financial instruments and these changes have nil net effect on comprehensive income or net assets.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3 – Financial Risk Management and Policies (continued)

Profile

At the reporting date the Company's only exposure to interest rate risk is related to the balances of cash and cash equivalents and trade and other payables. The following table represents the Company's exposure to interest rate risk:

	2025 \$	2024 \$
Variable rate instruments		
Cash and cash equivalents	61,368	899,045
Trade and other payables	(22,125)	-
Total	39,243	899,045

A change of 1% in variable interest rates would have increased or decreased the Company's equity and profit by \$392 (2024: \$8,990) and would have had the same effect on net assets. The 1% sensitivity is based on reasonable possible movements over a financial year, after observation of a range of actual historical rate movement over the past five years.

Fair values

Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the Statement of Financial Position, are as follows:

Financial assets and liabilities	Note	2025		2024	
		Carrying amount \$	Fair value \$	Carrying amount \$	Fair value \$
Cash and cash equivalents	10	61,368	61,368	899,045	899,045
Trade and other receivables	11	4,344	4,344	13,335	13,335
Trade and other payables	14	(210,588)	(210,588)	(99,989)	(99,989)
Total		(144,876)	(144,876)	812,391	812,391

The Directors consider the carrying amount of the financial instruments to be a reasonable approximation of their fair value on account of their short to medium-term maturity cycle.

Capital management

When managing capital, management's objective is to ensure that the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the Company.

The Company will raise equity through the issue of shares from time to time as the board sees fit to ensure it meets its objective of continuing as a going concern. At 30 June 2025, the Company had no long-term borrowings; as a result, the Company's total capital was defined as shareholders' equity, and at 30 June stood at:

	2025 \$	2024 \$
Equity	2,020,450	2,534,777

The Company is not subject to any externally imposed capital requirements. Subsequent to the end of the financial year, the Company entered the unsecured loan facility disclosed in Note 23.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 4 – Accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources.

Management has identified the following critical accounting policies for which significant judgements, estimates and assumptions are made. Actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the financial position reported in future periods.

Further details of the nature of these assumptions and conditions may be found in the relevant notes to the financial statements.

Exploration and evaluation

The Company's accounting policy for exploration and evaluation is set out in Note 2(d)(ii) to the accounts. The application of this policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves have been found. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under our policy, management conclude that they are unlikely to recover the expenditure by future exploitation or sale, then the relevant capitalised amount will be written off to the Statement of Comprehensive Income.

Rehabilitation

The Company made a full provision for its share of the future cost of rehabilitating the Cockatoo Island Project and related production facilities on a discounted basis, recognised initially on acquisition of its interest in mine and related facilities.

The current rehabilitation provision disclosed in notes 15 and 20 is for the costs of required care and maintenance associated with Mining Lease M04/235-I that is held solely by the Company. This provision is calculated by summing estimated costs of performing items in the Care and Maintenance plan. Changes in both required actions and costs of required actions may increase or decrease the value of this provision. This valuation is recurrently reviewed by the Directors.

The non-current rehabilitation provision disclosed in notes 15 and 20 is for the expected rehabilitation and closure costs associated with Mining Lease M04/235-I. This provision is calculated from the estimated rehabilitation and closure costs associated with the mine closure plan, the current term of M04/235-I until 2 October 2033, current inflation forecasts and the long-term inflation goal of the Reserve Bank of Australia, and Australian 10-year bond rates. Increases/decreases in expected inflation increase/(decrease) the valuation of this provision while increases/decreases in the 10-year bond rate decrease/increase the valuation of this provision. The valuation model and assumptions are recurrently reviewed by the Directors.

Actual rehabilitation costs will ultimately depend upon future market prices for the necessary rehabilitation works required that will reflect market conditions at the relevant time.

Furthermore, the timing of rehabilitation is likely to depend on when the mine commences and ultimately (if a decision to mine is made) ceases to produce at economically viable rates. This, in turn, will depend upon commodity prices, which are inherently uncertain. There was no change in the measurement of the rehabilitation provisions following the reclassification of these provisions as liabilities of assets held for sale as disclosed in note 20, because there was no change in associated expected expenditures. However, the formerly non-current provision was reclassified as current because disposal is now expected within 12 months.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 4 – Accounting judgements, estimates and assumptions (continued)

Assets held for sale and associated liabilities

The assets held for sale and the associated liabilities disclosed in Note 20 are recognised as assets held for sale because, as at 30 June 2025 the Directors had completed extensive negotiation and due diligence with the buyers with: a strong intention to sell the actively marketed assets, no significant changes to expected terms, and expected completion of the sale within a year. The provisions for rehabilitation are reclassified as liabilities of assets held for sale because these are to be disposed of with the Cockatoo Island Project.

Value of the assets and liabilities in the disposal group are measured at their carrying amounts, in accordance with applicable accounting standards, because the net fair value less expected costs to sell considerably exceed the net carrying amounts. This is because the expected cash consideration within 12 months of \$2,500,000, in addition to the \$2,000,000 receivable 12 months after completion of the sale, considerably exceeds the net carrying amount per note 20 of \$1,407,346.

No discontinued operation is recognised for this disposal because the related operations and cash flows cannot be clearly distinguished from the rest of the Company for operational and financial reporting purposes, with no separate entity holding the disposal group and no separately reported segment for the disposal group.

Recognition of deferred tax assets

The deferred tax assets and income tax benefit disclosed in Note 6 are recognised because the potential sale of the Cockatoo Island Project is considered highly likely and the expected proceeds of the sale of the Cockatoo Island Project considerably exceed existing taxable temporary differences.

Note 5 – Segment information

Identification of Reportable Segments

Operating segments that meet the quantitative criteria of AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to the users of the financial statements.

The Company operates within the mineral exploration industry within Australia.

The Company determines its operating segments by reference to internal reports that are reviewed and used by the Board of Directors (the chief operating decision maker) in assessing performance and in determining the allocation of resources. The Board of Directors currently receive Statement of Financial Position and Statement of Comprehensive Income information that is prepared in accordance with Australian Accounting Standards.

The Statement of Financial Position and Statement of Comprehensive Income information received by the Board of Directors does not include any information by segment. The executive team manages each exploration activity of each exploration concession through review and approval of statutory expenditure requirements and other operational information. Based on this criterion, the Company has only one operating segment, being exploration, and the segment operations and results are the same as the Company results.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 6 – Income tax expense

	2025 \$	2024 \$
(a) Income tax expense/(benefit)		
<u>Current tax</u>		
Current tax on profit/(loss) for the year	(293,639)	(337,196)
Total current tax (benefit)	(293,639)	(337,196)
<u>Deferred tax</u>		
Movement in temporary differences	(127,410)	-
Recognition of previously unrecognised tax losses	(311,308)	-
Total deferred tax (benefit)	(438,718)	-
Income tax (benefit)	(732,357)	(337,196)
Income tax expense not brought to account	-	337,196
Income tax (benefit)	(732,357)	-
(b) Numerical reconciliation of income tax expense/(benefit) to prima facie tax		
Loss from continuing operations before tax	(1,246,684)	(1,198,952)
Tax at the Australian rate of 30% (2024: 30%)	(374,005)	(359,686)
Tax effect of amount which are not deductible/(taxable) in calculating taxable income:		
Permanent differences	(47,044)	40,677
Tax losses (recognised)/ not recognised	(311,308)	319,009
Total tax expense/(benefit)	(732,357)	-

(c) Amounts recognised directly in equity

No current or deferred tax arising in the current or previous financial years have been directly recognised in equity.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 6 – Income tax expense (continued)

	2025 \$	2024 \$
(d) Deferred taxes		
Deferred tax assets		
Provisions - current	-	210,729
Rehabilitation provision – non-current	-	2,049,846
Liabilities of assets held for sale	2,316,776	-
Other provisions and accruals	24,056	9,000
Tax only assets – business related costs	61,301	149,005
Tax losses	987,417	300,350
Total deferred tax assets	3,389,550	2,718,930
Deferred tax liabilities		
Other current assets	(7,687)	(9,010)
Explorations assets	-	(735,000)
Rehabilitation asset	-	(1,974,920)
Assets held for sale	(2,649,506)	-
Total deferred tax liabilities	(2,657,193)	(2,718,930)
Net deferred tax assets/(liabilities)	732,357	-
Not brought to account because unlikely use of losses	-	(1,137,556)

Tax losses carried forward have no expiry date but are subject to meeting the requirements to carry forward the losses.

In determining the tax effect of the recognised tax losses as at 30 June 2025 of (\$311,308) and the tax losses deferred tax asset of \$987,417, the Company has assumed that the tax loss for 2022 of \$2,480,427 will not be available for offsetting against future taxable income. This assumption is based on consideration of the continuity of ownership test for 2022, but this assumption is uncertain because other factors may make the 2022 tax loss available. If the 2022 tax loss of \$2,480,427 were to be available then the tax effect of the tax losses recognised, the total tax benefit, the tax loss deferred tax asset, and the net deferred tax assets would each increase by \$744,128.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 7 – Earnings/(Loss) per share

	2025	2024
The following reflects the income and share data used in the calculation of basic and diluted earnings per share:		
Net loss	(\$514,327)	(\$1,198,952)
Weighted average number of ordinary shares used in calculating basic earnings per share	204,541,790	204,541,790
Effect of dilutive securities: Share options ¹	-	-
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	204,541,790	204,541,790
Basic and diluted profit/(loss) cents per share	(0.25)	(0.59)

¹Share options are not dilutive as their inclusion would give rise to a reduced loss per share.

There was a total of 26,469,998 share options that were potentially dilutive to shares on issue at 30 June 2025 (2024: 83,247,855).

Conversion, calls, subscriptions or issues after 30 June 2025

There have been no other options issued, conversions to, calls of, or subscriptions for ordinary shares since the reporting date and before the completion of this financial report.

Note 8 – Director and Executive disclosures

(a) Details of Key Management Personnel

Russell Clark	Non-executive Chairman (<i>appointed 1 July 2021</i>)
Alex Passmore	Non-executive Director (<i>appointed on 15 August 2017</i>)
Mathew O'Hara	Non-executive Director (<i>appointed director 31 March 2023, appointed company secretary 28 April 2023</i>)
Evan Spencer	Interim Chief Executive Officer (<i>appointed 1 April 2022</i>)

There were no changes of KMP after the reporting date and before the date that the financial report was authorised for issue.

(b) Compensation of Key Management Personnel by category

	2025 (\$)	2024 (\$)
Incentive plan		
Short-term	258,000	219,563
Share based payments	-	-
Post-employment	5,175	11,887
Total	263,175	231,450

Notes to the Financial Statements

For the year ended 30 June 2025

Note 9 – Auditor's remuneration

	2025 \$	2024 \$
Remuneration of the current auditor of the Company, KPMG, for:		
Prior year audit fee not accrued	5,508	1,508
Audit and review of the financial report	59,548	46,132
Total	65,056	47,640

Note 10 – Cash and cash equivalents

	2025 \$	2024 \$
Cash and cash equivalents	61,368	899,045
Cash at bank earns interest at floating rates based on daily deposit rates		
Reconciliation of net loss after income tax to net cash flow used in operations		
Net loss after income tax	(514,327)	(1,198,952)
Adjustments to reconcile loss before tax to net operating cash flows		
Depreciation and amortisation	1,119	9,362
Unwind of discount on rehabilitation provision (see note 15)	288,040	271,841
Other finance expenses	14,749	-
Tax benefit	(732,357)	-
Changes in assets and liabilities		
(Increase)/ decrease in receivables	8,991	(7,332)
(Increase) in other current assets	4,410	(501)
Increase/(decrease) in trade payables/accruals	110,599	20,028
Increase/(decrease) in employee provisions	(4,151)	4,151
Cash out-flow from operations	(822,927)	(901,403)

The Company does not have any credit standby arrangements, used or unused loan facilities other than insurance premium funding with a balance owing at 30 June 2025 of \$22,125 (2024: nil). No amount is recognised for the \$100,000 held in escrow at 30 June 2025 (2024: nil) pending completion of the Cockatoo Island Project sale disclosed in Note 20, as the Company is not entitled to these funds until completion occurs under the Sale Agreement.

Note 11 – Other receivables

	2025 \$	2024 \$
Current		
Other receivables (i)	4,344	13,335
Total	4,344	13,335

(i) Receivables generally have 30-day terms and are unsecured.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 12 – Plant and equipment

	2025 \$	2024 \$
Plant and equipment at cost	-	38,540
Accumulated depreciation	-	(31,043)
Total plant and equipment	-	7,497

Movement in plant and equipment

Balance as at 1 July, net of accumulated depreciation	7,497	16,859
Depreciation	(1,119)	(9,362)
Plant and equipment reclassified as assets held for sale (see Note 20)	(6,378)	-
Balance as at 30 June, net of accumulated depreciation	-	7,497

Note 13 – Capitalised exploration and evaluation expenditure

	2025 \$	2024 \$
Areas of interest in exploration and evaluation phases:		
Balance at the beginning of the year	9,220,106	9,311,181
Movement in rehabilitation asset (see Note 15)	(96,554)	(91,075)
Capitalised exploration reclassified as assets held for sale (see Note 20)	(9,123,552)	-
Total	-	9,220,106

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

Note 14 – Trade and other payables

	2025 \$	2024 \$
Trade payables	108,277	38,396
Accruals	70,171	56,159
Other payables (i)	22,125	-
Payroll liabilities and superannuation	10,015	5,434
Total	210,588	99,989

- (i) Other payables are interest bearing and payable within 6 months from end of the year, with an interest expense of \$1,218 (2024: nil) recognised during the year as a finance expense. Other creditors are non-interest bearing and generally on 30-day terms.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15 – Provisions

	2025 \$	2024 \$
Current		
Employee provision	-	4,151
Rehabilitation provision	-	698,280
Total	-	702,431
Rehabilitation provision		
Carrying amount at the beginning of the year	698,280	698,280
Changes in rehabilitation estimate	(64,781)	-
Current provision reclassified as liability of assets held for sale (see note 20)	(633,499)	-
Carrying amount at the end of the year	-	698,280
Non-current		
Rehabilitation provision		
Carrying amount at the beginning of the year	6,832,819	6,652,053
Unwind of discount	288,040	271,841
Movement in rehabilitation estimate	(31,774)	(91,075)
Non-current provision reclassified as liability of assets held for sale (see Note 20)	(7,089,085)	-
Carrying amount at the end of the year	-	6,832,819

The rehabilitation provision represents a provision for site rehabilitation of the area previously disturbed.

Note 16 – Contributed equity and reserves

(a) Contributed Equity			2025 \$	2024 \$	
(i) Issued and paid-up capital					
Ordinary shares fully paid			14,326,047	14,326,047	
(ii) Movement in issued capital	Date	2025 (Number)	2025 \$	2024 (Number)	2024 \$
Ordinary shares					
Balance at beginning of year		204,541,790	14,326,047	204,541,790	14,352,373
Other capital raising costs		-	-	-	(26,326)
Balance at end of year		204,541,790	14,326,047	204,541,790	14,326,047

(iii) Terms and conditions of contributed equity

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting on the Company.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 16 – Contributed equity and reserves (continued)

(b) Reserves	2025 \$	2024 \$
(i) Share based payments reserve		
Balance at the beginning of the year	1,413,133	1,413,133
Balance at the end of the year	1,413,133	1,413,133

This reserve is used to record the value of equity benefits provided to employees and unrelated parties for services and the acquisition of mineral exploration projects.

(c) Share Options

During the year ended 30 June 2025, a total of 56,777,857 options, exercisable at \$0.30 and expiry of 13 September 2024, expired without exercise. No other options were granted, issued, cancelled, exercised or converted during the financial year ended 30 June 2025.

Note 17 – Share based payments

(i) Employee Incentive Plan

An Employee Incentive Plan (**EIP**) has been established where Pearl Gull Iron Limited may, at the discretion of Directors, grant options over the ordinary shares of Pearl Gull Iron Limited to Directors, Executives and employees of the Company. The plan is designed to provide long-term incentives for employees and to deliver long term shareholder returns. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive guaranteed benefits. In addition, under the Plan, the Board determines the terms of the options including exercise price, expiry date and vesting conditions, if any. Shareholders resolved to adopt the current EIP on 28 November 2023.

Options granted under the plan are unlisted and carry no dividend or voting rights. When exercised, each option is convertible into an ordinary share of the Company with full dividend and voting rights.

During 2025, no options were issued pursuant to the EIP (2024: nil) and there are no other options on issue that have been issued under the plan. No expense has been recognised for options issued or granted pursuant to the EIP in 2025 (2024: nil).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 17 – Share based payments (continued)

(ii) Issued options

No options were issued or granted in 2025 or 2024.

For the year ended 30 June 2025

Measurement/ grant date	Expiry date	Exercise price (cents)	Value per option at measurement date (cents)	Balance of options at the start of the year (number)	Options issued during the year (number)	Options exercised during the year (number)	Options lapsed during the year (number)	Balance of options at the end of the year (number)	Options exercise-able at the end of the year (number)
16-Sep-21	1-Jun-26	Nil	20.0	6,469,998	-	-	-	6,469,998	156,667
7-Feb-23	6-Feb-26	5	3.919	20,000,000	-	-	-	20,000,000	20,000,000
				26,469,998	-	-	-	26,469,998	20,156,667
Weighted average exercise price (cents)				3.78	-	-	-	3.78	4.96

The weighted average remaining contractual life of share options outstanding at the end of the year was 0.69 years (2024: 1.69 years).

Notes to the Financial Statements

For the year ended 30 June 2025

Note 17 – Share based payments (continued)

For the year ended 30 June 2024

Measureme nt/ grant date	Expiry date	Exercise price (cents)	Value per option at measure ment date (cents)	Balance of options at the start of the year (number)	Options issued during the year (number)	Options exercised during the year (number)	Options lapsed during the year (number)	Balance of options at the end of the year (number)	Options exercise- able at the end of the year (number)
16-Sep-21	1-Jun-26	Nil	20.0	6,469,998	-	-	-	6,469,998	156,667
7-Feb-23	6-Feb-26	5	3.919	20,000,000	-	-	-	20,000,000	20,000,000
				26,469,998	-	-	-	26,469,998	20,156,667
Weighted average exercise price (cents)				3.78	-	-	-	3.78	4.96

Note 18 – Other contributed equity

	2025 \$	2024 \$
Balance at the beginning of the year	(2,004,891)	(2,004,891)
Balance at the end of the year	(2,004,891)	(2,004,891)

The Company did not have a tax funding arrangement in place with Cockatoo Iron during the year ended 30 June 2022 when the Company transferred tax losses of \$647,162 @ 30% to Cockatoo Iron NL, its previous parent entity, under tax consolidation. This was recorded in equity because there was no compensation from Cockatoo Iron NL for these tax losses. The Company deconsolidated from Cockatoo Iron NL on 16 September 2021, when the Company was listed on the ASX.

Note 19 – Accumulated losses

	2025 \$	2024 \$
Balance at the beginning of the year	11,199,512	10,000,560
Net loss attributable to members of Pearl Gull Iron Limited	514,327	1,198,952
Balance at the end of the year	11,713,839	11,199,512

No dividends were paid during or since the financial year (2024: nil). There are no franking credits available (2024: nil).

Note 20 – Assets and liabilities held for sale

During April 2025, the Company entered into a non-binding agreement for the sale of its Cockatoo Island Project. At this point in time, and at 30 June 2025, the Company considered that a sale was highly probable. In September 2025, the Company announced that it had entered into a binding Asset Sale and Purchase Agreement (**Sale Agreement**) with Buccaneer Resources Pty Ltd (**Buccaneer**), Crestlink Pty Ltd (**Crestlink**) and JCA WA Nominees Pty Ltd (**JCA**), pursuant to which the Company agreed to sell 100% of the Company's interest in the Tenements which comprise its Cockatoo Island Project, together with all mining information, plant and infrastructure and the benefit of certain contracts relating to those Tenements (together, the **Sale Assets**) for cash consideration of \$4,500,000, a 4% equity interest in Crestlink and royalties payable on certain materials extracted from the Tenements.

On completion of the sale, Buccaneer will assume responsibility for all related environmental liabilities, all liabilities attaching to the Sale Assets, and all liabilities related to native title, Aboriginal heritage or royalties payable.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 20 – Assets and liabilities held for sale (continued)

The consideration for the Sale Assets comprises the following:

- **Cash Consideration:** The Company to receive cash consideration of \$4,500,000 in the following instalments:
 - A\$100,000 which was paid on 22 April 2025 following acceptance of an indicative offer. This is held in escrow pending satisfaction of the conditions precedent under the Sale Agreement **(First Payment)**
 - A\$500,000 which was paid on 8 September 2025, payable on execution of the Sale Agreement. This is also held in escrow pending satisfaction of the conditions precedent under the Sale Agreement **(Second Payment)**;
 - \$1,900,000 payable at completion of the Proposed Transaction **(Third Payment)**; and
 - \$2,000,000 payable 12 months after completion of the Proposed Transaction **(Fourth Payment)**.
- **Consideration Shares:** Pearl Gull is to receive a 4% direct or indirect equity interest in Crestlink at completion of the Proposed Transaction. The issue of shares to Pearl Gull in Crestlink is subject to Crestlink shareholder approval. If such approval is not obtained, JCA (88% ownership in Crestlink) has agreed to issue shares in JCA to Pearl Gull so that its indirect equity interest in Crestlink is equal to 4%. If Crestlink undertakes an equity raising at a deemed enterprise value of A\$75 million or less, Crestlink (or JCA) must issue additional Crestlink (or JCA) shares to Pearl Gull, such that Pearl Gull retains a 4% equity interest in Crestlink. The Consideration Shares will be subject to normal dilution arising from an equity raising where Crestlink's deemed enterprise value exceeds A\$75 million.
- **Royalties:** The payment of two royalties comprising 2% of the free on-board value of all iron ore recovered from the Tenements and sold by Buccaneer, and A\$0.50 per tonne of ballast extracted from the Tenements and used by Crestlink for the construction of its multi-user supply base on Cockatoo Island.

The proposed sale is subject to the satisfaction or waiver (as applicable) of conditions precedent, which the Company considers are all highly probable, including:

- The Company obtaining all shareholder approvals required by the Corporations Act, the ASX Listing Rules and its constitution for the Proposed Transaction. The Company is seeking shareholder approval at its upcoming Annual General Meeting, which if received, will satisfy this condition precedent;
- The grant of Ministerial consent under the Mining Act for the transfer of the Tenements from the Company to Buccaneer;
- The Purchaser obtaining all third party approvals and consents necessary to give effect to the transfer of the Sale Assets;
- The Company obtaining all third party approvals and consents needed to transfer the Tenements; and
- Buccaneer receiving notice under the FIRB Act from the Department of the Treasury indicating no objection to or its approval for the proposed acquisition of the Tenements, either on an unconditional basis or subject only to such conditions acceptable to the Company and Buccaneer, acting reasonably.

The Directors are confident that the above conditions precedent will all be met. The First and the Second payments are held in escrow pursuant to the terms of escrow deeds and will be released on the date that all the conditions precedent are satisfied (or waived) under the Sale Agreement. Pearl Gull has been granted the right to lodge a mining mortgage (in the form prescribed by the Mining Act) over all or any of the granted Tenements up until receipt of the Fourth (final) Payment.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 20 – Assets and liabilities held for sale (continued)

Although timing is subject to factors outside the Company's control, the Company expects completion of the transaction to occur in December 2025, with the First Payment, Second Payment and Third Payment received in December 2025, and the Fourth Payment received in December 2026. The assets and liabilities held for sale consists of the following assets and liabilities.

	2025 \$	2024 \$
Assets held for sale		
Plant and equipment (see note 12)	6,378	-
Capitalised exploration and evaluation expenditure (see note 13)	9,123,552	-
Total assets held for sale	9,129,930	-
Liabilities held for sale		
Current rehabilitation provision (see note 15)	633,499	-
Non-current rehabilitation provision (see note 15)	7,089,085	-
Total liabilities held for sale	7,722,584	-
Net assets of assets and liabilities held for sale	1,407,346	-

As disclosed in note 4, the assets and liabilities held for sale are recognised as current and no discontinued operation is recognised for these assets and liabilities. There is no gain or loss on recognition of the assets and liabilities held for sale because the net assets of the assets and liabilities held for sale, as valued at carrying amounts before reclassification, is less than the expected consideration less expected selling costs. As the sale is to parties that are not related to the Company, the value of the consideration is reasonably considered the fair value.

Note 21 – Expenditure commitments

(a) Exploration commitments

The Company has entered into certain obligations to perform minimum work on mineral tenements held. The Company is required to meet tenement minimum expenditure requirement which are set out below. These may be varied or deferred on application and are expenditures expected to be met in the normal course of business. The Company is required by the sale agreement disclosed in note 20 to maintain the tenements in good order until the proposed sale.

	2025 \$	2024 \$
No later than one year	16,000	16,000
Later than one year and not later than five years	-	-
Later than five years	-	-
Total	16,000	16,000

Note 22 – Contingent liabilities

At the financial reporting date there are no contingent liabilities.

Notes to the Financial Statements

For the year ended 30 June 2025

Note 23 – Events subsequent to the reporting date

Post year end, the following significant changes in state of affairs occurred:

- In July 2025, the Company entered into an unsecured loan facility up to \$500,000 with unrelated party Malekula Projects Pty Ltd. This facility has an interest rate of 13% per annum on any drawn down funds and an expiry date of 29 January 2025. \$100,000 was drawn down under this loan agreement in August 2025 with a further \$100,000 drawn down on 16 September 2025.
- In September 2025, the Company announced that it had entered into the Sale Agreement, pursuant to which the Company has agreed to sell 100% of the Company's interest in the Tenements which comprise its Cockatoo Island Project (including mining lease 04/235), together with all mining information, plant and infrastructure and the benefit of certain contracts relating to those Tenements for cash consideration of A\$4.5 million, a 4% equity interest in Crestlink and royalties payable on certain materials extracted from the Tenements. Further details are in Note 20.

No other matter or circumstance has arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Note 24 – Related party transactions

The Company charged New Murchison Gold Limited (formerly Ora Gold Limited) \$1,276 (2024: \$5,933) for services provided by the Company's staff, with nil balance receivable at 30 June 2025 (2024: \$1,850 receivable). Director Alexander Passmore is the CEO of New Murchison Gold Limited.

Consolidated Entity Disclosure Statement

As at 30 June 2025

Pearl Gull Iron Limited does not have any controlled entities and therefore s295(3A)(a) of *the Corporations Act 2001* does not apply to the Company as the Company is not required to prepare consolidated financial statements under Australian Accounting Standards.

Directors' Declaration

For the year ended 30 June 2025

In accordance with a resolution of the Directors of Pearl Gull Iron Limited, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the Company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Company's financial position as at 30 June 2025 and its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and
- (b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a);
- (c) The consolidated entity disclosure statement is true and correct; and
- (d) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* from the chief executive officer and the chief financial officer for the financial year ending 30 June 2025.

On behalf of the Board



Russell Clark

Non-Executive Chairman

Perth, 30 September 2025



Independent Auditor's Report

To the shareholders of Pearl Gull Iron Limited

Report on the audit of the Financial Report

Opinion

We have audited the **Financial Report** of Pearl Gull Iron Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The **Financial Report** comprises:

- Statement of financial position as at 30 June 2025;
- Statement of comprehensive income, Statement of changes in equity, and Statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2025;
- Notes, including material accounting policies; and
- Directors' Declaration.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Company in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

We draw attention to Note 2(c), "Going Concern" in the Financial Report. The conditions disclosed in Note 2(c), indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, whether it will realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report. Our opinion is not modified in respect of this matter.

In concluding there is a material uncertainty related to going concern we evaluated the extent of uncertainty regarding events or conditions casting significant doubt in the Company's assessment of going concern. This included:

- Analysing the cash flow projections by:
 - Evaluating the underlying data used to generate the projections for consistency with other information tested by us, our understanding of the Company's intentions, and past results and practices;
 - Assessing the planned levels of operating cash inflows and outflows for feasibility, timing, consistency of relationships and trends to the Company's historical results, results since year end, and our understanding of the business, industry and economic conditions of the Company;
- Assessing significant non-routine forecast cash inflows and outflows for feasibility, quantum and timing. We used our knowledge of the client, its industry and current status of those initiatives to assess the level of associated uncertainty;
- Assessing the conditions precedent in the Sale and Purchase Agreement entered by the Company subsequent to year end and evaluating the uncertainty of their occurrence; and
- Evaluating the Company's going concern disclosures in the financial report by comparing them to our understanding of the matter, the events or conditions incorporated into the cash flow projection assessment, the Company's plans to address those events or conditions, and accounting standard requirements. We specifically focused on the principal matters giving rise to the material uncertainty.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

These matters were addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the **Key Audit Matter**.

Cockatoo Island Project - Assets held for sale (\$9,129,930) and liabilities held-for-sale – \$7,722,584)

Refer to Note 2(g)(xv), Note 20 to the Financial Report

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The key audit matter	How the matter was addressed in our audit
On 4 September 2025, the Company announced that it has executed a binding Asset Sale and Purchase Agreement (Sale Agreement) to sell its capitalised exploration and evaluation expenditure, plant and equipment, and the associated rehabilitation provision liability. The Company determined the sale was highly probable at 30 June 2025 and have classified the assets and liabilities to be sold as held for sale as at 30 June 2025. Assets and liabilities held-for-sale is a key audit matter due to their size of the balance (being 99% of total assets and 97% of total liabilities respectively) and significant judgements involved in assessing if: - the assets and liabilities were available for sale in their present condition at reporting date subject only to terms that were usual and customary for sales of such assets; and - that the sale was highly probable as at 30 June 2025. In assessing this key audit matter, we involved senior audit team members who understand the Company's business, industry and the economic environment it operates in.	Our procedures included: - Assessing the appropriateness of the accounting policies applied against the requirements of AASB 5 '<i>Non-current assets held for Sale and Discontinued Operations</i>'; - Testing the Company's assessment that assets and liabilities were available for sale in their present condition as at 30 June 2025 by inspecting the contractual agreements and comparing the terms against those that are usual and customary for sales of such assets; - Evaluating the Company's assessment that the sale was highly probable at reporting date. We did this by obtaining and critically evaluating relevant contractual documents, reading Board minutes of the Company and challenging the Company's assessment of the conditions precedent included in the contractual agreements; - Assessing the Company's determination that assets and liabilities held for sale were at the lower of their carrying amount and fair value less costs to sell, by assessing the consideration agreed in the contractual documents. Specifically, - for the capitalised exploration and evaluation assets, we examined whether the carrying amounts were measured in accordance with applicable accounting standards immediately before the initial classification of the assets as held-for-sale by tracing the Company's cost calculations to the underlying records and assessing the Company's current rights to tenure for the Cockatoo Island project. We did this by checking the ownership of the relevant licenses to government registries; - for the rehabilitation provision liability, we obtained the Company's rehabilitation provision estimation and assessed against the Company's

	strategy and plans for commencement and completion of rehabilitation activities, using our knowledge of the Company and industry experience. Assessing the disclosures in the financial report using our understanding obtained from our testing against the requirements of AASB 5 '<i>Non-current assets held for Sale and Discontinued Operations</i>'.
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Other Information

Other Information is financial and non-financial information in Pearl Gull Iron Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*
- implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Company, and that is free from material misstatement, whether due to fraud or error
- assessing the Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Financial Report as a whole is free from material misstatement, whether due to fraud or error; and
- to issue an Auditor's Report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Financial Report.

A further description of our responsibilities for the audit of the Financial Report is located at the *Auditing and Assurance Standards Board* website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf This description forms part of our Auditor's Report.

Report on the Remuneration Report

Opinion

In our opinion, the Remuneration Report of Pearl Gull Iron Limited for the year ended 30 June 2025, complies with *Section 300A* of the *Corporations Act 2001*.

Directors' responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with *Section 300A* of the *Corporations Act 2001*.

Our responsibilities

We have audited the Remuneration Report included in pages, 13 to 18 of the Directors' report for the year ended 30 June 2025.

Our responsibility is to express an opinion as to whether the Remuneration Report complies in all material respects with *Section 300A* of the *Corporations Act 2001*, based on our audit conducted in accordance with *Australian Auditing Standards*.



KPMG



John Ward

Partner

Perth

30 September 2025

Schedule of Mining Tenements

as at 30 June 2025

Tenement Number	Location	Nature of Interest	Interest held (%)
M04/235-I	WA	Granted	100
L04/102	WA	Granted	100
L04/103	WA	Granted	100
P04/299	WA	Application	-
L04/120	WA	Application	-
L04/122	WA	Application	-

Other Information

as at 22 September 2025

In accordance with ASX Listing Rule 4.10, the following information is provided.

Top 20 shareholders – Ordinary Shares

No.	Shareholder	Shares held	% of issued capital
1	Kingslane Pty Ltd <Cranston Super pension A/C>	20,225,000	9.89%
2	Wilhenlu Pty Ltd	11,984,932	5.86%
3	Jasper Hill Resources Pty Ltd <AR Constantine Super A/C>	11,490,271	5.62%
4	Ayers capital Pty Ltd	10,200,000	4.99%
5	Kendali Pty Ltd	10,112,500	4.94%
6	JP Morgan Nominees Australia Pty Limited	7,696,782	3.76%
7	Zero Nominees Pty Ltd	5,139,607	2.51%
8	Mr Jody Dahrouge	5,000,000	2.44%
9	Citicorp Nominees Pty Limited <Domestic HIN A/C>	3,791,136	1.85%
10	Melshare Nominees Pty Ltd	3,617,400	1.77%
11	TT Nicholls Pty Ltd <Superannuation Account>	3,577,931	1.75%
12	JWS Investment Pty Ltd	3,206,811	1.57%
13	Mr Ludger David Kohmascher	3,117,126	1.52%
14	Mr Michael Frank Manford & Mrs Sallie Anne Manford <Alto Superannuation Fund A/C>	3,101,511	1.52%
15	Boneyard Investments Pty Ltd	2,792,200	1.37%
16	Baga River Investments Pty Ltd <De Souza Family A/C>	2,670,000	1.31%
17	Cranley Consulting Pty Ltd <Cranley Consulting A/C>	2,584,012	1.26%
18	Kingslane Pty Ltd <Cranston Super Pension A/C>	2,377,863	1.16%
19	Chemco Superannuation Fund Pty Ltd <Chemco Super Fund No 2 A/C>	2,368,688	1.16%
20	Mr Sam Robin Hammond	2,249,773	1.10%
Total		117,303,543	57.35%

Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2011 are:

Shareholder	Shares held	% of issued capital
Kingslane Pty Ltd	20,225,000	9.89%
Aaron Constantine	13,647,814	6.67%

Distribution of Shareholders Number

Size of shareholding	Number of holders	Number of shares	% of issued capital
1 – 1,000	18	1,939	0.00%
1,001 – 5,000	17	60,029	0.03%
5,001 – 10,000	52	459,680	0.22%
10,001 – 100,000	182	7,311,152	3.57%
100,001 Over	166	196,708,990	96.17%
Total	435	204,541,790	100.00%

Other Information

as at 22 September 2025

Distribution of Shareholders Number (continued)

There is a total of 204,541,790 fully paid ordinary shares on issue, all of which are listed on the ASX. At shareholder meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. Options do not carry any voting rights.

There is no current on-market buy back taking place.

Unmarketable Parcels

There were 153 shareholders holding 1,553,897 shares, which is less than a marketable parcel of shares in the Company at \$0.021 per share.

Restricted Securities

The Company has no restricted securities.

Unquoted Securities

ASX Code	Type of Security	No. of Holders	No. of securities
PLGAE	Unlisted incentive options, nil exercise price, expiring on or before 1 June 2026.	11	6,469,998
PLGAH	Unlisted options exercisable at \$0.05, expiring on or before 6 February 2026.	2	20,000,000

Holders of at Least 20% of an Unquoted Security Class

ASX Code	Holder	No. of securities	% Holding
PLGAE	JWEST NOMINEES PTY LTD <JWEST FAMILY A/C>	2,213,333	34.21%
PLGAE	MR ALEXANDER ROSS PASSMORE	2,213,333	34.21%
PLGAH	MALEKULA PROJECTS PTY LTD	18,000,000	90.00%

Other Information

as at 22 September 2025

Mineral Resource Statement

The following information is provided in accordance with Listing Rule 5.21.

Mineral Resource Estimation Governance Statement

Pearl Gull ensures that any Mineral Resource Estimate is subject to appropriate levels of governance and internal controls. The Mineral Resource Estimate has been prepared by independent consultants to the Company, CSA Global Pty Ltd, who are experienced in best practices in modelling and estimation methods and have undertaken reviews of the quality and suitability of the underlying information used to generate the resource estimations. The Mineral Resource Estimate follows standard industry methodology using geological interpretation and assay results from samples acquired through historical and recent drilling data completed from 2008 through 2021. A total of 31 drillholes, including 27 reverse circulation percussion holes and four diamond core holes for a total of 3,483.3m was used to inform the Mineral Resource Estimate.

Pearl Gull reports its Mineral Resources in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (JORC Code 2012)*. Competent Persons named by the Company qualify as Competent Persons as defined in the JORC Code 2012.

Pearl Gull reported its maiden Inferred Mineral Resource Estimate for the Magazine Deposit on 28 March 2023 above a 25% Fe cut-off, shown in the table below. Prior to this date the Company had not reported a Mineral Resource Estimate.

Deposit	Classification	Tonnes (Mt)	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	Mn %	CaO %	MgO %	Na ₂ O %	LOI %
Magazine	Inferred	24.5	34.3	46.3	2.7	0.01	0.00	0.01	0.01	0.42	0.01	1.04
	Total	24.5	34.3	46.3	2.7	0.01	0.00	0.01	0.01	0.42	0.01	1.04

Notes:

- Mineral Resources are reported in accordance with the *Australasian Code for Reporting of Exploration Results, Mineral Resources, and Ore Reserves (The Joint Ore Reserves Committee Code – JORC 2012 Edition)*.
- Data is reported to significant figures and differences may occur due to rounding.

Competent Person Statement

The Statement of Estimates of Mineral Resources for the Magazine Deposit was reported by the Company in accordance with ASX Listing Rule 5.8 in the announcement released to the ASX on 28th March 2023. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcements and that all material assumptions and technical parameters underpinning the estimates in the previous announcements continue to apply and have not materially changed