



Taiko Critical Minerals Limited

**Financial Report for the Year Ended
31 March 2026**

Taiko Critical Minerals Limited is a company limited by shares, domiciled in New Zealand.
The Company is registered under the New Zealand Companies Act 1993.

CORPORATE DIRECTORY

Board and Management

Philip Thick	Non-Executive Chairman
Geoffrey Donohue	Non-Executive Director
Christine Pears	Non-Executive Director
Francois Tumuhai	Non-Executive Director
Robert Brand	Chief Executive Officer
Paul Mason	CFO & Company Secretary

Registered Office & Principal Place of Business

c/o PriceWaterhouseCoopers
Level 26 PwC Tower
15 Customs Street West
Auckland Central, Auckland 1010, New Zealand

Email: info@taikocm.co.nz

Web: www.taikocm.co.nz

Company Number	5824110
NZBN	9429042010715
Incorporation Date	5 October 2015
Auditors	Vinay Sheoran, Audit Partner at Hall Chadwick NSW
Registry	MUFG Pension & Market Services

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DIRECTORS' REPORT

The Directors present their report of Taiko Critical Minerals Limited (**Taiko** or **the Company**) (formerly TiGa Minerals & Metals Limited) for the year ended 31 March 2026.

Directors

The following persons were directors of the Company during the whole of the financial year and up to the date of this report, unless noted otherwise):

Philip Thick	Non-Executive Chairman
Geoffrey Donohue	Non-Executive Director
Christine Pears	Non-Executive Director (appointed 15 October 2025)
Francois Tumuhai	Non-Executive Director (appointed 15 October 2025)
Robert Brand	Managing Director & Chief Executive Officer (resigned as a Director on 27 January 2026, though remains as Chief Executive Officer)

Principal activity

The principal activity of Taiko during the year was exploration and evaluation of the Barrytown Mineral Sands Project (**Project**) in the South Island of New Zealand. During the year there was no change in the nature of this activity.

Financial results

The loss of the Company for the year ended 31 March 2026 was \$8,690,925 (2025: loss \$2,954,331).

Dividends

No dividends have been declared since the end of the previous financial year and no dividends have been recommended by the Directors.

Significant changes in the state of affairs

During the year there has been no significant change in the state of affairs of the Company.

Operations and financial review

The Company has continued towards its goal of becoming a successful producer of critical minerals on the West Coast of New Zealand. Significant developments include:

- Completion of a resource drilling campaign on the Southern Resource Block at Barrytown.
- Grant of resources consent for the Mineral Separation Plant at Rapahoe.
- Lodgement of an application for resource consent for the Southern Resource Block at Barrytown was submitted on 5 June 2026.
- Listing on the New Zealand Stock Exchange in March 2026.
- Successful completion of an Entitlement Offer and associated Shortfall Offer. A total of 65,837,393 shares were issued to raise \$7.258m from the offers.
- Convertible notes with a face value of \$650,000 were issued on 21 August 2025.
- Convertible notes with value of \$2.785m, including accrued interest, were converted to 25,315,978 shares in the Company on 1 October 2025 at a conversion price of A\$0.10 or NZ\$0.11.
- A loan facility of A\$2m was drawn down in April and May 2025. This loan, plus accrued interest, was converted to A\$2.136m of convertible notes on 31 December 2025 on the same terms as existing convertible notes on issue.
- The terms of the convertible notes were amended to:
 - extend the expiry date to 31 December 2027; and
 - change the conversion price to the lower of A\$0.10 and 50% of a future IPO price.

All other terms remain unchanged. (refer Note 13).

The Company is continuing to upgrade the Project pre-feasibility study to full feasibility level, including upgrading the resource model to incorporate the assay results from the Southern Resource Block drilling program referred to above.

At Balance date the Company had net liabilities of \$401,686 (2025: net liabilities of \$1,527,735). The decrease in net liabilities of \$1,126,049 arose primarily from shares and options issued of \$9,816,974, net of the loss for the year of \$8,690,925. Significant items contributing to the loss are the unrealised loss on revaluation of the derivative of \$2.1m and amortisation of the embedded derivative asset of \$1.4m (refer note 4)

Events since the end of the financial year

Taiko lodged its substantive application under the Fast Track Approvals Act 2024 for the Southern Block, comprising the Canoe Creek, Barrytown Farms and Cargill South Blocks of the Barrytown Critical Minerals Project, on 5 June 2026.

Except for the matter above, there has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Company in future financial years.

Likely developments and expected results of operations

The Directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial years not already disclosed in this report.

Environmental regulation

The Company is subject to significant environmental regulation in respect of its exploration and evaluation activities. Exploration and mining permits in New Zealand are granted subject to a number of conditions, including adherence to environmental regulations with strict controls on clearing, pollution, protection of wildlife and rehabilitation of sites on completion of activities.

Taiko conducts its exploration and evaluation activities in an environmentally sensitive manner and is not aware of any breach of statutory conditions or obligations.

Auditors' remuneration

During the year the following fees were paid or payable for audit services:

Hall Chadwick NSW	\$50,366 (2025: \$54,185)
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Statutory Disclosures Pursuant to Section 211 of the Companies Act 1993

Directors' Interests

The following entries were recorded in the Interests Register during the financial year ended 31 March 2026:

Director	Nature of Interest ¹
Philip Thick	Issue of 500,000 options exercisable at \$0.15, expiring 31 December 2028.
Geoffrey Donohue	Issue of 500,000 options exercisable at \$0.15, expiring 31 December 2028.
Christine Pears	Issue of 500,000 options exercisable at \$0.15, expiring 31 December 2028.
Francois Tumahai	Issue of 500,000 options exercisable at \$0.15, expiring 31 December 2028.
Robert Brand	-

¹Refer to Note 25 of the financial statements for further details of options issued to Directors.

Directors' Remuneration and Other Benefits

The total remuneration and other benefits received by each director during the financial year ended 31 March 2026 are set out below:

Director	Director Fees (\$)	Share-Based Payments (\$)	Other Benefits (\$)	Total (\$)
Philip Thick	67,790	26,500	-	94,290
Geoffrey Donohue	45,803	26,500	-	72,303
Christine Pears ¹	25,430	26,500	-	51,930
Francois Tumahai	20,807	26,500	-	47,307
Robert Brand ²	-	-	-	-
Total	159,830	106,000	-	265,830

¹ Includes \$4,623 (\$10,000pa) paid for her role as Chair of the Audit and Risk Committee since appointment on 15 October 2025.

² Fees of \$552,904 were paid to Eclipse Resources Management Pty Ltd (**Eclipse**) for services provided by Robert Brand as Managing Director and CEO. This amount includes a bonus of A\$180,273 payable to Eclipse for Mr Brand's services. The fees are for the period while Mr Brand was a Director (resigned 27 January 2026). The Company pays Eclipse an annual fee of A\$360,000pa for his services as CEO. In addition, performance rights and a bonus agreement are in place in respect of the services of Mr Brand (refer to Note 25). The agreement with Eclipse for the services of Mr Brand expires 31 January 2028.

As at the year-end Directors had invoiced, but not fully settled, directors' fees of \$18,009 (2025: \$22,004).

The Company has a Directors & Officers Liability insurance policy in place covering claims against Directors and officers of the Company for alleged wrongful acts.

Non-audit services

During the year ended 31 March 2026 and in the previous financial year there were no fees paid or payable for non-audit services provided by the auditors of the Company.

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



P Thick
Chairman
Auckland
16 June 2026



C Pears
Director

TAIKO CRITICAL MINERALS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 \$	2025 \$
		\$	\$
Other income		7,579	4,943
Project feasibility and resource consent application expenditure	4(a)	-	(1,153,930)
Administration expenses	4(b)	(554,338)	(229,104)
Corporate and regulatory expenses	4(c)	(2,468,581)	(1,018,817)
Revaluation of derivative	14	(2,125,604)	883,517
Foreign exchange		(708,452)	
Finance costs	4(d)	(2,841,529)	(1,440,940)
Loss before income tax		(8,690,925)	(2,954,331)
Income tax benefit		-	-
Loss after income tax		(8,690,925)	(2,954,331)
Loss attributable to owners of Taiko Critical Minerals Limited		(8,690,925)	(2,954,331)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year attributable to the ordinary equity holders of the Company		(8,690,925)	(2,954,331)
Loss per share attributable to the ordinary equity holders of the Company			
Basic and diluted loss per share (cents per share)	6	(2.4)	(0.9)

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

TAIKO CRITICAL MINERALS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Notes	2026 \$	2025 \$
CURRENT ASSETS			
Cash and cash equivalents	20(c)	2,851,201	159,860
Trade and other receivables	8	142,177	68,743
Total Current Assets		2,993,378	228,603
NON-CURRENT ASSETS			
Deposits	9	320,000	-
Right of use asset	15	125,256	121,836
Exploration & evaluation	10	9,592,866	5,188,748
Total Non-Current Assets		10,038,122	5,310,584
TOTAL ASSETS		13,031,500	5,539,187
CURRENT LIABILITIES			
Trade and other payables	11	1,752,375	1,351,865
Advances	12	-	182,729
Convertible notes	13	-	5,373,527
Derivative	14	-	40,812
Lease liability	15	5,161	18,187
Total Current Liabilities		1,757,536	6,967,120
NON-CURRENT LIABILITIES			
Accrued interest	11	1,043,289	-
Convertible notes	13	235,370	-
Derivative	14	10,290,474	-
Lease liability	15	106,517	99,802
Total Non-Current Liabilities		11,675,650	99,802
TOTAL LIABILITIES		13,433,186	7,066,922
NET LIABILITIES		(401,686)	(1,527,735)
EQUITY			
Contributed equity	17	19,487,522	10,041,548
Reserves	18	1,550,573	1,179,573
Accumulated losses	19	(21,439,781)	(12,748,856)
TOTAL DEFICIT		(401,686)	(1,527,735)

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

TAIKO CRITICAL MINERALS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	Contributed equity	Share- based payment reserve	Performance rights reserve	Accumulated losses	Total equity / (deficit)
	\$	\$	\$	\$	\$
Balance at 31 March 2024	9,835,491	57,874	516,871	(9,794,525)	615,711
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(2,954,331)	(2,954,331)
Total comprehensive loss for the year	-	-	-	(2,954,331)	(2,954,331)
Transactions with owners in their capacity as owners					
Issue of shares net of costs	206,057	-	-	-	206,057
Performance rights vested though not exercised	-	-	604,828	-	604,828
Balance at 31 March 2025	10,041,548	57,874	1,121,699	(12,748,856)	(1,527,735)
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(8,690,925)	(8,690,925)
Total comprehensive loss for the year	-	-	-	(8,690,925)	(8,690,925)
Transactions with owners in their capacity as owners					
Issue of shares net of costs	9,445,974	-	-	-	9,445,974
Issue of options for services	-	371,000	-	-	371,000
Balance at 31 March 2026	19,487,522	428,874	1,121,699	(21,439,781)	(401,686)

The above statement of changes in equity should be read in conjunction with the accompanying notes.

TAIKO CRITICAL MINERALS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	Notes	2026 \$	2025 \$
Cash flows from operating activities			
Payments in the course of operations		(2,080,232)	(3,127,189)
Interest received		5,122	4,943
Interest paid		(2,166)	-
Net cash outflow from operating activities	20(a)	<u>(2,077,276)</u>	<u>(3,122,246)</u>
Cash flows from investing activities			
Deposits		(320,000)	-
Exploration and evaluation		(4,189,833)	(566,708)
Net cash outflow from investing activities		<u>(4,509,833)</u>	<u>(566,708)</u>
Cash flows from financing activities			
Proceeds from issue of shares net of costs		6,818,323	-
Proceeds from issue of convertible notes		650,000	3,630,810
Proceeds from borrowings net of costs		2,010,690	-
Repayment of finance lease		(17,834)	-
Repayment of advances		(182,729)	(64,638)
Net cash inflow from financing activities		<u>9,278,450</u>	<u>3,566,172</u>
Net increase/(decrease) in cash and cash equivalents		2,691,341	(122,782)
Cash and cash equivalents at the beginning of the financial year		159,860	282,642
Cash and cash equivalents at the end of the financial year	20(c)	<u>2,851,201</u>	<u>159,860</u>

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

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

1. CORPORATION INFORMATION

The financial statements presented here are for Taiko Critical Minerals Limited (**Taiko** or the **Company**), incorporated and domiciled in New Zealand, registered under the Companies Act 1993 and listed on the New Zealand Stock Exchange. Taiko is engaged in the business of critical minerals exploration and extraction.

These financial statements were authorised for issue and approved by the directors on the date noted on page 3.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In order to assist in the understanding of the financial statements, the following summary explains the material accounting policies that have been adopted in the preparation of the accounts.

Basis of Preparation

The company is an FMC reporting entity for the purposes of the Financial Markets Conduct Act 2013 and the financial statements have been prepared in accordance with the Financial Reporting Act 2013 and the Companies Act 1993.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and comply with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and with International Financial Reporting Standards (IFRS).

The Company is a Tier 1 for profit entity.

Amounts are rounded to the nearest dollar, unless otherwise stated.

Measurement Base

The financial statements are presented in New Zealand dollars (**NZD, \$**), which is also the Company's functional currency. References to Australian dollars are designated **A\$**.

The financial statements have been prepared on an historical cost basis, except where noted otherwise.

Going Concern

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

For the year ended 31 March 2026, the Company incurred a loss from operations of \$8,690,925 (2025: \$2,954,331) and recorded cash outflows from operating activities and exploration and evaluation of \$6,267,109 (2025: \$3,688,954). As at 31 March 2026, the Company had net working capital of \$1,235,841 (2025: deficit of \$6,738,517) with cash of \$2,851,201 (2025: \$159,860) available.

The Company is continuing evaluation of the Barrytown Mineral Sands Project (**Project**) and was successful in obtaining resource consent for part of this project in April 2024 and for the site of the Mineral Separation Plant in October 2025. An application for resource consent for the larger Southern Resource Block was submitted in April 2026. The Company's ability to fund ongoing exploration and evaluation of the Project and continue as a going concern is dependent upon it maintaining sufficient funds to continue to meet planned Project expenditure. To fund this work, the Company will need to raise further capital via the issue of convertible notes, loans, the issue of shares or a combination of these.

The Directors are satisfied the Company will be successful in raising the additional funds, having demonstrated this with the raising of \$9,479,013 during the year from the issue convertible notes and shares and drawdown of a loan.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(continued) Going Concern (continued)

Based on cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate.

Should the Company be unable to raise sufficient funds, there is material uncertainty whether it would continue as a going concern and therefore whether it would realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts or classification of liabilities that might result should the Company be unable to continue as a going concern and meet its debts as and when they fall due.

New Accounting Standards, interpretations and amendments adopted by the Company

The accounting standards and interpretations relevant to the operations of the Company are consistent with those of the previous financial year.

A number of new standards, amendments to standards and interpretations which are not yet mandatorily applicable to the Company have not been applied in preparing these financial statements and none are expected to be relevant to the Company. The Company does not plan to adopt these standards early.

There have been no changes in accounting policies. All policies have been applied on a basis consistent with those used in the previous year.

The principal accounting policies adopted in the preparation of these financial statements are set out below.

(a) Revenue

Sales of goods and/or services are recognised when they have been delivered and accepted by the customer.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax.

(b) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents includes cash on hand, and term deposits repayable on demand with a financial institution. The cash and cash equivalents balance primarily consists of funds at call that are readily convertible to known amounts of cash and which are subject to minimal risk of changes in value.

(c) Trade and Other Receivables

Trade and other receivables are denominated in New Zealand dollars and are interest free with settlement terms of between 7 and 30 days. Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

(d) Exploration, Evaluation and Development Expenditure

Exploration, evaluation and development costs relating to specific properties are capitalised once management determines the tenement is likely to be developed. Prior to this point, exploration and evaluation costs are expensed in the period incurred. Tenement acquisition costs are capitalised. A development decision is made based upon consideration of project economics, including future metal prices, reserves and resources, and estimated operating and capital costs.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Impairment of Non-Financial Assets

At each balance date, non-financial assets are classified into four categories: assets measured at fair value; assets currently available that the Company intends to use to the end of their useful life; assets intended to be sold prior to the end of their useful life; and assets damaged or idle at balance date.

Assets measured at fair value or assets the Company intends to use to the end of their useful life are not reviewed for impairment at balance date.

Assets intended to be sold prior to the end of their useful life or assets damaged or idle at balance date are reviewed to determine if any indicators of impairment exist. If indicators exist the asset is tested for impairment to ensure that the carrying amount of the asset is recoverable.

If the recoverable amount of an asset is determined to be less than its carrying amount, then the resulting difference is recognised as an impairment loss for that period.

(f) Goods and Services Tax

Revenue, expenses, and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables, payables, and accruals are stated inclusive of the amount of GST receivable or payable. The net amount of GST receivable from, or payable to, the taxation authority is included with other receivables or payables as operating cash flow.

Cash flows are presented on a net basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flow

(g) Taxation

Current tax is calculated by reference to the amount of income taxes payable or receivable in respect of taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantially enacted by the reporting date. Current tax for the current periods is recognised as a liability (or asset) to the extent that it is unpaid (or refundable).

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

(h) Trade and Other Payables

Trade payables and other payables are carried at amortised cost and 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. The amounts are unsecured and usually paid within 30 days of recognition.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Convertible notes

a. Debt component

The conversion feature of convertible notes (**notes**) is required to be separated from the notes and is accounted for separately as a derivative financial liability. As a result, the notes are initially recognised at a discounted amount. The discount is amortised as interest expense using the effective interest method over the terms of the notes.

b. Embedded derivative – conversion feature

The conversion feature in the notes represents the embedded derivative financial instrument in the host debt contract. The conversion feature represents the Company's obligation to issue Company shares at a discount to any future IPO price on conversion of the notes.

The embedded derivatives are carried in the Statement of Financial Position at their estimated fair value taking market participant assumptions into consideration, with any changes in fair value recognised in the Statement of Profit or Loss and Other Comprehensive Income.

c. Settlement of convertible notes

Where notes are settled by issue of shares, the related financial liabilities are derecognised at their carrying value with the corresponding increase to share capital. Any costs incurred are recognised in profit or loss.

Where notes are settled by payment of cash, the related financial liabilities are derecognised at their carrying value and the difference between total cash consideration paid and the carrying value of the financial liabilities derecognised is recognised in profit or loss.

(j) Capitalised transaction costs

The Company incurred transaction costs upon the issuance of the notes. Costs are amortised to finance expense over the term of the notes using the effective interest method.

(k) Financial Instruments – Financial Assets

At initial recognition, the Company determines the classification of financial assets as either held at fair value, cost, or amortised cost. Financial assets are measured initially at fair value, estimated at the transaction price less any associated transaction costs.

Amortised Cost

Includes assets where the Company intends to earn contractual cash flows principal and interest payments. Such assets are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, as well as through the amortisation process.

Cost

Equity instruments are classified as held at cost. Assets are stated at cost less any accumulated impairment loss. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired.

Fair Value

Financial assets not held at amortised cost or cost are held at fair value and include financial derivatives such as forward contracts and interest rate swaps. Assets are subsequently measured at fair value only when the fair value of the instrument can be reliably measured based on a quoted price for an identical asset in an active market. Where no active market price is available, the instrument shall be measured at the fair value for a prior year less any accumulated impairment loss.

Gains and losses are recognised in profit or loss for movements in the fair value of the assets and when the assets are derecognised.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(l) Financial Instruments – Financial Liabilities

Financial liabilities, including borrowings and bank overdrafts, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised in profit or loss on an effective yield basis.

(m) Foreign Currency

Foreign bank accounts are represented at the closing exchange rate as at balance date. Transactions are recognised as an asset or liability at the date of the transaction and marked at the corresponding exchange rate on that day. The foreign exchange rate gain or loss is derived from the gain or loss from the original date of the liability or asset and the date of the exchange rate of the date of receipt or payment, giving rise to a gain or loss.

(n) Share Based Payments

Share-based payments are measured at the fair value of the equity instrument at the grant date. The cost of these equity-settled transactions is measured by reference to fair value at the date they are granted.

The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each reporting date, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with a corresponding adjustment to the share-based payments reserve.

Where Ordinary Shares are issued, the transaction is recorded at fair value based on the last issue price of Ordinary Shares at the date of issue. The acquisition is then recorded as an asset or expensed in accordance with accounting standards.

(o) Loss Per Share

Basic Loss Per Share

Basic loss per share is determined by dividing the operating loss attributable to the equity holders of the Company after income tax by the weighted average number of ordinary shares outstanding during the financial period.

Diluted Loss Per Share

Diluted loss per share adjusts the figures used in determination of basic earnings per share by taking into account amounts unpaid on ordinary shares and any reduction in earnings per share that will arise from the exercise of options outstanding during the period.

(p) Contributed Equity

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments.

Issued and paid-up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Critical Accounting Estimates and Judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Accounting for capitalised exploration and evaluation expenditure

The Company's accounting policy is stated at Note 2(d). There is some subjectivity involved in the carrying forward as capitalised or writing off to the statement of profit or loss and other comprehensive income of tenement acquisition costs, however management give due consideration to the value of the tenements on a regular basis and are confident that decisions to either write off or carry forward such expenditure fairly reflect the prevailing situation.

Judgement is required to determine whether future economic benefits are likely from exploitation or sale. In addition to these judgements, the Company has to make certain estimates and assumptions such as the determination of a JORC resource, which is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated or inferred). These estimates directly impact when to capitalise exploration, evaluation and development expenditure. The capitalisation policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available. The recoverable amount of capitalised expenditure can be sensitive to variations in key estimates and assumptions. If a variation in key estimates or assumptions has a negative impact on recoverable amount it could result in a requirement for impairment.

Share-based payments

The Company measures share-based payments at fair value at the grant date. The fair value is determined using a valuation technique appropriate for the instrument being valued.

Deferred tax balances

Deferred tax assets in respect of tax losses are not recognised in the financial statements as management considers that it is currently not probable that future taxable profits will be available to utilise those tax losses. Management reviews on a regular basis the future profitability of the Company to consider if tax losses should be recognised and to ensure that any tax losses recognised will be utilised.

Mineral resource and reserves estimates

The Company determines and reports ore reserves under the Australian Code for Reporting of Mineral Resources and Ore Reserves known as the JORC Code. The information on mineral resources and ore reserves is prepared by or under the supervision of Competent Persons as defined in the JORC Code.

There are numerous uncertainties inherent in estimating mineral resources and reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available.

Changes in reported ore reserves may affect the Company's financial position and results, including asset carrying value, amortisation expenses based on the units of production method and provision for restoration and rehabilitation

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

3. SEGMENT INFORMATION

Management has determined that the Company has one reportable segment, being critical minerals exploration, evaluation and development in New Zealand. The Board periodically monitors performance based on actual versus budgeted exploration, evaluation and development expenditure incurred. This internal reporting framework is most relevant to assist the Board with making decisions regarding the Company and its ongoing programmes and activities, while also taking into consideration the results of exploration, evaluation and development work that has been performed to date.

4. REVENUE & EXPENSES

	Notes	2026 \$	2025 \$
<i>(a) Project feasibility and resource consent application expenditure</i>			
Feasibility		-	64,905
Permitting and approvals		-	577,190
Support		-	511,835
		-	1,153,930
<i>(b) Administration</i>			
Consultants		16,550	5,532
Travel		113,610	64,585
Community & Investor Relations		343,955	44,316
Other		80,223	114,671
		554,338	229,104
<i>(c) Corporate and Regulatory</i>			
Director fees		159,830	110,477
Director remuneration - share-based payments		106,000	154,928
Consulting fees		679,049	658,387
Corporate support services		418,718	11,935
Audit and regulatory		172,742	54,186
NZX listing expenses		814,041	-
Legal		118,201	28,447
Other		-	457
		2,468,581	1,018,817
<i>(d) Finance costs</i>			
Convertible notes - interest	13(i)	845,005	312,683
Amortisation of embedded derivative	13(ii)	1,441,913	692,662
Amortisation of issue costs of convertible notes		550,845	435,391
Lease interest		3,766	204
		2,841,529	1,440,940

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

5. TAXATION

	2026 \$	2025 \$
(a) Reconciliation of prima facie income tax benefit to income tax expense		
Loss before income tax:	(8,690,925)	(2,954,331)
Prima facie tax benefit at the tax rate of 28% (2025: 28%)	(2,433,459)	(827,213)
Tax effect of amounts which are not deductible / assessable in calculating taxable income	1,254,303	62,846
Deferred tax assets not recognised	1,179,156	764,367
Total income tax expense	-	-
(b) Deferred tax assets and liabilities		
<i>Deferred tax assets</i>		
Director related costs	120,085	16,205
Lease liabilities	31,270	36,870
Other deductible temporary differences	14,103	23,641
Gross deferred tax assets before offset / valuation allowance	165,457	76,716
<i>Deferred tax liabilities</i>		
Development expenditure	(178,714)	(178,714)
Right-of-use assets	(35,072)	(36,870)
Gross deferred tax liabilities	(213,786)	(215,584)
Deferred tax assets not recognised on losses	48,329	138,868
Net deferred tax asset / (liability) recognised	-	-
<i>The movement in the net recognised deferred tax balance is as follows:</i>		
Opening balance	-	-
Origination and reversal of temporary differences before recognition assessment	1,179,156	764,367
Deferred tax assets not recognised / valuation allowance	(1,179,156)	(764,367)
Closing balance	-	-
(c) Revenue tax losses		
Total unrecognised deferred tax assets – gross amount	15,804,160	11,916,243
Total unrecognised deferred tax assets – tax effect	4,425,165	3,336,548

Deferred tax assets have not been recognised to the extent that it is not probable that future taxable profits will be available against which the deductible temporary differences and unused tax losses can be utilised.

The revenue tax losses do not have an expiry date, subject to the Company continuing to satisfy the relevant requirements for use of those losses. Income Tax Act 2007 section IS 2 provides that losses of mineral miners may be carried forward and deducted from future net income, even if the general shareholder continuity provisions are not met. The Company is a mineral miner and, even though it is still in an exploration and development phase, the Company is able to carry forward these tax losses. The Company's ability to use tax losses in the future is subject to the Company satisfying the relevant tax authority criteria for using these losses at that time.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

6. LOSS PER SHARE

	2026	2025
	\$	\$
Loss used in calculation of basic and diluted loss per share	(8,690,925)	(2,954,331)
Basic loss per share (cents per share)	(2.4)	(0.9)
Diluted loss per share (cents per share)	(2.4)	(0.9)
 Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share.	 <u>354,990,515</u>	 <u>315,783,388</u>

Options on issue were not considered to be dilutive as their impact would have been to increase the loss per share.

7. DIVIDENDS

No dividend has been declared for the year ended 31 March 2026 (2025: nil).

8. TRADE AND OTHER RECEIVABLES

	2026	2025
	\$	\$
<i>Current</i>		
Trade and other receivables	<u>142,177</u>	<u>68,743</u>

Trade and other receivables are denominated in New Zealand dollars and are interest free with settlement terms of between 7 and 30 days. No trade receivables were past due or impaired as at 31 March 2026 (2025: nil). Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for doubtful receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

The amounts held in trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these trade and other receivables, it is expected that these amounts will be received when due.

Due to the short-term nature of these receivables their carrying value is assumed to be their fair value. Please refer to Note 21(d) for information on credit risk.

9. DEPOSITS

	2026	2025
	\$	\$
<i>Non-current</i>		
Non-refundable deposits ¹	300,000	-
Security deposit	<u>20,000</u>	-
	<u>320,000</u>	-

¹ Deposits for the right to acquire properties covering part of the Barrytown Critical Minerals Project area. Future acquisition of these properties is subject to conditions, including grant of resource consent for the mining area within these properties, and is at the discretion of the Company.

TAIKO CRITICAL MINERALS LIMITED
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FOR THE YEAR ENDED 31 MARCH 2026

10. EXPLORATION AND EVALUATION

	2026	2025
	\$	\$
Balance at the beginning of the year	5,188,748	4,360,824
Evaluation expenditure	4,404,118	827,924
Balance at the end of the year	<u>9,592,866</u>	<u>5,188,748</u>

Taiko is the sole owner and operator of MP 60785, which includes the Barrytown critical minerals project, and the owner of related assets (including data and drill hole samples). The Ministry of Economic Development via NZ Petroleum and Minerals granted Minerals Mining Permit 60785, pursuant to Section 36 of the Crown Minerals Act 1991, to the Company on 25 January 2024 with the permit expiring 20 July 2042. The Company is continuing to explore and evaluate tenement MP 60785 for areas not covered by Resource Consent.

The Company received Resource Consent for a portion of MP 60785 on 29 April 2024, following which management determined it is likely this tenement will be developed, hence costs incurred after this date have been capitalised in accordance with the Company's accounting policy (refer note 2(d)).

The Barrytown southern mineral resource block within MP 60785 is included in the Fast Track legislation of the New Zealand Government and an application for resource consent for this area was submitted with the New Zealand Government in April 2026.

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

11. TRADE AND OTHER PAYABLES

	2026	2025
	\$	\$
<i>Current</i>		
Trade payables	1,635,716	590,992
Accrued interest	1,805	529,543
Other accruals	114,853	231,330
	<u>2,795,664</u>	<u>1,351,865</u>
<i>Non-current</i>		
Accrued interest	<u>1,043,289</u>	-

Trade and other payables are non-interest bearing and are normally settled on 30 day terms. The carrying value of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

12. ADVANCES

	2026	2025
	\$	\$
<i>Current</i>		
Advances	<u>-</u>	<u>182,729</u>

Advances were repaid during the year. The prior year balance included \$161,938 that was non-interest bearing and repayable following completion of an IPO or a capital raising of A\$6 million. The remaining balance was non-interest bearing and repayable at call. The prior year balance of \$182,729 was due to a related party (refer note 24(c)).

The carrying value of advances are assumed to be the same as their fair values, due to their short-term nature.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
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13. CONVERTIBLE NOTES

	2026	2025
	\$	\$
<i>Current</i>		
Convertible notes	-	5,373,527
<i>Non-current</i>		
Convertible notes	235,370	-
Movement in convertible notes on issue	No	\$
Opening balance	5,780,400	5,373,527
Issued at NZ\$1 per note	650,000	650,000
Converted to shares at NZ\$1 per share	(650,000)	(650,000)
Converted to shares at A\$1 per share	(1,780,400)	(1,969,027)
Issued on conversion of loan (refer to Note 16)	2,135,616	2,318,234
Foreign exchange movement in year	-	691,939
Borrowing costs – movement in year	(i) -	502,842
Embedded derivative – movement in year	(ii) -	(6,682,145)
	6,135,616	235,370

The key terms of the convertible notes (**Notes**) are:

- Mandatory conversion to shares in the Company, at a price that is the lower of A\$0.10 or a 50% discount to the IPO price on the Company completing an IPO on a recognised stock exchange.
- Interest rate of 10%.
- If the Notes do not convert by the repayment date, the outstanding balance of the Notes are repayable together with any accrued and unpaid interest.
- Expiry date – 31 December 2027.

During the year the Company amended the terms of all Notes on issue at 31 March 2025 to extend the expiry date to 31 December 2027. The terms of the Notes were further amended during the year to change the conversion price to the lower of A\$0.10 or a 50% discount to the IPO price. All other terms remain unchanged.

(i) Movement in costs of issuing Notes

	\$
Opening balance	502,842
Costs of issuing Notes – bonus (refer note 25)	32,951
Amortisation of borrowing costs	(202,487)
Write off balance on amendment of Note terms	(333,306)
Closing balance	-

(ii) Movement in embedded derivative asset

	\$
Opening balance	440,318
Amortisation of embedded derivative up to date terms amended ¹	(80,177)
Write off on amendment of Note terms	(360,140)
Value on recognition of embedded derivative following amendment of Note terms (refer note 14)	8,124,058
Amortisation of amended embedded derivative ¹	(1,001,597)
Closing balance	7,122,462

¹ The value on recognition of the embedded derivative is amortised over the life of the convertible note to which it relates.

TAIKO CRITICAL MINERALS LIMITED
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FOR THE YEAR ENDED 31 MARCH 2026

14. DERIVATIVE

	2026 \$	2025 \$
<i>Current</i>		
Derivative	-	40,812
<i>Non-current</i>		
Derivative	10,290,474	-
Opening balance	40,812	25,548
Derecognition on conversion of notes	(12,570)	-
Write off balance on amendment of Note terms	(28,242)	-
Revaluation of embedded derivative at year end	2,166,416	(883,517)
Revaluation of embedded derivative during year	(2,125,604)	(883,517)
Value on recognition of embedded derivative	8,124,058	898,781
Closing balance	10,290,474	40,812

The embedded derivative arises from the terms of the conversion price of convertible notes (refer to Note 13 for terms). The value of the derivative changes with time based on the probability of an IPO occurring during the life of the convertible note. The expiry date of the convertible notes was extended to 31 December 2027 during the year, hence the embedded derivative change from current to non-current.

15. LEASE

	2026 \$	2025 \$
(a) Right of use assets - property		
Gross carrying amount – at cost	129,513	126,119
Accumulated depreciation	(4,257)	(4,283)
Carrying amount at end of year, net of accumulated	125,256	121,836
depreciation (b) Reconciliation		
Balance at start of year	121,836	-
Impact of change in lease commencement date	7,677	-
Additions	-	126,119
Depreciation	(4,257)	(4,283)
Carrying amount at end of year, net of accumulated depreciation	125,256	121,836
Lease liabilities:		
Current	5,161	18,187
Non-current	106,517	99,802
Total lease liabilities	111,678	117,989

This lease is for land and is for a term of 10 years with an option to extend the lease term at the end of each 10 year term for a further 10 years, with a final expiry date 30 years after commencement of the lease. The lease commencement date was amended during the current financial year to 1 December 2025.

TAIKO CRITICAL MINERALS LIMITED
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16. LOAN FACILITY

The Company entered into a A\$2,000,000 loan facility with Altus Construction Pty Ltd (Altus) in March 2025 and drew down all of this facility during the year.

The loan was unsecured, accrued interest at 10% per annum and was repayable on completion of the capital raising during the year. Altus exercised a right per the loan agreement to subscribe for convertible notes (**Notes**) up to the balance of the loan outstanding, resulting in A\$2,000,000 plus A\$135,616 of accrued interest being converted to 2,135,616 Notes (\$2,318,234) (refer to Note 13).

17. CONTRIBUTED EQUITY

	2026	2025
	\$	\$
(a) Fully paid ordinary shares		
ordinary fully paid shares	19,487,522	10,041,548

Movements in ordinary shares during the past two years were as follows:

	Number	Issue Price	\$
Balance at 31 March 2024	315,318,613		9,835,491
Conversion of performance rights	1,874,506	\$0.11	206,057
Balance at 31 March 2025	317,193,119		10,041,548
Issue of shares for cash	65,837,393	\$0.11/A\$0.10	7,258,017
Conversion of convertible notes and accrued interest	25,315,978	\$0.11/A\$0.10	2,784,757
Payment for services	250,000	\$0.11	27,500
Share issue costs ¹	-		(624,300)
Balance at 31 March 2026	408,596,490		19,487,522

¹Includes \$184,606 paid as a cash bonus to Eclipse Resource Management Pty Ltd (**Eclipse**) following achievement of performance hurdles of Class B performance rights.

In previous years the Company granted to Eclipse the right to apply for 10,276,843 ordinary shares following achievement of the vesting criteria of the Class A and B Performance Rights (Refer to Note 25). As at the date of this report Eclipse has not requested the issue of these shares.

Ordinary shares participate in dividends. On winding up of the Company any proceeds would be distributed in proportion to the number of shares held.

At shareholder meetings, on a show of hands, every holder of ordinary shares present at a meeting in person or by proxy is entitled to one vote and upon a poll each share is entitled to one vote.

	2026	2025
	Number of options	Number of options
(b) Options over ordinary shares		
<i>Unissued ordinary shares for which options are outstanding:</i>		
Exercise price of A\$0.30 expiring 31 March 2026 ¹	-	173,590,010
Exercise price of A\$0.15 expiring 31 December 2028 ²	7,000,000	-

¹Options expired on 31 March 2026.

²Unlisted options issued during the year were issued to Directors and a supplier for services provided to the Company (refer Note 25).

TAIKO CRITICAL MINERALS LIMITED
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18. RESERVES

	2026 \$	2025 \$
(a) Share-based payment reserve		
Balance at beginning of year	57,874	57,874
Options issued for payment of services (refer note 17(b) for terms)	371,000	-
Balance at end of year	<u>428,874</u>	<u>57,874</u>
(b) Performance rights reserve		
Balance at beginning of year	1,121,699	516,871
Performance rights vested during year (refer note 25)	-	604,828
Balance at end of year	<u>1,121,699</u>	<u>1,121,699</u>
Total balance at end of year	<u>1,550,573</u>	<u>1,179,573</u>
(c) Nature and purpose of reserves		
- The share-based payments reserve is used to record the fair value of options issued by the Company.		
- The performance rights reserve is used to record the fair value of vested, unexercised performance rights issued by the Company.		

19. ACCUMULATED LOSSES

	2026 \$	2025 \$
Balance at beginning of year	12,748,856	9,794,525
Loss for year	8,690,925	2,954,331
Balance at end of year	<u>21,439,781</u>	<u>12,748,856</u>

20. NOTES TO THE STATEMENT OF CASH FLOWS

(a) Reconciliation of net loss to cash flows used in operating activities	2026 \$	2025 \$
Loss after income tax	(8,690,925)	(2,954,331)
Share-based payments	574,817	154,928
Interest on loan converted to convertible notes	154,942	-
Revaluation of derivative	2,125,604	(883,517)
Amortisation of borrowing costs	1,992,758	1,005,345
Amortisation of right of use asset	(25)	4,282
Foreign exchange	708,451	-
<i>Change in operating assets and liabilities during the financial year:</i>		
Movement in trade and other receivables	(2,458)	48,409
Movement in trade and other payables	1,059,560	(497,362)
Net cash outflow from operating activities	<u>(2,077,276)</u>	<u>(3,122,246)</u>
(b) Non-cash payments		
Services paid by the issue of options and shares in the Company (refer Note 25)	398,500	-
Interest on convertible notes converted to shares in the Company	176,317	-
	<u>574,817</u>	
(c) Reconciliation of cash		
<i>Cash balance comprises:</i>		
Cash and cash equivalents	<u>2,851,201</u>	<u>159,860</u>

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

21. FINANCIAL AND CAPITAL RISK MANAGEMENT

(a) Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern. In managing its capital, the Company's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders. In order to achieve this objective, the Company seeks to maintain a capital structure that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Company to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues, or sourcing of debt, the Company considers not only its short-term position but also its long-term operational and strategic objectives.

There have been no significant changes to the Company's capital management objectives, policies and processes in the year, nor has there been any change in what the Company considers to be its capital.

The capital structure of the Company consists of cash and cash equivalents (Note 20(c)), debt through the issue of convertible notes and equity attributable to equity holders of the Company, comprising issued capital and accumulated losses as disclosed in Notes 17 and 19.

(b) Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 2 of the financial statements.

(c) Categories of financial instruments

	2026	2025
	\$	\$
Financial assets		
<i>Current</i>		
Cash and cash equivalents	2,851,201	159,860
Trade and other receivables	142,177	68,743
Total Current Financial Assets	2,993,378	228,603
<i>Non-current</i>		
Deposits	320,000	-
Total Non-Current Financial Assets	320,000	-
Financial liabilities		
<i>Current</i>		
Trade and other payables	2,795,664	1,351,864
Converting notes	-	5,373,527
Derivative	-	40,812
Advances	-	182,729
Lease liability	5,161	18,187
Total Current Financial Liabilities	2,800,825	6,967,119
<i>Non-Current</i>		
Converting notes	235,370	-
Derivative	10,290,474	-
Lease liability	106,517	99,803
	10,632,361	99,803

(d) Credit risk exposure

As at the reporting date, the Company has no significant concentrations of credit risk. The carrying amount reflected above represents the Company's maximum exposure to credit risk.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

21. FINANCIAL AND CAPITAL RISK MANAGEMENT (continued)

(e) Interest rate risk exposure

The Company's exposure to interest rate risk arises from assets bearing variable interest rates. The weighted average interest rate on cash holdings was 1.2% at 31 March 2026 (2025: 1.5%). All other financial assets and liabilities are non-interest bearing. The net fair value of the Company's financial assets and liabilities approximates their carrying value.

The Company invests its surplus funds on deposit with banking financial institutions. Only independently rated banks and financial institutions with a minimum rating of AA- are accepted.

The table below summarises the impact of an increase/decrease in interest rates received on financial instruments held at year end on the Company's pre-tax for the year and on equity. The analysis is based on the assumption that rates increased/decreased proportionally by 10% of the current weighted average interest rate with all other variables held constant.

	2026	2025
Impact on profit and equity	\$	\$
Increase of 10%	758	494
Decrease of -10%	(758)	(494)

(f) Liquidity risk

The liquidity position of the Company is managed to ensure sufficient liquid funds are available to meet financial commitments in a timely and cost-effective manner. The Board reviews the Company's liquidity position on a regular basis, including cash flow statements, to determine the forecast liquidity position and maintain appropriate liquidity levels. Note 11 details the Company's current obligations which are all due within 12 months and reflect the actual cash flows given the short-term nature of these liabilities.

There are no unused borrowing facilities from any financial institution.

(g) Fair values

The carrying amounts and estimated fair values of financial assets and financial liabilities are as disclosed in the balance sheet.

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Receivables/payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

Derivative

The embedded derivative arises from the terms of the conversion price of convertible notes, in particular the conversion price being the lower of A\$0.10 or a 50% discount to the IPO price (refer to Note 13 for terms). The value of the derivative changes with time based on the probability of an IPO occurring during the life of the convertible note (refer to Note 14 for details of the derivative).

22. CONTINGENCIES

Contingent liabilities

There are no contingent liabilities or contingent assets as at 31 March 2026.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

23. COMMITMENTS

Capital commitments

There are no capital expenditure commitments for the Company as at 31 March 2026.

Operating commitments

The Company sold the rights to all future production of gold from tenement MP60785 (formerly EP51803) (**Rights**) to Gold Streaming Company Pte Ltd (**GSC**) for 4,300,000 Singapore Dollars in an agreement dated 6 December 2021. Under the terms of the agreement, if the Company cannot deliver at least 4,000 oz of gold to GSC then GSC have the right to convert the funds paid for the Rights to shares in the Company at a price per share of the lower of:

- The Company's next equity raising price;
- An independent valuation of the Company; or
- The conversion price of any convertible note issued between 4 November 2022 and 3 November 2023.

The Company has an obligation to carry out a minimum work programme set out in the minerals mining permit covering the Barrytown mineral sands project area. The work programme includes activities such as resource drilling, sample analysis and developing a feasibility study and mine plan.

24. RELATED PARTY TRANSACTIONS

(a) Key management personnel

The following people were key management people of the Company during the year:

Philip Thick	Chairman
Geoff Donohue	Non-executive Director
Christine Pears	Non-executive Director
Francois Tumahai	Non-executive Director
Robert Brand ¹	Chief executive officer (resigned as a Director on 27 January 2026, though remains as Chief Executive Officer)

¹ Fees of \$624,542 were paid to Eclipse Resources Management Pty Ltd (**Eclipse**) for services provided by Robert Brand as Managing Director and CEO during the financial year. This amount includes a bonus of A\$180,273 payable to Eclipse for Mr Brand's services. The Company pays Eclipse an annual fee of A\$360,000pa for his services as CEO. In addition, performance rights and a bonus agreement are in place in respect of the services of Mr Brand (refer to Note 25). The agreement with Eclipse for the services of Mr Brand expires 31 January 2028.

(b) Key management personnel compensation

	2026	2025
	\$	\$
Director fees	159,830	110,477
Post-employment benefits	-	-
Share-based payments	106,000	154,928
	<u>265,830</u>	<u>265,405</u>

(c) Balances with related parties

	2026	2025
	\$	\$
Due to Philip Thick (Director) for director fees	6,003	11,002
Due to Geoffrey Donohue (Director) for director fees	12,006	11,002
Advance owed to DPXS Pty Ltd ¹	-	182,729
	<u>18,009</u>	<u>204,733</u>

¹ David Straface, a former director of the Company, is a director and owner of DPXS Pty Ltd. David Straface resigned as a director of the Company on 31 March 2023, at which point he ceased to be a related party. The balance of outstanding fees was paid during the current financial year.

TAIKO CRITICAL MINERALS LIMITED
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24. RELATED PARTY TRANSACTIONS (continued)

(d) Remuneration of employees

There were no employees during the year.

25. SHARE-BASED PAYMENTS

From time to time, the Company provides incentive unlisted options and performance rights to officers, employees, consultants and other key advisors as part of remuneration and incentive arrangements. The number of options or rights granted, and the terms of the options or rights granted are determined by the Board. Shareholder approval is sought where required.

During the past two years, the following equity-settled share-based payments have been recognised:

	2026	2025
	\$	\$
Options issued to Directors	106,000	-
Options issued for services	265,000	-
	371,000	-
Shares issued for services	27,500	-
Shares issued to pay interest on conversion of convertible notes	176,317	-
	574,817	-

Shares were issued at \$0.11/A\$0.10 per share, being the offer price of the entitlement offer open at the time services were provided (refer note 17).

Shares were issued at \$0.11/A\$0.10 per share as per the terms of the convertible notes (refer note 13).

Inputs for option valuation using the Black-Scholes model

Exercise price	\$0.15
Grant date share price	\$0.11
Dividend yield ¹	-
Volatility ²	100%
Risk-free interest rate	2.25%
Grant date	24-Feb-26
Expiry date	31-Dec-28
Expected life of option ³	2.85 years
Fair value at grant date	\$0.053

Notes:

- ¹ The dividend yield reflects the assumption that the current dividend payout will remain unchanged.
- ² The expected volatility reflects the assumption that peer group volatility is indicative of future trends, which may not necessarily be the actual outcome.
- ³ The expected life of the options is based on the expiry date of the options as there is limited track record of the early exercise of options.

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

25. SHARE-BASED PAYMENTS (continued)

The following performance rights were on issue during the past two years, or were on issue more than two years ago and the performance rights conditions have been satisfied though the shares have not yet been issued:

Recipient	Position	Issue date	Terms
Phil Thick ¹	Chairman	1 January 2022	Issue of 2% of equity of the Company at time of appointment awarded evenly over a three year period in six-monthly instalments.
Phil Thick	Chairman	1 January 2022	Issue of equivalent in number to 2% of equity of the Company at 1 January 2022 awarded on successful admission of the Company to the official list of the ASX. The options will have a strike price of twice the IPO price and expire 5 years from date of issue.
Eclipse Resource Management Pty Ltd (Eclipse) ²	Employer of Robert Brand (Managing Director)	1 February 2023	Class A Performance Rights - 1% of fully diluted issued capital on date of raising an interim funding amount of at least AUD\$1,000,000.
Eclipse ³	As above	1 February 2023	Class B Performance Rights - 1% of fully diluted issued capital on date of raising an interim funding amount of at least AUD\$5,000,000 (this is in addition to the amount raised for the Class A Performance Rights). In addition, an amount equal to 2.5% of the total of all funds raised under the pre-IPO funding will be paid in cash.
Eclipse	As above	1 February 2023	Class C Performance Rights - 1% of fully diluted issued capital on date of raising an IPO funding amount of at least AUD\$20,000,000. In addition, an amount equal to 2.5% of the total of all funds raised under the IPO funding will be paid in cash.

¹ The Company issued 1,874,506 shares to Phil Thick during the previous year under the terms of his performance rights. The expense recorded for the previous year in respect of these performance rights is \$154,928. These performance rights expired on 31 December 2024.

² Eclipse has the right to apply for 4,802,295 ordinary shares in the Company following achievement of the vesting criteria of the Class A Performance Rights in previous years.

³The Company granted to Eclipse the right to apply for 5,474,548 ordinary shares in the Company and awarded a bonus of 2.5% of funds raised following achievement of the vesting criteria of the Class B Performance Rights during the previous year. As at balance date Eclipse had not requested the issue of these shares. The expense recorded for this transaction of \$742,378 is included in the costs of issuing convertible notes.

An additional expense of \$217,557 related to the bonus of 2.5% of funds raised was recorded in the current year (borrowing costs \$32,951, share issue costs \$184,606 (refer note 17)).

TAIKO CRITICAL MINERALS LIMITED
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2026

26. REMUNERATION OF AUDITORS

	2026	2025
	\$	\$
Amounts paid or payable at 31 March to the auditors for:		
- audit of financial statements	<u>50,366</u>	<u>54,185</u>
Total remuneration for audit services	<u>50,366</u>	<u>54,185</u>

27. EVENTS OCCURING AFTER THE REPORTING PERIOD

Taiko lodged its substantive application under the Fast Track Approvals Act 2024 for the Southern Block, comprising the Canoe Creek, Barrytown Farms and Cargill South Blocks of the Barrytown Critical Minerals Project, on 5 June 2026.

Other than the matter outlined above, there has not arisen, in the interval between the end of the financial year and the date of this report, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect significantly the operations, the results of those operations, or the state of affairs of the Company in future financial years.

**TAIKO CRITICAL MINERALS LIMITED
DIRECTORS' DECLARATION**

In accordance with a resolution of the directors of Taiko Critical Minerals Limited, the directors declare that:

1. The financial statements and notes comply with the:
 - Financial Reporting Act 2013;
 - Companies Act 1993; and
 - Applicable New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) or other approved standards as appropriate.
2. The financial statements give a true and fair view of the financial position of the company as at 31 March 2026 and of its financial performance and cash flows for the year then ended.
3. In the directors' opinion, the Company has been operating in accordance with its constitution and is able to pay its debts as they become due and payable, subject to the matters disclosed in Note 2 to the financial statements.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Board by:



Director Name: P Thick

Date: 16 June 2026



Director Name: C Pears

Date: 16 June 2026

TAIKO CRITICAL MINERALS LIMITED
NZBN 942 904 2010 715

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
TAIKO CRITICAL MINERALS LIMITED

Report on the Audit of the Financial Statements

OPINION

I have audited the financial statements of Taiko Critical Minerals Limited (the Company), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information. I am a partner with Hall Chadwick NSW (the Firm) and I have used the staff and resources of the Firm to perform the audit of the Company.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Taiko Critical Minerals Limited as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS) and have been prepared in compliance with the Companies Act 1993 and the Financial Markets Conduct Act 2013.

BASIS FOR OPINION

I conducted my audit in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)) and International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report.

I am independent of the Company in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand) (PES 1) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and I have fulfilled my other ethical responsibilities in accordance with these requirements.

Other than in my capacity as auditor, I have no relationship with, or interests in, Taiko Critical Minerals Limited. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

Without modifying my opinion, I draw attention to Note 2 in the financial statements, which describes the going concern position of the Company.

For the year ended 31 March 2026, the Company incurred a net loss after tax of \$8,690,925 (2025: \$2,954,331) and net cash outflows from operating activities and exploration and evaluation expenditure of \$6,267,109 (2025: \$3,688,954). As at 31 March 2026, the Company had a net working capital of \$192,552 (2025: deficit of \$6,738,517) with cash of \$2,851,201 (2025: \$159,860) available. The Company listed on the NZX Main Board on 27 February 2026 and remains in the exploration and evaluation phase of its Barrytown Mineral Sands Project, with no revenue generated from operations.

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The Company's ability to continue as a going concern is dependent upon it maintaining sufficient funds through further capital including via the issue of convertible notes, loans, shares or other financing arrangements to fund ongoing feasibility studies, resource consent activities, Definitive Feasibility Study (DFS) expenditure, and corporate overhead.

As disclosed in Note 2, the directors are satisfied the Company will be successful in maintaining sufficient funding, having demonstrated this through the raising of NZ\$9,479,013 during the year from the issue of convertible notes and shares, and the drawdown of a loan. Nonetheless, the Company's future funding requirements remain material and dependent on the successful completion of further capital raising and project development milestones.

These conditions indicate the existence of a material uncertainty 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.

My opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Related to Going Concern section above, I have determined the matters described below to be the key audit matters to be communicated in my report.

Key Audit Matter 1 – Carrying Value of Exploration and Evaluation Assets

Refer to Note 2 (Accounting Policies – Exploration, Evaluation and Development Expenditure) and Note [9] (Exploration and Evaluation)

Risk / Why this is a Key Audit Matter	How my audit addressed the matter
<p>As at 31 March 2026, the Company carried capitalised exploration and evaluation (E&E) expenditure of \$9,592,866 (2025: \$5,188,748), representing the single most material asset on the Company's balance sheet and comprising the acquisition cost of Mining Permit MP 60785 together with directly attributable evaluation and development costs capitalised following the grant of Resource Consent for the Northern Resource Block in October 2024.</p> <p>The Company's accounting policy requires exploration costs to be expensed as incurred, with tenement acquisition costs and post-Resource Consent development and evaluation costs capitalised once management determines the tenement is likely to be developed. This</p>	<p>– Reviewed the Company's accounting policy for E&E expenditure and assessed its consistent application, including the appropriateness of the policy for costs capitalised following grant of Resource Consent for the Northern Resource Block. Confirmed the continued validity of Mining Permit MP 60785 (expiry 20 July 2042) and that the Company retains exclusive rights to explore and evaluate the permit area.</p> <p>– Agreed a sample of expenditures capitalised during the year to supporting invoices, contracts, and management's assessment of the nature of each cost, confirming costs are directly attributable to</p>

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requires significant judgement in determining which expenditures qualify for capitalisation versus expensing, particularly as the project transitions from pure exploration toward pre-feasibility and feasibility-stage activities.

Under NZ IFRS 6, impairment indicators must be assessed at each reporting date. Given the Company progressed its Definitive Feasibility Study (DFS) during the year, is advancing resource consent for the Southern Resource Block, and listed on the NZX Main Board on 27 February 2026, management's impairment assessment involved judgements about the continued technical and commercial viability of the Barrytown Mineral Sands Project.

Given the materiality of the E&E asset balance, the significant judgements inherent in the capitalisation policy and impairment assessment, and the heightened scrutiny that accompanies a company's first year as an NZX-listed entity, I identified the carrying value of E&E assets as a key audit matter.

evaluation and development activities within the permit area.

- Reviewed the DFS progress, board and management reports, and project budgets to assess whether there are indicators that substantive further expenditure on the Barrytown Mineral Sands Project is planned and that no decision to discontinue has been made.
- Evaluated impairment indicators under NZ IFRS 6, including: the status of Resource Consent for the Northern and Southern Resource Blocks; the project's inclusion in the New Zealand Government's Fast Track Approvals legislation; the outcome of the Financial Model Report as prepared by management and their expert in March 2026 (NPV USD 281 million, IRR 28.8%); and the absence of any decision to discontinue exploration.
- Considered whether the NZX listing and associated investor scrutiny introduced any additional impairment indicators not previously identified.
- Assessed the adequacy and completeness of disclosures in the financial statements relating to the E&E asset, including the accounting policy, nature of costs capitalised, impairment assessment, and key judgements applied.

Key Audit Matter 2 – Valuation and Classification of Convertible Notes and Embedded Derivatives

Refer to Note 2 (Accounting Policies – Convertible Notes), Note [13] (Convertible Notes) and Note [14] (Derivative)

Risk / Why this is a Key Audit Matter	How my audit addressed the matter
As at 31 March 2026, the Company had convertible notes on issue totalling \$235,370 (2025: \$5,373,527 before post-balance-date conversions) including embedded derivatives of \$10,290,474 (2025: \$40,812). The notes are denominated in both Australian and New Zealand dollars and carry conversion features that are at a discount to the Company's historic and current share price on the NZX as of this report date. The Company completed a listing on	<ul style="list-style-type: none"> - Obtained and reviewed the terms and conditions of all convertible notes on issue, including conversion mechanics, coupon rates, maturity dates, discount rates to listing price, and any amendments agreed during the year. <ul style="list-style-type: none"> - Assessed management's accounting treatment of conversion events triggered by the substantial modification of conversion terms on 31 December 2025.

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the NZX Main Board in March 2026 through a 'Direct Listing'.

The conversion feature constitutes an embedded derivative under NZ IAS 32 and NZ IFRS 9, which must be bifurcated from the host debt instrument and remeasured at fair value at each reporting date, with movements recognised through profit or loss.

On 31 December 2025, the Company amended the terms of the convertible notes. Specifically, the conversion terms were amended. This change represented a substantial modification to the terms of the convertible note. As such, the original liability was extinguished and a new financial liability was recognised at fair value, including a revaluation from AUD (the denomination of the convertible notes) to NZD (the Company's functional currency).

Then, as at balance sheet date 31 March 2026, the valuation of the embedded derivative increased due to an increased likelihood of conversion of the convertible notes.

Given the complexity of the accounting treatment, the management judgements and estimates involved in derivative valuation at and around the listing date, and the materiality of the balances affected, I identified the valuation and classification of convertible notes and embedded derivatives as a key audit matter.

- Agreed the conversion calculations for notes converted during the year to the underlying note terms, number of shares issued, and conversion price applied, and confirmed consistency with the terms of the notes.
- Assessed the fair value methodology applied to the embedded derivative at each relevant measurement date challenging the key assumptions including probability of conversion, timing, and discount rate.
- Recalculated effective interest method amortisation of the host debt instrument and agreed finance cost entries to supporting calculations.
- Confirmed correct A\$/NZ\$ foreign currency translation of A\$ denominated notes at the applicable exchange rates at each measurement date.
- Reviewed the accounting for the Altus Construction loan facility, including confirmation of repayment terms, conversion to convertible notes, and appropriate reclassification.
- Assessed the completeness and accuracy of disclosures in the financial statements relating to convertible notes, embedded derivatives, the listing event, and associated finance costs.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the Directors' Report for the year ended 31 March 2026, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The directors are responsible on behalf of the Company for the preparation and fair presentation of the financial statements in accordance with NZ IFRS and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors 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 STATEMENTS

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and 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 these financial statements.

A further description of my responsibilities for the audit of the financial statements is located at the External Reporting Board's website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/>

This description forms part of my auditor's report.

As part of an audit in accordance with ISAs (NZ) and ISAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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I communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report.

I am required to report in accordance with the Auditor Regulation Act 2011 and the Financial Reporting Act 2013. I have no relationships with, or interests in, Taiko Critical Minerals Limited other than in my capacity as auditor.



VINAY SHEORAN
Partner

Dated: 16-June-2026

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MINERAL RESOURCE AND TENEMENTS

Mineral Resource

Source: RSC report dated 6 May 2026 titled "Initial Mineral Resource Estimate for the Canoe Creek Block at the Barrytown Critical Minerals Project" which can be found at www.taikocm.co.nz/mineral-resource-information.

Deposit	Category	Mass (Mt)	Sand ⁴ (%)	Sand (Mt)	In-Situ Grade (%) ⁵				Material Content (kt) ⁸					
					Ilm	Gar	Zir	VHM	THM	Ilm	Gar	Zir	VHM	THM
Canoe Creek	Measured	1.1	64.4	0.7	18.3	21.6	0.4	40.3	50.4	134	159	3	296	370
	Indicated	1.7	64.2	1.1	10.5	14.0	0.2	24.7	32.5	116	154	3	272	359
	Inferred**	0.5	67.1	0.3	17.5	21.0	0.4	39.0	48.6	65	78	2	144	179
	Total	3.4	64.7	2.2	14.2	17.7	0.3	32.3	41.1	315	390	7	712	908
Barrytown Farms	Measured	7.7	80.3	6.2	7.8	10.6	0.2	18.7	24.9	610	820	15	1,440	1,924
	Indicated	5.8	76.0	4.4	9.2	12.2	0.2	21.6	28.5	530	710	10	1,250	1,646
	Total	13.5	78.5	10.6	8.4	11.3	0.2	19.9	26.4	1,140	1,530	25	2,690	3,570
Coates South	Measured	4.61	68.3	3.1	5.2	7.8	0.10	13.2	20.5	242	362	4	608	948
	Indicated	3.79	66.4	2.5	5.0	6.4	0.09	11.5	18.7	188	245	4	436	711
	Total	8.41	67.4	5.7	5.1	7.2	0.09	12.4	19.7	430	606	8	1,044	1,659
TOTAL	Measured	13.5	74.8	10.1	9.7	13.3	0.2	23.2	32.1	982	1,342	21	2,345	3,242
	Indicated	11.3	71.0	8.0	10.4	13.8	0.2	24.4	33.9	835	1,105	17	1,958	2,716
	Inferred**	0.5	67.1	0.3	17.7	21.2	0.4	39.4	49.0	65	78	2	144	179
	Total	25.3	72.9	18.4	10.2	13.7	0.2	24.1	33.2	1,882	2,525	40	4,447	6,137

* The Mineral Resource information is based on information compiled under the supervision of Mathijs van de Ven (MAusIMM) and Michael Gazley (MAusIMM, MAIG) of RSC, who are Competent Persons as defined in the JORC Code (2012). Both have sufficient experience relevant to this style of mineralisation and consent to the inclusion of this information in the form and context in which it appears.

** In accordance with clause 25 of the JORC Code (2012) Inferred Resource Estimates are qualified as approximate.

Notes to MRE summary table:

- Estimates are rounded to reflect the level of confidence at the time of reporting.
- The Mineral Resource is classified in accordance with the JORC Code (2012).
- The Mineral Resource is reported at a 1% ilmenite grade cut-off.
- Sand is defined as the particle size range of 45 µm to 2 mm.
- In-situ grades are estimated for the particle size range 45 µm to 2 mm.
- Valuable Heavy Minerals (VHM) % is the grade of ilmenite, garnet and zircon for the particle size range of 45 µm to 2 mm.
- Total Heavy Minerals (THM) % is the grade of VHM plus non-valuable heavy minerals epidote, titanite, hornblende, allanite, apatite, rutile, augite, and Ti-magnetite for the particle size range of 45 µm to 2 mm.
- Material is contained within the sand fraction.
- The Mineral Resource is reported on a dry basis.
- The effective date of the MRE is 20 January 2026.
- The Mineral Resources are contained within the proposed mining disturbance area.
- Totals may vary due to rounding.

Schedule of Tenements

Permit	Ownership	Status	Registered Holder	Date Granted	Expiry Date	Tier	Area (ha)
MP 60785	100%	Active	Taiko Critical Minerals Limited	21 July 2022	20 July 2042	1	1250
[P 60917	100%	Active	Taiko Critical Minerals Limited	19 April 2024	18 April 2029	2	245

MINERAL RESOURCE AND TENEMENTS

Competent Person

The information in this report that relates to mineral resources is based on work completed by RSC under the supervision of Mr René Sterk, a Competent Person who is a Fellow and a Chartered Professional with the Australasian Institute of Mining and Metallurgy (AusIMM) and a Registered Professional Geologist with the AIG. He is a full-time employee and principal geologist of RSC. René holds an MSc in structural geology and tectonics from the Vrije Universiteit Amsterdam (2002) and is the managing director of RSC. He specialises in resource estimation, grade control, reconciliation, QA/QC and successful sampling and has a strong skill set in exploration management for gold and base metals. René is recognised under the JORC Code as a Competent Person for gold (alluvial, shear-zone and porphyry), base metals, seabed mineralisation, and industrial minerals (ilmenite sand, garnet sand, diatomite). René is the principal author of many Canadian NI 43-101 and JORC resource and exploration studies and has assisted clients with exploration programmes for these and other projects. He has practised continuously as a mining geologist, exploration geologist, manager and consultant for mining and exploration firms in a range of commodities since 2003. Mr Sterk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken 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, 2012).

Forward Looking Statement (s)

Statements relating to the estimated or expected future production, operating results, cash flows and costs and financial condition of the work planned at the Company's project and the expected results of such work are forward-looking statements. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by words such as the following: expects, plans, anticipates, forecasts, believes, intends, estimates, projects, assumes, potential and similar expressions. Forward-looking statements also include reference to events or conditions that will, would, may, could or should occur. Information concerning exploration results, metallurgical results and Mineral Resource estimates may also be deemed to be forward- looking statements, as it constitutes a prediction of what might be found to be present when and if a project is developed.

These forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable at the time they are made, are inherently subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements.

STATUTORY DISCLOSURES

Director Interests

Director	Relevant Interest in Ordinary Shares	Relevant Interest in Unlisted Options
Phil Thick	9,981,408	500,000
Geoff Donohue	Nil	500,000
Christine Pears	Nil	500,000
Francois Tumahai	Nil	500,000

Shareholding Ranges as at 4 June 2026

Range	Total Number of Holders	Number of Shares Held	% of Issued Capital
0 - 1,000	4	1,394	0.00
1,001 - 5,000	78	328,471	0.08
5,001 - 10,000	18	154,688	0.03
10,001 - 100,000	47	2,093,664	0.37
Greater than 100,000	80	406,018,273	99.52
Total	227	408,596,490	100.00

Top 20 holdings of ordinary shares as at 4 June 2026

Rank	Name	Number of Shares Held	% of Issued Capital
1	Ileveter Pty Ltd	93,072,079	22.78
2	Fundamental Wealth Pty Ltd	37,149,327	9.09
3	Phillip Michael Hinton & Robyn Kay Hinton	22,404,147	5.48
4	New Zealand Depository Nominee	21,151,763	5.18
5	DPXS Pty Ltd	19,347,867	4.74
6	Aspermont Limited	14,779,983	3.62
7	Leonard Hugh Grey & Stallard Law (Rockhaven) Ltd	13,003,227	3.18
8	C63 Corporation Pty Ltd	11,150,771	2.73
9	Philip Andrew Thick	9,981,408	2.44
10	Spartan Nominees Pty Ltd	9,498,442	2.32
11	Nash SMSF Pty Ltd	8,071,044	1.98
12	Xie Corporation Limited	7,672,803	1.88
13	Dianne Rosalie Hansen	7,313,283	1.79
14	Tony Rallis	5,626,133	1.38
15	Alexander Dimou	5,363,424	1.31
16	Custodial Services Limited	5,178,604	1.27
17	Robert Bruce Grey	5,028,380	1.23
18	Peter Bull	5,000,000	1.22
18	Andrew John Howard & Abbie Catherine Cook	5,000,000	1.22
19	Leigh Harris	4,999,950	1.22
20	Christopher Dimous	4,702,325	1.15
	Total of top 20 shareholders	315,494,960	77.21
	Total issued capital	408,596,490	

Substantial product holdings as at 4 June 2026

Name	Number of Ordinary Shares Held	% of Issued Capital
Maria Stratton-Kent	95,660,804	23.41
Yuzheng Xie	45,249,777	11.07
David Straface	22,759,731	5.57
Phillip Michael Hinton & Robyn Kay Hinton	22,404,147	5.48

STATUTORY DISCLOSURES

Exercise of NZX disciplinary powers

NZX RegCo exercised its discretion to apply a trading halt on the Company's quoted securities on 11 March 2026 while the Company provided further supporting detail to the NZX announcement titled "Financial Model" released earlier on the same day. The trading halt was lifted on 16 March 2026.

There was no other exercise of powers by NZX RegCo under NZX Listing Rule 9.9.3 (relating to powers to cancel, suspend or censure an issuer) with respect to the Company during the reporting period.

NZX waivers

There were no waivers granted by NZX or relied on by Taiko in the 12 months preceding 31 March 2026.

CORPORATE GOVERNANCE

Taiko Critical Minerals Limited (**Company**) has adopted a corporate governance framework that generally aligns with the principals and recommendations set out in the NZX Corporate Governance Code January 2025 (**NZX Code**).

The Board has considered each recommendation set out in the NZX Code and adopted it where appropriate, taking into account factors such as the size of the Company and the Board, resources available and activities of the Company. Where the Company has deviated from a recommendation, the reason has been documented below.

Policies and Charters, including the Company's Code of Ethics and other policies and procedures relating to the Board and its responsibilities, are available on the Company's website www.taikocm.co.nz

The information in this statement is current as at 31 March 2026.

Explanation for departure from NZX Corporate Governance Code 2025

Recommendation	Notification of Departure	Explanation for Departure
<p>2.5: An issuer should have a written diversity policy which includes requirements for the board or a relevant committee of the board to set measurable objectives for achieving diversity (which, at a minimum, should address gender diversity) and to assess annually both the objectives and the entity's progress in achieving them. The issuer should disclose the policy or a summary of it.</p>	<p>The Company does not currently include requirements for the Board to establish measurable objectives for achieving gender diversity, or for the Board to assess annually the objectives and the progress towards achieving them.</p>	<p>The Board considers the small size and early stage of development of the Company's operations make it impractical to establish meaningful measurable objectives for achieving gender diversity. This will be reviewed as the Company's operations grow.</p>
<p>2.8: A majority of the board should be independent directors.</p>	<p>The Company has four directors, two of which are independent, hence does not consist of a majority of independent directors.</p>	<p>The Board considered the Company's small size and early stage of development of its operations and believes the current four Directors provide an appropriate balance of skills and experience. Non-independent Directors do not form a majority of the Board and the Chair of the Audit & Risk Committee (ARC) is independent. In addition, the ARC has a majority of independent directors. The Board believes this mix is adequate to allow balanced, unbiased decision making.</p>
<p>2.9 An issuer should have an independent chair of the board.</p>	<p>The Board does not consider that Mr Thick is an independent director of TCM, given that he holds 2.44% of the issued ordinary shares of the Company and is also a shareholder of Gold Streaming Co Pte Limited, which is party to a commercial contract with TCM.</p>	<p>Mr Thick has held the position of Chair since 2021 and the Board believes he has the leadership skills necessary for the Company. The Board have appointed an independent Director as chair of the audit committee which provides independent oversight of the Company's activities. Mr Thick excuses himself from any Board discussions regarding Gold Streaming Co Pte Limited.</p>

CORPORATE GOVERNANCE

The following information details the extent to which the Company has followed each of the recommendations in the NZX Code.

Code of ethical behaviour

The Directors, senior management and employees are expected to maintain the highest standards of honesty, integrity and ethical conduct in day to day behaviour and decision making, including compliance with all laws and regulations and maintenance of confidentiality. The Board has adopted a Code of Ethics which incorporates the requirements set out in Recommendation 1.1 and is available on the Company website.

Failure to comply can result in disciplinary action, including, where appropriate, dismissal. The Board has not adopted a Whistleblower Policy, however Directors, senior management and employees have direct access to the Chair and are encouraged to contact the Chair with any suspected departure from the Company's Code of Ethical Behaviour.

Financial products trading policy

The Financial Products Trading Policy sets out the requirements that all Directors and employees must follow when trading in financial products of the Company. This policy restricts directors, employees and consultants from trading in certain blackout periods and when in possession of material price sensitive information relating to the Company that is not publicly available. Application to trade within these restricted periods must be made in writing for approval prior to trading in the Company's securities. The policy is available on the Company's website.

Role of the Board

The Governance Code sets out the respective roles, responsibilities, composition and structure of the Board and senior management and is available on the Company website. The Board is responsible for the direction and control of the Company's activities and acknowledges the need for the highest standard of corporate governance. The responsibility includes identification and control of business risks, the integrity of management systems and reporting to shareholders.

The Board operates two committees:

- Audit & Risk; and
- Nomination, Remuneration and Health & Safety.

The Directors consider the existing committee structure is appropriate for the size and stage of the Company's current operations.

The primary objective of the Board is to build long-term shareholder value, with due regard to other stakeholder interests. It does this by adopting the strategic plans, objectives and policies that have been set for the Company by the Board and the Chief Executive Officer. Responsibility for day-to-day management of the Group has been delegated to the Chief Executive Officer (**CEO**) and other members of senior management, to deliver effective execution of the strategic plans and manage the daily affairs of the Company. The CEO reports regularly to the Board on Company performance, as well as the progress being made against the strategic plans. Management is responsible for implementing the objectives and strategies approved by the Board, within the ambit of risk set by the Board.

Nomination and appointment of directors

The Nomination, Remuneration and Health & Safety Committee evaluates the range of skills, experience and expertise of the existing Board, giving careful consideration to the stage of development and operating environment of the Company. The objective is to identify candidates with particular skills that will best increase the Board's effectiveness. Consideration is also given to the balance of independent directors on the Board.

Candidates recommended by the remuneration and nomination committee are considered and appointed by the Board as a whole, taking into account the range of relevant skills and experience a potential new director may offer the Board and his or her ability to fully commit the time needed to be effective as a director of the Company.

Each director receives a letter formalising his or her appointment. That letter outlines the key terms and conditions of his or her appointment, including Board's expectations of the role of director.

CORPORATE GOVERNANCE

Director information

A profile of each director containing the skills, experience, expertise and formal qualifications of each director is set out in the director profiles on the Company website. Director ownership interests in securities of the Company are disclosed in the Statutory Disclosures section of the annual report. Director periods of service as at financial year end and attendance at meetings are disclosed below.

Director	Appointment Date	Length of service (years)	No of Board meetings held during the year while a Director	No of Board meetings attended during the year
Phil Thick	25 February 2021	5.1	8	8
Geoff Donohue	4 July 2022	3.7	8	8
Christne Pears ¹	15 October 2025	0.5	3	3
Francois Tumahai ¹	15 October 2025	0.5	3	3

¹ Having applied the Independence Criteria set out in Recommendation 2.4, the Board considers Christine Pears and Francois Tumahai to be Independent Directors of the Company.

² There were no meetings of the Audit & Risk or Nomination, Remuneration and Health & Safety Committees during the year, as these committees were only formed shortly before the Company listed on the NZX in March 2026. Prior to that date all matters relevant to these committees were discussed by the Board as a whole.

Diversity

The Company's Diversity Policy is available on the Company's website.

As noted in the *Explanation for departure from NZX Corporate Governance Code 2025* section above, the Diversity Policy does not include requirements for the board to establish measurable objectives for achieving gender diversity.

Gender diversity at financial year end:

	Board	Officers	Total No	Total %
Female	1	0	1	14.3
Male	3	3	6	85.7
Total	4	3	7	100

Director training

The Board expects all directors to undertake continuous education to remain current on how to best perform their responsibilities and keep abreast of changes and trends in economic, political, social, financial and legal climates and governance practices. The Board also ensures that all directors are updated on relevant industry and Company issues and that they receive copies of appropriate Company documents to enable them to perform their roles.

Board evaluation

The Board reviews the size and composition of the board and the mix of existing and desired competencies across members from time to time. The chair of the Board is responsible for ensuring a regular review of the performance of the Board, committees and individual directors. The chair is responsible for determining the process under which this evaluation takes place. The Board reviews annually the size and composition of the board and the mix of existing and desired competencies across members.

The Board is responsible for evaluating the performance of senior executives. The Board evaluates the performance of senior executives via an ongoing process of assessment.

The Company's process for performance evaluations is disclosed in the Company's Governance Code on the Company website.

CORPORATE GOVERNANCE

Independence

As noted in the *Explanation for departure from NZX Corporate Governance Code 2025* section above, the Board currently consists of 50% of independent directors, rather than a majority as per Recommendation 2.8. Given the size and stage of development of the Company, the Board does not consider it is practical or beneficial to appoint or remove Directors to meet this recommendation. The independent Directors have significant influence over decision making given they form half of the Board members and a majority of the audit committee members.

The factors the Board considers in determining the independence of a director are disclosed in the Company's Governance Code on the Company website.

Independent chair

As noted in the *Explanation for departure from NZX Corporate Governance Code 2025* section above, the Board does not consider that Mr Thick is an independent director of the Company. The Board considers there are sufficient controls in place to mitigate this departure from the NZX Code, including:

- Mr Thick excuses himself from any Board discussions about Gold Streaming Co Pte Limited;
- Non-independent directors do not form a majority of the Board; and
- The Chair does not hold a casting vote for Board decisions.

Separation of Chair and CEO roles

The roles of Chair and CEO are held by different persons and the CEO does not currently sit on the Board of the Company. The guideline for the Board to have separate persons for the roles of Chair and CEO are disclosed in the Company's Governance Code on the Company website.

Audit and risk committee

The Audit and Risk Committee (**ARC**) Charter is available on the Company's website. As at 31 March 2026 the ARC comprised Christine Pears (Chair), Francois Tumahai and Phil Thick, all of whom are non-executive directors. Christine Pears is an Independent Director with an accounting and finance background and is not the Chair of the Board.

The ARC is responsible for the framework of internal control mechanisms that ensure proper management of the Company's affairs. These controls include the safeguarding of assets, maintaining proper accounting records, complying with legislation, ensuring the reliability of financial information, and assessing and reviewing business operational risks. The ARC is also responsible for the identification, management and reporting of climate-related risks and opportunities. The ARC advises and assists the Board in discharging its responsibility with respect to financial reporting, tax planning, compliance and risk management practices of the Company.

The CEO and CFO attend Audit and Risk Committee meetings at the invitation of the ARC. The ARC may invite any senior management member to present on their respective function or a particular subject matter that is relevant to the ARC. The Company's external auditor also attends meetings at the ARC's invitation. The ARC receives feedback from the external auditor (without management present), concerning any matters that arise in connection with the audit and performance of management's roles.

Nomination, remuneration and health & safety committee

The Nomination, Remuneration and Health & Safety Committee (**NRHS**) as at 31 March 2026 consists of Phil Thick (Chair), Christine Pears and Francois Tumahai. A majority of the NRHS committee members are independent. The responsibilities of the NRHS Committee are disclosed in the Company's Governance Code which is available on the Company website. The NRHS Committee may invite any senior management member to present on their respective function or a particular subject matter that is relevant to the committee.

Duties of the NRHS Committee includes reviewing remuneration of executive and non-executive directors, incentive schemes and reviewing the Remuneration Committee Policy (disclosed on the Company's website).

Continuous disclosure

The Company has adopted a Market Disclosure Policy which sets out obligations for directors, employees and consultants in relation to continuous disclosure. This policy is available on the Company's website.

The purpose of this policy is to ensure the Company complies with its continuous disclosure obligations by ensuring timely, accurate and complete information is provided to all shareholders and market participants. In

CORPORATE GOVERNANCE

addition to this policy, Directors formally consider at each Board meeting whether there is relevant material information which should be disclosed to the market.

Financial reporting

The ARC oversees the quality and integrity of external financial reporting including the accuracy, completeness and timeliness of financial statements, and ensuring the financial reporting is balanced, clear and objective. It reviews annual and half year financial statements and makes recommendations to the Board concerning the application of accounting policies and practices, areas of judgement, compliance with accounting standards, stock exchange and legal requirements, and the results of the external audit.

Non-financial reporting

The Company assesses its exposure to environmental, economic and social sustainability as part of the overall framework for managing risk. The Board is committed to high standards of environmental performance to enable an efficient and sustainable future for the Company's operations. Accordingly, the Company has engaged experienced consultants to assist with setting up and operating industry best practice procedures for the management of Company specific environmental factors, including water conservation, ecological management, sustainable mining and rehabilitation practices and wetland preservation initiatives.

The CEO reports on environmental, economic and community matters at each Board meeting and the Company reports on its compliance with environmental legislation each year in the Company's annual report.

Remuneration

Details of remuneration are contained in the Directors Report and in Note 24 to the Financial Statements. The Company's Remuneration Policy is disclosed in the Governance Code which can be found on the Company's website.

Remuneration of directors and senior executives is set by reference to payments made by other companies of similar size and industry, and by reference to the skills and experience of the directors and executives. There is currently no direct link between remuneration paid to any of the non-executive directors and corporate performance, such as bonus payments for achievement of key performance indicators. There are no termination, retirement or Company superannuation scheme benefits for non-executive directors.

Risk management

The Company's approach to risk management is disclosed in the Governance Code, which is available on the Company's website. The Board delegates day-to-day management of risk (including health and safety) to the CEO. The Governance Code sets out the role of the CEO and accountabilities, including reporting of material risks to the Company and how they are being managed.

The Board relies on risk controls being implemented effectively by management and the primary risks reported and discussed via a standing item in the CEO Report at each Board meeting. As the Barrytown Critical Minerals Project was not operational during the period there were no operational risk reports prepared.

The financial and business risk framework is overseen by the ARC. Health and safety risks are overseen by the NRHS.

Auditors

The Company has adopted procedures consistent with those described in recommendation 7.1 of the NZX Code, including for the appointment, removal and remuneration of the external auditors, reviewing the terms of their engagement, the scope and quality of the audit, reviewing and approving the nature and scope of non-audit services and ensuring rotation of the external audit engagement partner. These procedures are disclosed in the Company's Governance Code on the Company's website.

The Company invites representatives of the external auditors to attend the Annual Meeting of Shareholders and to be available to answer shareholder questions about the conduct of their audit and the preparation and content of the auditor's report.

The ARC is responsible for the oversight of the Group's external audit arrangements.

The Company is not of sufficient size or complexity of operations to justify the cost of an internal audit function. The ARC is responsible for oversight of the risk management and internal processes, which are implemented and managed on a day-to-day basis by the CEO and CFO.

CORPORATE GOVERNANCE

Shareholder rights and relations

The Board welcomes the opportunity to provide regular, meaningful information on the Company's activities to shareholders, including continuous disclosures to the NZX, quarterly, half-year and annual reports and the annual shareholders' meeting. Project and financial information, details about directors and copies of governance documents (including policies on shareholder participation) can be accessed from the Company's website. Annual meetings provide an opportunity for shareholders to raise questions for their Board and to make comments about the Company's operations and performance.

In accordance with the Companies Act 1993, the Company's Constitution and the NZX Listing Rules, the Company refers any significant matters to shareholders for approval at a shareholders' meeting. Similarly, any offer of equity securities is conducted in accordance with these laws and rules.

Resolutions at Shareholders' meetings are by way of poll, where each Shareholder is entitled to one vote per share. The Company issues notices of shareholders' meetings to shareholders and posts them on its website and NZX as soon as these are available, being at least 20 business days prior to the meeting.