

ASX Announcement | 30 January 2025

December 2025 Quarterly Activities Report


HIGHLIGHTS

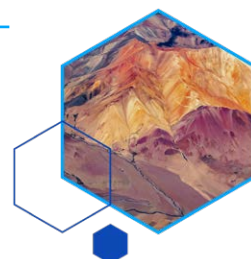
Pantanillo Project (100%) – Chile

- **Xinhai tranche 2 funding received**
 - Flagship received the second tranche of A\$1.25 million from strategic partner and global EPC company Xinhai following successful on-site due diligence.
 - Follows October 2025 agreement under which Xinhai committed to a total of A\$2.5 million across two tranches, alongside ongoing technical collaboration and support.
 - Xinhai's commitment reflects a strong endorsement of Pantanillo's potential and positions the Company for further project de-risking.
 - Metallurgical test work underway at Xinhai's facilities in China.
- **Advancing Towards JORC-Compliant Resource**
 - Compilation of historic and current data has progressed, modelling underway for a JORC-compliant Mineral Resource Estimate (MRE).
 - Work to date suggests Pantanillo's Main Zone has excellent potential for near-surface, bulk-tonnage mineralisation, building on historical estimates of ~1.05Moz Au (non-JORC QFE).
 - Leading Chilean based minerals consulting firm Bmining appointed to conduct MRE update.
 - Targeting release of the updated MRE in Q1 2026.
- **Environmental Baseline Work Commenced**
 - Leading Chilean based environmental consulting firm AyS appointed to conduct Pantanillo EIA.
 - Baseline environmental studies have commenced, a key step in advancing towards development approval under Chile's streamlined permitting regime.
 - Targeting submission in early 2027.
- **Soils data review identifies large zone of anomalous gold centred on Pantanillo deposit:**
 - Gold in soil anomaly ~5km long and up to 1.2km wide, materially larger than current drill coverage.
 - Gold anomaly supported by elevated copper and molybdenum as well as other pathfinders.
 - Large target areas inside anomalous zone remain undrilled or poorly tested.
- **Community and Government Engagement**
 - The Company maintained regular engagement with local stakeholders and relevant Chilean authorities, including the Atacama Regional Government and Ministry of Mining.

Flagship Minerals Limited

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- Support remains strong for responsible development of Pantanillo, which is expected to generate local employment and contribute to regional economic development.

Corporate

- As of 31 December 2025, Flagship held **A\$2.06** million in cash.
- \$4.2 million placement successfully completed, with \$2.5 million from Xinhai.
- Convertible Notes balance reduced by ~75% through conversions during the Quarter.
- Flagship continues to apply a disciplined approach to capital management, with a focus on advancing key milestones cost-effectively.

Flagship Minerals' Managing Director, Paul Lock, commented:

"The December Quarter marked another important step in Flagship's transition from explorer to emerging developer. Receipt of the second A\$1.25 million tranche from our strategic partner Xinhai, following on-site due diligence and internal approvals, represents a strong endorsement of the scale and potential of the Pantanillo Gold Project. Importantly, this funding has been secured alongside deep technical collaboration, reinforcing our disciplined approach to project de-risking and development."

"Our strategy remains focused on achieving maximum outcomes with minimal dilution. During the Quarter, Flagship strengthened its balance sheet, materially reduced its convertible note position, and continued to advance key milestones in a cost-effective manner. Xinhai's entry as a long-term strategic shareholder with a Board representative provides a credible pathway to feasibility, development and construction."

"Technical progress continued toward a JORC-compliant Mineral Resource Estimate, with Bmining appointed to lead the conversion process. Compilation and modelling of historical and current datasets are well advanced, with early indications supporting the potential for near-surface, bulk-tonnage mineralisation within the Main Zone. The Company is targeting release of the updated MRE in Q1 2026."

"Baseline environmental studies have also commenced, with the appointment of experienced Chilean consultants Ambiental y Sectorial to progress the Pantanillo EIA. This represents a key step in positioning the project for future development while maintaining strong alignment with regulatory and community expectations."

"With the release of the JORC mineral resource estimate approaching and multiple workstreams advancing in parallel, Flagship enters 2026 with strong momentum, a solid technical foundation and a clear pathway for the next phase of growth."

"Flagship will be making additional Board and Management appointments in the coming months, bringing in individuals with the requisite experience in Chilean mining and project development and construction. These appointments will support the Company's transition from exploration to mine development."

OPERATIONS REPORT

Pantanillo Gold Project (Pantanillo)

Xinhai Investment

Flagship concluded the Quarter with the receipt of the second A\$1.25 million tranche from strategic partner Xinhai following successful on-site due diligence and subsequent investment committee approval. This completed Xinhai's A\$2.5 million strategic investment commitment, originally announced in October 2025.

As part of the partnership, Xinhai nominated Zhongyi (John) Zhang, a key representative and one of Xinhai's major shareholders, for appointment to Flagship's Board of Directors, with Mr Zhang's formal appointment scheduled for the first week of February, 2026. Mr Zhang's has substantial experience in mining and processing technologies, EPC, and investment, and has played a key role in developing Xinhai's services business in 102 countries and Xinhai's resources business in 7 countries.

Xinhai's five-person technical team visited Pantanillo in December, led by Vice President and Mineral Processing Engineer Mr Qingmin Wang. The delegation included:

- Mr Qingbao Ma – Director, Geological Exploration Dept.
- Mr Ruiqing Gong – Director, Mining Engineering Dept.
- Mr Zhenhua Gao – Deputy Director, Engineering Office
- Mr Haoyu Li – Project Manager



Figure 1: LHS – Xinhai in Flagship's Core Shed, Copiapo. RHS – Xinhai at Pantanillo, from left to right: i. Haoyu Li, Project Manager; ii. Ruiqing Gong, Director of the Mining Engineering Department, Mining Engineer; iii. Qingbao Ma, Director of the Geological Exploration Department, Geological Engineer; iv. Zhenhua Gao, Deputy Director of the Engineer's Office, Plot Plan Engineer; v. Qingmin Wang, Vice President of Xinhai, Mineral Processing Engineer; vi. David Hobby, Flagship's Technical Director and Chief Geologist. Located at **Drill Collar PN02: 320.3m @ 0.62g/t Au from 126m including 116m @ 1.03g/t Au from 134m**¹

¹ See Flagship's ASX Release dated 03 September 2025 and titled "Flagship Commences Review of Anglo Dataset at 1Moz+ Pantanillo Gold Project, Chile".

Environmental Impact Assessment (EIA)

Flagship appointed Ambiental Y Sectorial SpA (“AyS”) to lead the Environmental Impact Assessment (“EIA”) for Pantanillo. AyS is a leading mid-tier environmental consulting firm with a strong track record for positive study outcomes in the mining sector and in the Atacama region. Baseline environmental studies commenced in December, with full EIA submission targeted for early 2027—aligned with Flagship’s broader timeline for feasibility completion and permitting under Chile’s streamlined regulatory regime.

JORC-Compliant Mineral Resource Estimate (MRE)

During the Quarter, Flagship engaged Bmining Desarrollo e Innovacion Para La Minera SpA (“Bmining”) to update and seek to increase the current 1.05Moz Au QFE to a Mineral Resource Estimate (MRE) in accordance with JORC (2012). Bmining’s team includes several former AMEC staff involved in the original resource modelling, who also bring relevant experience on similar oxide and sulphide projects in the Maricunga Belt.

An NI 43-101 compliant Technical Report is also under consideration to support Flagship’s future capital markets engagement in North America.

Community engagement

Flagship appointed Ms Alejandra Tapia as its Community Relations Manager. Alejandra previously held a similar role with Lundin Group in relation to its Candelaria Mining Complex. Ms Tapia’s role is to assist Flagship manage community relationships, navigate social license matters, and attend to other project related matters.

For further detail on the above items see Flagship’s ASX announcement dated 31 December 2025 and titled “*Flagship Receives \$1.25m from Xinhai as DD Completes – EIA Baseline Studies Commence at Pantanillo*”.

Metallurgical Testwork advances

A review of historical metallurgical studies confirmed strong gold recoveries via conventional cyanidation, including up to 89.6% gold recovery from oxide bottle roll tests, and 82.7% from column leach (100% passing 38mm crush size) after 75 days.

Post this review, Flagship constructed a bulk sample from half HQ drill core (maximum diameter of 63mm x 31.5mm) for metallurgical testing by Flagship’s EPC partner Xinhai at Xinhai’s testing facilities in China. This test work is now underway. The sample comprised ~211kg of oxide, ~235kg of mixed and ~243kg of sulphide material for a total of ~690kg. The gold grades of the oxide and mixed samples of 0.54g/t and 0.65g/t respectively are chosen to reflect potential average mined grades of these materials.



Figure 2: 690kg of sample (211kg oxide; 235kg mixed; 243kg sulphide) from the Pantanillo Gold Project ready for Metallurgical testing

The location of the sampled drillholes is shown in Figure 3. Cross sections showing the holes and sampled intervals are shown in Figures 4 and 5.

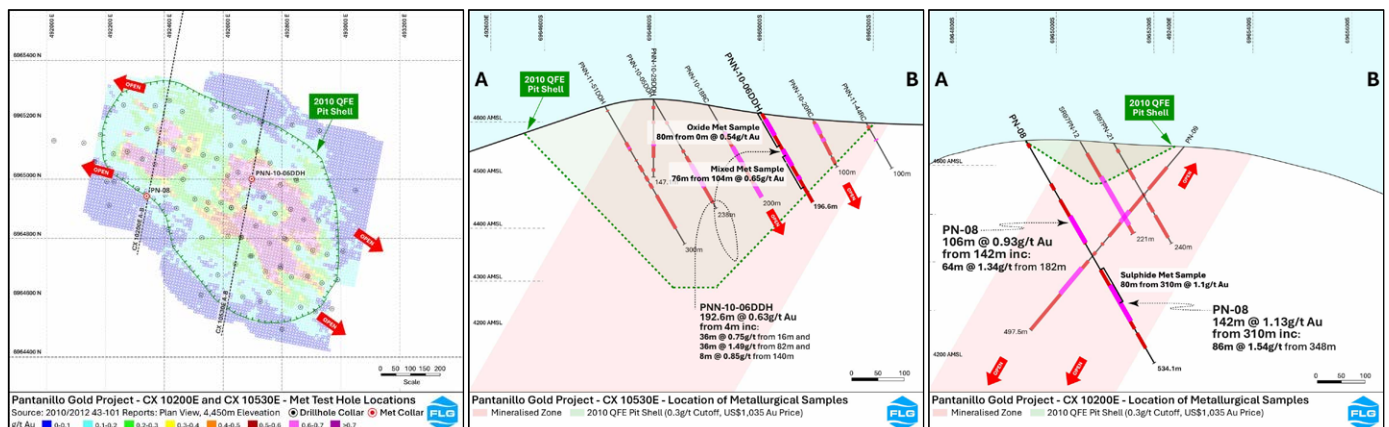


Figure 3 (LHS): Pantanillo Gold Project - QFE block model at 4450mASL showing Met Test Hole locations

Figure 4 (Middle): Pantanillo Gold Project - Cross Section 10530E showing Met Test Sample locations

Figure 5 (RHS): Pantanillo Gold Project - Cross Section 10200E showing Met Test Sample location

Flagship in conjunction with Xinhai will conduct testwork to confirm and enhance results obtained in heap leach testwork conducted by previous explorers. The program will focus on particle crush size vs Au recovery vs time for oxide and mixed mineralisation. Reagent consumption and other leach kinetics will also be investigated.

The testwork will also provide a preliminary assessment for the potential of ‘dump leaching’, which typically refers to the leaching of blasted Run of Mine (ROM) ‘ore’ delivered to the leach pad by truck, directly by haul truck from the mine. Dump leach simplifies the operations, serving to reduce risk. Flagship is planning to excavate a bulk sample of near surface oxide material in order to conduct dump leach testwork in Copiapo.

The Fenix dump leach project located approximately 50km north of Pantanillo is situated in a similar setting. Fenix is owned by TSX listed Rio2 (TSX: RIO, MCap ~A\$1.8B as of 29 January 2026) and provides a useful benchmark for Pantanillo. Fenix poured first gold in the last week of January, and construction has all but been completed on time and on budget. The current mine plan estimates Fenix will produce 1.32 Million ounces of gold over a 16 year mine life, at a life of mine ore reserve grade of 0.48g/t Au with average life of mine All in Sustaining Costs (AISC) of US\$1,237/oz Au².

Drilling Contractors

Flagship introduced drilling contractors to Pantanillo in preparation for additional drilling in 2026 to generate drill core for Metallurgical testwork; undertake any infill drilling to extend mineralisation inside and proximal to the open pit boundary as will be defined as part of “and post” the new Mineral Resource Estimate (MRE) currently underway; and conduct extensional drilling in preparation for an MRE upgrade later in 2026.

Formal drilling quotes were received during December and January and Flagship has appointed its preferred drilling contractor for a drill start post the MRE conversion, currently underway.

For further detail on the above item see Flagship’s ASX announcements dated 04 November and 31 December 2025 and titled “*Copiapo Warehouse Secured – Met Samples Prepared and Ready to be Shipped*” and “*Flagship Receives \$1.25m from Xinhai as DD Completes – EIA Baseline Studies Commence at Pantanillo*” respectively.

Exploration Dataset Review (Ongoing)

During the Quarter Flagship continued its review of the historical exploration dataset, which is ongoing. Part of this exercise included a review of soils data pertaining to the Pantanillo North and Central prospects. The soil samples were generally collected on a 100 x 100m grid. Due to the lack of a soil profile the samples were taken from surface to a depth of about 30cm, which were analysed by independent commercial laboratories. Flagship modelled gold and other elements using Inverse distance weighting and plotted these as colour images, with hotter colours (reds) representing higher values grading down to lower values represented by blues.

The modelled gold in soils data is presented in Figure 6, it shows a large zone of anomalous gold measuring ~5km long and up to 1.2km wide, much larger than current drill coverage essentially centred on the Pantanillo North deposit which hosts the current 1.05Moz Au QFE (NI 43-101), the surface outline of the current mineralisation is also shown in Figure 6. The data indicates the anomaly is trending approximately NW-SE which is parallel to the deposit. Two possible bounding structures north and south of the deposit are also shown as well as NNW

² For details on Rio2’s Fenix Gold Project, see: <https://www.rio2.com/post/rio2-completes-feasibility-study-for-the-fenix-gold-project>.

controls in the data, particularly in the centre of the deposit and trending outside the mineralised outline to the north and south.

The review indicates that the size of the gold in soil anomaly is materially larger than the existing drill coverage defining the current 1.05Moz Au QFE (NI 43-101) mineralisation.

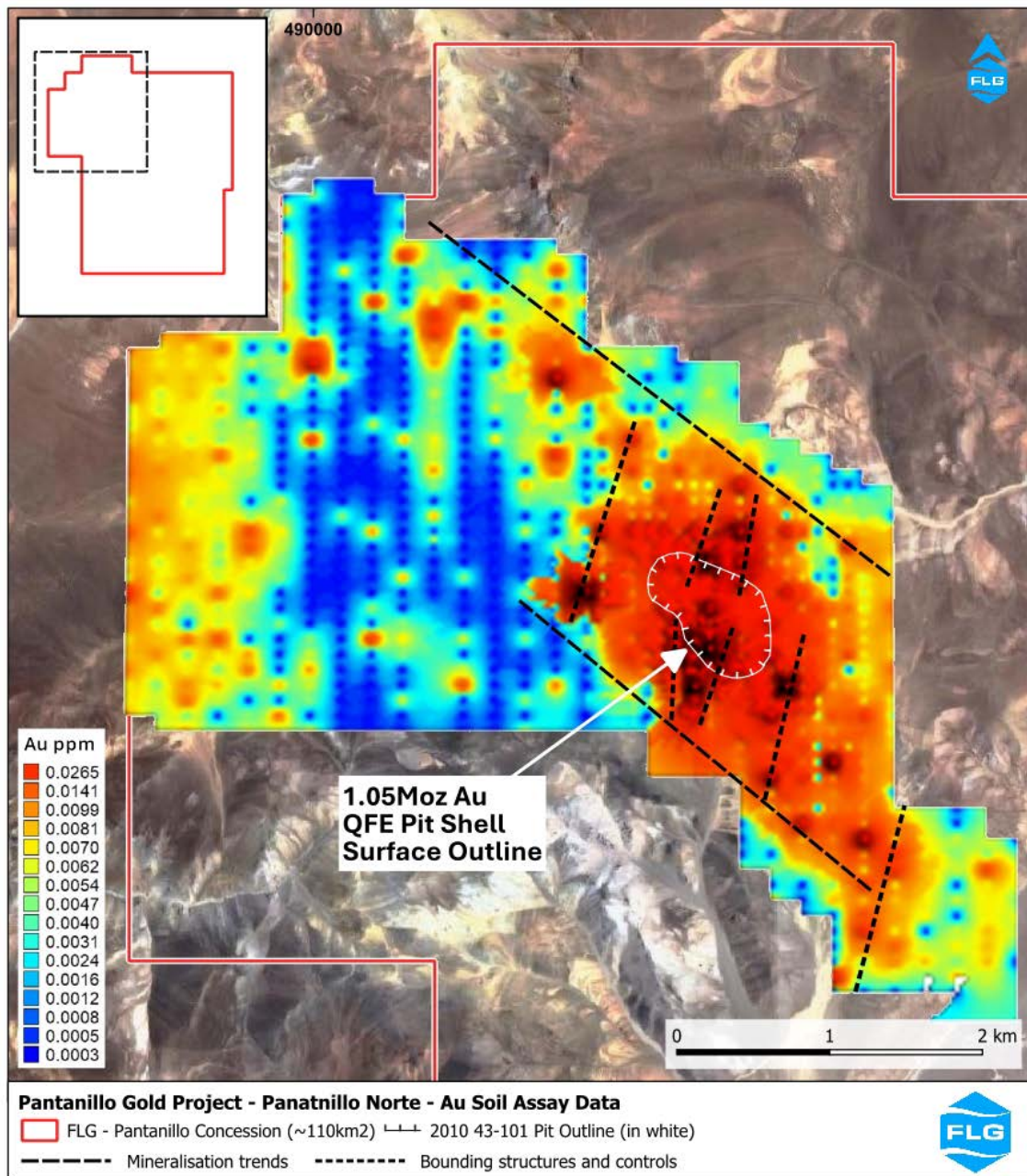
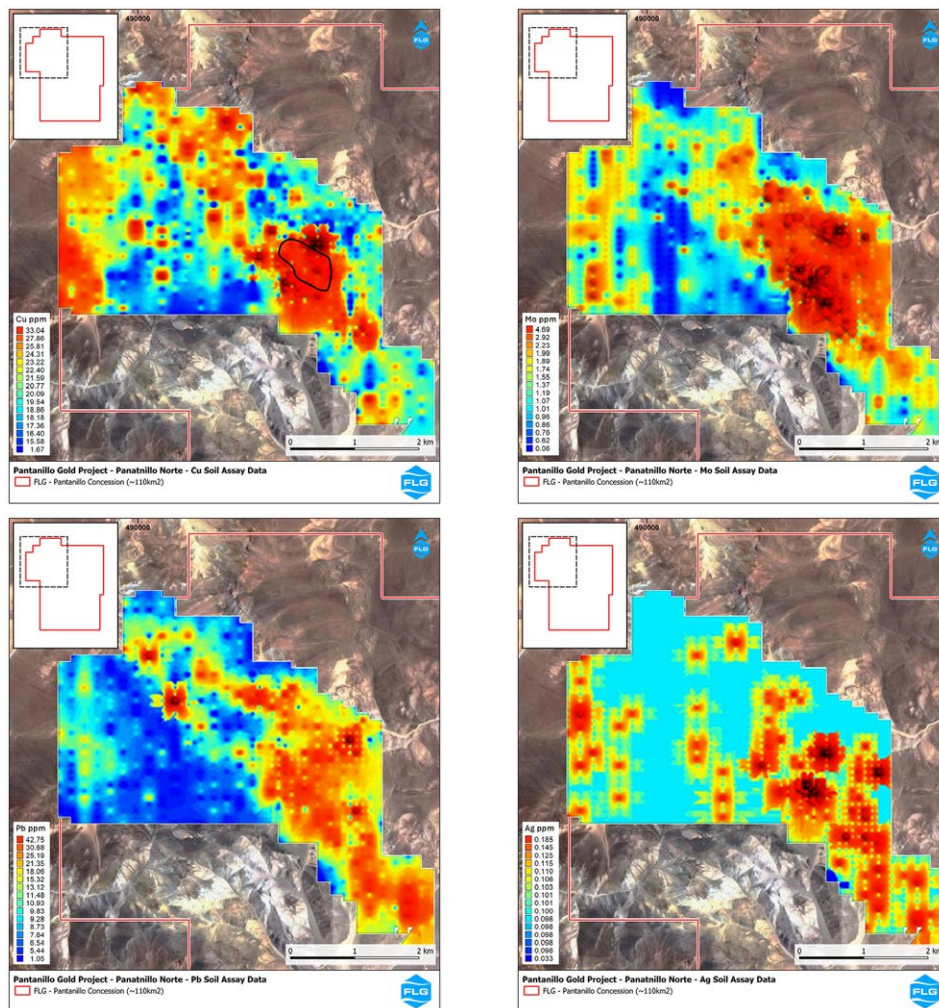


Figure 6: Pantanillo Gold Project – Au in soils Pantanillo North, showing deposit outline and trends

In Figure 7, the modelled soils data for Cu, Mo, Pb, Ag, As and Sb are shown. These data broadly coincide with, and support the Au in soils. These other elements are generally associated with gold in this type of geology and mineralised setting. Spot highs for some of the elements represent additional targets and maybe an indicator for deeper gold potential.



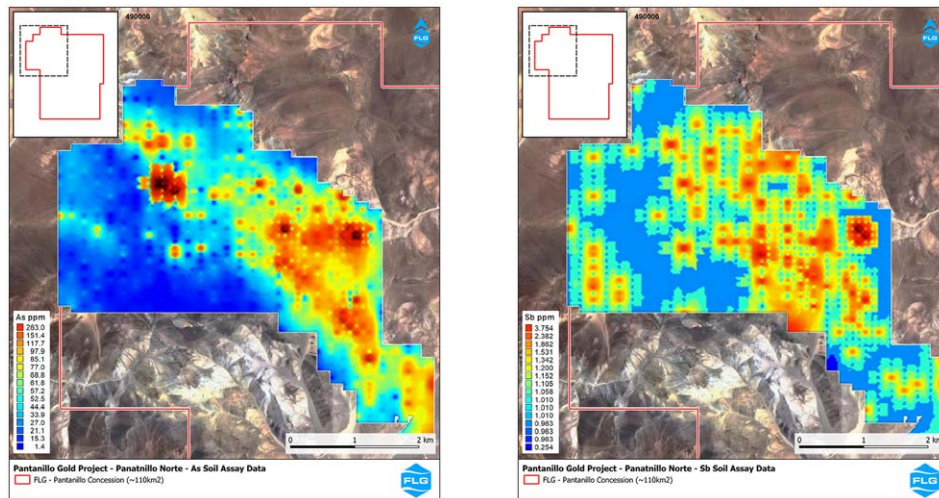


Figure 7: Pantanillo Gold Project – Cu, Mo (top row),
 Pb, Ag (middle row), As and Sb (bottom row)

For further detail on the above items see Flagship’s ASX announcement dated 08 October and titled “*Anglo Dataset Yields Additional Exploration Opportunities at 1Moz Pantanillo Gold Project, Chile*”.

Copiapo Core Shed

Flagship secured Anglo American’s Pantanillo Core Shed, which is situated on the outskirts of Copiapo City, a major mining hub in northern Chile. The Anglos lease was transferred to Flagship on the 1st of November 2025.

The warehouse contains an extensive amount of exploration data generated by previous explorers and has been stored by Anglo for more than 25 years. The contents of the warehouse were comprehensively reviewed by Flagship during the Quarter, nearly all diamond drill core completed on the property is included, which totalled 13,949m, as well as chip trays from most of the RC holes completed on the property which totalled 18,878m.

The dataset also includes extensive laboratory assay pulps and coarse crush rejects from the assayed drill samples. All of this material is now available to Flagship for additional technical work and re-analysis (see Figure 8).



Figure 8: Flagship warehouse containing the recently acquired physical data for the Pantanillo Gold Project

For further detail on the above items see Flagship’s ASX announcement dated 04 November and titled “Copiapo Warehouse Secured – Met Samples Prepared and Ready to be Shipped”.

Strategy and Work Plan

Flagship is now positioned for a fast-tracked development pathway, targeting a near-term transition from exploration to feasibility and ultimately construction.

At Pantanillo, the strategy is to define a sufficiently large and technically robust Mineral Resource to underpin development of an open-pit, heap leach gold operation. The project benefits from near-surface mineralisation, existing access infrastructure, and a growing dataset that supports rapid progression through technical milestones.

Flagship’s current work plan focuses on three core priorities:

1. JORC-Compliant Resource Update:

Convert the current 1.05Moz Au foreign estimate into a JORC (2012) compliant Mineral Resource Estimate. This process includes validating historical drill data, re-sampling core where required, and integrating legacy metallurgical and geotechnical data. Subject to outcomes, the Company expects to increase the resource footprint without immediate drilling.

2. Technical Studies and Metallurgy:

Advance metallurgical testwork and project scoping to support a detailed techno-economic assessment. This will guide flowsheet design, processing options, and early-stage development parameters.

3. Drill-Driven Growth:

Commence metallurgical as well as targeted extensional and confirmatory drilling in early 2026, with a view to releasing an upgraded MRE later in 2026. Drill targeting will focus on high-potential oxide and transitional zones within and adjacent to the Main Zone.

4. Target Generation and Assessment across the

As the techno-economic assessment progresses, Flagship will consider opportunities to target and explore for additional oxide and higher-grade sulphide gold mineralisation resources that may exist throughout the broader ~110km² holding, see Figure 9.

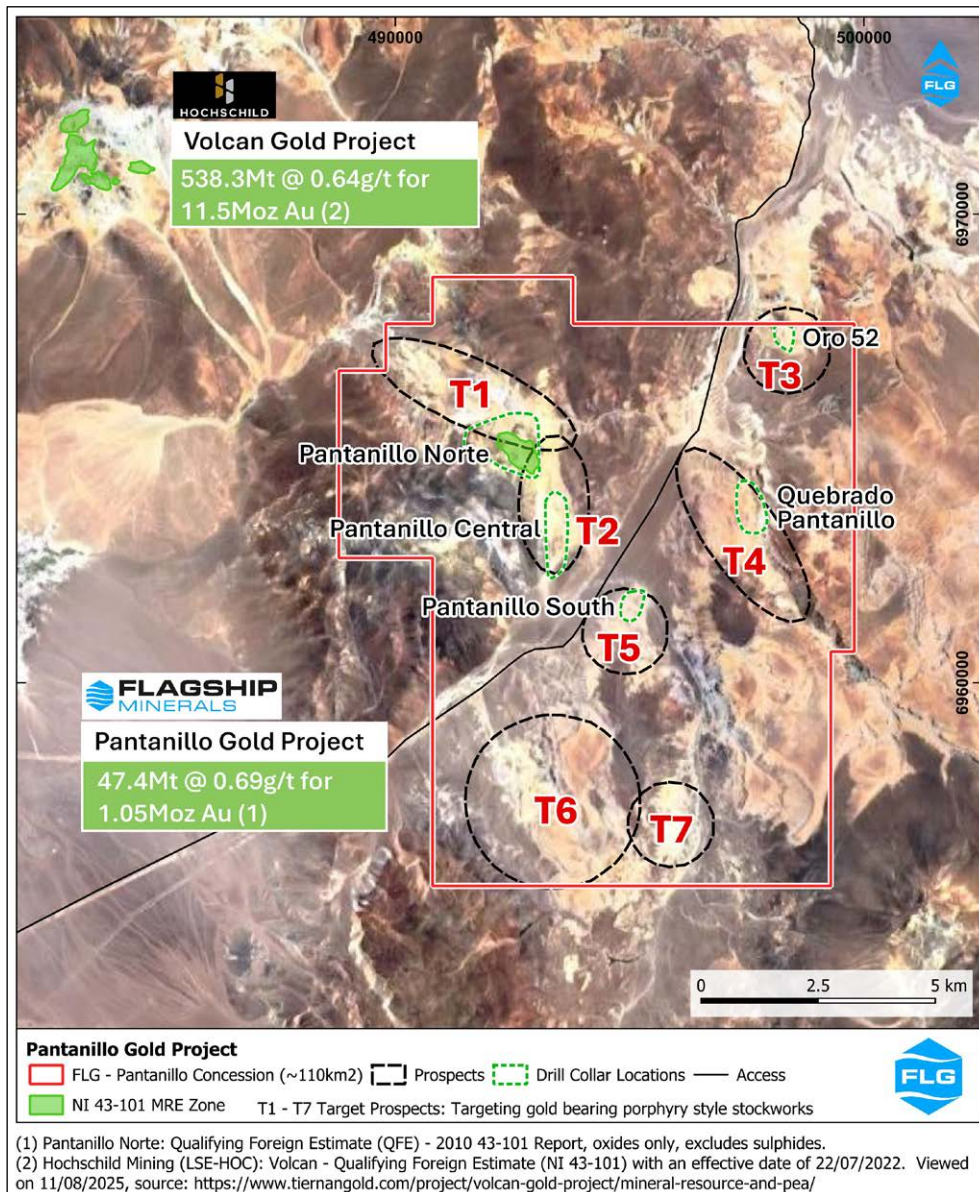


Figure 9: Pantanillo Gold Project – Local Setting and Prospects

Rosario Copper Project (Rosario)

No field work was conducted on the Rosario Copper Project during the Quarter. Flagship has prepared a trenching program; the results will govern the next steps in the exploration program.

Khao Soon Tungsten Project (Khao Soon)

No field work was conducted on the Khao Soon Tungsten Project (KSTP) during the Quarter. Flagship is currently assessing its options for this project.

RK Lithium Project (RK Lithium)

No field work was conducted on the RK Lithium Project during the Quarter. Flagship is considering options for the sale of the project.

CORPORATE

Finance

On 01 October 2025, Flagship secured binding commitments to raise \$4.0 million (before costs) via a strongly subscribed share placement. For details see Flagship's ASX announcement dated 01 October 2025 and titled "*\$4 Million Placement - Strategic EPC Investor Secured*". Subsequent to this announcement a further \$0.2 million was raised on the same terms and conditions as the share placement.

During the Quarter \$616,244.80 of March 2024 Convertible Notes were converted. The following table lists the outstanding principal balances as of 31 December 2025:

	March 2024 Con Note	October 2024 Con Note
Principal Outstanding – 30 September, 2025	A\$638,744.80	A\$200,000
<i>Principal Repayments and/or Conversions Q4 2025</i>	<i>-A\$616,244.80</i>	<i>A\$0</i>
Principal Outstanding – 31 December 2025	A\$22,500.00	A\$200,00
<i>Principal Repayments and/or Conversions in Jan 2026</i>	<i>-A\$22,500.00</i>	<i>A\$0</i>
Principal Outstanding – As at Quarterly Release	A\$0	A\$200,000
Maturity	n/a	April 2026
Total Mar & Oct 2024 Convertible Notes Outstanding (as of 30 January 2026)		A\$200,000

During the Quarter and before funds were cleared from the 01 October Placement, Flagship's Directors provided a A\$165,000 loan to the Company. This loan was utilised to meet the 1st payment for the Anglo-American Norte SpA (Anglo) Pantanillo exploration dataset, as per Flagship's ASX release dated 27 August 2025. Under Company policy, Director loans earn 5% pa and can be converted into shares on the same terms as that of Director fees paid in shares in that Quarter loan funds were provided, which is at the 10-day VWAP at the end of the relevant Quarter. As this loan was repaid in full in early October, no interest was charged. We note the very favourable loan terms that benefit Flagship's shareholders. For details on the Anglo dataset acquisition please see Flagship's ASX announcement dated 27 August 2025 and titled "*Pantanillo Gold Project - Anglo Exploration Dataset Secured*".

There were no other material Finance matters to report during the Quarter.

Flagship is a US Dollar reporter and therefore its financial statements are reported in US Dollars, including its Quarterly Appendix 5B.

Cash at bank at the end of the Quarter was **A\$2.06M** (US\$1.38M).

Flagship's expenditure during the Quarter was as follows:

Item	US\$ ('000s)	A\$ ('000s)
Cash Balance at beginning of Quarter	95	142
Staff Costs	(161)	(245)
Administration and Corporate Costs	(675)	(1,029)
Interest and other costs of finance paid	(453)	(690)
Other income	4	6
Payments to property, plant and equipment	(4)	(6)
Exploration and Evaluation	(217)	(331)
Other (Refundable deposits)	(2)	(3)
Proceeds from issue of equity securities (excluding convertible debt securities)	2,876	4,297
Transaction costs related to issues of equity securities or convertible debt securities	(121)	(181)
Proceeds (Repayment) of convertible notes	-	-
Proceeds from borrowings, net	(24)	(36)
Other (repayment of lease liabilities)	(7)	(11)
FX Movements	70	150
Cash Balance at end of Quarter	1,381	2,063

As reported at s6.1 of the 5B, during the Quarter the Company paid A\$202 (US\$145) to Directors of the Company towards their remuneration.

EVENTS SUBSEQUENT TO QUARTER END

There were no other material ASX releases after the Quarter end.

- Ends -

Authorised by the Board of Directors

For further information please contact:

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Elissa Hansen

Company Secretary
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SUMMARY OF ASX ANNOUNCEMENTS

Date	Price Sensitive	Title	Relevant Project(s)
1-Oct-25		Proposed issue of securities - FLG	
1-Oct-25	!	\$4 Million Placement - Strategic EPC Investor Secured	
8-Oct-25	!	Pantanillo Gold Project - Robust Soil Anomalies	
9-Oct-25		Application for quotation of securities - FLG	
13-Oct-25		Cleansing Notice	
13-Oct-25		Application for quotation of securities - FLG	Pantanillo
13-Oct-25		Application for quotation of securities - FLG	
14-Oct-25		Corporate Presentation	
31-Oct-25	!	Quarterly Activities/Appendix 5B Cash Flow Report	
03-Nov-25		Application for quotation of securities - FLG	
03-Nov-25		Application for quotation of securities - FLG	
04-Nov-25		Pantanillo Gold - Warehouse Secured - Met Samples Ready	
05-Nov-25		Application for quotation of securities - FLG	
05-Nov-25		Application for quotation of securities - FLG	
05-Nov-25		Cleansing Notice	
10-Nov-25		Pantanillo Gold - Maricunga Water Pipeline Approval	
28-Nov-25		Application for quotation of securities - FLG	
28-Nov-25		Notification regarding unquoted securities - FLG	
28-Nov-25		Application for quotation of securities - FLG	
28-Nov-25		Cleansing Notice	
09-Dec-25		Application for quotation of securities - FLG	
30-Dec-25		Application for quotation of securities - FLG	
30-Dec-25		Change of Director's Interest Notice	
31-Dec-25	!	Pantanillo Gold - Xinhai Moves Ahead - EIA Baseline Starts	
31-Dec-25		Application for quotation of securities - FLG	
31-Dec-25		Application for quotation of securities - FLG	
31-Dec-25		Cleansing Notice	
ASX Releases subsequent to the Quarter's end.			
12-Jan-26		Application for quotation of securities - FLG	
12-Jan-26		Application for quotation of securities - FLG	
14-Jan-26		Cleansing Statement	
19-Jan-26		Application for quotation of securities - FLG	
20-Jan-26		Application for quotation of securities - FLG	
20-Jan-26		Cleansing Notice	

TENEMENT SCHEDULE AS AT 30 JUNE 2024

Tenement / Application	Holder / Applicant	% Held	Granted	Term ⁽ⁱ⁾ (Years)	Area (Km ²)	Country
RK Lithium Project⁽ⁱⁱ⁾						
SPLA 1/2567	SIM	100	Re-application	5	20.1	Thailand
SPLA 2/2567	SIM	100	Re-application	5	22.0	Thailand
KT Geothermal Lithium and Hard Rock Lithium/Tin Project						
DSPL1/2567	PAM2	100	29-Mar-2024	5	8.2	Thailand
DSPL2/2567	PAM2	100	29-Mar-2024	5	10.2	Thailand
DSPLA3	PAM2	100	Application	5	7.8	Thailand
DSPLA4	PAM2	100	Application	5	3.8	Thailand
DSPLA5	PAM2	100	Application	5	14.7	Thailand
Khao Soon Tungsten Project⁽ⁱⁱⁱ⁾						
TSPLA 1/2549	TMV	100	Application	5	11.0	Thailand

SIM: Siam Industrial Metal Co. Ltd.; PAM2: Pan Asia 2 Metals (Thailand) Co. Ltd.; TMV: Thai Mineral Ventures Co. Ltd. SIM, PAM2, and TMV are 100% held subsidiaries of the Company or a 100% held subsidiary of one of the Company's 100% held subsidiaries.

(i) For Application and Re-application areas, the term of 5 years will begin upon approval of the application and its conversion into a license, at which point a 'Granted' date will be provided in the above table.

(ii) The SPLA 1/2567 application area is expected to be reduced from 20.1Km² to ~14.5-16.0Km² and the SPLA2/2567 application area reduced from 22.0Km² to ~16.0-17.5Km² once expected carveouts have been applied. See FLG ASX Release titled 'RK Lithium Project - License Re-Application' and dated 22 February 2022.

(iii) Thai Goldfields NL (TGF) will receive a A\$2m cash payment upon first WO3 concentrate production being achieved for a tungsten project on Special Prospecting License Application No. 1/2549 (TSPLA 1/2549) or its successor title over the historic Khao Soon Tungsten Mine and a A\$2m cash payment upon first WO3 concentrate production being achieved for a project on any tenement abutting TSPLA 1/2549 or any successor title. David Docherty is a Director of Flagship Minerals and TGF.

OPTION AGREEMENT SCHEDULE AS AT 30 JUNE 2024

Parties		
Project	Pantanillo Gold Project	Rosario Copper Project
Purchaser	Flagship Minerals Limited through its Chilean Subsidiaries	
Project Concession Area	~110km ²	~41km ² .
Key Commercial Terms		
Term	5 Years	3 Years + 1 Year by mutual Agreement ⁽¹⁾
Term Start	April 2025	September 2024
Earn-in	100%	100%
Management	Flagship	Flagship
Licensing	Meet all obligations including annual licensing payments to maintain titles in good standing	
Minimum Annual Spend	Not applicable	Not applicable
Option Payments ^{(2) (3)}	Apr '26: US\$ 200,000 Apr '27: US\$ 300,000 Apr '28: US\$ 400,000 Apr '29: US\$ 500,000	Sep '26: US\$100,000 Sep '27: US\$100,000 ⁽¹⁾
Option Exercise	Apr '30: US\$11,000,000 ⁽²⁾	Sep '27 (or Sep '28) US\$2,000,000 ⁽¹⁾⁽³⁾⁽⁴⁾
Royalty	2% Net Smelter Royalty ⁽⁵⁾	Not applicable
<p>(1) By mutual agreement FLG can seek an extension of the term of the Option Agreement by 1 year, and if extended FLG would be required to pay an additional Option Payment of US\$100,000 in September 2027 and the Option exercise would extend by 1 year to September 2028.</p> <p>(2) For the Pantanillo Gold Project the payment terms are Cash or, subject to agreement between Flagship Minerals and the Vendor, a combination of cash and shares with the share price based on the average share price for the 5 business days prior to payment.</p> <p>(3) For the Rosario Copper Project option payments can be made in cash or 50% cash and 50% FLG shares at FLG's option.</p> <p>(4) FLG can exercise the US\$2 million Option Payment early, upon which no further annual payments of US\$100,000 will be payable.</p> <p>(5) Flagship has an option to buy back one half of the NSR (1% NSR) for US\$5,000,000.</p>		

CORPORATE DIRECTORY

Directors	Mr Paul Lock (Executive Chairman and Managing Director) Mr David Hobby (Executive Director and Technical Director) Mr David Docherty (Non-Executive Director) Mr Thanasak Chanyapoon (Non-Executive Director)		
Company Secretaries	Ms Elissa Hansen (Australia) Ms Fiza Alwi (Singapore)		
Corporate Address	36 Robinson Road #20-01 City House Singapore 068877	Cerro Colorado 5858, Office 208, Las Condes, Santiago, Chile	L M, 388 George Street Sydney, NSW, 2000 Australia
Share register	MUFG Corporate Markets Level 12, 680 George Street Sydney NSW 2000		
Bankers	DBS Bank Limited, Singapore 12 Marina Boulevard Level 3 MBFC Tower 3 Singapore 018982	Westpac Banking Corp., Australia Royal Exchange, Cnr Pitt & Bridge St Sydney NSW 2000	
Legal Advisors	Steinepreis Paganin Level 6, 99 William Street Melbourne VIC 3000		
Accountants	Vistra Australia Level 4, 100 Albert Road Melbourne VIC 3205		
Auditors	CLA Global TS Public Accounting Corporation 80 Robinson Road, #25-00 Singapore 068898		
Stock exchange listing	Flagship Minerals Limited's shares are listed on the Australian Securities Exchange (ASX code: FLG)		
Website	www.flagshipminerals.com		

IMPORTANT INFORMATION

Competent Persons Statement - General

The information in this report that relates to Exploration Targets and Exploration Results, is based on information compiled by Mr. David Hobby, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Hobby is a fulltime employee, Director and Shareholder of Flagship Minerals Limited. Mr. Hobby has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr. Hobby consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Various statements in this document constitute statements relating to intentions, future acts and events which are generally classified as “forward looking statements”. These forward-looking statements are not guarantees or predictions of future performance and involve known and unknown risks, uncertainties and other important factors (many of which are beyond the Company’s control) that could cause those future acts, events and circumstances to differ materially from what is presented or implicitly portrayed in this document. For example, future reserves or resources or exploration targets described in this document may be based, in part, on market prices that may vary significantly from current levels. These variations may materially affect the timing or feasibility of particular developments. Words such as “anticipates”, “expects”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “potential” and similar expressions are intended to identify forward-looking statements. Flagship Minerals Limited cautions security holders and prospective security holders to not place undue reliance on these forward-looking statements, which reflect the view of Flagship Minerals Limited only as of the date of this document. The forward-looking statements made in this document relate only to events as of the date on which the statements are made. Except as required by applicable regulations or by law, Flagship Minerals Limited does not undertake any obligation to publicly update or review any forward-looking statements, whether as a result of new information or future events. Past performance cannot be relied on as a guide to future performance.

Important

To the extent permitted by law, Flagship Minerals Limited and its officers, employees, related bodies corporate and agents (Agents) disclaim all liability, direct, indirect or consequential (and whether or not arising out of the negligence, default or lack of care of Flagship Minerals Limited and/or any of its Agents) for any loss or damage suffered by a Recipient or other persons arising out of, or in connection with, any use or reliance on this document or information.

Appendix 5B

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

Name of entity

Flagship Minerals Limited

Registration Number

201729187E

Quarter ended ("current quarter")

31 December 2025

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for	-	-
	(a) exploration & evaluation		
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(161)	(272)
	(e) administration and corporate costs	(675)	(1,143)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(453)	(512)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	4	15
1.9	Net cash from / (used in) operating activities	(1,285)	(1,912)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	(4)	(4)
	(d) exploration & evaluation	(217)	(617)
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:	-	-
	(a) entities		
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Refundable Deposit)	(2)	(2)
2.6	Net cash from / (used in) investing activities	(223)	(623)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible note securities)	2,876	3,529
3.2	Proceeds from issue/(Repayment) of convertible debt securities	-	(109)
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(121)	(161)
3.5	Proceeds from borrowings	108	714
3.6	Repayment of borrowings	(132)	(176)

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (12 months) \$US'000
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Others (repayment of lease liabilities)	(7)	(28)
3.10	Net cash from / (used in) financing activities	2,724	3,769

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	95	144
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,285)	(1,912)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(223)	(623)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	2,724	3,769
4.5	Effect of movement in exchange rates on cash held	70	3
4.6	Cash and cash equivalents at end of period	1,381	1,381

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	1,381	95
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (Short term bonds)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,381	95

A\$ Cash and cash equivalents at end of quarter

A\$2,063

A\$142

6.	Payments to related parties of the entity and their associates	Current quarter \$US'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	145
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		6,693
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	A\$10m (equivalent US\$6.6m) At-the-Market equity funding facility with Alpha Investment Partners ('AIP'). The facility has a capital raising fee of 7% on funds raised, and no other obligations. The provision of any funding by AIP is entirely at AIP's discretion and there is no guarantee any funding will be provided to PAM pursuant to the agreement announced by Flagship on 14 May, 2024. Should the facility be fully utilised, assuming available placement capacity, then the net funds available to Flagship would be A\$9,300,000 (equivalent US\$6.22m). There is no requirement for Flagship to use the facility and it may be terminated by Flagship at any time without cost or penalty.		

8. Estimated cash available for future operating activities		\$US'000
8.1	1. Net cash from / (used in) operating activities (item 1.9)	(1,285)
8.2	2. (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(223)
8.3	3. Total relevant outgoings (item 8.1 + item 8.2)	(1,508)
8.4	4. Cash and cash equivalents at quarter end (item 4.6)	1,381
8.5	5. Unused finance facilities available at quarter end (item 7.5)	6,693
8.6	6. Total available funding (item 8.4 + item 8.5)	8,074
8.7	7. Estimated quarters of funding available (item 8.6 divided by item 8.3)	5.35
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	9. If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
	8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: NA	
	8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: NA	
	8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: NA	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2026

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

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.