

Harnessing the Sun

Half Year Report: 2027 Interim Results

Six months ended 30 September 2026

Lodestone

Dear Shareholders

It is a privilege to write to you for the first time as a listed company! To the nearly 10,000 shareholders who joined us through the IPO welcome, and to the investors who have supported us from the beginning, thank you for your many years of support.

We are very pleased to present to you our first six month report and are equally pleased that the growth over the period, with generation increasing more than 50% over last year, has met our expectations. Our targets for FY29 and FY32 remain our expectations for our long-term outlook.



Gary Holden | Managing Director



Jack Matthews | Chair

Turning our vision into action

We founded Lodestone in 2019 because we believed utility-scale solar would ultimately become the lowest cost form of new generation. We also saw the opportunity to build a meaningful 'gentailer' of scale, by generating this low-cost power and selling directly to commercial and residential consumers across the country. We have turned that vision into action: five solar farms operating and a sixth under construction, $340 million of capital invested, and generation up 57% in the past six months. We are already selling that power directly to businesses across New Zealand, and we have taken our first steps into the residential and small business market, an opportunity we are confident will become a meaningful part of our business over time.

The IPO equity raise presents a critical moment in time as we now have the track record, a skilled team of professionals and the financial stability to execute our plan. A plan that will see solar farms in communities from the top of the North Island to the South; providing enough energy to permanently shift the electricity market for the betterment of a large variety of energy consumers.

IPO outcome: the key ingredients for growth

Lodestone commenced trading on the NZX Main Board on 22 October 2026, raising $75 million. In planning for the event, we set three objectives for the IPO.

The first objective was to provide our existing investors the benefits that will come from their share in the upcoming growth. It is well known that New Zealand is about to heavily invest in electrification. From boiler conversions to electric vehicles to data centres, the demand for electricity is forecasted to grow at an unprecedented rate. As a key growth player in this market, Lodestone can now provide its shareholders the reward for joining us on the journey ahead.

The second objective was to include a wider range of investors. In the early years, we assembled an 'A-list' of high-net-worth individuals and specialist institutional investors, and the support from these investment experts was tremendous. They gave us discipline, structure and forced strategic clarity. On top of this foundation, we have now added nearly 10,000 more New Zealanders to the register and will enjoy the opportunity to share our progress and expansion with this new type of supporter; and maybe even discover they also become future customers.

The final objective was to secure enough capital to fund our growth. We expect to now combine the various forms of capital to fulfill our plan.

It's an exciting moment for us all as the efforts over the first five years can now be the basis for a new power company, ideally positioned, at an ideal time.

Capital drives our growth

Starting with the six farms we are operating and currently building, our plan is to build a diverse sales portfolio from the output of 16 to 18 farms by FY2032. These will be a combination of sites we own outright or share with a partner. This growth, which is greater than 25% per year, will see more than $600 million of investment into the generation market over this period.

This could not be achieved without the strong support of our lenders. Starting with Westpac who have been with us from the beginning, to ASB, who has joined us as the lender for the Ongaonga JV and Kairanga farm, to Kiwibank who have provided a corporate facility to underpin our working capital requirements.

Key financial highlights

Lodestone's generation assets performed above expectations over the half, with output reflecting normal winter seasonal patterns. We continued to invest in our capability by delivering the IPO, building up our construction and operations teams, and expanding our retail activity. The combination of these investments position Lodestone well for the growth we described in the PDS, and the costs, which produced a reported NPAT loss for the half, are in line with our stated strategy.

Key Financial Highlights

The key financial highlights for the six month period ending 30 September 2026 as compared to H1 FY26 include:

Electricity Production

Up 57% to 89.0 GWh

8% above P50 forecast

Energy Margin[1]

Up 208% to $10.4 million

Electricity Sold

Up 36% to 102.6 GWh

EBITDAF[1,2]

$(3.5) million

an improvement of $3.3m

Capital Invested

$340 million (life to date)

EBITDAF (normalised)[1, 2,3]

$(1.7) million

Energy Revenue[1]

Up 61% to $16.8 million

NPAT

$(9.4) million

compared to $(5.7)m



[1] Non GAAP

[2] Proportionate operational EBITDAF

[3] Normalised for non-routine and non-cash costs of $3.1m: IPO costs ($1.3m) and the non-cash employee share scheme expense ($1.8m) offset by an insurance recovery for an event in FY26 ($1.4m).

Key development highlights

During this past six month period, the key development highlights were:

- Our Kairanga Farm has moved into pre-construction
- We received consent for the 220 MWdc Haldon project[4]
- Our Bute 1 and Dunsandel farms reached shovel-ready status
- Lodged final consent for Bute 2
- Acquired a new 28 MWdc site in Gisborne in November

Key construction highlights

During this past six month period, the key development highlights were:

- Our Clandeboye farm on the South Island site delivered first power on 3 August 2026; was on-time and beating our budget by more than 4%. This site saw our sub-contractors capability continue to advance since our early sites with piling run rates 2.7 times faster, torque tube installation 2.9 times faster and module installation 48% faster. Lodestone also implemented drone oversight and AI tools tracking progress.
- Ongaonga Road farm, our first in-house build and our first joint venture (with Centralines), is on time and on budget with first power expected in early Autumn 2027
- Started pre-construction at Kairanga with a final investment decision planned for 2H FY27

Key operations highlights

During this past six-month period, the key operations highlights were:

- Farm availability was 99.7% across our five farms
- Site operating costs of $31 per MWh (rolling 12 months) were 12% lower than in FY26 and are already at our FY29 target level
- Maintenance of our first four sites moves in-house from December 2026

Key retail highlights

During this past six-month period, the key retail highlights were:

- Added five new commercial and industrial customers representing 43 GWh of annual demand, and now have over 700 connected ICP's
- C&I volume rose 47%
- Forward electricity markets have softened. Lodestone continues to achieve our targeted pricing and can take advantage of the softer market to firm the non-solar periods
- We launched our EASY Residential Plan in Hawke's Bay and the Waikato followed by a time of use small business offering

[4] Subject to appeals from Forest and Bird and EDS





People and safety

We recorded zero lost-time injuries or medically treated incidents during the half. As our business grows, keeping our people and those working alongside us safe remains our first responsibility. Safety reporting and review is a top priority at every Board meeting, and we encourage near-miss reporting so we can identify risks, learn from experience and improve the way we work.

Our team grew from 33 full-time equivalent employees in March 2026 to 41 at the end of the half.

That growth brings additional capability to deliver our projects, operate our farms and serve our customers.

Our latest employee engagement survey recorded 88% positive sentiment, with scores of 97% for recommending Lodestone as a place to work, safety and support for our strategy. These results give us confidence that our people understand where we are going and feel part of the business we are building.

Our 5th placing in New Zealand for growth was recognised in the Deloitte Fast 50 Index awards, alongside other awards for innovation and our approach to financing. These acknowledgements reflect the work of our team and partners, and the progress we are making in turning our plans into an operating business of greater scale.



Outlook

Our targets for FY29 and FY32 are as outlined in the PDS. Delivering the programme will ultimately depend on the investment by joint venture partners, the cadence and order of completed projects, and the capital costs of each project. The key metrics are:

	FY29	FY32
Energy Revenue	**$67 to $74m**	**$169 to 195m**
EBITDAF[6]	**$32 to $38m**	**$85 to $108m**

[6] Proportionate operational EBITDAF

Summary

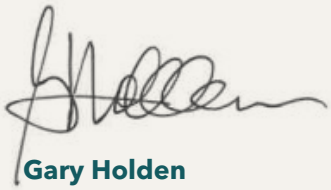
Over the next six months, the expected milestones are:

- Commence construction at the Kairanga farm
- Complete construction of the Ongaonga Road farm
- Advance project number eight to construction
- Transition farm maintenance in-house
- Sell Ongaonga Road production into the SME and residential markets in Hawkes Bay and Waikato
- Complete the Westpac senior debt refinance and extension
- Progress our next joint venture

Lastly, we would like to thank our Directors Sam Morgan and Michael Walmsley and to welcome Michael Cummings and Mary Devine onto our Board. We are very grateful for their collective support.

Thank you for your continued support. We look forward to reporting to you on our full-year results in mid 2027.

Regards,



Gary Holden
Managing Director



Jack Matthews
Chair





Condensed Consolidated Interim Financial Statements

Six months ended 30 September 2026

Lodestone

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Consolidated Interim Statement Of Profit Or Loss And Other Comprehensive Income

For the six months ended 30 September 2026

		Unaudited 30 September	Unaudited and unreviewed 30 September
		2026	2025*
	Notes	**$'000**	$'000
Operating revenue	B1	**16,858**	12,166
Operating expenses	B2	**(21,170)**	(13,993)
Depreciation and amortisation expense	C1	**(4,078)**	(3,201)
Net change in fair value of energy derivatives	D4	**4,212**	6,961
Net change in fair value of treasury derivatives	D4	**2,061**	(1,801)
Finance expenses	D3	**(7,686)**	(6,934)
Finance income	D3	**399**	1,148
Share of net losses of Joint venture accounted for using the equity method		**(26)**	-
Loss before income tax		**(9,430)**	(5,654)
Income tax expense	B4	**-**	-
Net loss for the period		**(9,430)**	(5,654)
Other comprehensive income		**-**	-
Total comprehensive loss for the period		**(9,430)**	(5,654)
Earnings per share:**		**Cents**	Cents
Basic earnings per share (cents)	D7	**(5.8)**	(3.5)
Diluted earnings per share (cents)	D7	**(5.8)**	(3.5)

*The 30 September 2025 comparative information is restated on account of changes in presentation, refer to A2(c).

**The prior period comparative has been retrospectively adjusted to reflect the share consolidation (Note D5) impacting the weighted average number of shares.

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

Consolidated Interim Statement Of Financial Position

As at 30 September 2026

	Notes	Unaudited 30 September 2026 $'000	Audited 31 March 2026 $'000
ASSETS			
Current assets			
Cash and cash equivalents	D1	**2,254**	26,802
Restricted cash and cash equivalents	D1	**12,896**	19,705
Trade and other receivables	E1	**17,850**	10,921
Derivative financial instruments	D4	**2,803**	948
Inventory	E3	**11,612**	6,127
Total current assets		**47,415**	64,503
Non-current assets			
Property, plant and equipment	C1	**307,762**	305,219
Intangible assets		**-**	10
Investments in equity accounted Joint venture	E4	**17,925**	-
Derivative financial instruments	D4	**1,924**	1,781
Total non-current assets		**327,611**	307,010
Total assets		**375,026**	371,513
LIABILITIES			
Current liabilities			
Trade and other payables	E2	**23,461**	16,661
Borrowings	D2	**19,621**	14,107
Derivative financial instruments	D4	**7,486**	10,125
Total current liabilities		**50,568**	40,893
Non-current liabilities			
Trade and other payables	E2	**116**	110
Borrowings	D2	**177,104**	174,867
Derivative financial instruments	D4	**9,366**	10,165
Total non-current liabilities		**186,586**	185,142
Total liabilities		**237,154**	226,035
Net assets		**137,872**	145,478
EQUITY			
Share capital	D5	**202,251**	202,251
Reserves	D5	**(64,379)**	(56,773)
Total equity		**137,872**	145,478

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

The Directors of Lodestone Energy Limited authorised these condensed consolidated interim financial statements for issue on behalf of the Board.

J Matthews
Chair
Date: 19 November 2026

J Perry
Chair of the Audit and Risk Committee
Date: 19 November 2026

Consolidated Interim Statement Of Changes In Equity

For the six months ended 30 September 2026

	Notes	Share capital	Share-based payment reserve	Accumulated losses	Total equity
		$'000	$'000	$'000	$'000
Balance as at 1 April 2025 (audited)		201,476	837	(60,312)	142,001
Net loss for the period		-	-	(5,654)	(5,654)
Changes in share-based payments	D5,D6	-	1,051	-	1,051
Changes in share capital	D5	854	-	-	854
Balance as at 30 September 2025 (unaudited and unreviewed)*		**202,330**	**1,888**	**(65,966)**	**138,252**
Balance as at 1 April 2026 (audited)		**202,251**	**4,396**	**(61,169)**	**145,478**
Net loss for the period		-	-	(9,430)	(9,430)
Changes in share-based payments	D5,D6	-	1,824	-	1,824
Changes in share capital	D5	-	-	-	-
Balance as at 30 September 2026 (unaudited)		**202,251**	**6,220**	**(70,599)**	**137,872**

*The comparative information is restated on account of changes in presentation, refer to Note A2(c).

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

Consolidated Interim Statement Of Cash Flows

For the six months ended 30 September 2026

	Notes	Unaudited 30 September 2026 $'000	Unaudited and unreviewed 30 September 2025* $'000
Cash flows from operating activities			
Receipts from customers		**29,037**	8,362
Interest received		**268**	1,148
Payments to suppliers and employees		**(31,355)**	(16,670)
Net withholding tax received/(paid)		**(1)**	(2)
Net cash outflow from operating activities		**(2,051)**	(7,162)
Cash flows from investing activities			
Purchases of property, plant and equipment		**(11,223)**	(29,215)
Proceeds from sale of property, plant and equipment		**290**	-
Restricted cash and cash equivalents for projects		**6,809**	1,968
t prudential deposits		**(2,986)**	-
Investment in Joint venture		**(14,146)**	-
Net cash outflow from investing activities		**(21,256)**	(27,247)
Cash flows from financing activities			
Proceeds from shares		**-**	377
Borrowings drawn		**6,082**	53,398
Borrowings repaid		**(874)**	(51,225)
Principal elements of lease payments		**(117)**	(92)
Transaction costs related to share issuance		**(651)**	(819)
Interest paid		**(5,681)**	(3,204)
Net cash outflow from financing activities		**(1,241)**	(1,565)
Net movement in cash and cash equivalents		**(24,548)**	(35,974)
Cash and cash equivalents at the beginning of the period		**26,802**	66,081
Cash and cash equivalents at end of the period	D1	**2,254**	30,107

*The 30 September 2025 comparative information is restated on account of changes in presentation, refer to A2(c).

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

A. Group Overview, Reporting Framework And Key Judgements

A1. General information

The unaudited condensed interim consolidated financial statements comprise Lodestone Energy Limited (the "Company" or "Lodestone") and its subsidiaries (together, the "Group"). The principal activities of the Group are constructing, owning, operating grid scale solar farms, and supplying electricity to customers. Lodestone is a profit-oriented entity, domiciled in New Zealand, and registered under the Companies Act 1993.

(a) Basis of preparation

The condensed interim consolidated financial statements:

- Comply with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting and International Accounting Standard 34 Interim Financial Reporting;
- Do not include all the information and disclosure required in the annual financial statements. Consequently, they should be read in conjunction with the annual financial statements and related notes included in Lodestone's consolidated financial statements report for the year ended 31 March 2026 ('2026 Report');
- Are presented in New Zealand dollars to the nearest ($'000).

(b) Significant accounting judgements, estimates and assumptions

In preparing these condensed interim consolidated financial statements, management has made judgements and estimates about the future, including climate-related risks and opportunities, that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the 2026 Report except for the following:

- Joint venture classification: On 12 June 2026, the Group entered into a 50% Joint venture the Ongaonga Road Solar Farm Limited Partnership (the "Joint Venture"), alongside Ruahine Energy Group Limited. Management has exercised judgement in concluding that the Group has joint control of the Joint venture, because decisions about its relevant activities require the unanimous consent of both partners. Management has also exercised judgement in concluding that the Group has rights to the Joint venture's net assets rather than to its individual assets and obligations for its liabilities, and has therefore classified it as a Joint venture.
- Construction contract revenue: Management has exercised judgement in estimating the total forecast costs to complete each construction contract, including materials, subcontractor and labour costs, and the expected outcome of variations, claims and contingencies. These estimates determine the percentage of completion and the revenue recognised. They are reviewed at each reporting date, and any changes are recognised prospectively in the period in which they are identified.

(c) Seasonality of operations

The Group's electricity generation is seasonal, reflecting its solar generation portfolio and variations in daylight hours and solar irradiation throughout the year. Based on the existing operating portfolio, approximately one-third of annual generation is expected in the six months ending 30 September and two-thirds in the six months ending 31 March, which include the higher-generation spring and summer months.

Actual generation may vary from this profile due to weather conditions and changes in the operating portfolio. Financial performance is also affected by seasonal variations in electricity prices and customer demand. Accordingly, first-half financial results are not necessarily indicative of full-year performance.

d) Going concern

The condensed consolidated interim financial statements have been prepared on a going concern basis.

This assumes that the Group will continue to be able to meet its liabilities as they fall due for the foreseeable future. As at 30 September 2026, the Group's current liabilities exceed current assets by $3,153,000 and the Group has reported a Net loss and negative operating cash flow.

The Directors has determined the appropriateness of the going concern basis based on the following:

- The Group has access to a total of $57,802,000 undrawn facilities (31 March 2026: $71,704,000).
- On 22 October 2026, Lodestone Energy Limited commenced trading on the NZX Main Board raising $75,000,000 (gross).

As a consequence of the above, the directors believe that the Group will be able to continue as a going concern and, accordingly, the condensed consolidated interim financial statements have been prepared on a going concern basis.

A2. Material accounting policies

The accounting policies set out in the 2026 Report have been applied consistently to all periods presented. There have been no significant changes in accounting policies or methods of computation since 31 March 2026 unless mentioned in the relevant notes or detailed below.

Joint ventures

A Joint venture is an arrangement over which the Group has joint control and has rights to the net assets of the arrangement. Investments in Joint ventures are accounted for using the equity method under NZ IAS 28 Investments in Associates and Joint Ventures. They are initially recognised at cost, including transaction costs, and are subsequently adjusted for the Group's share of the Joint venture's profit or loss and other comprehensive income. Distributions received reduce the carrying amount of the investment.

Contract assets and contract liabilities

Revenue from construction contracts is recognised over time in accordance with NZ IFRS 15 Revenue from Contracts with Customers, as the Group's performance creates an asset the customer controls. Progress is measured using an input method: costs incurred to date as a proportion of total estimated contract costs excluding equipment and materials not yet installed. Revenue recognised that is more than amounts invoiced is presented as a contract asset. Contract assets are transferred to trade receivables when the right to consideration becomes unconditional, which is usually when an invoice is issued. Amounts invoiced or received that are more than revenue recognised are presented as contract liabilities.

Retentions held by customers are included in trade receivables. Variations and claims are included in the transaction price only when they have been approved, or when it is highly probable that a significant reversal of cumulative revenue will not occur. Where total contract costs are expected to exceed total contract revenue, the full expected loss is recognised immediately as an onerous contract provision under NZ IAS 37.

(a) Accounting standards issued but not yet effective

Presentation and Disclosure in Financial Statements (NZ IFRS 18) introduces new requirements for the presentation of the statement of profit or loss, including defined categories of income and expenses, a newly defined operating profit subtotal, and enhanced disclosures for management-defined performance measures (MPMs). The Group currently presents MPMs such as Energy margin and Proportionate operational EBITDAF and is assessing the impact of NZ IFRS 18 on the presentation of these measures and related disclosures. The adoption of NZ IFRS 18 is not expected to impact the Group's net profit or financial position but is expected to impact the presentation and disclosure of financial performance measures.

Management has not yet completed its assessment of the impact of IFRS 18.

(b) New accounting standards or amendments and forthcoming requirements

A number of accounting standards, amendments to or interpretations of accounting standards have been issued, and are required to be applied by an entity with an annual reporting period beginning on 1 January 2026.

Management has assessed the impact of changes in NZ IFRS 7 - Contracts referencing Nature-dependent Electricity - and IFRS 9 - Classification and Measurement of financial instruments and concluded there is no material impact.

(c) Comparative information

Certain comparative amounts for 30 September 2025 have been reclassified to conform with the current period classification and presentation following the Group's transition to Tier 1 NZ IFRS and presentation improvements implemented during the year ended 31 March 2026. These changes are presentational only and have no impact on the Group's profit/(loss), total comprehensive income, total assets, total liabilities, total equity, or net increase/(decrease) in cash and cash equivalents.

These reclassifications were made to improve the clarity, consistency and disaggregation of information presented in the condensed interim consolidated financial statements.

A3. Segment reporting

The Group currently operates as one segment.

The Managing Director has been identified as the entity's chief operating decision maker ("CODM") who evaluates the financial performance and allocates resources on a consolidated basis, primarily using the following non-GAAP measures: Energy revenue, Energy margin, Energy service margin, Proportionate operational EBITDAF, Solar capital expenditure and Free cash flow. These measures are defined and reconciled in Note B3.

B. Financial Performance

B1. Operating revenue

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Generation revenue at spot price	**5,142**	8,908
Customer invoiced revenue	**7,649**	3,117
Energy services revenue	**2,415**	-
Other income	**1,652**	141
Operating revenue	**16,858**	12,166

Generation revenue at spot price

Generation revenue at spot price reflects the generation production at the half hourly nodal price for the relevant generating site – revenue as recorded by the Clearing Manager. Revenue is recognised as electricity is generated and delivered into the wholesale electricity market and is measured using applicable spot market pricing.

Customer invoiced revenue

Customer invoiced revenue reflects revenue received directly from commercial and residential customers under direct supply agreements – for electricity supply and renewable energy credits. Revenue is recognised over time as electricity is supplied and renewable energy credits are transferred to customers, reflecting the Group's satisfaction of performance obligations.

Energy services revenue

Energy services revenue comprises revenue from site development and construction, and management services provided to joint ventures. Revenue is recognised over time as the related services are performed. For construction contracts, progress is measured using contract costs incurred to date as a proportion of total estimated contract costs excluding equipment and materials not yet installed. Variations are included once approved and enforceable, and variable consideration only to the extent it is highly probable a significant reversal will not occur. Expected losses on contracts are recognised immediately. Unrealised profit on services provided to joint ventures is eliminated to the extent of the Group's interest.

Management services revenue is recognised over time as the related services are provided or the customer receives the benefit of the underlying asset or service.

Other income

Other income comprises grazing and rental income, insurance proceeds and other miscellaneous revenue streams. Revenue is recognised over time as the related services are provided or the customer receives the benefit of the underlying asset or service.

B2. Operating expenses

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Electricity market purchases	**2,924**	3,351
Customer distribution and metering expenses	**1,942**	461
Distribution and interconnection expenses (Sites)	**481**	764
Employee and director expenses	**4,976**	2,734
Employee share scheme	**1,824**	1,256
Energy services direct costs	**1,787**	-
Other operating expenses	**7,236**	5,427
Operating expenses	**21,170**	13,993

Electricity market purchases

Electricity market purchases and customer related expenses reflect the customers under direct supply agreement, consumption at the half hourly nodal price for the relevant site.

Customer distribution and metering expenses

Customer distribution and metering expenses comprise distribution network charges incurred to deliver electricity to customers under direct supply agreements and via distribution networks and customer metering costs incurred to measure the electricity consumption of customers under direct supply agreements and metering contracts.

Distribution and interconnection expenses (Sites)

Distribution and interconnection expenses comprise network charges for connection of solar farms to the electricity network.

Employee and director expenses

Employee and director expenses comprise remuneration and benefits to employees and directors, including wages and salaries, annual leave, and any incentives for services rendered. Provisions are recognised when it is probable the obligation will be settled and it can be measured reliably, and are measured at the remuneration rates expected to apply at the time of settlement. The expense also includes the Group's contributions to defined contribution retirement plans (e.g. KiwiSaver), excluding employee share scheme expenses and capitalised labour.

Employee share scheme expenses

Employee share scheme expenses comprise the non-cash expense recognised over the vesting period for share-based payments granted to employees and directors under the Group's employee share scheme, measured by reference to the fair value of the equity instruments at grant date.

Energy services direct costs

Energy services direct costs comprise the non-capitalised costs incurred in site development and construction, including contractor and materials costs attributable to those services.

Other operating expenses

Other operating expenses represent general operating costs incurred in the normal course of business that are not separately disclosed and primarily relate to professional fees, technology and systems costs and office costs.

B3. Group performance measure (non-GAAP)

The CODM uses non-GAAP measures to evaluate the performance of the Group as noted in Note A3. These measures are not a substitute for GAAP measures and are not defined under NZ IFRS. As these measures are not defined by NZ GAAP, NZ IFRS, or any other body of accounting standards, the Group's calculations may differ from similarly titled measures presented by other companies.

(a) Energy margin, Energy service margin and Proportionate operational EBITDAF (non-GAAP)

Energy margin (non-GAAP)

Energy margin represents the net earnings generated from Lodestone's electricity generation and retail activities before site operating costs, retail and corporate costs. It is calculated as energy revenue less the direct costs of selling electricity to customers, comprising the net impact of Wholesale Market sales and purchases, net hedge settlements, fixed-price electricity purchases under third-party PPAs, network charges, and metering fees. This also includes Lodestone's ownership share of energy margin earned by investee entities, including Joint ventures.

Energy service margin (non-GAAP)

Energy service margin comprises revenue from site development and construction and Joint venture management services less associated non-capitalised development construction costs.

Proportionate operational EBITDAF

Proportionate operational EBITDAF is defined as earnings before net interest expense and other financing costs, income tax, depreciation and amortisation, and fair-value movements on financial instruments, but excluding non-recurring expenses. Fair-value movements excluded from Proportionate operational EBITDAF comprise unrealised gains and losses on electricity hedge contracts, power purchase agreement derivatives and interest rate swaps, which are marked to market each period in accordance with NZ IFRS and can give rise to material non-cash gains or losses that are not reflective of Lodestone's underlying cash operating performance. Proportionate operational EBITDAF also includes Lodestone's proportionate share of EBITDAF from Joint venture.

The table below shows the make-up of Energy revenue to Proportionate operational EBITDAF:

	Unaudited 30 September	**Unaudited and unreviewed 30 September**
	2026	2025*
	$'000	$'000
Energy revenue (non-GAAP)	**16,788**	10,444
Net spot market purchases / sales	**(2,348)**	(3,735)
Derivative settlements	**(2,084)**	(2,871)
Customer distribution and metering costs	**(1,942)**	(461)
Energy margin (non-GAAP)	**10,414**	3,377
Energy services revenue	**2,415**	-
Energy services costs	**(4,599)**	(1,437)
Energy service margin (non-GAAP)	**(2,184)**	(1,437)
Site operating costs	**(3,991)**	(3,705)
Retail and corporate costs	**(7,714)**	(5,039)
Operating costs (non-GAAP)	**(11,705)**	(8,744)
Proportionate operational EBITDAF (non-GAAP)	**(3,474)**	(6,804)

Energy revenue

Energy revenue represents revenue generated from the sale of electricity to Lodestone's customers on a contracted price basis and insurance proceeds relating to lost revenue and asset damage from solar farm incidents. This is the primary revenue benchmark used to measure performance by Lodestone and differs from the statutory definition of revenue.

Net spot market purchases / sales

Net spot market purchases / sales represents the net impact of electricity sold into and purchased from the wholesale electricity market at the half hourly nodal price, as recorded by the Clearing Manager, after adjusting for generation directly allocated to commercial customers.

Derivative settlements

Derivative settlements represent the net realised cash settlements on energy derivatives entered into to manage the electricity price risk arising from the generation, purchase and sale of energy.

Customer distribution and metering costs

Customer distribution and metering costs comprise distribution network charges incurred to deliver electricity to customers under direct supply agreements and via distribution networks and customer metering costs incurred to measure the electricity consumption of customers under direct supply agreements and metering contracts.

Energy services revenue

Energy services revenue is defined in Note B1.

Energy services costs

Energy services costs comprise the non-capitalised costs incurred in site development, construction contract costs and Joint venture management services, including direct labour, contractor and materials costs attributable to those services.

Site operating costs

Site operating costs comprise the operating expenses and directly attributed overheads of managing Lodestone's operating solar farms. This includes Lodestone's ownership share of site costs incurred by Joint ventures.

Retail and corporate costs

Retail costs include the costs of serving Lodestone's customer base, including billing, customer service, and customer acquisition. Corporate costs are the residual ongoing overhead expenditure that is not directly related to Lodestone's site, retail, development or construction operations (including allocated costs), incurred to support Lodestone's broader business activities.

(b) Energy revenue (non-GAAP)

The table below reconciles Operating revenue to Energy revenue:

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Operating revenue	**16,858**	12,166
Less: Energy service revenue	**(2,415)**	-
Third party billed revenue	**4,839**	4,210
Less: Spot market generation directly allocated to commercial customers	**(3,498)**	(4,497)
Fixed Price Variable Production PPA Settlements	**1,004**	(1,435)
Energy revenue (non-GAAP)	**16,788**	10,444

Third party billed revenue

Third party billed revenue comprises revenue from electricity supplied to a large commercial customer via a third party under an agency contract. Revenue is measured on customer consumption at contracted electricity only prices and excludes third party provider costs (lines and metering) for which the agent invoices the Customer directly.

Spot market generation directly allocated to commercial customers

Spot market generation directly allocated to commercial customers represents the contractually allocated generation at the half hourly spot price. This is netted off to avoid the double counting of Generation revenue at spot price for commercial customers recorded in Operating revenue.

Fixed Price Variable Production PPA Settlements ("FPVP")

FPVP PPA represents the net of the half hourly cash settlements received from retailer PPA customers.

(c) Proportionate operational EBITDAF (non-GAAP)

The table below reconciles Proportionate operational EBITDAF to net loss:

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025*
	$'000	$'000
Proportionate operational EBITDAF (non-GAAP)	(3,474)	(6,804)
Depreciation and amortisation expense	**(4,078)**	(3,201)
Finance income	**399**	1,148
Finance expenses	**(7,686)**	(6,934)
Unrealised change in fair value of energy derivatives	**3,374**	11,938
Net change in fair value of treasury derivatives	**2,061**	(1,801)
Share of net profits/(losses) of Joint venture	**(26)**	-
Net loss before tax expense	**(9,430)**	(5,654)
Tax expense	**-**	-
Net loss after tax expense	**(9,430)**	(5,654)
Reconciliation of proportionate operational EBITDAF (non-GAAP)		
Operating revenue	**16,858**	12,166
Operating expenses	**(21,170)**	(13,993)
Realised energy derivatives (refer below)	**838**	(4,977)
Proportionate operational EBITDAF (non-GAAP)	**(3,474)**	(6,804)
Reconciliation of net change in fair value of energy derivatives		
Realised energy derivatives (refer above)	**838**	(4,977)
Unrealised changes in the fair value of energy derivatives	**3,374**	11,938
Net change in fair value of energy derivatives in profit and loss	**4,212**	6,961

(d) Solar capital expenditure (non-GAAP)

Solar expenditure represents property, plant and equipment additions including capitalised interest, financing fees, and commitment fees but excluding right-of-use assets and land. This is equivalent to the aggregate capital investment incurred by The Group in the development and construction of its sites (and associated equipment) during the period. This also includes The Group's ownership share of capital expenditure incurred by investee entities, including Joint ventures.

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Solar capital expenditure (non-GAAP)		
Property, plant and equipment additions (Note C1)	**11,220**	34,722
Less: land and buildings additions	**-**	(2)
Less: right-of-use asset additions	**-**	(2,422)
Proportionate share of Joint venture capital expenditure	**7,516**	-
Solar capital expenditure (non-GAAP)	**18,736**	32,298

Proportionate share of Joint venture capital expenditure

Proportionate share of Joint venture capital expenditure equals the Group's share of Joint venture construction cost to date including any inventory purchased.

(e) Free cash (non-GAAP)

Free cash is net cash outflow from operating activities less interest paid.

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Net cash outflow from operating activities	**(2,051)**	(7,162)
Interest paid	**(5,681)**	(3,204)
Free cash (non-GAAP)	**(7,732)**	(10,366)

B4. Taxation

Income tax

The Group has no current or deferred income tax expense for the period ended 30 September 2026 (30 September 2025: $nil).

C. Investment In Operating Assets

C1. Property, plant and equipment

	Land and buildings	Generation structures & other equipment	Construction work in progress	Development work in progress	Right-of-use assets	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 31 March 2026						
Cost	21,340	239,022	31,940	19,034	4,158	315,494
Accumulated depreciation	(38)	(9,811)	-	-	(426)	(10,275)
Net book amount	**21,302**	**229,211**	**31,940**	**19,034**	**3,732**	**305,219**
At 30 September 2026						
Opening net book amount	21,302	229,211	31,940	19,034	3,732	305,219
Additions	-	546	5,547	5,127	-	11,220
Disposals*	(30)	-	-	(4,293)	(276)	(4,599)
Depreciation charge	(5)	(3,903)	-	-	(170)	(4,078)
Transfers	-	38,292	(37,487)	(805)	-	-
Closing net book amount	**21,267**	**264,146**	**-**	**19,063**	**3,286**	**307,762**
At 30 September 2026						
Cost	21,310	277,860	-	19,063	3,882	322,115
Accumulated depreciation	(43)	(13,714)	-	-	(596)	(14,353)
Net book amount	**21,267**	**264,146**	**-**	**19,063**	**3,286**	**307,762**

The amount of finance expense capitalised during the period ended 30 September 2026 was $629,000 (30 September 2025: $1,210,000) in respect of solar farm site construction at a weighted average rate of 5.95% (30 September 2025: 6.65%).

Total impairment expenses recognised for the period ended 30 September 2026 was $nil (31 March 2026: $1,186,000).

During the period ended 30 September 2026, the Group disposed of land with a carrying value of $30,000. The resulting gain on disposal of $260,000 has been recognised in profit and loss.

*Disposals include $4,293,000 of Development work in progress contributed to Joint venture (Refer to Note E4).

	Land and buildings	Generation structures & other equipment	Construction work in progress	Development work in progress	Right-of-use assets	Total
	$'000	$'000	$'000	$'000	$'000	$'000
At 31 March 2025						
Cost	21,338	183,932	36,876	12,775	1,436	256,357
Accumulated depreciation	(27)	(3,445)	-	-	(85)	(3,557)
	21,311	**180,487**	**36,876**	**12,775**	**1,351**	**252,800**
As at 31 March 2025						
Opening net book amount	21,311	180,487	36,876	12,775	1,351	252,800
Additions	2	366	47,467	9,785	2,722	60,342
Disposals	-	(20)	-	(1,186)	-	(1,206)
Depreciation	(11)	(6,365)	-	-	(341)	(6,717)
Transfers	-	54,743	(52,403)	(2,340)	-	-
Closing net book amount	**21,302**	**229,211**	**31,940**	**19,034**	**3,732**	**305,219**

D. Capital Structure, Liquidity And Financial Risk

D1. Cash and cash equivalents and restricted cash

	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
Cash on hand	**2,254**	26,802
Cash and cash equivalents	**2,254**	26,802

	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
Restricted cash	**12,896**	19,705
Restricted cash	**12,896**	19,705

D2. Borrowings

	Unaudited 30 September	Unaudited 30 September	Audited 31 March	Audited 31 March
	2026		2026	
Facility	**Available**	**Carrying value drawn**	Available	Carrying value drawn
	$'000	**$'000**	$'000	$'000
Senior lending facility	**48,102**	**125,484**	62,004	119,840
Junior lending facility	**9,700**	**67,688**	9,700	65,500
Lease liabilities	**-**	**3,553**	-	3,634
Borrowings	**57,802**	**196,725**	71,704	188,974

The table below presents a reconciliation of borrowings and lease liabilities arising from financing activities:

	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
	6 Months	12 Months
Opening Balance	**188,974**	162,935
Cash movements		
Proceeds from borrowings	**6,082**	82,939
Repayment of borrowings	**(874)**	(68,315)
Repayment of lease liabilities	**(117)**	(213)
Non Cash movements		
Recognition of new lease liabilities	**-**	2,422
Non cash interest on lease liabilities	**36**	22
Capitalised interest and non cash interest accruals on borrowings	**2,624**	9,184
Total borrowings (carrying amount)	**196,725**	188,974

Senior lending facility

Westpac New Zealand Limited

Westpac provides a $139,200,000 (31 March 2026: $153,200,000), of which $127,236,000 is drawn, Syndicated Facility Agreement ("SFA") of 25 years from 26 September 2022 comprising a Construction Facility and a Term Facility, and is repayable in one lump sum on 15 June 2028, with a continuing refinancing option under the facility agreement, and a contractual right to roll over.

Construction Facilities are available to fund construction of the Group's generation structures and convert to a Term Facility at the earlier of the relevant solar farm achieving project completion or the contractual sunset date 15 June 2028.

The facility interest rate is calculated using the applicable base rate for the interest period plus the relevant facility margin. At 30 September 2026, the weighted average/period end interest rates (including swap arrangements) were 6.35% (31 March 2026: 6.63%) for the Term Facility and 5.95% (31 March 2026: 6.17%) for Construction Facility drawn down.

Borrowings are classified as current liabilities unless, at the reporting date, the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The Construction Facility is classified as current when, at the reporting date, and subject to satisfaction of the relevant facility conditions, the Group expects the outstanding balance to convert to the Term Facility within the next 12 months.

Kiwibank Limited

Kiwibank provides a $40,450,000 (31 March 2026: $30,450,000) of which $4,312,000 construction bond is drawn facilities agreement with Kiwibank comprising flexibility to provide a combination of overdraft (revolving working capital, a letter of credits, construction bonding, and market prudential bonding).

The facilities have a three year term from 12 March 2026. Borrowings are repayable at maturity, and any claim under a letter of credit or bond is payable on the same date as the claim.

Junior lending facility

TFL Trustee Company Limited and IFM U.S. Infrastructure Debt Fund (Secondary) LP provide a $62,300,000 plus capitalised interest facility. The IFM Facility is available to fund the construction of the Group's generation structures.

The IFM Facility is a seven year facility expiring on 29 October 2029, with a final drawdown deadline of 28 February 2027 and is repayable in one lump sum at maturity. Interest is calculated using the base rate agreed at drawdown plus the relevant facility margin. At 30 September 2026, the weighted average/period end interest rate was 10.91% (31 March 2026: 10.91%).

On 30 October 2026, the undrawn $9,700,000 facility was cancelled.

Security, covenants and compliance

The Group's borrowing facilities are secured using charges over relevant assets, freehold land, bank accounts and share security in the borrowing entities.

Both the SFA and the IFM facility contain covenants requiring the relevant Debt Service Coverage Ratio ("DSCR") to be maintained and tested on a quarterly basis.

As at 30 September 2026, the carrying amount of borrowings subject to these arrangements is $193,172,000 (31 March 2026: $185,340,000).

The related assets subject to security and restrictions include assets and PPE of $293,171,000 (31 March 2026: $291,133,000) and restricted cash balances of $12,896,000 (31 March 2026: $19,705,000).

Borrowings are subject to customary security arrangements and financial covenants. The Group complied with all borrowing covenants throughout the reporting period and at 30 September 2026. No borrowings were repayable on demand at 30 September 2026 as a result of covenant breaches.

Undrawn facility

As at 30 September 2026, the Group has undrawn facilities comprising the following:

- Westpac undrawn facility totalling $11,964,000 available until 15 June 2028 (31 March 2026: $31,654,000).
- IFM undrawn facility totalling $9,700,000 available until 28 February 2027 (31 March 2026: $9,700,000 available until 31 October 2026) (Refer to Note E8).
- Kiwibank undrawn facility totalling $36,139,000 (overdraft, letter of credit and bonding facilities) (31 March 2026: $30,350,000).

D3. Finance income and expenses

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Interest income	**268**	1,148
Foreign exchange realised gain	**20**	-
Foreign exchange unrealised gain	**111**	-
Finance income	**399**	1,148
Finance expense on borrowings (net capitalised interest)	**(7,545)**	(6,785)
Interest expense on lease liability	**(141)**	(147)
Foreign exchange realised loss	**-**	(2)
Finance expense	**(7,686)**	(6,934)
Net financing expense	**(7,287)**	(5,786)

D4. Financial risk management

(a) The Group groups its financial instruments into two categories treasury derivatives and energy derivatives:

Derivative financial assets/(liabilities) carried at fair value through profit or loss	30 September 2026		31 March 2026	
	Assets	**Liabilities**	Assets	Liabilities
	$'000	**$'000**	$'000	$'000
Treasury derivatives	**2,150**	**(868)**	1,259	(2,038)
Energy derivatives	**2,577**	**(15,984)**	1,470	(18,252)
Total	**4,727**	**(16,852)**	2,729	(20,290)
Current	**2,803**	**(7,486)**	948	(10,125)
Non Current	**1,924**	**(9,366)**	1,781	(10,165)
Total	**4,727**	**(16,852)**	2,729	(20,290)

Treasury derivatives

Derivatives in the treasury category relate to management of the interest rate risk and foreign exchange risk that arise from Lodestone's funding activities, solar farm construction and from general Group operations. The hedging instruments used are interest rate swaps and forward exchange contracts.

		30 September 2026		31 March 2026	
	Hierarchy	Assets	Liabilities	Assets	Liabilities
	Level*	$'000	$'000	$'000	$'000
Interest rate swaps	2	**2,012**	**(868)**	1,183	(2,038)
Forward exchange contracts	2	**138**	**-**	76	-
Treasury derivatives		**2,150**	**(868)**	1,259	(2,038)

*Hierarchy levels are defined in Note D4(b).

Energy derivatives

Derivatives in the energy category relate to management of the electricity price risk that arise from the generation, purchase and sale of energy. These hedges consist of longer term, large volume power purchase agreements that manage specific risks relating to solar farm generation, and other wholesale electricity swaps.

		30 September 2026		31 March 2026	
	Hierarchy	Assets	Liabilities	Assets	Liabilities
	Level*	$'000	$'000	$'000	$'000
Power purchase agreement	3	**1,238**	**(8,320)**	1,294	(13,795)
Electricity swaps	2	**1,339**	**(7,664)**	176	(4,457)
Energy derivatives		**2,577**	**(15,984)**	1,470	(18,252)

(b) Fair value hierarchy

The nature of inputs to valuation techniques determines the fair value hierarchy level that is applied as per NZ IFRS 13 Fair Value Measurement. The levels are outlined as:

Level one: inputs comprise unadjusted quoted prices from an active market for identical assets and liabilities. There are no financial instruments currently within this level.

Level two: comprises other observable inputs other than quoted prices included within the level one hierarchy. Financial instruments in this level include interest rate swaps, foreign exchange contracts and electricity swaps. The fair values of level two derivatives are determined using discounted cash flow models. The key inputs in the valuation models were:

Derivative	Valuation input
Interest rate swap	Forward interest rate curve
Foreign exchange contract	Forward foreign exchange rate curves
Electricity swaps	ASX futures pricing

Level three: comprises inputs not based on observable market data. Financial instruments in this level include power purchase agreements. The results and key drivers of changes in the valuation of power purchase agreements are reviewed at least six monthly. The Chief Financial Officer reports key changes in fair value to the Board. Any changes to the valuation methodology are reported to the Audit and Risk Committee.

The unrealised and realised level 3 fair value movements are recognised in the Group's Consolidated interim statement of profit or loss and other comprehensive income within 'Net change in fair value of energy derivatives'.

Reconciliation of level 3 fair values - Power purchase agreements	**Unaudited 30 September**	**Audited 31 March**
	2026	2026
	$'000	$'000
Balance at the beginning of the period (audited)	**(12,501)**	(35,818)
Unrealised changes in fair value	**5,419**	23,317
Realised changes in fair value	**1,294**	2,782
Total gain/(loss) recognised in profit and loss	**6,713**	26,099
Balance at the beginning of the period (audited)	**(12,501)**	(35,818)
Remeasurement	**6,713**	26,099
Settlements	**(1,294)**	(2,782)
	(7,082)	(12,501)

Sensitivity of level 3 fair values

The fair value of the Group's power purchase agreements is determined using a discounted cash flow model. Observable ASX forward prices are used where available. Beyond the period for which ASX prices are quoted, the valuation uses management's best estimate of long term forward wholesale electricity prices at the relevant node. This is based on a fundamental analysis of expected demand, the cost of new supply and other relevant market factors. Long term forward prices used range from $48/MWh to $273/MWh (31 March 2026: $70/MWh to $261/MWh), in nominal terms and excluding observable ASX prices. Other significant unobservable inputs are the forecast generation profile of the relevant solar farm and the solar capture price adjustment applied to reflect the timing of solar generation.

An increase in forward wholesale electricity prices decreases the fair value of agreements under which the Group sells electricity at a fixed price, and increases the fair value of agreements under which the Group purchases electricity at a fixed price. A decrease has the opposite effect. An increase in forecast generation volume increases the size of the fair value, whether an asset or a liability, and a decrease has the opposite effect.

A 10% increase/(decrease) in long term forward electricity prices would (decrease)/increase the fair value of level 3 power purchase agreements by ($9,000)/$9,000 (31 March 2026: ($1,109,000)/$1,109,000).

There were no changes in valuation processes, valuation techniques or types of inputs used during the period. The Group does not have any transfers between hierarchy levels during the period.

Deferred 'day one' gain or losses

A presumption exists that derivative contracts are entered into on an arm's length basis, and where there is no transaction amount received or paid, the fair value is nil. The pricing contained within the PPAs may therefore deviate from derived market rates for a variety of reasons or assumptions that parties may have.

As the fair value of the PPAs are derived based on observable and unobservable inputs, the difference between the initial market fair value and transaction fair value of nil (termed a 'day one difference') is deferred and amortised on a consistent basis that is taken into account when pricing the PPA between market participants. The following table details the movements and amounts of deferred 'day one' gains (losses) included in the fair value of level three electricity instruments:

Amortisation of day one difference on existing agreements includes amounts related to derecognised contracts.

Deferred day one gains/(losses)	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
Balance at beginning of the period (audited)	**247**	(4,436)
Amortisation of day one difference on existing agreements	**4,297**	6,149
New power purchase agreements	**226**	(1,466)
Balance at the end of the period (unaudited)	**4,770**	247

D5. Share capital

	Unaudited 30 September	Audited 31 March	Unaudited 30 September	Audited 31 March
	Number of Shares	Number of Shares	$'000	$'000
Share capital				
Ordinary shares	**161,988,316**	942,331,912	202,251	153,979
Preference shares	**-**	149,355,563	-	48,272
	161,988,316	1,091,687,475	**202,251**	202,251
Movements in shares				
Ordinary shares				
Balance at the beginning of the period	**942,331,912**	940,165,287	153,979	153,396
Reclassification event	**149,355,563**	-	48,272	-
Share consolidation	**(929,699,159)**	-	-	-
Share options exercised in the period	**-**	2,166,625	-	583
Balance at the end of the period	**161,988,316**	942,331,912	**202,251**	153,979
Preference shares				
Balance at the beginning of the period	**149,355,563**	149,355,563	**48,272**	48,080
Reclassification event	**(149,355,563)**	-	**(48,272)**	-
Preference shares issued	**-**	-	-	-
Transaction costs	**-**	-	-	192
Balance at the end of the period	**-**	149,355,563	-	48,272

Lodestone has one class of shares, ordinary shares. All shares have been issued, are fully paid, and have no par value.

On 25 September 2026 all participating preference shares were converted to ordinary shares, increasing the number of ordinary shares issued by the same amount ("the Reclassification event").

On 25 September 2026, Lodestone's ordinary shares were consolidated at a ratio of 6.7393 existing shares for one consolidated share ("the Share consolidation").

No share options were exercised during the period ended 30 September 2026.

Subsequent to the period end, on 21 October 2026, 33,567,268 ordinary shares were issued.

D6. Employee share scheme

Employee share scheme

Certain employees, including senior executives, and independent directors of the Group receive part remuneration in the form of equity settled share based payments. These arrangements comprise share options granted to eligible participants in return for services rendered.

The fair value of share options granted is measured at grant date and recognised as an expense over the relevant vesting period, with a corresponding credit recognised in the share based payment reserve. The expense recognised for each reporting period reflects management's estimate of the number of options expected to vest and is revised at each reporting date to reflect the proportion of the vesting period completed.

Share options are subject to service based vesting conditions, requiring participants to remain employed by the Group (or continue in service as a director) for the specified vesting period applicable to each tranche. Vesting occurs over periods of up to four years from the grant date. Options that vest are exercisable at any time up to, but not later than, the tenth anniversary of the grant date.

Share consolidation

The Directors has discretion to amend the vesting conditions applicable to share options. Options outstanding at the share consolidation date were adjusted on the same basis, with a corresponding proportionate adjustment to their exercise prices. Accordingly, option quantities and exercise prices following the consolidation are not directly comparable with amounts preceding the consolidation.

Movements in the number of share options outstanding, are set out below:

	Unaudited 30 September 2026	**Audited 31 March 2026**
	Number of options	**Number of options**
Outstanding at the beginning of the period	**53,837,535**	**9,357,553**
Forfeited	**(1,333,333)**	**(87,500)**
Share consolidation	**(44,713,452)**	**-**
Granted	**197,845**	**46,734,107**
Exercised	**-**	**(2,166,625)**
Expired	**-**	**-**
Outstanding at the end of the period	**7,988,595**	**53,837,535**
Exercisable at period end	**3,316,734**	**5,682,764**

The share options outstanding at 30 September 2026 have exercise prices ranging from $0.94 to $2.25 (31 March 2026: $0.14 to $0.33). The share options have a weighted average remaining contractual life of 8.3 years (31 March 2026: 8.8 years). There were no options exercised during the period ended 30 September 2026.

The weighted average fair value of options granted during the period ended 30 September 2026, determined using the Black Scholes valuation model was $0.07 per option (31 March 2026: $0.10).

During the period ended 30 September 2026, the Group recognised an expense of $1,824,000 (30 September 2025: $1,256,000) in relation to the equity settled share based payment arrangements. This comprised expense relating to the original grant date fair value of awards and incremental fair value arising from modifications during the period.

Modification of share options

During the period, the Group modified certain share options issued under the employee share option plan by removing the provision that accelerated vesting upon an initial public offering and required any options not exercised in connection with the offering to lapse. Modified options remain outstanding and will continue to vest and remain exercisable under their existing service based conditions.

The modification resulted in total incremental fair value of $2,910,000 comprising incremental fair value arising from modifications to existing options and the grant date fair value of new options granted in connection with the modification. Existing options were valued immediately before and immediately after the modification, with the difference representing their incremental fair value. The new options were valued separately at their grant date.

The modification of share options occurred prior to the share consolidation.

Fair values were determined using the Black Scholes valuation model. The principal valuation assumptions are set out below. For existing options, each option tranche was valued separately. The exercise prices and fair values presented below are weighted averages across the relevant tranches.

	Unaudited 30 September 2026	Audited 31 March 2026
	Immediately before modification	Immediately after modification
Share option valuation assumptions		
Exercise price	**$0.33**	**$0.33**
Share price	**$0.33**	**$0.33**
Expected volatility	**31.81%**	**31.81%**
Expected option life	**0.1 years**	**2.2 years**
Dividend yield (over vesting period)	**0.00%**	**0.00%**
Risk-free interest rate	**2.98%**	**3.66%**
Fair value	**$0.02**	**$0.07**

	Unaudited 30 September 2026	Audited 31 March 2026
Grant date fair value of new options granted		
Exercise price	**$0.33**	$0.33
Share price	**$0.33**	$0.33
Expected volatility	**31.81%**	37.29%
Expected option life	**2.2 years**	3 years
Dividend yield (over vesting period)	**0.00%**	0.00%
Risk-free interest rate	**3.66%**	3.68%
Fair value	**$0.07**	$0.10

Expected volatility is measured as the standard deviation of continuously compounded share returns and is determined based on a statistical analysis of historic weekly share price data for a selection of comparable listed entities with observable market prices. The period of historical data selected is consistent with the expected life of the options. The risk free interest rate is determined with reference to New Zealand Government bond yields in effect at the grant date. Where necessary, linear interpolation is applied between observable yields to derive a risk free rate that is consistent with the expected life of the options. The amortisation period is adjusted annually to reflect management's best estimate of the vesting date.

At 30 September 2026, $1,714,000 of the total incremental fair value remained unrecognised and will be recognised over the remaining vesting periods, subject to satisfaction of the applicable service conditions.

D7. Earnings per share

	Unaudited 30 September 2026	Unaudited and unreviewed 30 September 2026
Net loss after tax	**(9,430)**	(5,654)

	Number of Shares	Number of Shares
Weighted average number of shares (basic)*	**161,988,316**	161,795,013
Weighted average number of shares (diluted)*	**161,988,316**	161,795,013

	30 September 2026	30 September 2025
	Cents	Cents
Basic earnings per share (cents)*	**(5.8)**	(3.5)
Diluted earnings per share (cents)*	**(5.8)**	(3.5)

*The prior period comparative has been retrospectively adjusted to reflect the share consolidation (Note D5) impacting the weighted average number of shares.

D8. Dividend

There were no dividends paid or declared during the period (30 September 2025: $nil).

E Other

E1. Trade and other receivables

	Unaudited 30 September 2026	Audited 31 March 2026
	$'000	$'000
Trade receivables and accrued income	8,855	5,682
Australian Securities Exchange prudential deposits	4,013	1,027
Prepayments	2,212	860
Other receivables	2,770	2,806
Net GST receivable	-	546
Trade and other receivables	**17,850**	10,921

Australian Securities Exchange prudential deposits

Australian Securities Exchange ('ASX') prudential deposits are cash deposits lodged with the ASX clearing house as collateral for the Group's exchange traded electricity futures positions. The deposits are refundable, are returned as positions are closed or margin requirements reduce, and are not available for the Group's general use while they are held.

Prepayments include $1,003,000 of transaction costs which will be offset against the equity raised (refer to Note E8).

E2. Trade and other payables

	Unaudited 30 September 2026	Audited 31 March 2026
	$'000	$'000
Current		
Trade payables and accruals	7,675	15,334
Contract liabilities	14,535	-
Employee benefits	911	1,247
Retentions	50	80
Net GST payable	290	-
	23,461	16,661
Non current		
Retentions	116	110
	116	110
Trade and other payables	**23,577**	16,771

E3. Inventory

	Unaudited 30 September 2026	Audited 31 March 2026
	$'000	$'000
Spare parts and consumables	**155**	**142**
Goods purchased in advance	**11,457**	**5,985**
Inventory	**11,612**	**6,127**

E4. Investments in subsidiaries and Joint ventures

The Group comprises Lodestone Energy Limited and its controlled entities, together with interest in joint arrangements. During the period, the Group entered into a 50% Joint venture with Ruahine Energy Group Limited to develop and operate the 31 MW Ongaonga Road Solar Farm. The Joint venture is held through Ongaonga Road Solar Farm Limited Partnership (registered 12 June 2026), with Ongaonga Road Solar Farm GP Limited (incorporated 21 May 2026) acting as general partner. The Partnership is domiciled in New Zealand, and its principal activity is electricity generation.

The Group has accounted for the joint venture using the equity method of accounting in accordance with NZ IAS 28 Investments in Associates and Joint Ventures.

The Group's investment comprised a cash contribution and a contribution of Development work in progress assets relating to the Ongaonga site. The Group's initial investment of $18,439,000 in the joint venture is recognised within Investments in equity accounted Joint venture in the balance sheet.

A Joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement. Investments in Joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes the Group's fair value of any non-monetary assets contributed. They are subsequently adjusted for the Group's share of the Joint venture's profit or loss and other comprehensive income, less any distributions received.

Gains on assets contributed or sold to the Joint venture are recognised only to the extent of the other partner's interest. The Group's share of the gain is eliminated against the carrying amount of the investment until the assets are depreciated or sold by the Joint venture. Unrealised profit on development and construction services provided to the Joint venture is eliminated on the same basis.

At each reporting date, the Group assesses whether there is any indication that the investment is impaired. If so, the carrying amount is compared to its recoverable amount.

As at 30 September 2026, the Joint venture has total undrawn borrowing facilities of $24,580,000 and cash of $6,786,000 providing total available funding of $31,366,000 to support capital commitments of $22,816,000 (31 March 2026: N/A).

There were no other changes to the Group structure during the period.

	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
Joint ventures		
Balances at the beginning of the period (Audited)	**-**	-
Cash contributed during the period	**14,146**	-
Development work in progress assets contributed	**4,293**	-
Unrealised profit on services provided to the Joint venture, eliminated	**(488)**	-
Share of losses	**(26)**	-
Balances at the end of the period (Unaudited)	**17,925**	-

E5. Related party transactions

(a) Key management personnel

Key management personnel ('KMP') compensation comprised the following:

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Short term employee benefits	**1,625**	1,311
Post employment benefits	**-**	-
Long term benefits	**-**	-
Termination benefits	**-**	-
Employee Share Scheme expenses	**1,451**	952
	3,076	2,263

KMP participate in the Group's employee and director share scheme (refer to Note D6).

At 30 September 2026 there were $195,000 outstanding balances payable to KMP (31 March 2026: $101,000).

The Group had no material commitments to KMP (31 March 2026: $nil).

(b) Transactions with related parties

Related parties include the Directors, Managing Director and their close family members, and entities controlled or significantly influenced by these parties, and investments in Joint ventures.

Where transactions occurred with related parties, the terms and conditions were no more favourable than those available (or which might reasonably be expected to be available) in similar transactions with unrelated parties on an arm's length basis.

(i) Transactions with related parties

The following transactions occurred with related parties during the period:

	Unaudited 30 September	Unaudited and unreviewed 30 September
	2026	2025
	$'000	$'000
Joint venture		
Revenue recognised for services provided	**2,415**	
Initial investment in Joint venture	**18,439**	-

(ii) Outstanding balances with related parties

As at 30 September 2026, outstanding balances with related parties comprise the following:

	Unaudited 30 September	Audited 31 March
	2026	2026
	$'000	$'000
Trade receivables and accrued income	**4,965**	-
Contract liability	**(14,535)**	-
Directors' fees payable	**(15)**	-

E6. Capital commitments

Capital commitments are expected to be funded through a combination of available undrawn borrowing facilities and restricted cash held.

As at 30 September 2026, capital commitments of $2,784,000 (31 March 2026: $7,596,000) were contracted but not recognised as liabilities.

E7. Contingent liabilities

There are no contingent liabilities at the period ending 30 September 2026.

E8. Subsequent events

Subsequent to 30 September 2026, the following key events have occurred:

- On 21 October 2026, 33,567,268 new shares were issued.
- On 22 October 2026, Lodestone Energy Limited commenced trading on the NZX Main Board raising $75,000,000 (gross). Transaction costs totalling approximately $6,100,00 to $7,400,000 are likely to be incurred.
- On 30 October 2026, the undrawn IFM facility of $9,700,000 was cancelled.
- During November 2026, land was purchased at Willows Road, Matawhero, Gisborne.

Independent Auditor's Review Report

To the shareholders of Lodestone Energy Limited (**Group**)

Report on the condensed consolidated interim financial statements

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements on pages 8 to 38 do not:

- present fairly, in all material respects, the Group's financial position as at 30 September 2026 and its financial performance and cash flows for the 6-month period then ended and comply with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (**NZ IAS 34**) issued by the New Zealand Accounting Standards Board.

We have completed a review of the accompanying condensed consolidated interim financial statements which comprise:

- the consolidated interim statement of financial position as at 30 September 2026;
- the consolidated interim statements of profit or loss and comprehensive income, changes in equity and cash flows for the 6-month period then ended; and
- notes, including material accounting policy information.

Basis for conclusion

We conducted our review of the condensed consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (**NZ SRE 2410 (Revised)**). Our responsibilities are further described in the *Auditor's responsibilities for the review of the condensed consolidated interim financial statements* section of our report.

We are independent of Lodestone Energy Limited in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual financial statements and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Group in relation to Investigative Accountants Report. Subject to certain restrictions, partners and employees of our firm may also deal with the Group on normal terms within the ordinary course of trading activities of the business of the Group. These matters have not impaired our independence as auditor of the Group. The firm has no other relationship with, or interest in, the Group.

Use of this Independent Auditor's Review Report

This report is made solely to the shareholders. Our review work has been undertaken so that we might state to the shareholders those matters we are required to state to them in the Independent Auditor's Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders for our review work, this report, or any of the conclusions we have formed.

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Responsibilities of directors for the condensed consolidated interim financial statements

The directors on behalf of the Group are responsible for:

- the preparation and fair presentation of the condensed consolidated interim financial statements in accordance with NZ IAS 34; and
- For such internal control as directors determine is necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the condensed consolidated interim financial statements

Our responsibility is to express a conclusion on the condensed consolidated interim financial statements based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the condensed consolidated interim financial statements**,** taken as a whole, are not prepared, in all material respects, in accordance with NZ IAS 34.

A review of the condensed consolidated interim financial statements in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements**.**

The engagement partner on the review resulting in this independent auditor’s review report is Lauder Erasmus.

For and on behalf of:

KPMG

Auckland

19 November 2026