PMET Resources Inc. (PMT)

Powered By Lithium, Elevated by Caesium

SPEC BUY A$1.40

Current A$0.74

27th January 2026

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- We initiate coverage of PMET (ASX:PMT / TSX:PMET) with a BUY recommendation and 12-month Price Target of A$1.40/share (C$14/share), corresponding to ~0.60x our valuation and 90% upside to our Price Target.
- PMET Resources is a TSX/ASX listed Canadian based hard-rock lithium explorer and developer, who is advancing the 100% owned Shaakichiuwaanaan Lithium Project in Quebec. The Project is one of the largest undeveloped hard rock lithium projects globally and potentially a top four global producer. Subject to approvals, PMET expects to reach FID late 2027, with commissioning late 2029.
- The Project is emerging as a low-cost strategic asset, hosting three critical minerals: lithium, caesium (extremely rare), and tantalum, at commercially attractive grades. With a 141Mt resource and clear potential for further growth, the project offers meaningful scale and +20 year LOM, all within a favourable mining jurisdiction. We see the long-running and geologically unique TANCO mine in Manitoba as the closest analogue; while TANCO is higher grade, PMET's project differentiates itself through superior scale and metallurgy.
- The discovery of high-grade caesium zones is transformative, materially enhancing both project economics and strategic positioning. Combined with straightforward processing and the inclusion of the nearby higher-grade CV13 deposit, we estimate an AISC of US$410/t, post a US$251/t by-product credit from caesium and tantalum. The CV13 deposit also lifts milled head grade by 7% and increases spodumene output by 25%. In aggregate, these factors deliver a valuation of A$2.45/share.
- The lithium market has turned structurally tight following oversupply, driven by accelerating battery storage demand. Caesium remains a supply constrained market dominated by a single Chinese producer.
- Valuation Risks: 1) Permit timing; 2) Caesium pricing realisation assumptions, and 3) Pricing and currency assumptions.
- Catalysts: 1) Mar Q – ESIA submission; 2) Jun Q – caesium / tantalum metallurgy updates; 3) 1H 2026 – Nova Zone bulk sample application; 4) Dec Q 2026 - Amendment to Feasibility Study, and 5) 1H 2027 – Bulk sample approval expected.

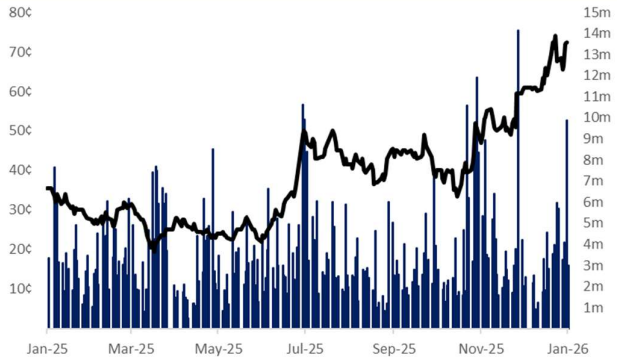
Company Data	ASX / TSX
Number of shares (M)	1637.8 / 163.8
Options (M)	55m / 5.5m
Diluted number of shares (M)	1692.8 / 169.3
Market capitalisation – undiluted (A$M)	$1,211m
Market capitalisation – diluted (A$M)	$1,252m
Net Cash / (Debt) (A$M)	$64M
Enterprise Value – undiluted (A$M)	$1,146
Enterprise Value – diluted (A$M)	$1,186
12-month high/low – ASX	$0.745/$0.19
12-month average daily volume	3,254,007

Substantial Shareholders & Associates	
Volkswagen	9.9%
Albemarle	4.5%

Board of Directors

Non-Executive Chairman – Pierre Boivin
President and Director – Ken Brinsden
Non-Independent Director – Blair Way
Independent Director – Brian Jennings
Independent Director – Melissa Desrochers
Independent Director – Aline Côté

12-Month PMT Share Price (¢, LHS) and Volume (m, RHS)



PMET Resources (PMET)

Share price: C$7.11 A$0.740

Year end 30 March

Target price: C$14.00 A$1.40

	TSX (C$m)	ASX (A$m)		
Basic Shares Outstanding	163.7	1,637.0	ASX CDIs (m)	545.02
FD Shares Outstanding	169.2	1,692.0		
Current FD Market Cap (C$m)	1,203	1,252		
Net Debt	(61)	(66)		
Investments	-	-		
Current FD EV (C$m)	1,142	1,186		

Profit & Loss		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
Sales revenue	C$m	-	-	-	-	-	-	148
Other revenue	C$m	-	-	-	-	-	-	-
Total revenue	C$m	-	-	-	-	-	-	148
Cost of Sales (Ex D&A)	C$m	-	-	-	-	-	-	(152)
Corporates/other	C$m	(20)	(20)	(25)	(25)	(30)	(30)	(30)
EBITDA	C$m	(20)	(20)	(25)	(25)	(30)	(30)	(34)
Depreciation/amortisation	C$m	-	-	-	-	-	-	(19)
Exploration/write-offs	C$m							
EBIT	C$m	(20)	(20)	(25)	(25)	(30)	(30)	(53)
Net interest + Gains/(losses)	C$m	25	3	2	7	23	13	(26)
Tax (expense)/credit	C$m	(12)	-	2	4	31	3	(2)
NPAT	C$m	(6)	(17)	(21)	(14)	24	(14)	(81)
Significant items (after tax)	C$m	-	-	-	-	-	-	-
Minority interest	C$m	-	-	-	-	-	-	-
Reported earnings	C$m	(6)	(17)	(21)	(14)	24	(14)	(81)
Adjusted earnings	C$m	(6)	(17)	(21)	(14)	24	(14)	(81)
EPS (adjusted earnings)	C$ps	(0.04)	(0.10)	(0.12)	(0.06)	0.08	(0.05)	(0.28)
WANOS (Basic)	m	144	163	177	238	284	284	284
Shares on Issue (basic)	m	162	163	191	284	284	284	284
Shares on issue (FD)	m	-	169	196	290	290	290	290

Cashflow		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
Net Income	C$m	(6)	(17)	(21)	(14)	24	(14)	(81)
D&A and Non cash adjustments	C$m	(3)	-	-	-	-	-	19
Changes in WC	C$m	2	-	-	-	-	-	-
Taxes Paid vs Tax Expensed	C$m	-	-	-	-	-	-	-
Other	C$m	-	-	-	-	-	-	-
Operating cashflow	C$m	(7)	(17)	(21)	(14)	24	(14)	(62)
Capital expenditure	C$m	(32)	-	-	(125)	(347)	(561)	(667)
Exploration & Evaluation	C$m	(75)	(30)	(15)	(15)	(15)	(15)	(15)
Acquisitions/Divestments	C$m	-	-	-	-	-	-	-
Other	C$m	-	-	-	-	-	-	-
Investing cashflow	C$m	(107)	(30)	(15)	(140)	(362)	(576)	(682)
Drawdown/(repayment) debt	C$m	-	-	-	-	-	700	350
Equity issues	C$m	148	8	200	700	-	-	-
Dividends paid	C$m	-	-	-	-	-	-	-
Leases & Other	C$m	(6)	-	-	-	-	-	-
Financing cashflow	C$m	142	8	200	700	-	700	350
Free Cash Flow	C$m	(120)	(47)	(36)	(154)	(338)	(590)	(743)
(OCF - capex/expl - leases)								
Net increase/(decrease) in cash	C$m	28	(39)	164	546	(338)	110	(393)

Balance Sheet		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
Cash	C$m	101	62	226	772	434	544	151
PP&E	C$m	69	69	69	194	541	1,102	1,749
Total assets	C$m	367	358	537	1,222	1,246	1,932	2,202
Borrowings	C$m	-	-	-	-	-	700	1,050
Total liabilities	C$m	51	51	51	51	51	751	1,101
Total shareholders equity	C$m	316	307	486	1,172	1,196	1,182	1,101
Net Cash/(Debt)	C$m	101	62	226	772	434	(156)	(899)
EV (end of period)	C$m		1,141	977	431	769	1,359	2,102

Key assumptions		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
CAD FX	C$/US$	1.39	1.39	1.38	1.38	1.38	1.38	1.38
Spodumene price (SC6)	US$/t	913	1,050	1,500	1,500	1,500	1,500	1,500
Tantalum price	US$/lb	79	94	60	60	60	60	60
Caesium Carbonate	US$/kg		160	160	160	160	160	160

Production (koz)		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
Shaakichiuwaanaan								
Tonnes processed	kt	-	-	-	-	-	-	400
Li2O grade	%	0.00%	0.00%	0.00%	0.00%	0.00%	2.00%	1.54%
Tantalum grade	ppm	-	-	-	-	-	160.00	161.50
lithia recovery	%	<<< change	0%	0%	0%	0%	69%	67%
Tantalum recovery	%	0%	0%	0%	0%	0%	50%	50%
Spodumene Conc produced	kt	-	-	-	-	-	-	75
Spodumene conc grade	%	0.0%	0.0%	0.0%	0.0%	0.0%	5.5%	5.5%
Tantalum conc produced	lbs	-	-	-	-	-	-	71,209
Pollucite DSO (Cs2CO3 eqv p	t	-	-	-	-	-	-	-
Pollucite DSO grade	%						10.0%	10.0%
Spodumene Sales	kt	-	-	-	-	-	-	75
Spodumne price realised	US$/t	-	-	-	-	-	1,375	1,375
Cash Costs	US$/t conc							1,470
Caesium + Tant credit	US$/t conc							(57)
Sustaining Capital	US$/t conc							131
AISC (with credits)	US$/t conc							1,544

Ratio analysis		FY25a	FY26e	FY27e	FY28e	FY29e	FY30e	FY31e
P/E	x	-177.8x	-68.2x	-59.6x	-118.8x	83.7x	-144.6x	-25.1x
CFPS	cps	(0.05)	(0.10)	(0.12)	(0.06)	0.08	(0.05)	(0.22)
CFPS growth	%		126%	15%	-50%	-242%	-158%	341%
P/CF	x		-68.2x	-59.6x	-118.8x	83.7x	-144.6x	-32.8x
DPS	cps	-	-	-	-	-	-	1
Dividend Yield	%	0%	0%	0%	0%	0%	0%	1%
EV/EBITDA (NTM)	x	0.00x	-45.63x	-39.08x	-14.37x	-25.63x	-40.01x	
Gearing (ND/[ND+E])	%	24%	17%	32%	40%	27%	-15%	-445%
Return on equity	%	-2%	-6%	-4%	-1%	2%	-1%	-7%

Reserve and Resource

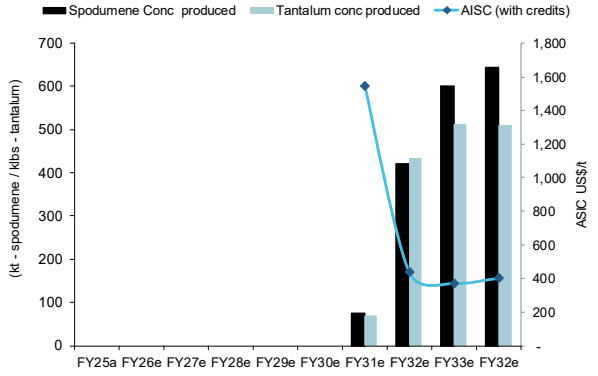
Reserves	Mt	Grade Li2O %	Cs2O %	Metal Tant ppm	Ga ppm	LCE Mt
Open Pit	49	1.12%				1.4
Underground	35	1.45%				1.3
Total: Open pit + Underground	84	1.26%				2.6

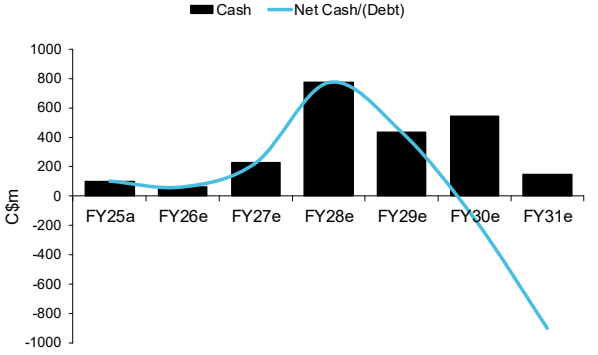
Resources	Mt	Grade Li2O %	Cs2O %	Metal Tant ppm	Ga ppm	LCE Mt
CV5 (M&I&I)	116	1.37%	0.09%	162		3.9
CV13 (M&I&I)	26	1.52%	0.37%	170		1.0
Total resource	141	1.38%	0.13%	163	66	4.8
Key zones						
Rigel zone (in CV13)	0.163	1.78%	10.25%	646	-	
Vega zone (in CV13)	2.228	1.91%	2.45%	228	-	
HG Nova Zone (in CV5)	12.100	2.00%				

EV/Reserve-Resource	US$/t LCE
EV/reserves	314
EV/resources	170

NPV @ 8% DR	C$m	C$/sh	A$/sh		
Shaakichiuwaanaan	3,937	23.27	2.50		
Other	-	-	-		
Caesium value	*1,322*	*7.82*	*0.84*		
Tantalum value	*466*	*2.75*	*0.30*		
Corporate	(311)	(1.84)	(0.20)		
Working Capital	-	-	-		
Debt	-	-	-		
Cash	226	1.34	0.14		
Total NAV	3,852	22.77	2.45	AUDCAD	0.931
FD Shares out		169.2	1,692	CADUSD	1.389
P/NAV		0.31x	0.30x		

Charts





Source: Peloton Capital

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TEAR SHEET

Company Overview

- PMET Resources is a dual listed, Canadian-based, hard-rock lithium developer
- Advancing the 100% owned Shaakichiuwaanaan Lithium Project in James Bay, Quebec
- Three critical minerals: Lithium, Caesium and Tantalum
- FID targeted for late 2027 with commissioning late 2029

Market Data

- **FD Market Cap:** A$1.3bn / C$1.2bn
- **Basic Shares Out** (m) (ASX/TSX): 1,637 / 163.8
- **Dilutive Securities** (m) (ASX/TSX): 55 / 5.5
- **Fully Diluted Shares** (m) (ASX/TSX): 1692.0/ 169.2
- **Market Listings**: ASX: PMT / TSX: PMET
- **Net Cash**: A$66m / C$61m

Investment Thesis

- **Highly strategic**, multi-commodity (lithium, caesium, tantalum)
- **Large scale** (hitting 1Mtpa of spodumene production
- **Long life** (+20 years)
- **Low cost** (due to the caesium and tantalum credits)
- Significant **exploration upside potential**
- **Strong management team with proven track record**
- Project has astonishing mineralogical and processing advantages
- **Compelling value for risks taken** – Significant valuation upside potential and optionality in asset base

Valuation Drivers

- **Commodity prices**: higher lithium, caesium and tantalum prices
- **Permits** and approvals advancing on time
- Confirmation of caesium and tant **met work** and market opportunity
- **CV5** and **CV13** ongoing exploration success
- **Nova Zone** (UG at CV5): early access and found to have HG Caesium
- **CV12** shapes up to be another economic orebody
- Growing contained caesium and tantalum = increased strategic value and appeal
- Successful **CV13** met work

Valuation

NPV @ 8% DR	C$m	C$/sh	A$/sh
Shaakichiuwaanaan	3,937	23.27	2.50
Other	-	-	-
Caesium value	1,322	7.82	0.84
Tantalum value	466	2.75	0.30
Corporate	(311)	(1.84)	(0.20)
Working Capital	-	-	-
Debt	-	-	-
Cash	226	1.34	0.14
Total NAV	**3,852**	**22.77**	**2.45**
FD Shares out (m)		**169.2**	**1,692**

Sensitivities

Spodumene Price (US$/t)	PMET NPV8 (C$m)	A$ per share	C$ per share
1,000	1,316	0.94	7.78
1,250	2,584	1.64	15.27
1,500	3,852	2.45	22.77
1,750	5,120	3.25	30.26
2,000	6,388	4.06	37.76
2,250	7,656	4.86	45.25
2,500	8,924	5.67	52.74

Catalysts & Timing

- **Mar Q 2026 –** Submission of ESIA (kickstarts CV5 mine permitting)
- **Jun Q 2026** – Metallurgy for caesium / tantalum with ongoing updates
- **1H 2026** – Bulk sample application approval
- **Dec Q 2026** - Amendment to Feasibility Study (incorporating CV13)
- **1H 2027** – Authorisation for Nova Zone bulk sample received
- **2H 2027** – Commencement of decline for bulk sample
- **Late 2027** – PMET targeting Mine Authorisation and FID
- **Late 2029** – Project commissioning

Key Assets

1. **The Shaakichiuwaanaan Project (Eeyou Istchee James Bay, Quebec)**
   - Hard rock lithium pegmatite that has lithium, caesium and tantalum
   - Key zones have very high grades of caesium and good tant grades
   - Largest known caesium pegmatite in the world
   - OP + UG operation
   - Key deposits are CV5 and CV13, with CV12 showing promise
   - 5.1Mtpa at a modelled 23-year life with modelled HG 1.36%
   - Peloton est.: Hitting >1mtpa spodumene in initial years
   - Peloton est: AISC of US$410/t conc post caesium + tant credits
   - Peloton est: C$760m in avg mine FCF (first 10 yrs comm prod)
   - Current MRE: 141Mt @ 1.38% Li_2O /
   - Current ORE: 84.3Mt @ 1.26% Li_2O
   - Rigel Caesium zone: 163kt @ 10.25% Cs_2O
   - Vega Caesium zone: 2.2Mt @ 2.45% Cs_2O
2. **Freeman Creek, Idaho project (Cu, Au, Ag)**
3. **Other lithium projects around James Bay**

Valuation Risks

- Primary risk is permitting and approval.
- Mining in and around Lake 001 is seen as a small but not insignificant risk. More a matter of cost
- Logistics will be a challenge but more a matter of cost

Recent News

- Jan 2026 – Assay results: confirm Vega Zone growth, new HG Helios discovery, CV4 update
- Dec 2025 – Assay results across, CV4, CV12, CV13, CV5
- Dec 2025 – Share issuance to VW Group (increased stake to 9.9%)
- Nov 2025 – Feasibility Study published

Source: Peloton Capital, 2026

INVESTMENT SUMMARY

PMET Resources is a Canadian hard-rock lithium explorer / developer advancing the 100% owned Shaakichiuwaanaan ("Shaak") Lithium Project in Quebec, one of the largest undeveloped hard rock lithium pegmatite resources globally and a potential top four global spodumene producer. Shaak is a highly differentiated, long-life, multi-commodity project containing the critical minerals: lithium, caesium and tantalum.

We initiate coverage of PMET with a BUY recommendation and a 12-month Price Target of A$1.40/share (C$14.00/share) based on 0.6x our NAV. Our modelling is based on the mine plan we believe is most likely to eventuate. While subject to regulatory approvals, we view this plan as more reflective of Shaak's intrinsic value and, by extension, PMET's valuation. Our assumed mine plan includes mining the CV5 and CV13 orebodies and processing caesium and tantalum, in contrast to PMET's base case, which contemplates a lithium-only operation focused solely on the CV5 orebody.

The Geology Trifecta: Lithium, Caesium and Tantalum

A large part of Shaak's investment appeal lies in its rarity as a pegmatite camp, distinguished by both diverse mineralisation and relatively simple processing – features uncommon among peers of this scale. The project exhibits a rare geology trifecta where it is not only lithium-rich but also hosts exceptionally high grades of caesium and tantalum. With an Indicated and Inferred Mineral Resource of 141Mt @ 1.38% Li_2O supporting a nominal +20-year LOM, Shaak combines key economic minerals with significant growth potential.

Caesium: Shaak's Key Differentiator and Value Driver

The discovery of high-grade caesium zones is transformative, materially enhancing both project economics and strategic value. Caesium (and tantalum) by-product credits are significant, positioning the project on our estimates in the first quartile of the global hard-rock lithium cost curve. Under our conservative price assumptions, caesium and tantalum contribute 15% of revenue yet account for ~45% of our project valuation, as lithium bears the full capital and operating cost base. Further, the magnitude of the caesium credit is driven by our view of achievable pricing and we present scenario analysis to illustrate the impact to project economics. Economically viable caesium deposits are rare globally, though Canada has precedent, and Shaak's favourable jurisdiction and Western ownership further strengthen its potential as a strategically important global caesium asset.

Simple, Low-cost Processing Pathway

A distinguishing feature of the Shaak orebody is its very coarse-grained crystal size, which enables gravity-based recovery – a simple, low cost and low risk processing method that supports a faster ramp up to steady-state production. While gravity recovery may not increase metallurgical recoveries, it offers a more capital and cost-efficient process to alternative flowsheets. This simplicity applies to both spodumene, caesium and potentially tantalum and is comparable to the Bald Hill mine in Western Australia, where rapid ramp-up and stable recoveries were achieved.

TANCO: A Textbook Example of LCT pegmatite

We see the long-running and geologically unique TANCO mine in Manitoba as the closest analogue to Shaak. While the TANCO mine is high-grade, Shaak differentiates itself through superior scale and strong metallurgical performance. The TANCO mine is often regarded as a prime example of a true LCT-pegmatite; that is, a pegmatite that is highly evolved, highly fractionated, and containing economic grades of lithium, caesium and tantalum as well as other elements such as tin and rubidium. Its geological uniqueness has made it a benchmark in the global pegmatite sector. PMET's Shaak Project shows similar potential, with contained pollucite (caesium) resources already exceeding TANCO's estimated pre-production levels, underscoring both its geological complexity and strategic significance.

Multiple Potential Funding Pathways

Supported by a proven board and management team, we expect PMET to actively pursue multiple funding pathways to advance Shaak. The Company is progressing offtake and strategic partnership discussions across the supply chain. This is highlighted by Volkswagen Group's initial ~C$69M strategic investment for ~9.5% equity and an offtake agreement covering 100ktpa of SC5.5 production over a 10-year term. In December 2025, Volkswagen Group increased its equity stake to 9.9% via a share issuance.

Favourable Commodity Markets

The lithium market has turned structurally tight following oversupply, driven by accelerating battery storage demand. Caesium remains a supply constrained, strategically important specialty metal, dominated by a single Chinese producer. Tantalum, though a small market, benefits from stable demand due to its unique properties and limited supply.

Catalysts

- **March Q 2026** – Submission of ESIA (kickstart of CV5 mine permitting process)
- **June Q 2026** – Metallurgy update for caesium / tantalum with ongoing updates as work completed
- **1H 2026** – Nova Zone bulk sample application approval expected (i.e. bypassing ESIA with shorter approval path)
- **December Q 2026** – Amendment to Feasibility Study (incorporating CV13 data)
- **1H 2027** – Authorisation for Nova Zone bulk sample received
- **2H 2027** – Commencement of decline to extract bulk sample (targeting 250 vertical metres depth)
- **Late 2027** – PMET targeting Mine Authorisation + FID
- **Late 2029** – Project commissioning

VALUATION

Our valuation for PMET is C$3,852m, corresponding to A$2.45 per ASX listed share or C$22.77 per TSX share. This is underpinned by a ~23 year mine life for Shaak producing up to 1Mtpa of spodumene, ~7ktpa caesium oxide concentrate (pollucite) and ~800klbs per annum of tantalum concentrate.

Supporting our valuation is a different mine plan assumption compared to PMET's Feasibility Study, published in November 2025. Our mine plan incorporates the extraction of caesium and tantalum as well as the mining of the CV13 orebody in addition to the CV5 lithium only plan, adopted by the Feasibility Study.

Caesium, tantalum and the CV13 orebody are likely to become a more prominent part of the PMET story as studies are advanced by the Company. As disclosed by PMET, there are various work streams occurring in parallel at present that seek to enhance the value of the Shaak project. We attempt to assign value to some of these work streams, based on the information currently available, enabling investors to fully appreciate the potential value inherent within PMET today.

The work streams being progressed, and hence optimisation opportunities, include:

1. CV13 - Given its high-grade mineralisation, it's a high priority to bring online **– value ascribed in Peloton valuation**
2. Caesium commercialisation within the CV13 orebody **– value ascribed in Peloton valuation**
3. Tantalum commercialisation across the CV5 and CV13 orebodies **– value ascribed in Peloton valuation**
4. Nova Zone improved understanding **– value ascribed in Peloton valuation**
5. Exploration upside potential
6. CV5 open pit and underground optimisation

Inclusion of CV13, and the caesium that comes within it, as well as the tantalum product stream from both CV5 and CV13 sees a material uplift in the valuation of the Shaak project compared to the Feasibility Study. On a like-for-like basis, adopting the same pricing assumptions as the Feasibility Study, our valuation for the Shaak project increases by 86% to C$2,965m compared to the Feasibility Study valuation of C$1,594m. Using our own pricing assumptions, our valuation for Shaak increases to C$4,051m or 154% higher than Feasibility Study valuation.

Our caesium valuation is C$1.3bn and our tantalum valuation is C$0.5bn, and both represent 44% of our project valuation. Given the minimal cost to extract and sell small tonnes of caesium, our caesium valuation is derived by the net present value of future revenues. We take the same approach for our tantalum valuation, despite a small processing cost. Mining of the CV13 orebody, which is less than 3km from CV5, increases mined spodumene tonnes by ~25%, and increases the overall lithium grade, over the LOM which also adds substantial value to the project.

Figure 1 – PMET valuation

NPV @ 8% DR	C$m	C$/sh	A$/sh
Shaakichiuwaanaan	3,937	23.27	2.50
Other	-	-	-
Caesium value	*1,322*	*7.82*	*0.84*
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FD Shares out		**169.2**	**1,692**

Source: Peloton Capital

Assuming spot commodity and currency assumptions as of 20 January 2026, of US$2,175/t FOB for spodumene, US$221/kg for 99% caesium carbonate and US$108/lb for tantalum concentrate with USDCAD currency of 1.3837 our valuation increases to C$8.1bn, ~100% higher than our base case valuation.

Figure 2 – PMET Valuation at Spot Prices

NPV @ 8% DR	C$m	C$/sh	A$/sh
Shaakichiuwaanaan	8,046	47.55	5.11
Other	-	-	-
Caesium value	*1,832*	*10.82*	*1.16*
Tantalum value	*841*	*4.97*	*0.53*
Corporate	(311)	(1.84)	(0.20)
Working Capital	-	-	-
Debt	-	-	-
Cash	226	1.34	0.14
Total NAV	**7,961**	**47.05**	**5.06**
FD Shares out		**169.2**	**1,692**

Source: Peloton Capital

Upside risks to our valuation

In our opinion, significant upside potential exists from our stated valuation. Key valuation assumptions are discussed in the next section of this report. We do not incorporate mine life extensions nor further caesium production beyond the Rigel Zone or potential future discoveries.

Potential upside risks to our valuation:

1. **Extensions to CV5 or CV13**. Both deposits are known to be open. PMET in its December 2025 and January 2026 exploration updates extended the strike length of both deposits.
2. **Mining the Vega Zone for caesium**. The orebody has one quarter the grade of Rigel at ~2.5% but contains more than three times the contained metal and is growing.
3. **Potential caesium at the Nova**. There are indications this 12.1Mt @ 2% Li_2O zone within CV5 could host caesium.
4. **CV12.** This pegmatite appears to host its own high-grade caesium zone as well as a high-grade lithium zone. PMET sees reminiscences of the Nova Zone.
5. **Other pegmatite discoveries**. There are six identified pegmatites beyond, CV5, CV13 and CV12.
6. **Engineering optimisations** to improve project economics
7. **Caesium chemicals.** Potential for value-added chemicals to be produced in addition to selling high-value ore
8. **Our PMET valuation includes the Shaak Project only**. PMET has other projects that we ascribe no value towards, including other lithium projects within the James Bay region as well as a copper/gold project in Idaho, U.S.A..

Downside risks to our valuation

In our opinion, the biggest downside risks to our valuation are:

1. **Permit timing.** Delays to the CV5 Mine Authorisation and approvals to mine CV13, which follows CV5 authorisation.
2. **Caesium pricing realisation assumptions**. PMET continues to advance commercial discussions with customers
3. **Broader pricing and currency assumptions**. PMET's valuation is most leveraged to the lithium price
4. **Underground mining at CV5.** Risk to productivity given mining lithium underground is not common globally like it is for other metals e.g. gold and copper.
5. **Water management.** Potential for lake water management around CV5 to cost more than projected. Currently ~20% of total LOM capex is allocated to water management.
6. **Transportation.** Substantial journey length from mine to port, may see higher costs. Currently, ~30% of Shaak's operating cost is allocated to transport.

Other projects in the PMET portfolio

PMET has other projects in Northern Quebec and the US. While promising, we currently ascribe zero value to them and therefore represents upside risk to our valuation. Other projects in the portfolio include:

- **Projects in James Bay Region**
  - Project Pontax (Li, Ta, Au) – a large land position in an underexplored area of the Pontax Greenstone Belt. Initial drilling suggests lithium pegmatite occurrences.
  - Project Eastmain (Li) - Strategically located along geological trend and proximal to the James Bay (Cyr) Deposit. Initial drilling suggests a high-grade lithium pegmatite boulder (2.15% Li_2O) and high-grade tantalum pegmatite boulder (436 ppm Ta_2O_5) exist.
  - Project Lac du Beryl (Li, Ta) - Numerous pegmatite occurrences confirmed on the Property.
  - Project Pontois (Li, Au) - Located 10.5 km west of the Shaakichiuwaanaan Project. Covers ~8.3 km of highly prospective lithium pegmatite trend, which is host to the same regional rock suite as the CV Lithium Trend on the Shaakichiuwaanaan Project.
- **Freeman Creek, Idaho USA (Cu, Au, Ag)** – The Gold Dyke Prospect is an extensive 800m by 700m gold soil anomaly.

Figure 3 – Mine Plan – first 11 years

30 March - Financial Year end		FY27	FY28	FY29	FY30	Year 1 FY31	Year 2 FY32	Year 3 FY33	Year 4 FY34	Year 5 FY35	Year 6 FY36	Year 7 FY37	Year 8 FY38	Year 9 FY39	Year 10 FY40	Year 11 FY41
CAD FX	C$/US$				1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38	1.38
Spodumene price (SC6)	US$/t				1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Caesium Carbonate (Cs2CO3 >99%)	US$/kg				160	160	160	160	160	160	160	160	160	160	160	160
Tantalum price	US$/lb				60	60	60	60	60	60	60	60	60	60	60	60
OP Tonnes mined	kt				0	400	1,505	1,205	806	2,206	3,106	3,106	3,357	4,107	4,107	4,108
UG Tonnes mined	kt				50	400	800	1,300	1,800	2,000	2,000	2,000	1,750	1,000	1,000	1,000
Throughput	**kt**				**0**	**400**	**2,305**	**2,600**	**2,700**	**4,467**	**5,106**	**5,106**	**5,107**	**5,107**	**5,107**	**5,108**
Lithium grade	%				2.00%	1.54%	1.51%	1.87%	1.91%	1.86%	1.73%	1.65%	1.57%	1.34%	1.29%	1.25%
Caesium grade	%				10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Tantalum grade	ppm				160	162	171	179	172	180	177	164	165	165	165	165
Lithium recovery	%				69%	67%	67%	68%	69%	69%	69%	69%	70%	69%	69%	69%
Tantalum recovery	%				50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%	50%
Spodumene Conc produced	**kt**				**0**	**75**	**422**	**601**	**644**	**1,041**	**1,107**	**1,057**	**1,016**	**863**	**821**	**805**
Tantalum conc produced	lbs				0	71,209	434,310	511,883	511,294	885,190	995,329	924,979	926,018	928,723	928,954	929,199
Pollucite DSO produced	t					0	5,000	5,250	5,510	5,790	6,080	6,380	6,700	7,040	7,390	7,760
Pollucite DSO (Cs2CO3 eqv prod)	t					0	578	607	637	669	703	738	775	814	854	897
Pollucite DSO grade	%					10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
Spodumene Sales	kt				0	75	422	601	644	1,041	1,107	1,057	1,016	863	821	805
Spodumene price realised	US$/t				1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375	1,375
Lithium revenue	C$m				0	142	800	1,139	1,221	1,975	2,101	2,006	1,927	1,637	1,558	1,527
Caesium revenue	C$m				0	0	144	151	158	166	175	183	192	202	212	223
Tantalum revenue	C$m				0	6	36	42	42	73	82	77	77	77	77	77
Cash Costs (with royalties ex credits)	C$/t conc				0	2,029	944	763	793	690	700	719	720	739	762	771
Cash Costs (with royalties ex credits)	C$m				0	152	398	458	510	718	775	760	732	638	626	620
Mine EBITDA	**C$m**				**0**	**-4**	**582**	**874**	**911**	**1,496**	**1,583**	**1,506**	**1,464**	**1,278**	**1,221**	**1,207**
Taxes	C$m	2	4	31	3	-2	165	-175	-194	-350	-394	-375	-366	-319	-305	-301
less: Growth capital	C$m	0	125	347	545	650	250	200	150	0	0	0	0	0	0	0
less: Sustaining capital & Rehab	C$m	0	0	0	16	17	39	46	51	74	85	85	83	77	77	77
Mine Free Cash Flow	**C$m**	**2**	**-121**	**-316**	**-558**	**-673**	**458**	**453**	**516**	**1,073**	**1,103**	**1,045**	**1,015**	**882**	**839**	**828**
Cash costs	US$/t conc					1,470	684	553	575	500	507	521	522	536	552	558
Caesium + Tant credit	US$/t conc					-57	-308	-233	-226	-167	-168	-178	-192	-234	-255	-270
Sustaining Capital	US$/t conc					131	62	52	54	49	54	56	57	62	65	67
AISC (with credits)	**US$/t conc**					**1,544**	**438**	**372**	**403**	**382**	**393**	**399**	**387**	**364**	**363**	**355**

Source: Peloton Capital

MODELLING ASSUMPTIONS

We outline our modelling assumptions and how they compare to the current base plan as articulated by PMET in its November 2025 Feasibility Study. We also provide sensitivity analysis to our key assumptions and where we see potential upside.

Our modelling assumptions are based on an extension of the current mine plan that we believe will ultimately transpire. While subject to approvals, we believe this more closely reflects the value of the Shaak Project and therefore PMET. Our mine plan incorporates the addition of mining the CV13 orebody and processing of caesium and tantalum. This compares to PMET's base case which includes a lithium-only operation mining the CV5 orebody alone.

Our mine plan assumes the following permitting approvals pathway:

- PMET obtains Mine Authorisation (for CV5), and subsequent FID, six months later than anticipated, resulting in approvals being obtained 2Q 2028 vs PMET target of late 2027
- Assuming construction commences mid-2028, and the build takes a full two years, this corresponds to commissioning mid-2030 (vs PMET target of late 2029) and commercial production early 2031.
- We assume PMET successfully applies to extract a 50kt bulk sample from the high-grade underground Nova Zone (12.1Mt at 2% Li_2O) at CV5 in 1H 2026 and receives approval to extract the sample 1H 2027, without the need for an ESIA. This allows early access to the Nova Zone through a decline once Mine Authorisation is achieved and construction commences. This zone contains ~34% of the current underground reserve tonnes and just under half of the underground lithium units. Accessing the zone early improves the project economics and payback. PMET currently assumes no early access to the Nova Zone, with portal and decline construction to the broader CV5 underground commencing late 2028. That is, no direct targeting of the high-grade Nova Zone is in PMET's current mine plan.
- We assume amendments to the Mine Authorisation are applied for following CV5 Mine Authorisation approval (2Q 2028). This allows access to the higher grade CV13 orebody.
- Subject to amendments being received within 18 months of submission (late 2029/early 2030), receipt of CV13 approvals enables access to this orebody early 2031.

Below, we outline what we believe PMET's mine plan could be with the incorporation of the CV13 orebody into a broader mine plan. As a result, we assume an additional 17.15Mt of Li_2O is realised compared to PMETs Feasibility Study. The CV13 orebody not only has higher grades of open-pitable lithium but also contains two rich caesium zones, Rigel and Vega. Furthermore, mining CV13 also allows us to incorporate the production of tantalum from both CV5 and CV13, given it is economic, subject to further studies.

In addition, we see the potential for a much larger open pit operation being fed by a smaller underground mine initially with the high-grade Nova Zone within CV5 being the primary initial source of underground ore.

More specifically, **our combined CV5 and CV13 mine plan assumes the following**:

- Mining of the Nova Zone first and from the beginning, with the balance of the CV5 underground mined post Nova depletion;
- Nova is supplemented by open pit mining at CV5 until open pit access to CV13 is gained;
- Open pit mining of CV13 till depletion, corresponding to an 11-year LOM (adjusting for a resource to reserve conversion);
- Open pit mining of CV5 orebody, based on current reserve estimates. CV5 provides the base load feed for the LOM.
- Independent mining of the Rigel orebody for caesium at 5,000 tonnes per annum initially and then growing, until depletion.

Figure 4 – Mining inventory

Ore Source	Total mined tonnes	Li_2O grade (%)
CV5 Open pit	49.2Mt	1.12
CV5 Underground (ex-Nova Zone)	23.0Mt	1.16
CV13 Open pit (ex Rigel Zone)	17.0Mt	1.57
Nova Zone (at CV5 underground)	12.1Mt	2.00
Rigel Zone (within CV13 open pit)	147kt	10.0% Cs_2O – No lithium is assumed extracted

Source: Peloton Capital

Operating cost assumptions:

- **Open pit** mining costs of C$31/t ore mined, 10% higher than PMET Feasibility Study;
- **Underground** mining costs of C$97.51/t ore mined, 20% higher than PMET Feasibility Study to account for elevated mining risks;
- **Processing** costs of C$16.48/t, 15% higher than PMET Feasibility Study to account for tantalum processing;
- **Royalty** of 2% NSR, in line with PMET Feasibility Study, and
- **Transport** costs of C$260/t, 20% higher than the PMET Feasibility Study given the length of the route and accounting for tantalum transport.

Capital cost assumptions:

- **Sustaining capex:**
  - Open pit: C$13/t ore mined, 20% higher than PMET Feasibility Study;
  - Underground: C$21/t ore mined, corresponding to ~20% of the underground mining cost and double PMET Feasibility Study;
- **Growth capex**
  - Assumed at C$2,267M, 15% higher than PMET Feasibility Study to account for:
    - Tantalum circuit;
    - Pre-strip for the caesium mining at Rigel Zone, and
    - Inflationary pressures.

Caesium Assumptions

Caesium production

We assume an initial 5ktpa is mined from the Rigel Zone as a small open pit and sold as DSO material. We assume production commences in 2031 following approval to mine in 2030. We assume volumes grow at 6% CAGR until the orebody is depleted.

We assume an initial 5ktpa as it is equivalent to 578t of caesium carbonate. The ratio is 1 tonne of caesium oxide (Cs_2O) is equivalent to 1.156 tonnes of caesium carbonate. At 578t of caesium carbonate, this corresponds to ~20-25% of the global market.

Given the ore in-situ grades 10.25% Cs_2O, we assume 10% DSO material is sold. With the ore of very high value, we assume 90% of the resource is extracted. The orebody is shallow and flat lying and as the tonnages are small, we feel selective open pit mining is achievable.

The additional cost to selectively extract caesium ore is assumed almost negligible and absorbed into our 10% higher open pit cost assumption compared to the Feasibility Study.

For the purposes of our base case, we model only the extraction of the Rigel caesium zone. This enables a mine life of 19 years.

Caesium pricing

As at January 2026, the price of Caesium carbonate (>99% purity) is US$221/kg according to Shanghai Metal Market.

Commensurate with the additional supply being added, we model a 'benchmark' caesium carbonate price much lower than the spot price. Assuming the supply being added is almost 20-25% of the current known annual supply and demand, we model a ~27% lower price at US$160/kg.

Given PMET would be selling pollucite ore, which is a caesium oxide compound like spodumene and not a carbonate, the challenge becomes what is an appropriate price to receive for the high-grade oxide ore versus the caesium carbonate price.

In our view, there are four possible price scenarios:

- **Scenario 1:** Pricing is based on the observed relationship between spodumene concentrate and lithium carbonate. Because lithium and caesium are both alkali metals and their respective minerals are co-located within similar ore systems, this comparison provides a reasonable and transparent benchmark. Applying the same methodology suggests a pollucite to caesium carbonate ratio of ~8.0%. Over

the past year, the average ratio of the China landed SC6 spodumene prices to China 99.2% lithium carbonate prices was 8.24%. Looking further back to the start of the China spot spodumene series, the long-term ratio averages 7.81%, albeit with notable variability.

- **Scenario 2**: **(Base Case)** Taking the above long-term ratio between the China spodumene SC6 price and the China lithium carbonate price (99.2%) and adjusting for the pollucite DSO grade being 10% rather than 6%, implies a price realisation of +13% of the caesium carbonate price.
- **Scenario 3**: Pricing based off the grade of the DSO which is 10% Cs_2O. This implies a price realisation of 10% to the caesium carbonate price.
- **Scenario 4**: While the DSO produced grades 10%, the equivalent caesium carbonate grade is 11.56% (10% x 1.156). Thus, a price realisation to the caesium carbonate price of 11.56% could be used.

The below pricing scenarios highlight the revenue uplift achievable. In our modelling, we opt for a conservative Option 2.

Figure 5 – Caesium price assumption scenarios

Option	Price Realisation as % of Cs_2CO_3	Rationale	C$ NPV of Caesium revenue stream (to FY27)	% of NPV
1	8.0%	Ratio of Spodumene (6%) to Lithium Carbonate (99.2%)	C$814m	
2	10.0%	Based on grade of DSO	C$1,017m	
3	11.56%	Based on Caesium Carbonate equivalent grade of DSO	C$1,176m	
4 (Base Case)	**13.0%**	**LT Spodumene (6%) to Lithium Carbonate (99.2%) adjusted for DSO grade material**	**C$1,322m**	**C$7.82 or 34% of asset NPV**

Source: Peloton Capital

Processing of Pollucite Ores

PMET does have the option to process the pollucite and potentially upgrade it to 20% concentrate, however we see limited benefit in doing this.

While processing of pollucite ore may not be required for the Rigel Zone, it is likely to become necessary for the Vega Zone, where grades average 2.45% Cs_2O. Even so, the coarse nature of the Vega Zone ore means that upgrading to a +10% concentrate should be relatively straightforward. Modest crushing followed by low-cost ore sorting or gravity concentration is expected to be sufficient, particularly given the relatively low throughput volumes.

Were caesium to be identified in the main parts of the CV5 orebody as in the CV13 deposit, PMET may choose to extract it and produce some form of caesium formate product for the Oil & Gas industry. Subject to feasibility, this is likely to attract higher pricing and therefore represents valuation upside risk potential.

Caesium Revenue and Valuation Impact

Given the negligible mining cost to extract the caesium from the Rigel Zone, combined with zero processing cost, the revenue generated from selling the pollucite as DSO material, is substantial. On our base case assumption, 5,000t of pollucite ore extracted in year one and being sold at 13.0% of the caesium carbonate price modelled of US$160/kg and extracting 90% of the ore in the Rigel Zone only, results in the following:

- **LOM revenue** of C$4,210m or US$3,051m (assuming a 1.38 FX rate), which is 11% of total revenue;
- **NPV8 of the caesium revenue** till the start of FY27 is C$1,322m or C$7.82ps, which is 34% of the asset NPV of C$23.27.

Tantalum Assumptions

Processing of Tantalum ore

Tantalum is present across the CV13 and CV5 deposits (open pit and underground). We model the extraction of tantalum from all the orebodies except that contained within the Rigel Zone.

Selling tantalum concentrate is a much more well understood and a simpler proposition than selling caesium ore. There is an active market for concentrate and management have experience selling tantalum in their prior roles. As a reminder the CEO, Ken Brinsden, was also Managing Director of Pilbara Minerals (ASX:PLS, not rated).

We believe PMET is likely to install a gravity circuit to allow production of 30% tantalum concentrate as part of its product suite. As discussed later in this report, subject to further testing, the ore should be amendable to gravity concentration given little to no known uranium and thorium in the concentrate. Tantalum grades at Shaak are 162ppm at CV5 and 176ppm at CV13. By comparison, Pilgangoora's grade is currently 111ppm and their concentrate does not exceed 5%, limited by the presence of uranium and thorium.

We assume a 50% recovery rate.

Tantalum Revenue and Valuation Impact

Unlike caesium, there is a processing cost to extract tantalum, albeit modest. We value tantalum as a revenue stream in our modelling assumptions

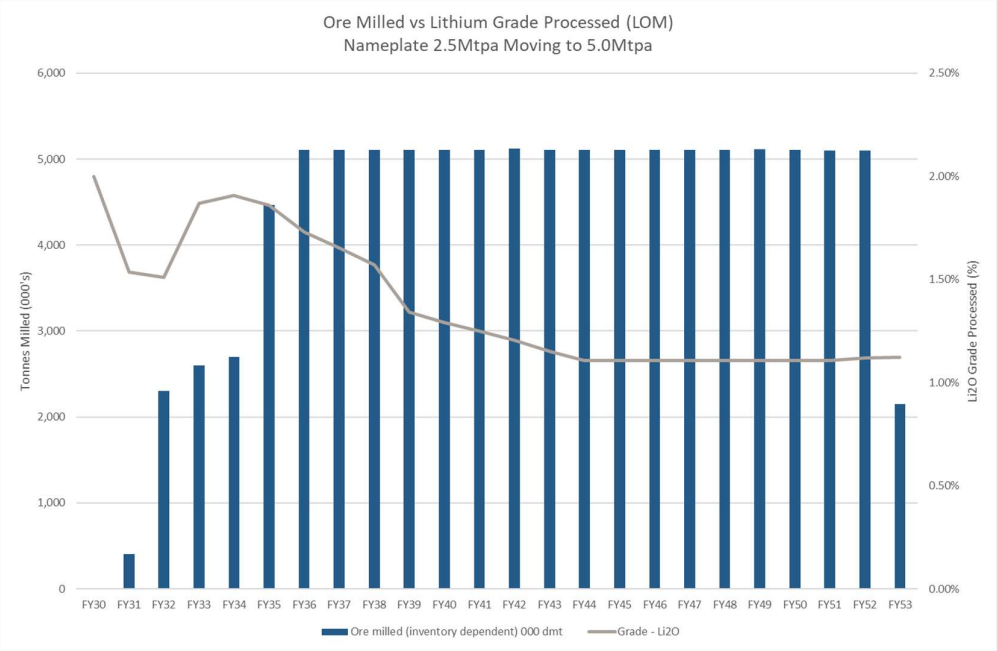
We assume a conservative price of US$60/lb for 30% tantalum concentrate is achieved LOM compared to a spot price of ~US$108/lb CIF China, according to Shanghai Metals Market (20 January 2026).

On our base case assumption, mining to the grade profile of the mine plan, results in the following:

- **LOM revenue** of C$1,533m or US$1,111m (assuming a 1.38 FX rate), which is 4% of total revenue
- **NPV8 of the tantalum revenue** till the start of FY27, is C$466m or C$2.75ps, which is 12% of the asset NPV of C$23.27 till the start of FY27

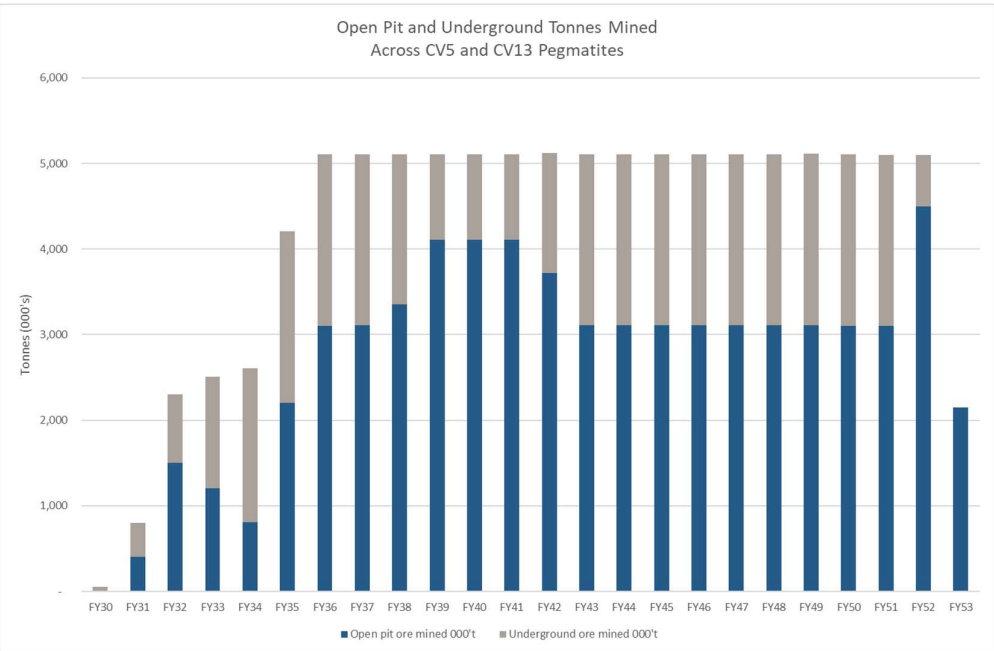
Shaak Project LOM Profiles

Figure 6 – Ore Milled vs Lithium Milled Grade



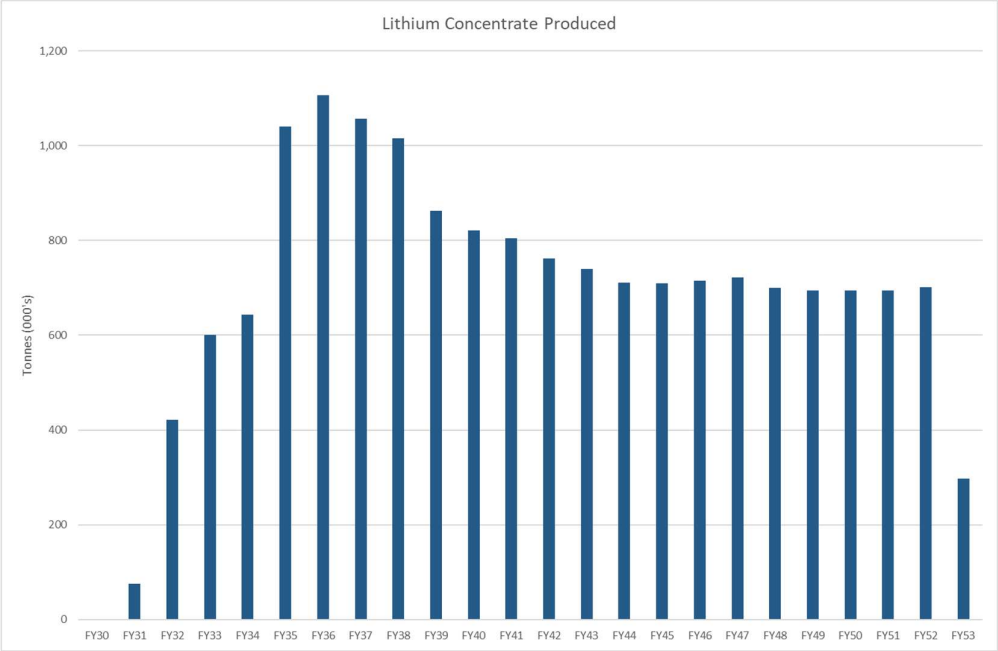
Source: Peloton Capital

Figure 7 – Open pit and Underground Ore Sources Mined



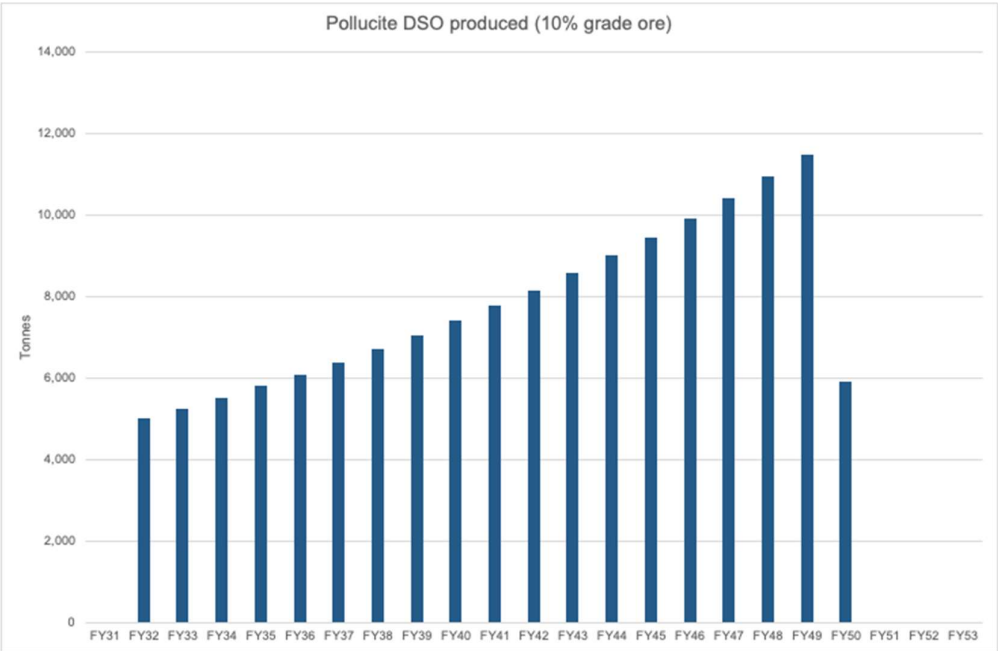
Source: Peloton Capital

Figure 8 - Lithium (Spodumene) Production Profile



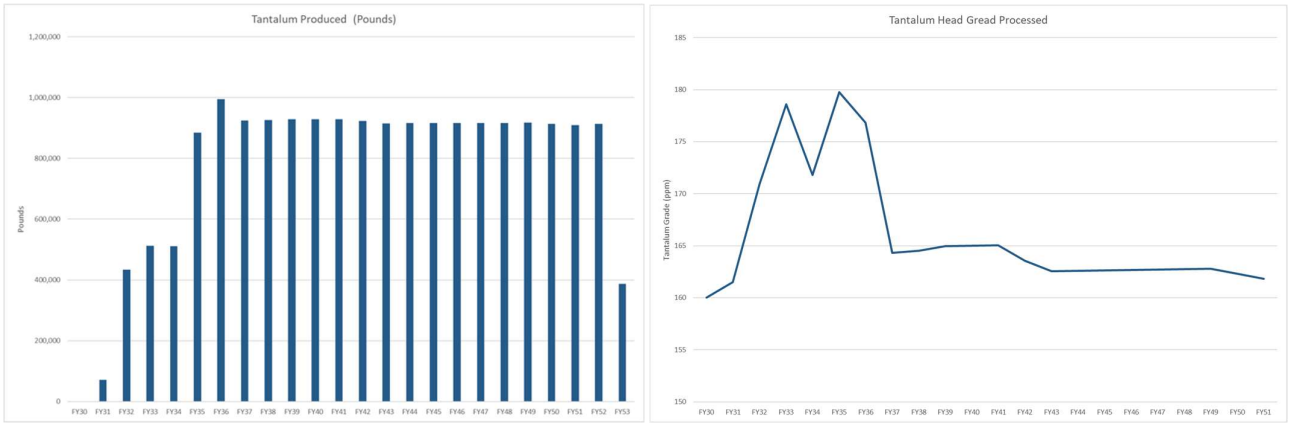
Source: Peloton Capital

Figure 9 – Caesium (Pollucite) Production Profile



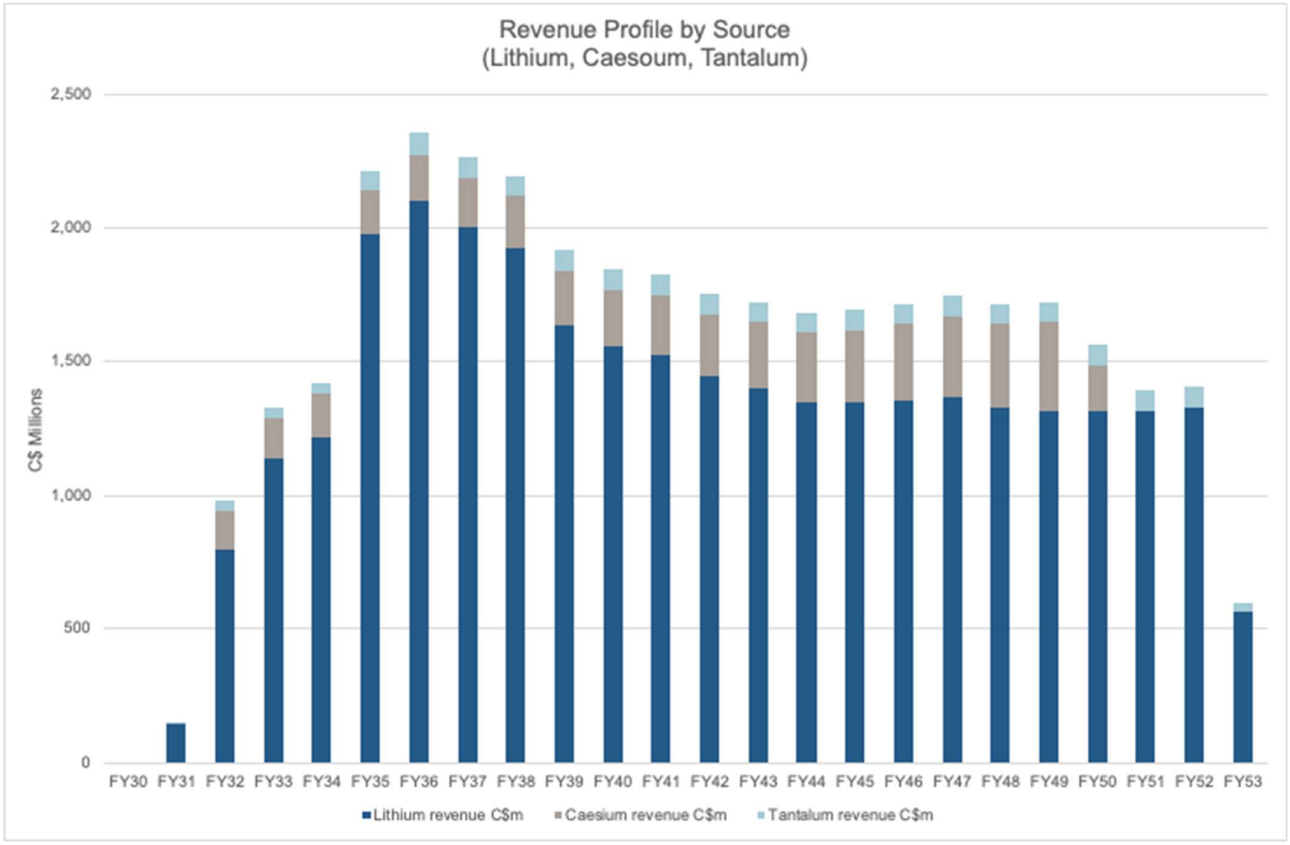
Source: Peloton Capital

Figure 10 - Tantalum Produced & Tantalum Head Grade Profile



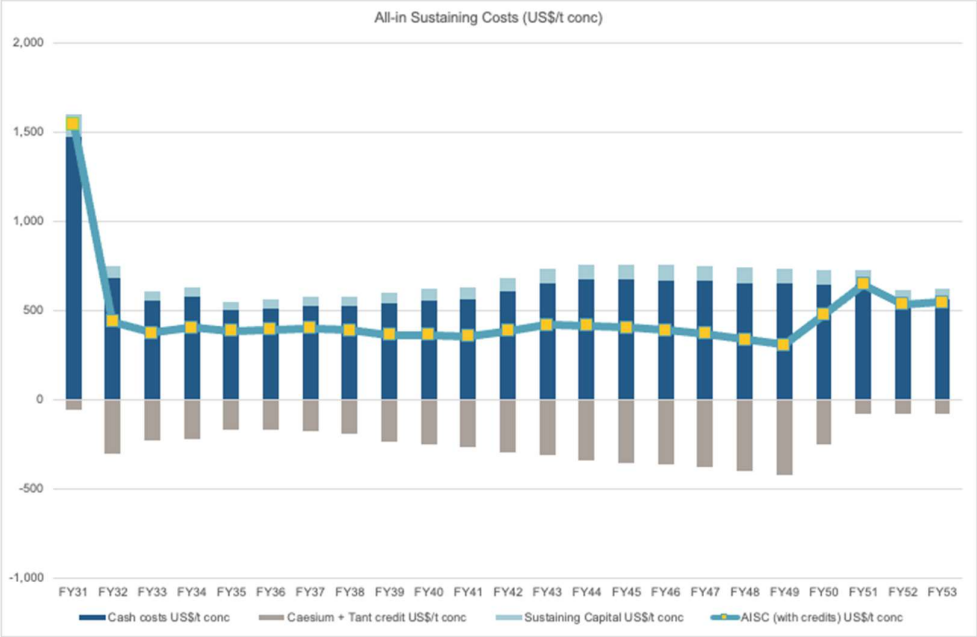
Source: Peloton Capital

Figure 11 - Revenue Profile by Commodity Source



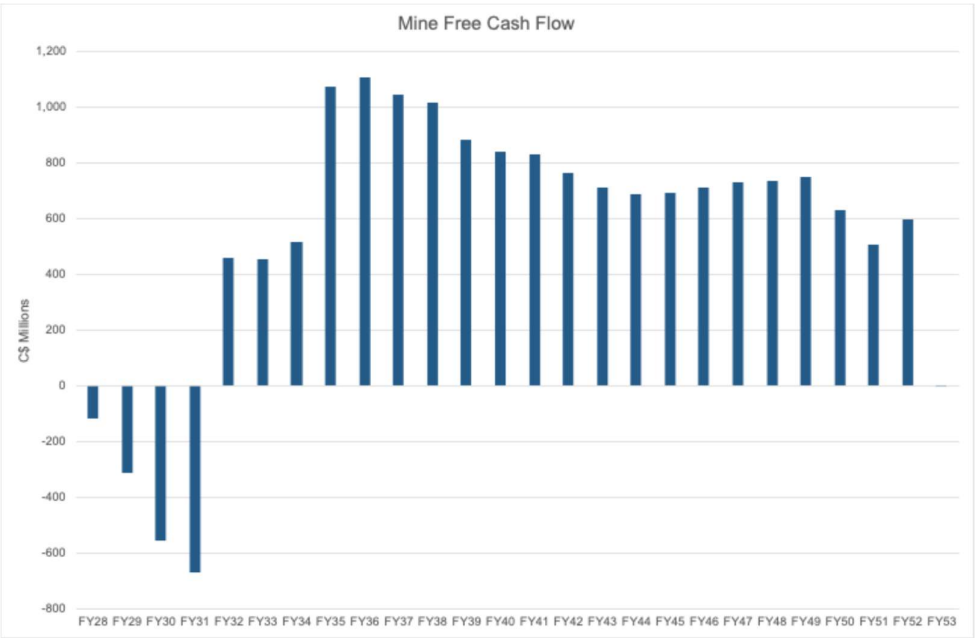
Source: Peloton Capital

Figure 12 – All-in Sustaining Costs (US$/t conc)



Source: Peloton Capital

Figure 13 - Mine Free Cash Flow Profile



Source: Peloton Capital

Figure 14 – LOM assumptions

	Peloton Capital assumptions	PMET Feasibility Study (November 2025)
Ore Sources	CV5 and CV13	CV5
LOM (years)	23 years	~20 years
Plant Throughput (Mtpa)	5.1	5.1
Mining Inventory (Mt)	101.5	84.3
Lithium Head Grade (% Li_2O)	1.35%	1.26%
Caesium Grade (% Cs_2O)	10%	n/a
Tantalum Head Grade (ppm Ta_2O_5)	166	n/a
Average Lithium Recovery (%)	68.65%	68.83%
Lithium Production LOM (kt)	16,593	13,255
Average Lithium Production (kt)	721	663
Average Caesium Production (kt)	7.0	n/a
Average Tantalum Production (klbs)	804	n/a
Peak Lithium Production (kt)	1,107	802
Peak Caesium Production (kt)	11.5	n/a
Peak Tantalum Production (klbs)	995	n/a
Operating costs with royalties (C$m)	13,020	10,059
Sustaining capital (C$m)	1,571	936
Total Operating Costs (with Roy) (US$/t conc prod)	593	566
By-product Credits (US$/t conc prod)	-251	n/a
Sustaining capital (C$/t conc prod)	69	53
ASIC with credits (US$/t conc prod)	411	619
Build + Growth Capex (C$m)	2267	1978
Lithium Price (SC6 US$/t)	1,500	1,332
Caesium Price (US$/kg >99% Cs_2CO_3)	160	n/a
Tantalum Price (US$/lb >30% conc)	60	n/a
USD/CAD	1.38	1.34
LOM Cash Flow – PMET FS Price Assumptions	C$10,693m	C$5,418m
LOM Cash Flow – Peloton Price Assumptions	C$14,032m	C$8,939m
NPV8 (post tax) – PMET FS Price Assumptions	C$2,851m (+79% vs PMET FS)	C$1,594m
NPV8 (post tax) – Peloton Price Assumptions	C$3,937m (+44% vs PMET FS)	C$2,725m
IRR (after tax) – PMET Feas Assumptions	26%	18%
IRR (after tax) – Peloton Assumptions	31%	26%

Source: Peloton Capital, PMET

PROJECT SENSITIVITIES

- All valuation metrics presented incorporate the current fully diluted share count and correspond to a 12-month forward NPV (FY27), in line with our Price Target methodology.
- A currency assumption of AUD/CAD = 0.93 is used for all valuation conversions presented below.

Figure 15 - PMET valuation sensitivity to spodumene price

Spodumene Price SC6 (US$/t)	PMET NPV8 (C$m)	A$ per share	C$ per share
1,000	1,316	0.84	7.78
1,250	2,584	1.64	15.27
1,500	3,852	2.45	22.77
1,750	5,120	3.25	30.26
2,000	6,388	4.06	37.76
2,250	7,656	4.86	45.25
2,500	8,924	5.67	52.74

Source: Peloton Capital

Figure 16 – PMET valuation sensitivity to caesium price

Caesium Price (US$/kg 99%)	PMET NPV8 (C$m)	A$ per share	C$ per share
100	3,484	2.21	20.59
120	3,607	2.29	21.32
140	3,730	2.37	22.04
160	3,852	2.45	22.77
180	3,975	2.52	23.49
200	4,097	2.60	24.22
220	4,220	2.68	24.94

Source: Peloton Capital

Figure 17 – Caesium valuation sensitivity to caesium price

Caesium Price (US$/kg 99%)	NPV8 Caesium (C$m)	A$ per share	C$ per share
100	827	0.52	4.88
120	992	0.63	5.86
140	1,157	0.73	6.84
160	1,322	0.84	7.82
180	1,488	0.94	8.79
200	1,653	1.05	9.77
220	1,818	1.15	10.75

Source: Peloton Capital

Figure 18 – PMET valuation sensitivity to tantalum price

Tantalum Price (US$/lb)	PMET NPV8 (C$m)	A$ per share	C$ per share
25	3,651	2.32	21.58
50	3,795	2.41	22.43
60	3,852	2.45	22.77
75	3,939	2.50	23.28
100	4,082	2.59	24.13
125	4,226	2.68	24.98

Source: Peloton Capital

Figure 19 - Tantalum valuation sensitivity to tantalum price

Tantalum Price (US$/lb)	NPV Tantalum (C$m)	A$ per share	C$ per share
25	194	0.12	1.15
50	388	0.25	2.29
60	466	0.30	2.75
75	582	0.37	3.44
100	777	0.49	4.59
125	971	0.62	5.74

Source: Peloton Capital

Figure 20 – PMET valuation sensitivity to USD/CAD currency assumptions

USD/CAD FX	PMET NPV8 (C$m)	A$ per share	C$ per share
-10% / 1.24	2,959	1.88	17.49
-5% / 1.31	3,405	2.16	20.13
1.38	3,852	2.45	22.77
+5% / 1.45	4,299	2.73	25.41
+10% / 1.52	4,746	3.01	28.05

Source: Peloton Capital

Figure 21 – Project valuation sensitivity to spodumene recovery

Spodumene Recovery (%)	Project NPV8 (C$m)	Delta
-2% reduction	3,747	-4.8%
-1% reduction	3,842	-2.4%
68.65%	3,937	0
+1% improvement	4,033	2.4%
+2% improvement	4,128	4.8%

Source: Peloton Capital

Figure 22 – PMET valuation sensitivity to discount rate

Spodumene Recovery (%)	PMET NPV8 (C$m)	A$ per share	C$ per share
6%	5,251	3.33	31.03
8%	3,852	2.45	22.77
10%	2,836	1.80	16.76
12%	2,088	1.33	12.34

Source: Peloton Capital

Figure 23 – PMET valuation sensitivity to sustaining capital

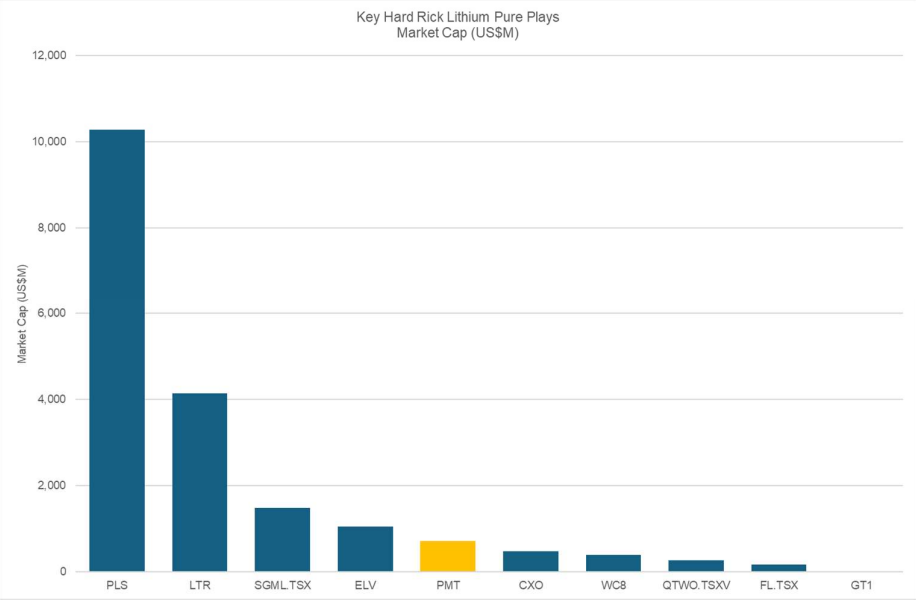
Sustaining Capital	PMET NPV8 (C$m)	A$ per share	C$ per share
-20%	3,949	2.51	23.34
-10%	3,901	2.48	23.05
Base Assumptions	3,852	2.45	22.77
+10%	3,804	2.42	22.48
+20	3,755	2.39	22.19

Source: Peloton Capital

STOCK COMPARATIVES

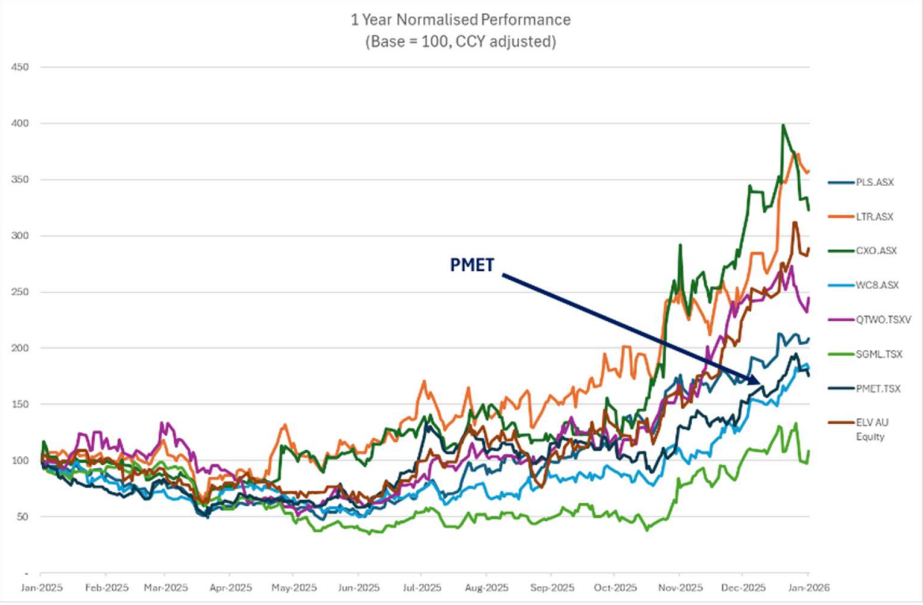
Data as at 20 January 2026

Figure 24 – Market Caps of Key Lithium Hard Pure Play Names (ASX and TSX)



Source: Bloomberg, Peloton Capital

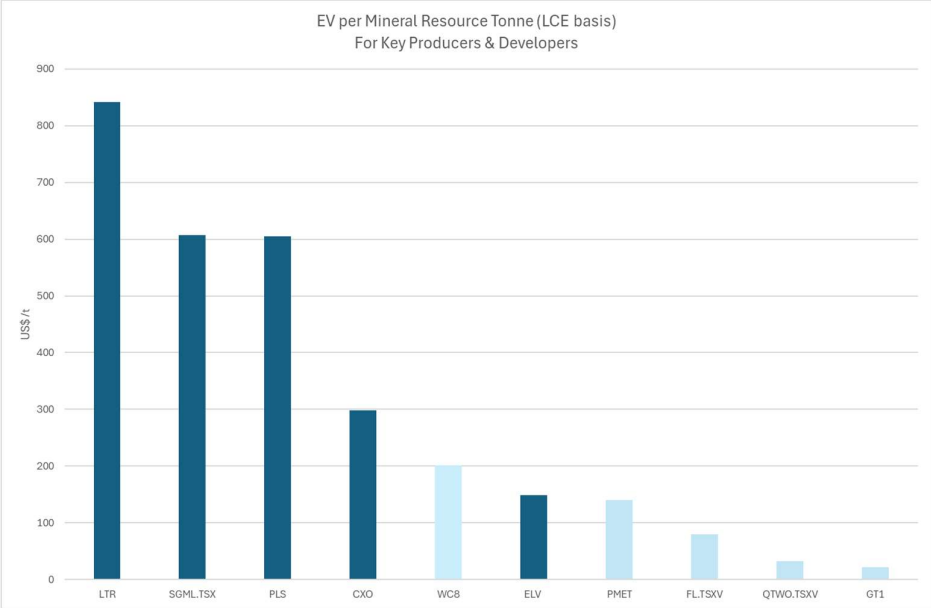
Figure 25 – Share Price Performance of PMET vs Peers (ASX and TSX) till 20 January 2026



Source: Bloomberg, Peloton Capital

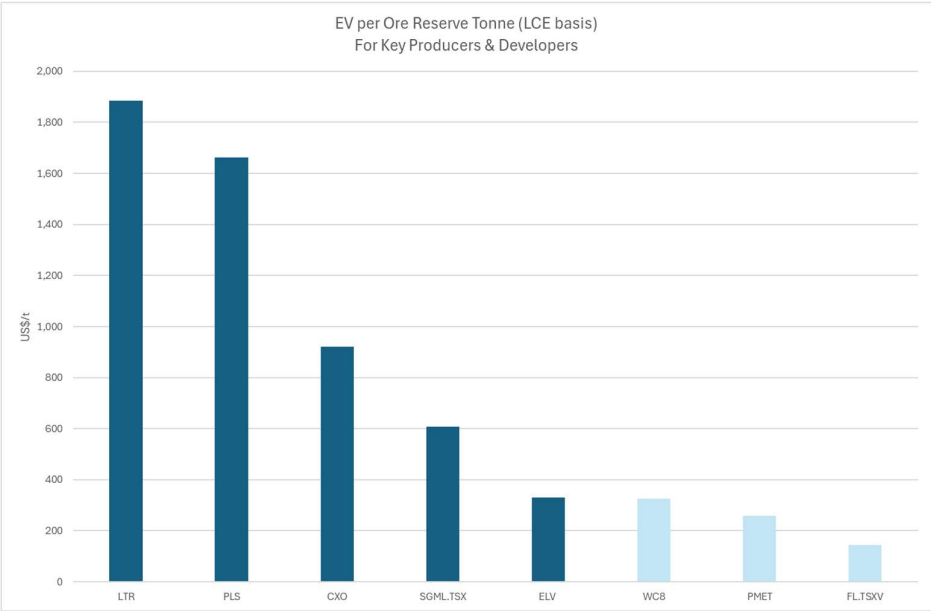
As shown in Figure 26 and Figure 27, the dark blue bars represent lithium pure-play producers, while the light blue bars represent lithium pure-play developers.

Figure 26 – EV per Mineral Resource Tonne for Select Hard Rock Lithium Pure Play Producers and Developers



Source: Company Data, Bloomberg, Peloton Capital

Figure 27 – EV per Ore Reserve Tonne for Select Hard Rock Lithium Pure Play Producers and Developers



Source: Company Data, Bloomberg, Peloton Capital

FUNDING

Given the track record of the Board and Management team, we believe the Company is likely to pursue all funding options to advance the development of the Shaak Project.

PMET is actively progressing offtake and strategic partnership/funding opportunities in the supply chain.

There are three key pools of capital that PMET aims to attract:

1. **Local money from Quebec** – PMET has a good relationship with local SOE, Investissement Quebec and local pension fund manager Caisse de dépôt et placement du Québec (CDPQ). Both firms may be supportive in all forms of future funding.
2. **Canadian federal funds**
    a. Those supporting critical mineral projects
        - Canada Growth Fund: Has executed a couple of deals in the critical minerals space. The fund announced in October 2025 it will be investing C$25m in a scandium facility run by Rio Tinto (ASX:RIO, not rated) in Quebec.
        - Export Development Canada (EDC) who work off an ECA model.

    b. Canada Infrastructure Bank.
3. **Strategic Partnerships**
    a. PMET believes participants in the supply chain itself may help support the project;

    b. We understand that PMET has been in discussions with many potential strategic partners. While talks with its largest shareholder, Volkswagen(GR:VOW, not rated), continue, PMET may opt to open discussions with chemical participants across the supply chain who are politically aligned.

    c. Volkswagen, given their importance to European industry, may also have access to European funding.

Given the scale and rarity of the Shaak Project, we believe PMET is well positioned to source the necessary funding to advance the development project.

We assume 54% of the project is debt funded with the balance supplied by equity markets both in Canada and Australia. The largest funding package is likely to coincide with PMET's targeted receipt of the Mine Authorisation and FID late 2027.

THE SHAAKICHIUWAANAAN PROJECT

The Shaakichiuwaanaan Project ("The Shaak Project") is a hard rock lithium project located in the Eeyou Istchee James Bay region of northern Quebec, 220 km east of Radisson and 240 km north-northeast of Nemaska. The project is 100% owned by PMET.

The project comprises multiple pegmatite discoveries extending across a 25km trend within a larger contiguous 50km land package, with the main pegmatites identified as CV5 and CV13. The CV5 pegmatite is located on PMET's property, approximately 13 km south of KM-270 (where the camp is located) on the Trans-Taiga Road.

Shaak's investment appeal lies in its rarity as a pegmatite camp, rather than a single discovery. As will be discussed throughout this report, the project is distinguished by both the diversity of mineralisation hosted within the pegmatites and the relative simplicity of processing, characteristics that are uncommon within the peer group and projects of this scale.

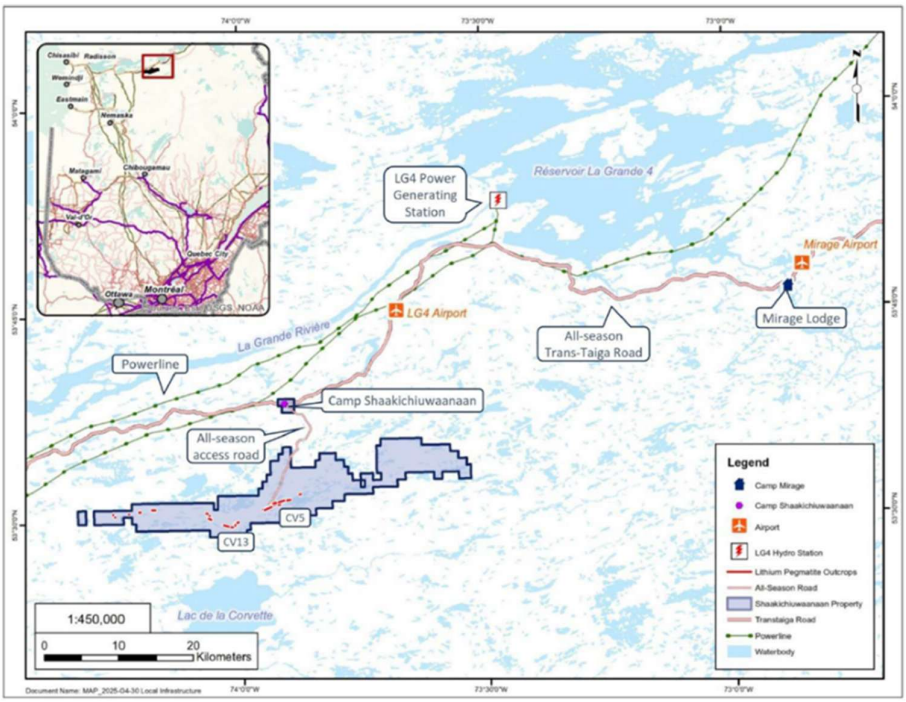
While every pegmatite deposit is unique, we believe Shaak stands apart within the global peer set. The project is one of the rare pegmatite systems that is not only lithium rich but also hosts exceptionally high grades of caesium alongside meaningful tantalum mineralisation. Importantly, the discovery remains at an early stage, suggesting substantial exploration upside potential.

Caesium mineralisation represents a relatively recent development at Shaak, following the realisation in 2024/2025 that zones of exceptionally high-grade pollucite sit within the CV13 pegmatite. Pollucite is the primary economic mineral for caesium oxide (Cs2O) and has the chemical formula $(Cs,Na)_2Al_2Si_4O_{12}\cdot 2H_2O$.

The discovery of high-grade caesium zones is, in our view, transformative to the project economics. Subject to further technical studies to confirm our interpretation, we believe this mineralisation drives a significant uplift in the NPV relative to PMET's most recently published Feasibility Study published in November 2025.

PMET is yet to publish an updated study incorporating caesium and tantalum mineralisation, as well as the CV13 pegmatite. PMET continues to advance project permitting and optimisation with the CV5 deposit while working in parallel on studies to incorporate the caesium and tantalum opportunity as co-products.

Figure 28: Location of the Shaak Project



Source: PMET

Since the identification of exceptionally high-grade caesium mineralisation (>20% Cs_2O) at the TANCO mine in Bernic Lake, Manitoba, there has been few comparable discoveries of this scale and grade in the Western world, that we are aware of. In this context, Shaak represents a significant and strategic new source of caesium.

In our view, the presence of high-grade mineralisation in substantial economic quantities has the potential to elevate Shaak to a resource of strategic importance, comparable in significance to globally recognised hard-rock lithium assets such as Greenbushes (Western Australia), Bikita (Zimbabwe) and the now depleting TANCO mine.

Shaak has a combined Indicated and Inferred Mineral Resource of ~140Mt @ 1.38% Li_2O that comprises the two main pegmatites identified at the site, CV5 and CV13. An Ore Reserve of 84Mt @ 1.26% Li_2O was declared in the most recent study, however this reserve only consists of the CV5 pegmatite.

PMET's current mine plan consists of a combined open pit and underground operation producing ~800ktpa of 5.5% spodumene concentrate over a mine life of nearly 20 years, based solely on the CV5 pegmatite, which hosts the project's existing Ore Reserve. Pre-production capex is projected at C$1.5 billion, excluding C$100m of pre-production revenue.

In our view, the current mine plan parameters, particularly with respect to operating costs, are likely to improve materially following the potential inclusion of the higher grade CV13 pegmatite, as more lithia units are produced per tonne of ore but also more volumes, thus enabling greater productivity. The presence of high-grade caesium zones at CV13 further supports the likelihood of revised project parameters.

The discovery of very high-grade caesium and tantalum mineralisation near the surface at CV13 is likely to support an extended open pit mining phase, alongside a smaller underground mine. In addition, the higher lithium grades at CV13 are expected to allow high-grade material to be mined earlier in the project, enabling lower initial throughput while maintaining equivalent spodumene concentrate production.

The Shaak Project sits within Eeyou Istchee, which is the traditional territory of the Cree First Nation, to which it is governed by the James Bay and Northern Quebec Agreement (JBNQA). PMET's latest Feasibility Study highlights the active discussions and engagement between the Company and Cree, with no indication of any opposition, disputes or legal hurdles to overcome from the communities. The team will continue a constructive working relationship with them just like many other projects in the James Bay region that have come online. We see the relationship with the Cree First Nation to be very stable and manageable, with typical permitting risk applied for Quebec James Bay assets.

BACKGROUND

The Shaak Project was initially explored in the late 1950's for base and precious metals by a subsidiary of former U.S. copper producer Phelps Dodge, now part of Freeport McMoRan (NYSE:FCX, not rated).

While exploration achieved mixed results, work was preliminary in nature and did not include drilling. The ground subsequently remained largely underexplored until the late 1990's, when parts of the ground were divested and further gold and base metal exploration occurred under a new owner.

The first drilling campaigns were conducted in the early 2000s, primarily targeting gold anomalies. However, lithium did not become the focus of exploration until 2016, when pegmatites were identified and recognised in 2016/2017.

PMET acquired control of the ground hosting the Shaak Project in 2019, following the vending of assets into a listed Canadian company by a private group. Since acquisition, PMET has completed more than 800 drill holes totalling ~240km, advancing the project to Feasibility Study level, after having spent ~C$350M.

GEOLOGY – The ABC's of LCTs

The Shaak deposit is a LCT pegmatite which is a type of very coarse-grained igneous rock formed from the final, fluid-rich stages of magma cooling. These pegmatites often contain large crystals and can host valuable minerals such as lithium, caesium, tantalum, tin, rubidium, and niobium.

LCT pegmatites usually form from the late-stage fluids of "fertile" granites located nearby, typically within 0-10 km. Studies show that the most economically attractive pegmatite dikes (those with higher Li, Cs, and Ta grades) often occur furthest from the parent granite, sometimes up to 10 km away. This is because they contain more volatiles, which move more easily and concentrate these rare elements (*Source: "Review of Rare-Element (Li-Cs-Ta) Pegmatite Exploration Techniques for the Superior Province, Canada, and Large Worldwide Tantalum Deposits" – 2004*).

Prime examples of LCT-Pegmatites globally include:

- **Australia:** Greenbushes (operating), Pilgangoora (operating), Wodgina (operating), Kathleen Valley (operating), Mt Marion (operating), Bald Hill (C&M), Tabba Tabba (development), Andover (development);
- **Mali**: Goulamina (operating);
- **Zimbabwe**: Bikita (operating);
- **USA**: Kings Mountain (development);
- **Canada**: TANCO (operating), NAL (operating), and Cisco (exploration/development).

LCT-Pegmatites, or more colloquially hard rock lithium deposits, are the largest source of lithium units globally and therefore critical to global supply dynamics. They are also the primary source of caesium production (in the form of pollucite).

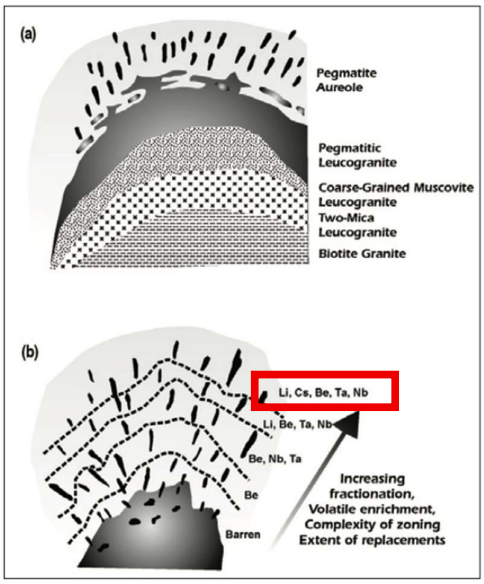
Shaak differentiates itself from most global lithium-bearing pegmatite deposits through its classification as a true LCT-Pegmatite, hosting economic grades of lithium, caesium and tantalum, rather than being dominated solely by lithium. This combination is very rare and reflects the advanced geological evolution of the system.

The deposit is considered “highly evolved”, a designation that refers to the degree of fractionation within the orebody. This advanced fractionation has resulted in very elevated concentrations of caesium and tantalum, in addition to lithium and gallium, at levels that are uncommon within the broader pegmatite population.

Geological literature identifies only a limited number of comparable pegmatite systems globally with a similar degree of evolution, notably the TANCO mine (Bernic Lake) in Manitoba, Bikita in Zimbabwe and Greenbushes in Western Australia. While TANCO represents an even more highly evolved, and therefore rarer, pegmatite system, we believe it is the most comparable geological analogue to Shaak.

As shown in Figure 29, pegmatites evolve from their original granitic heat source, with mineralisation developing progressively as fractionation increases. Only the most fractionated pegmatites are capable of hosting economic concentrations of caesium in addition to lithium and tantalum.

Figure 29: Regional zoning is fertile granites and pegmatites

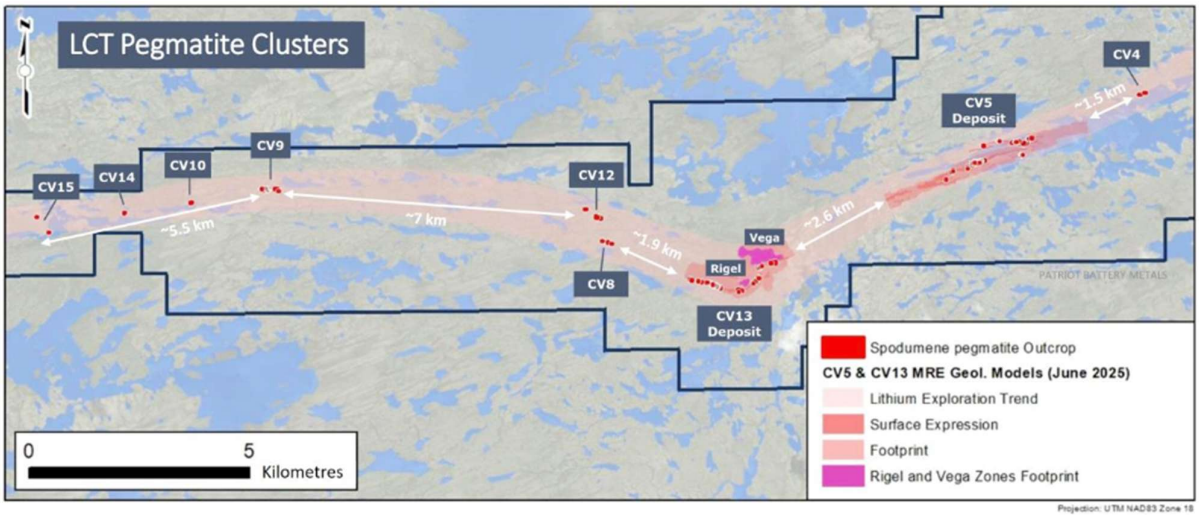


Source: ČERNÝ, P., 1991a. Rare element granitic pegmatites.

Since PMET began exploration, nine distinct pegmatites clusters have been identified: CV4, CV5, CV8, CV9, CV10, CV12, CV13, CV14 and CV15. As shown in Figure 30, all clusters sit along the “CV LCT Pegmatite Trend” which currently extends 25km in length and up to 1km in width, hosting numerous distinct LCT pegmatite occurrences. As noted previously, only CV5 and CV13 have a Mineral Resource estimate and CV5 is the only cluster with a declared Ore Reserve.

CV5 and CV13 both lie along the same geological trend, with defined strike lengths of ~5.0km and ~3.2km, respectively. Both remain open at depth and along strike and are expected to expand as further drilling is completed. The Consolidated Mineral Resource Estimate (MRE) covers approximately 6.9km of the ~8.2km identified pegmatite trend, which remains open along strike.

Figure 30 – LCT pegmatite clusters at the Property



Source: PMET

Both CV5 and CV13 outcrop, explaining why they were the first to be drilled. CV13, located ~3km west of CV5, was discovered in 2022 and hosts the distinct zones of enriched caesium in the form of pollucite, namely the Vega and Rigel Zones. In addition, CV13 contains higher-grade lithium and tantalum than CV5, although it has a shorter strike length and lower tonnage.

A portion of the CV5 pegmatite lies beneath a shallow glacial lake, whereas CV13 is free of surface water, except for a small intermittent stream that crosses it. Lake depths at CV5 typically range from 3-10m, with maximum depths of approximately 18-20m in the eastern areas. We do not view these shallow lakes as a significant constraint on permitting or mining. Comparable examples elsewhere in Canada demonstrate that lakes of similar depth can be drained with minimal regulatory or operational issues. PMET plans to drain the affected areas and construct open pits and water dams around the lakes.

Figure 31 – Main outcrop at the CV5 Pegmatite (looking northerly)

Source: PMET

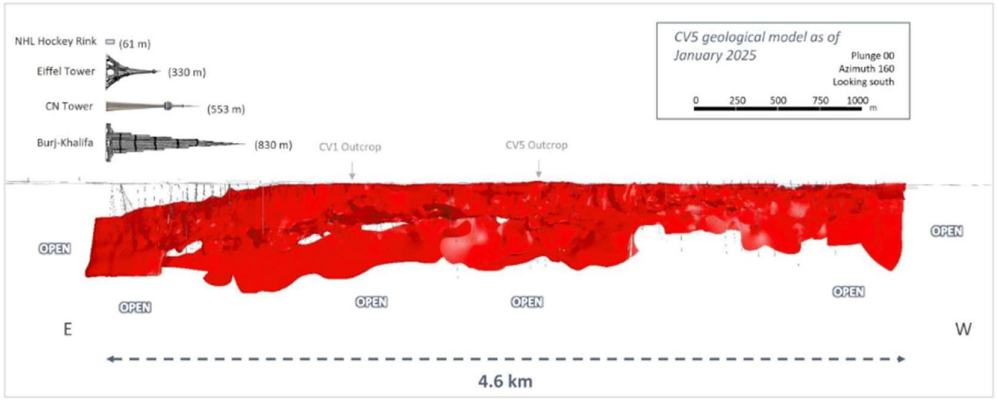
Figure 32 – 'Whale-back' spodumene pegmatite landform at CV13

Source: PMET

The CV5 Pegmatite

At the CV5 pegmatite, multiple individual dykes have been modelled. However, the majority of the Mineral Resource is hosted within a single, large spodumene-rich dyke, surrounded by smaller satellite dykes. The main CV5 pegmatite extends at least 4.6 km along strike and remains open at both ends and at depth. Current mineralisation has been defined to vertical depths exceeding 450m.

Figure 33 – CV5 geological model



Source: PMET

The CV13 Pegmatite

The discovery of CV13 in 2022, while perhaps underappreciated initially, is likely to prove transformational for PMET. CV13 hosts a higher-grade orebody across all the elements, including lithium, caesium, tantalum and gallium. Unlike CV5, where the higher grades occur primarily at depth, CV13's enriched zones are much closer to the surface, making the deposit amenable to open pit extraction. As a result, CV13 is currently a high priority for PMET due to its potential to materially enhance project economics.

CV13 exhibits true thicknesses ranging from less than 5m to more than 40m and extends approximately 2.6km along strike. It is located roughly 2.6km from CV5 and 2.0-2.4km from CV8 and CV12. Similar to CV5, CV13 remains open along strike at both ends and at depth.

Current interpretation suggests that the CV13 spodumene pegmatite may form part of a larger LCT pegmatite system on the property. Results from ongoing drilling will be critical to confirming this, as a larger system could have a meaningful impact on project economics.

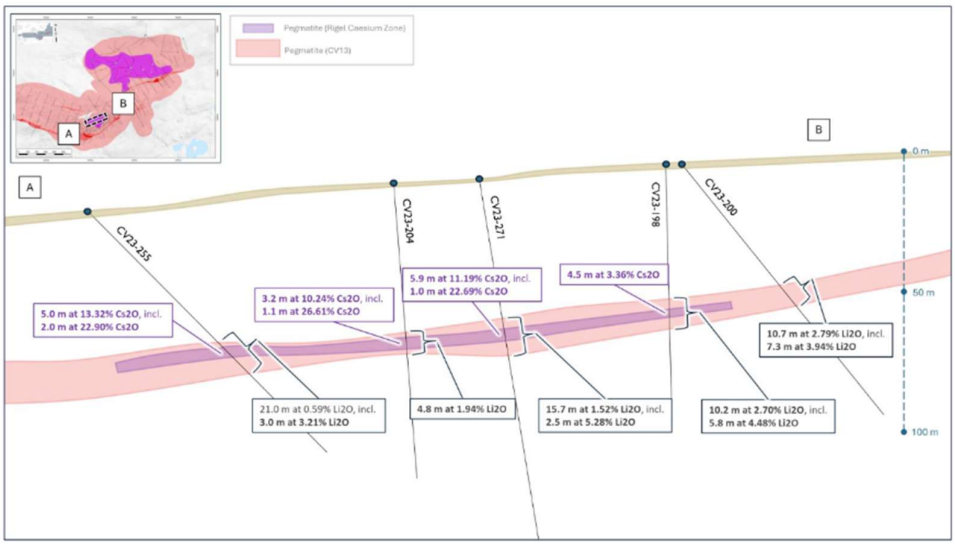
Rigel and Vega Caesium Zones

The key value drivers for PMET at CV13 are the two caesium rich zones, Rigel and Vega, that are hosted entirely within the pegmatite. Rigel, while smaller in footprint, exhibits exceptionally high grades of approximately 10% Cs_20, 2-3x higher than Vega.

Rigel covers an area of at least 200m x 100m and consists of a single, shallow dipping lens at a depth of roughly 50m, with true thickness ranging from <2m to ~6m, making it well suited to selective open pit mining.

Vega is larger, with a footprint of at least 800m x 250m, comprising two closely spaced, flat-lying lenses at a depth of ~110m. The true thickness of these lenses ranges from <2m to ~10m, and ~6m, respectively. We understand Vega remains open, offering further potential for exploration upside.

Figure 34 – Cross-section of the Rigel Caesium Zone at the CV13 Pegmatite



Source: PMET

Shown in Figure 35 is a short high-grade caesium intersection taken from a 1m intercept at the Rigel Zone in CV13 that graded at 22.69% Cs_2O. According to XRD, this intersection is reporting a pollucite content of 58%.

Figure 35 - Pollucite Mineralisation in High-Grade Caesium Drill Intercept

Source: PMET

Key intercepts across the Rigal and Vega Zones:

Highlights for caesium at CV13 (Rigel Zone) include:

- 5.9 m at 11.19% Cs2O, including 1.0 m at 22.69% Cs2O (CV23-271);
- 5.0 m at 13.32% Cs2O, including 2.0 m at 22.90% Cs2O (CV23-255);
- 3.2 m at 10.24% Cs2O, including 1.1 m at 26.61% Cs2O (CV23-204);
- 4.5 m at 3.36% Cs2O (CV23-198).

Highlights for caesium at CV13 (Vega Zone) include:

- 18.1 m at 2.71% Cs2O, including 7.4 m at 5.45% Cs2O (CV24-754);
- 11.1 m at 4.87% Cs2O, including 7.1 m at 7.39% Cs2O (CV24-520);
- 5.7 m at 4.97% Cs2O, including 3.0 m at 8.20% Cs2O (CV24-525);
- 9.6 m at 1.59% Cs2O, including 4.4 m at 2.34% Cs2O (CV24-579).

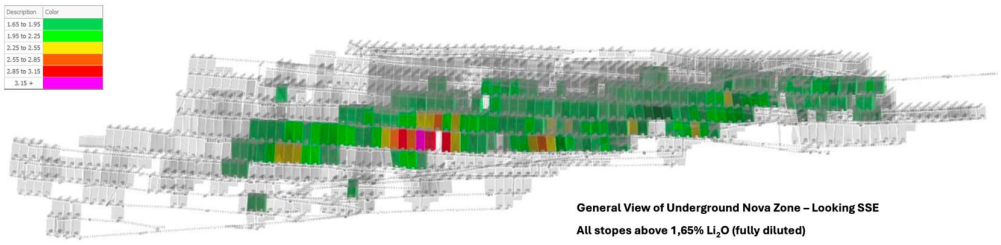
Nova Zone

In our view, Nova Zone is a key value enhancer for PMET.

The Nova Zone within the underground of CV5 represents a key opportunity for PMET to bring forward high-grade material into the mine plan. At 12.1Mt grading 2.0% Li_2O (post mining dilution), it accounts for around one third of the tonnes of the underground Ore Reserve yet has roughly half the contained metal.

Gaining access to this key zone, exploring it further and determining whether it contains caesium is a high priority for PMET. Success would strengthen project economics by allowing higher-grade tonnes to be mined first from underground. PMET is seeking approval to develop a 2,300m decline to the zone and to extract a 50kt bulk sample. The company also hopes to secure approval for an accelerated permitting pathway for the bulk sample at Nova later this calendar year. The estimated cost of the decline and bulk-sample program is ~C$100m.

Figure 36 – General view of underground Nova Zone – Looking SSE



Top 10 Nova Zone Stopes

Tonnes	Grade (%Li_2O)
21,905	3.48
17,849	3.01
41,247	2.97
19,984	2.97
17,344	2.91
20,184	2.89
33,786	2.87
19,902	2.84
37,944	2.84
16,931	2.83

Source: PMET

The CV4 and CV12 Pegmatite

CV4 is located ~1.5km to the east of CV5. The 2025 drilling campaign marked the maiden drill testing with a total of 17 holes (total of 7,513m) completed. Initial results indicated the outcrops have only limited depth, however, the drill fence successfully intersected significant widths of pegmatite at depth.

Drill results include:

- 27.0m at 1.14% Li_2O including 19.2m at 1.45% Li_2O; and 13.0 m at 1.37% Li_2O (CV25-1013);
- 11.5m at 1.27% Li_2O (CV25-950);
- 13.6m at 0.90% Li_2O; and 20.2m at 0.75% Li_2O including 7.9 m at 1.41% Li_2O (CV25-942).

A preliminary review of the core indicates similar mineralisation style to CV5. According to PMET, CV4 is interpreted to represent a potential 1.5km underground extension east of CV5 and offers potential for additional underground resources.

CV12 represents an exciting new opportunity for PMET and one we are watching closely. Drill results published December 2025 indicate the potential for another new caesium zone as well as high grades of lithium across mineable widths. Pollucite was also visually identified in several drill holes.

The new caesium zone is traced over ~200 m strike length at ~1 to 4 m thickness and at a high level appears to be half the grade and thickness of Rigel at similar strike already. More drilling is required to constrain the zone, however its shallow depth, long strike length, and strong grades are very encouraging.

Drill results include:

- 29.0m at 1.31% Li_2O, including 12.5m at 2.76% Li_2O (CV25-875).
- 29.4m at 1.28% Li_2O, including 11.9m at 2.86% Li_2O (CV25-894).
- 41.3m at 0.88% Li_2O, including 27.5m at 1.20% Li_2O (CV25-922).
- 3.0m at 5.82% Cs_2O within a wider anomalous zone of 23.0m at 0.98% Cs_2O (CV25-875).

Recent Exploration

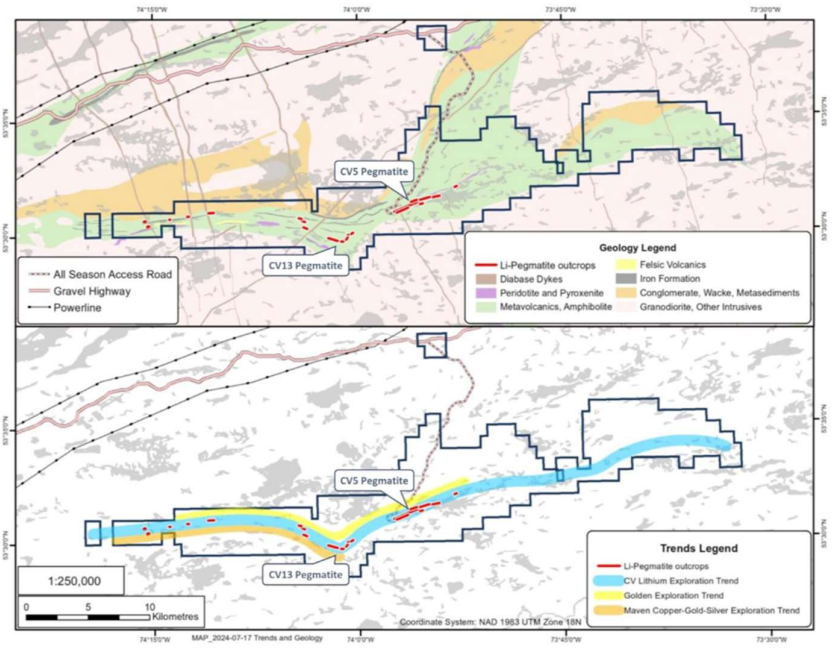
PMET released recent drilling results in its December 2025 and January 2026 ASX releases.

The CV5 drilling confirmed it now extends ~5.0km and remains open in several directions. Furthermore, a high-grade caesium intercept was reported of 1.0m @ 9.1% Cs_2O with massive pollucite visually identified. This caesium discovery is open in several directions and highlights the potential for well-mineralised pods of caesium (via the mineral pollucite) at CV5 as a co-product to lithium and tantalum. We await further results keenly.

Furthermore, PMET believes it has discovered a new high grade lithium zone near surface at CV13 called **Helios**. This would mark the third high grade zone at CV13 and underscores the priority of the pegmatite and its importance to enhancing project economics.

Figure 37 shows the broader 50km geological trend that covers the Shaak land package.

Figure 37 – Property geology and mineral exploration trends



Source: PMET

RESERVE & RESOURCES

The Shaak Project has the following Mineral Resource and Ore Reserves, as shown in Figure 38and Figure 39.

The Shaak Project has a Mineral Resource (Indicated and Inferred) of 141Mt @ 1.38% Li_2O for 4.8Mt of LCE. The Mineral Resources cover the CV5 and CV13 pegmatites.

Mineral Resources are estimated using a long term lithium price assumption of US$1500/t FOB Becancour spodumene concentrate at 5.5% Li_2O concentrate and a USDCAD currency assumption of 1.429 (or 0.700 CADUSD)

Mineral Resources are Inclusive of Mineral Reserves.

Figure 38 – Shaak Project Mineral Resource Statement – CV5 and CV13 Pegmatites

Consolidated MRE

Conceptual Mining Constraint	Pegmatite	Classification	Tonnes (t)	Li_2O (%)	Cs_2O (%)	Ta_2O_5 (ppm)	Ga (ppm)	Contained LCE (Mt)
Open-Pit	CV5	Indicated	97,757,000	1.39	0.09	163	66	3.35
Underground			4,071,000	1.08	0.06	186	66	0.11
		Total	**101,828,000**	**1.38**	**0.09**	**164**	**66**	**3.46**
Open-Pit	CV5	Inferred	5,745,000	1.16	0.09	163	61	0.17
Underground			8,153,000	1.24	0.07	136	60	0.25
		Total	**13,898,000**	**1.21**	**0.08**	**147**	**60**	**0.41**
Open-Pit	CV13	Indicated	5,996,000	1.89	0.60	201	76	0.28
Underground			167,000	0.85	0.06	132	60	0.00
		Total	**6,163,000**	**1.86**	**0.59**	**199**	**76**	**0.28**
Open-Pit	CV13	Inferred	18,020,000	1.44	0.32	168	70	0.64
Underground			1,462,000	1.05	0.08	75	55	0.04
		Total	**19,482,000**	**1.41**	**0.30**	**161**	**69**	**0.68**
	CV5 +	**Indicated**	**107,991,000**	**1.40**	**0.11**	**166**	**66**	**3.75**
	CV13	**Inferred**	**33,380,000**	**1.33**	**0.21**	**155**	**65**	**1.09**

Caesium Zone MRE

Caesium Zone	Classification	Tonnes (t)	Cs_2O (%)	Li_2O (%)	Ta_2O_5 (ppm)	Contained Cs_2O (t)
Rigel	Indicated	163,000	10.25	1.78	646	16,708
	Inferred	-	-	-	-	-
Vega	Indicated	530,000	2.61	2.23	172	13,833
	Inferred	1,698,000	2.40	1.81	245	40,752
Rigel + Vega	**Indicated**	**693,000**	**4.40**	**2.12**	**283**	**30,541**
	Inferred	**1,698,000**	**2.40**	**1.81**	**245**	**40,752**

The Consolidated MRE cut-off grade is variable depending on the mining method and pegmatite (0.40% Li_2O open-pit, 0.60% Li_2O underground CV5, and 0.70% Li_2O underground CV13). A grade constraint of 0.50% Cs_2O was used to model the Rigel and Vega caesium zones, which are entirely within the CV13 Pegmatite's open-pit mining shape. The Effective Date of the MREs is June 20, 2025 (through drill hole CV24-787). Mineral Resources are not Mineral Reserves as they do not have demonstrated economic viability. Mineral Resources are inclusive of Mineral Reserves.

Source: PMET

The Shaak Project hosts a Probable Ore Reserve, which includes the CV5 pegmatite only, of 84.3Mt @ 1.26% Li_2O for 2.62Mt of contained lithium carbonate equivalent (LCE). It should be noted that there is no Proven Reserves, only Probable Reserves are declared.

Ore Reserves are estimated using a long-term lithium price assumption of US$1,303/t spodumene concentrate at 5.5% Li_2O concentrate and a CAD/USD currency assumption of 1.32.

A 2% NSR that is applicable to the open pit component has been incorporated into the block model.

Figure 39 – Shaak Project Mineral Reserve – CV5 Pegmatite

Area	Classification	Tonnes (Mt)	Li_2O (%)	Contained LCE (t)
Open-Pit	Proven	-	-	-
	Probable	49.2	1.12	1.36
Underground	Proven	-	-	-
	Probable	35.1	1.45	1.26
	Proven	**-**	**-**	**-**
	Probable	**84.3**	**1.26**	**2.62**

Cut-off grade of 0.40% Li_2O (open-pit) and 0.70% Li_2O (underground). Underground development and open pit marginal tonnage containing material above 0.37% Li_2O are also included in the statement. Effective Date of September 11, 2025.

Source: PMET

MINERALOGY

While scale is a critical factor for any pegmatite development, mineralogy is equally important, as it directly influences processing complexity, product quality and realised pricing. Shaak compares very favourably, exhibiting the appropriate mineral species, grades and grain size to support efficient recovery and attractive project economics. This favourable mineralogical profile underpins lower expected capital intensity and operating costs relative to less optimal pegmatite systems.

As outlined in the November 2025 Feasibility Study, spodumene ($LiAlSi_2O_6$) is the dominant lithium bearing mineral across the deposit. This is a key positive, as spodumene is the primary economic mineral in hard rock lithium operations. Minor lepidolite is present, averaging ~1% of samples, while petalite is not present in economically significant quantities.

Another distinguishing characteristic of the Shaak orebody is its very coarse-grained crystal size. Coarse mineralisation is particularly advantageous as it enables gravity-based recovery, a simpler and lower cost processing method. The use of gravity recovery also facilitates a faster and lower risk ramp up to steady state production. These factors collectively enhance project economics and execution certainty.

While gravity recovery does not necessarily result in higher metallurgical recoveries, it offers a more straightforward, capital efficient and cost-efficient means of recovery compared with other processing flowsheets.

To date, very coarse crystals have been identified at CV5 and to a lesser extent at CV13. Crystal sizes range from centimetre-scale to metre-scale, with spodumene crystals approaching 2m in length observed in drill core at both pegmatites. At CV5, spodumene typically occurs as decimetre to metre scale crystals with an off-white to grey colouration, whereas at CV13 spodumene is more commonly centimetre to decimetre scale, with occasional metre scale crystals.

Figure 40 – Spodumene crystal at the CV5 Pegmatite

Source: PMET

Based on our understanding, Shaak is also distinctive in its proposed processing approach. Unlike comparable hard rock pegmatite operations such as Greenbushes, Pilgangoora, Wodgina, TANCO and Goulamina, where gravity circuits form part of a broader flowsheet that typically includes froth flotation, Shaak is expected to rely exclusively on a gravity-based circuit utilising dense media separation (DMS) to concentrate lithium (and tantalum).

Bald Hill in Australia is an example that used DMS entirely to concentrate its spodumene lithium. Despite currently being on Care and Maintenance, Bald Hill demonstrated a rapid ramp-up to nameplate capacity, reflecting the simplicity of its mineralogy and processing route.

With respect to caesium, pollucite is the dominant mineral species identified at Shaak. This is a key positive, as pollucite is the principal and most economically important caesium bearing mineral. Consistent with the spodumene, pollucite at Shaak is coarse grained, typically occurring at centimetre to decimetre metre scale.

Tantalum at Shaak occurs primarily as tantalite, one of the main economic minerals of tantalum. While individual tantalite grains are generally sub-millimetre in size and not visible to the naked eye, they may occur in clusters of up to ~0.5cm. We understand that the tantalite is sufficiently coarse and low in uranium and thorium content to allow for concentration.

Additional elements identified include gallium, for which potential extraction pathways may exist, and rubidium. While the concentration of gallium has been included in the latest MRE, rubidium has not been modelled by PMET.

In summary, Shaak benefits from hosting the key economic minerals for all three elements of interest: lithium, caesium, and tantalum. Even setting caesium aside, the favourable mineralogy at Shaak stands out as a defining strength, particularly because such mineralogy is highly uncommon in a pegmatite of this size.

METALLURGY & PROCESSING

The Metallurgy

In our view, the most compelling feature of the Shaak Project is the relative simplicity of its processing flowsheet, underpinned by the favourable mineralogy discussed above. Orebodies that combine meaningful scale with straightforward processing characteristics are uncommon. By contrast, a number of hard rock lithium operations in Australia have experienced prolonged ramp up periods due to metallurgical complexity.

Against this backdrop, we expect operational ramp up at Shaak to be comparatively straightforward. This view is supported by the November 2025 Feasibility Study which states clearly and unequivocally that:

> *"the Shaakichiuwaanaan pegmatites have **repeatedly shown excellent processing performance**, generating high recoveries at the target concentrate grade. **This ease of processing is attributed to the consistently large spodumene crystals** found in the CV5 Pegmatite. The **robust recoveries exhibited across a range of feed lithium grades is a key differentiator** for the Project."*

Lithium processing at Shaak is expected to be undertaken via a straightforward gravity-based flowsheet using DMS, producing a spodumene concentrate grading >5.5% Li_2O with <1.2% Fe_2O_3. While the metallurgical test work underpinning the Feasibility Study was conducted on CV5 material, processing characteristics are expected to be broadly applicable to CV13 and its various mineralised zones following preliminary test work using a bulk sample.

Caesium processing is likewise not expected to present significant technical challenges. The technical report assumes processing routes and recoveries broadly consistent with those employed at other operations, involving relatively simple "crushing and screening followed by X-ray ore sorting to recover and concentrate the pollucite". While caesium remains a niche commodity, precedent exists in the form of the TANCO operation, which provides a clear development pathway.

At TANCO, caesium production initially comprised direct shipping ore (DSO) grading approximately 20% Cs_2O, prior to the introduction of onsite processing of caesium formate brine. We would expect Shaak to follow a similar path. However, given the ore grade is ~10% at Rigel, we expect 10% DSO to be sold, subject to commercial negotiations with end customers.

Metallurgical test work indicates that tantalum can also be recovered using a gravity-based circuit, with waste streams from the lithium circuit utilised as feed.

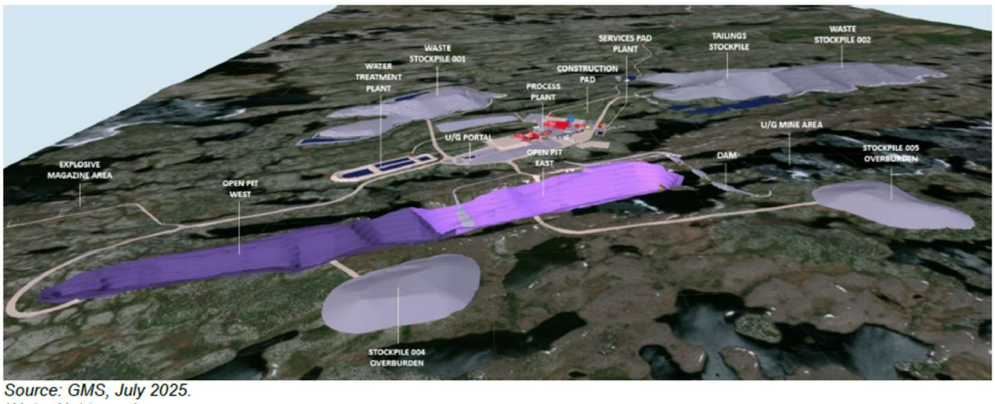
The Processing

PMET plans to construct a 5.1Mtpa onsite processing facility designed to produce more than 800ktpa (dry) of 5.5% spodumene concentrate, based on an average head grade of 1.26% Li_2O and overall recoveries of 69.5%.

The plant is planned to be developed in two stages of 2.5Mtpa each, aligned with the ramp up of both open pit and underground mining operations.

On PMET's mine plan, Stage 1 is expected to reach nameplate capacity of 2.5Mtpa at the beginning of Year 2, at which point construction of Stage 2 would commence, adding a further 2.5Mtpa of processing capacity.

Figure 41 – Main Site Infrastructure



Source: GMS, July 2025.
**Note: Not to scale.*

Source: PMET

As discussed above, the coarse crystalline nature of the orebody supports highly effective gravity separation for the production of spodumene concentrate. The processing flowsheet is centred on DMS, with magnetic separation incorporated to reduce iron content in the final product.

The technical report for Shaak assumes plant availability and utilisation of 81%, which we consider conservative relative to comparable operations.

A 1.5Mt ore stockpile is planned immediately norther of the open pit, adjacent to the primary crushers, to ensure a consistent feed supply to the processing plant and minimise rehandling. The stockpile will receive ore from both open pit and underground operations.

Ultimately, the objective of the processing strategy is to consistently deliver a high quality 5.5% spodumene concentrate.

Figure 42 – Final concentrate generated from CV5 via DMS

Source: PMET

Figure 43 – Bald Hill mine concentrate (Australia) via DMS

Source: Peloton Capital

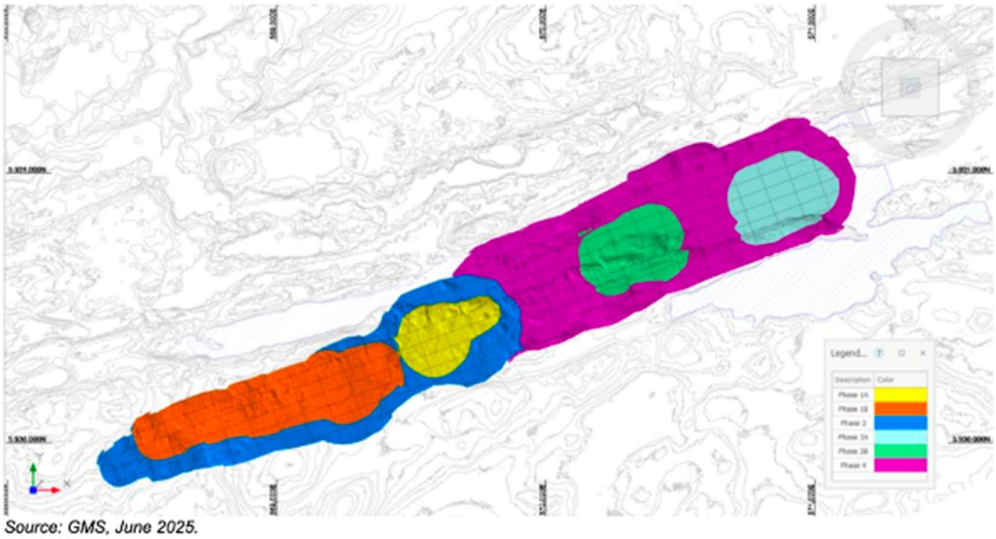
MINING

PMET's current mine plan for CV5, where the Ore Reserve is defined, incorporates both open pit and underground mining. Operations are expected to commence with an open pit, transitioning to underground mining within the first one to two years. Once underground operations are underway, both open pit and underground mining will run concurrently.

The open pit and underground operations are planned at annual throughputs of 3Mtpa and 2Mtpa, respectively, feeding a single processing facility. Under the current reserve base, both operations are expected to have a Life of Mine (LOM) of ~20 years, producing a >5.5% spodumene concentrate.

Mining at CV5 is anticipated to be relatively straightforward, utilising conventional truck and shovel methods to extract the principal large spodumene bearing pegmatite which makes up CV5.

Figure 44 – Open pit phase limits – plan view



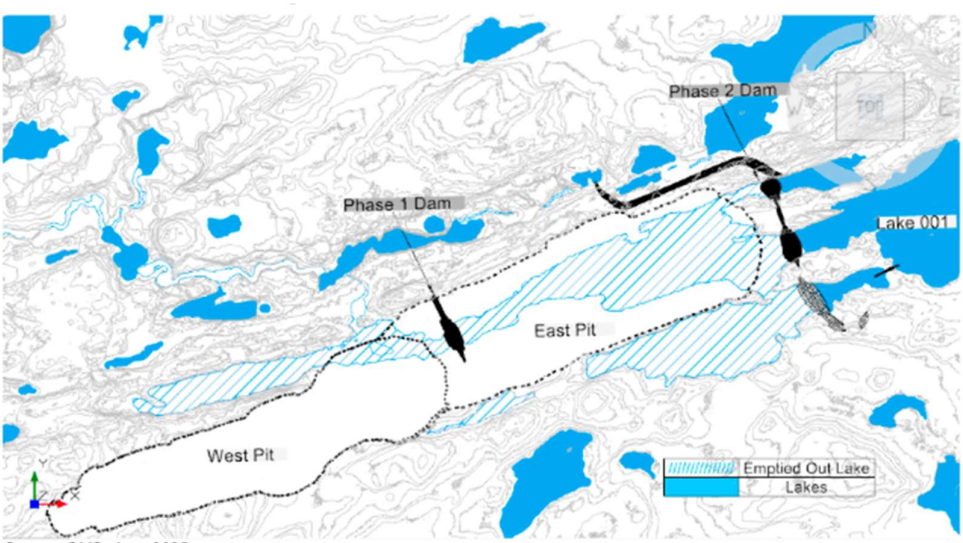
Source: GMS, June 2025.
**Note: Not to scale.*

Source: PMET

Portions of the CV5 orebody are covered by Lake 001. To manage this, PMET has designed a staged pit expansion, with partial dewatering occurring progressively as mining advances. The plan comprises a single pit divided into two main areas, the West Pit and East Pit. While installing small dams and dewatering lakes may be less common in Australia, it is routine in Canada, where extensive lakes are prevalent.

Overburden consists of benign glacial till, composed primarily of sand, silt and clay. The overall life of mine strip rate is relatively low at 3.4. Reserve grades average 1.26% Li_2O after accounting for dilution and mining recovery, with the open pit delivering 1.12% Li_2O and underground operations 1.45% Li_2O. The open pit peak mining rate is 23.0Mtpa with 217Mt of material moved over the LOM.

Figure 45 – West and East Pits



Source: GMS, PMET

Underground mining at CV5 will utilise long-hole open stoping (LHOS) along the eastern portion of the pegmatite, extending 1,900m beneath Lake 001, which was noted by the engineers as being a significant strike length for an underground operation. The majority of the underground mine lies beneath the lake.

LHOS will involve the extraction of over 1,500 stopes with an average stope size of 23,000t. Cemented past backfill (CPB) will be employed to maximise ore recovery and maintain stope stability. Average stope thickness is 16.3m and the diluted stope tonnage averages 23,884t.

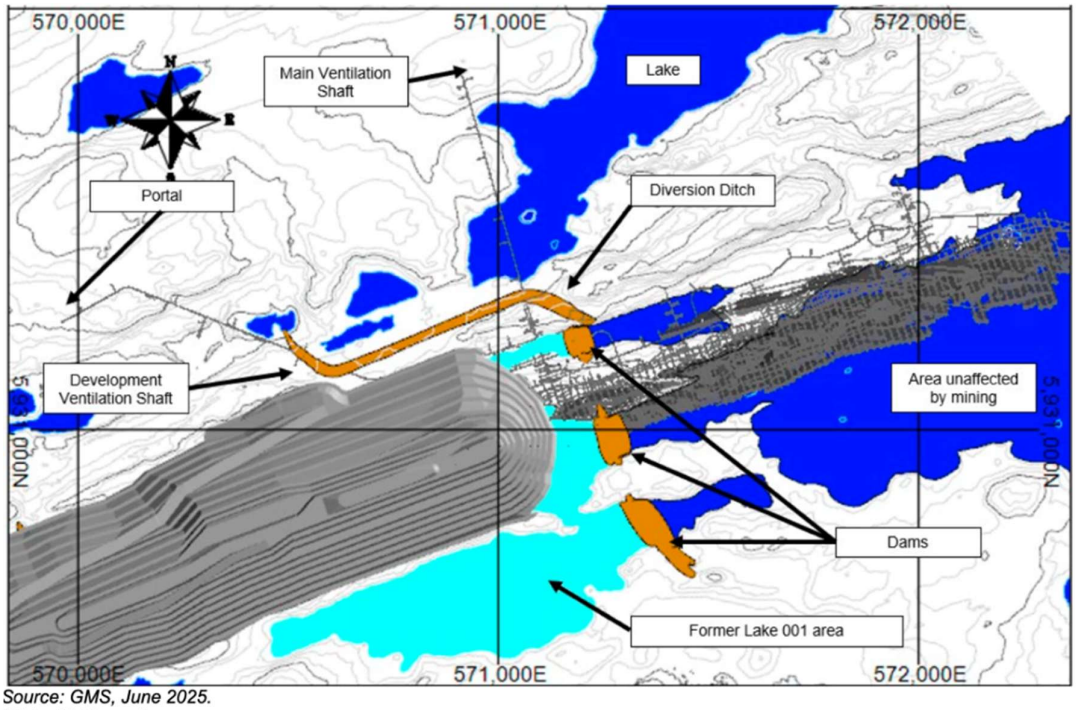
The underground will be accessed via a single portal and decline. Underground operations are expected to continue for 21 years including construction, with 16 years at full production capacity of 5,475tpd (2.0Mtpa). Total ore extracted is forecast at 35.1Mt, at a diluted grade of 1.45% Li_2O.

For comparison purposes, Australian listed Liontown Resources (ASX:LTR, not rated), commenced underground stoping at Kathleeen Valley in April 2025 and achieved a mining rate of 1.0Mtpa by December 2025, with expectations to reach 1.5Mtpa by March 2026 and 2.8Mtpa by June 2027. Liontown also operates Australia's largest paste plant, supporting its underground operations.

LHOS is a widely adopted underground mining method in Canada and globally. Historically, we had been cautious regarding underground lithium mining due to challenges encountered in pegmatite operations. However, the recent execution success at Kathleen Valley combined with historical underground mining at TANCO, where Room & Pillar mining took place over many years at rates exceeding 1,000tpd (365ktpa), has led us to revisit and revise our earlier reservations.

We view Kathleen Valley as the closest operational analogue to Shaak's planned underground operations. Liontown's successful ramp up provides a meaningful benchmark, suggesting that underground mining at Shaak is achievable and can be executed efficiently.

Figure 46 – Underground mine and surfaces constraints – Plan View



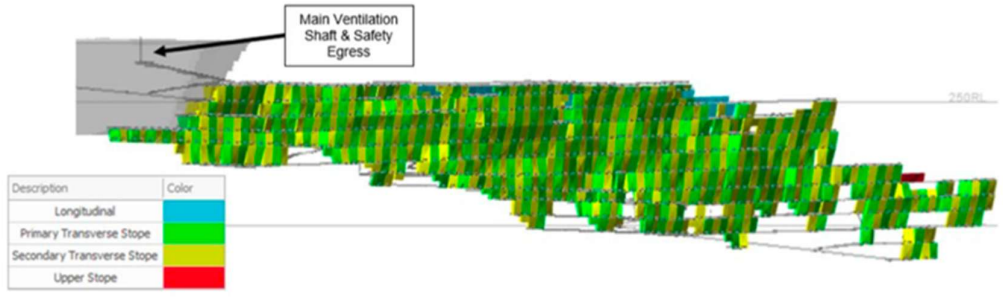
Source: GMS, June 2025.
**Note: Not to scale.*

Source: GMS, PMET

One of the hidden benefits of operating separate open pit and underground mines is the ability to deliver a more consistent mill feed grade, which is particularly important for a DMS based processing circuit. As highlighted in the November 2025 Feasibility Study:

> *"Blending is key in this Project, allowing for smooth lithium grade and impurities…demonstrating the smooth mill recovery mirrored by the constant output of concentrate."*

Figure 47 – Underground mine



Source: GMS, June 2025.
**Note: Not to scale.*

Source: GMS, PMET

Dealing with the lake water

One of the notable operational considerations for PMET is the presence of surrounding lakes. While this does not represent a material obstacle in our view, it is a factor in capital planning. The mine plan has been designed to manage water effectively, and the company has allocated C$250 million for water management, just under 10% of the total LOM capital expenditure of C$2.7 billion.

Lake 001, which surrounds CV5, will be dewatered through a phased pit development aligned with the staged expansion of the open pit. Dewatering strategies for both West and East Pit stages take into account lake depth, local topography and progressive pit advancement. Many Canadian deposits are situated beneath or adjacent to lakes, so such measures are common practice and are governed by regulations to minimise impacts on local aquaculture and the environment.

PMET is also exploring optimisation opportunities that could allow some water management expenditure to be deferred, for example, if the CV5 open pit is mined at a slower rate, which would improve project economics. The surrounding area is remote and largely barren, with no significant recreational or residential use, further reducing potential constraints.

In our view, the benefits of Shaak's high-grade lithium, caesium, tantalum and straightforward processing significantly outweight the costs associated with water management.

INFRASTRUCTURE & TERRAIN

The Shaak Project benefits from surrounding infrastructure including access to an all-weather gravel road, proximity to cheap hydroelectric power via a nearby transmission line and abundant water. Staff accommodation will be provided on site. Outside of water management, the key operational focus will be the transport of concentrate, which is primarily a matter of cost.

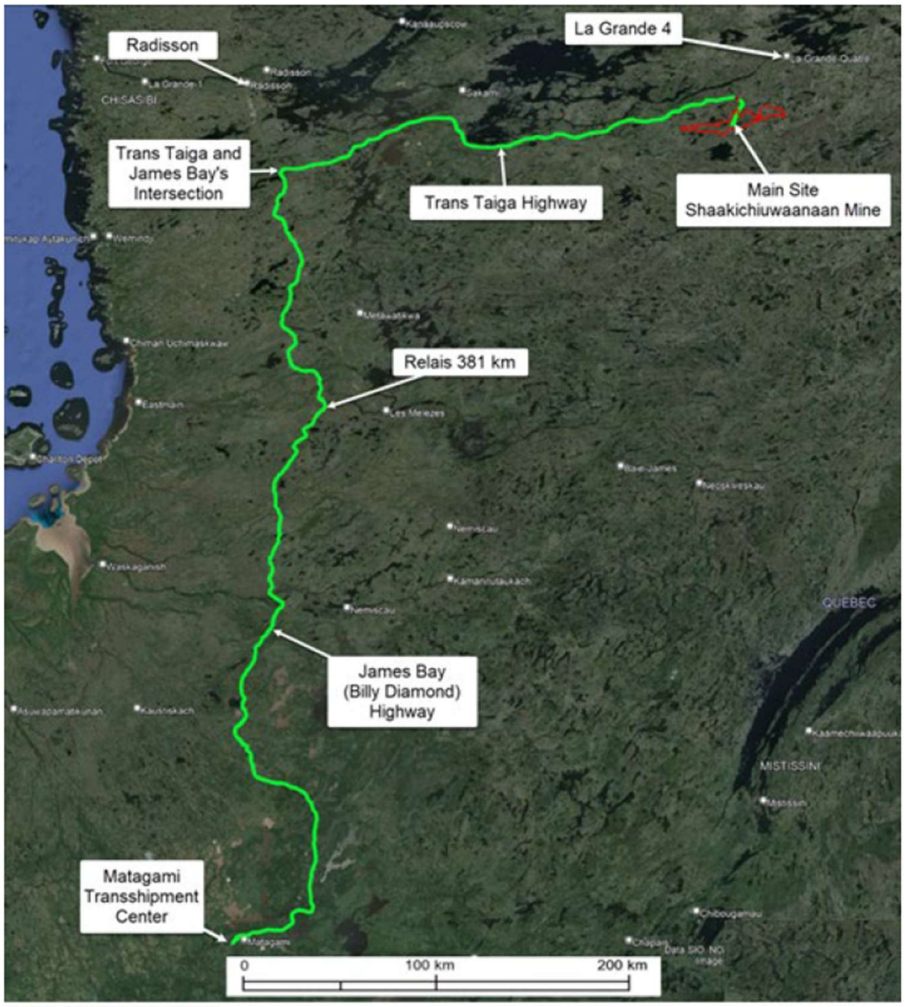
The CV5 pegmatite, the main orebody, is located 13km south of the all-weather Trans-Taiga Road, which connects westwards ~210km to a major highway leading south to Matagami and Quebec's regional road and rail network.

Concentrate transport from site covers roughly 1,900km. The first 844km is by road to the Matagami Transshipment Centre, using 75t capacity trucks, with an estimated 11-hour journey. This includes a 290km trip west along the Trans-Taiga Road and 554km trip south along the Billy-Diamond Highway. From Matagami, concentrate is shipped by rail for 1,075km to the Grande-Anse maritime terminal at the Port of Saguenay, with transport taking ~18 days. This is near the port used by Rio Tinto (ASX:RIO, not rated) for bauxite exports.

Concentrate transport costs are significant, estimated by PMET's Feasibility Study at C$217/t, representing ~30% of FOB costs (excluding royalties) or ~27% of AISC (excluding royalties). These costs are unavoidable given the project's remote location, making transport and logistics optimisation a critical ongoing focus for PMET. For context, transport distances from Kathleen Valley to the Port of Geraldton are ~700km, while Goulamina in Mali is ~1,000km to the Port of Abidjan in The Ivory Coast.

PMET will require special permits to operate 75t trucks as the current Gross Vehicle Weight limit along these roads is 68,750kg. The Company plans 24x7 operations, moving 2,191 tonnes per day along the road.

Figure 48 – Road Transportation



Source: BBA PEA Report 2024.

Source: BBA, PMET

Offsetting some of the project's transport cost is access to cheap, plentiful power. Shaak is located ~14km from a major 735kV Hydro-Quebec transmission line which is supplied by the La Grande 4 hydroelectric complex ~64km away. The nearest town is Radisson, with a population of ~470, located 220km west of the site. The Cree communities of Wemindji and Chisasibi, each 325 km west, provide a broader range of services and are accessible via regularly scheduled flights.

The regional climate is sub-arctic with annual temperatures ranging from -27°C to 20°C and rare extremes between -35°C and 26°C. Snow cover typically lasts from mid-October to late May restricting fieldwork during winter to drilling and geophysical activities.

Topographically, the area is relatively undemanding, characteristic of the James Bay region, consisted of forested, gently rolling hills, drainages and swamps. The project sits at elevations between ~260-350m, facilitating infrastructure development and mining operations.

Tailings Storage

Total tailings production over the LOM is estimated at 71.1Mt. Of this, ~17.1Mt will be utilised as underground backfill with the remaining 54Mt disposed of in Stockpile 002.

Tailings designated for surface disposal will be dewatered through the DMS circuit before being transported to Stockpile 002, where they will be placed, spread and compacted.

OFFTAKE

At present, PMET's planned production remains largely unencumbered, with only 100kt of the more than 800kt of targeted output committed under offtake arrangements.

In January 2025, the Company entered into a binding offtake agreement with PowerCo SE, Volkswagen's wholly owned vertically integrated battery manufacturing subsidiary, to supply 100ktpa of 5.5% spodumene concentrate over a 10 year term.

Concurrently, PMET and PowerCo executed a non-binding MoU to establish an ongoing strategic relationship. This framework provides for collaboration on shared strategic objectives, including the development of a cost-competitive, sustainable and ESG-compliant battery supply chain, the potential to attract government support and incentives and the possible development of a downstream chemical conversion facility.

As the project advances and key approvals are secured, we expect PMET to leverage additional offtake agreements to support favourable project financing outcomes. While management has not yet disclosed a target level of uncommitted production, we believe retaining ~10-20% of output for spot market exposure would be appropriate at this stage.

PROJECT TIMING

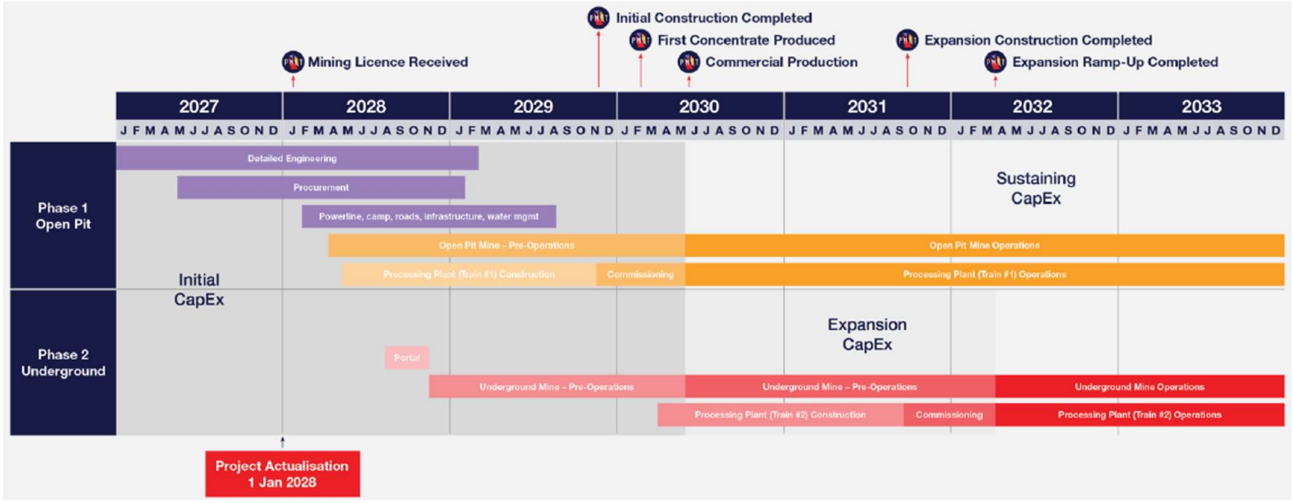
Following submission of the Feasibility Study in November 2025, PMET expects to commence the Environmental and Social Impact Assessment (ESIA) process, followed by Mine Authorisation. The Company targets submission of the ESIA in early 2026, initiating what management expects to be an 18-24 month approval process for both the ESIA and Mine Authorisation. Near term, the timing of the ESIA submission is key as it kick-starts the formal approval process and hence all future timelines. The Company expects this approval process to take 18-24 months.

Subject to approvals, PMET expects to reach Final Investment Decision (FID) late 2027.

Assuming an 18-24 month construction period, commissioning is expected late 2029.

According to PMET, ramp up is expected to be rapid given the simplicity of the processing flowsheet, consistent with other straightforward DMS operations such as Bald Hill, with commercial production anticipated mid-2030.

Figure 49 – Timeline for Construction Phases 1 and 2



Source: PMET

The Feasibility Study published in November defines the full project scope and environmental footprint for permitting purposes, including processing capacity of up to 5.1Mtpa to produce ~800ktpa of spodumene concentrate from CV5. The ESIA approval process is anchored to this defined scope and any future development must remain within these parameters. Management views this pathway as the fastest and lowest risk route to permitting and project execution and does not expect the approval strategy to change.

Figure 50 – 2026 is the current window of opportunity for project optimisation

Source: PMET

In parallel, PMET is seeking to approval to extract a 50kt bulk sample from the high-grade Nova Zone (12Mt @ 2% Li_2O) located within CV5. Subject to application acceptance, targeted for 2026, and bulk sample approval targeted in 2027, the Company would develop an exploration decline into the CV5 orebody. This decline could subsequently be repurposed as a production decline, accelerating exposure to higher grade material and deferring lower grade (~1.1% Li_2O) open pit feed in the early years.

The exploration decline and bulk sample program are expected to cost ~C$100M, but this expenditure would be credited toward any future underground development. If approved, this would materially accelerate the establishment of an underground operation at CV5.

Incorporation of CV13 and the high-grade caesium zones is expected to require a permitting amendment, rather than a full new ESIA, and would likely be pursued following receipt of Mine Authorisation and commencement of construction. In the interim, PMET may advance underground mining of the Nova Zone at CV5.

Alongside the ESIA process, management continues to optimise the mining plan with the objective of maximising early value creation. Quebec is regarded as having a well-defined and established permitting framework and we expect approval timelines to be managed with minimal delay.

PMET Best Case Scenario

- **Early 2026**: ESIA application made, kickstarting CV5 environmental approval and Mine Authorisation.
- **2026: Application accepted** to apply for a shortened permit process to develop an exploration decline into the Nova Zone at CV5 to extract the 50kt bulk sample.
- **2027: Approval received (following the shortened process)** to develop an exploration decline and extract the bulk sample from the Nova Zone. This means decline development can commence in 2027, subject to mobilisation and a box cut. Following the bulk sample being mined, this decline is expected to transition to a production decline.
- **Late 2027:** Mine Authorisation granted from the current development plan focused on CV5. Subject to financing, FID announced soon after.
- **Early 2028 Post-Mine Authorisation:** PMET initiates an “amendment” to the Mine Authorisation to allow mining of the higher grade CV13 deposit, including the Rigel caesium zone. Management expects this process to take 6-12 months if approved as an amendment, or 18-24 months if a new ESIA and Mine Authorisation are required.
- **Early 2029:** CV13 mobilisation and open pit mine development commences, post approval of the mine amendment.
- **Late 2029:** Commissioning of the processing plant with primary feed from Nova Zone and CV5.
- **2030:** Processing plant ramp-up with feed also coming from CV13 open pit.
- **Ramp Up:** Subject to market conditions, PMET maintains the development timeline while ramping mining rates from 2.5Mtpa to 5.0Mtpa, sourcing ore feed from the Nova Zone, CV13 open pit and CV5 open pit. Caesium from the Rigel Zone would be selectively mined at relatively small tonnages.

Strategic options and funding initiatives will be pursued in parallel with permitting and development.

If the above plan is executed as envisaged, material cash outflows are expected to commence from January 2027. PMET has structured project execution in two phases.

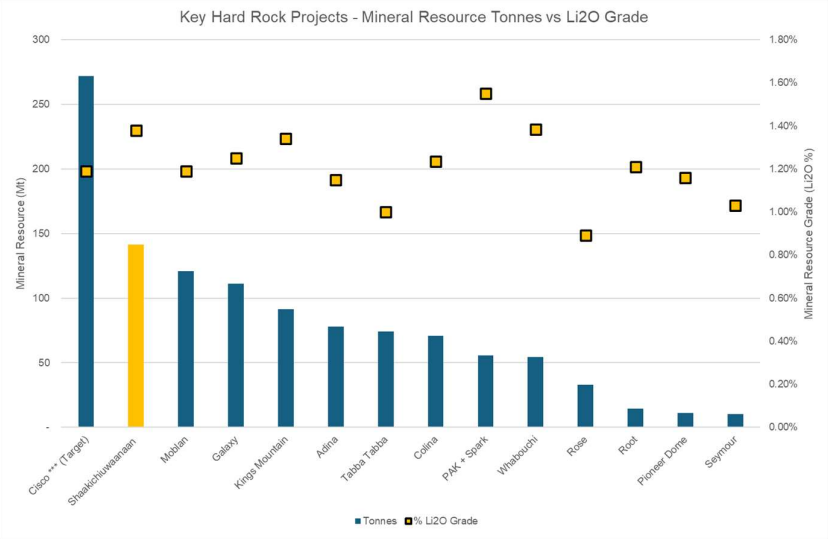
Phase 1 (January 2027-May 2030) focuses on open pit development and includes permitting, procurement, site infrastructure and mine development with major construction occurring in 2029. Commissioning is expected to begin in March 2029 with ramp up through May 2030 and the achievement of commercial production.

Phase 2 (March 2028 to March 2032) focuses on underground mine development and process plant expansion. This phase includes procurement, equipment mobilisation, utilities and construction of permanent facilities to support full scale operations.

PROJECT COMPARATIVES

The Shaak Project is one of the largest undeveloped hard rock lithium projects, with above average Li_2O resource grades compared to its project peer group (non-operating). As discussed throughout this report, we believe significant exploration upside potential remains at Shaak. We also include the Exploration Target for the Cisco project from Q2 Metals (TSXV: QTWO, not rated) in our analysis despite not having a compliant resource estimate given the significance of their intercepts thus far.

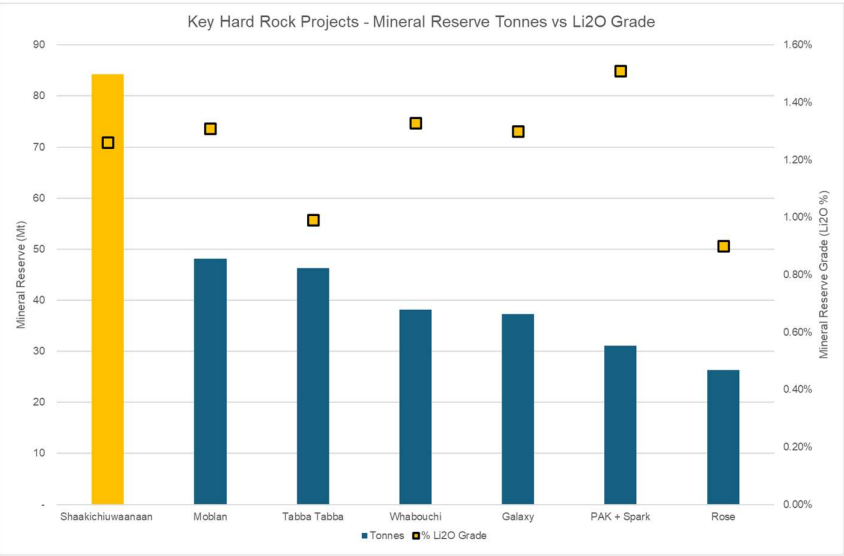
Figure 51 – Key Hard Rock Lithium Projects - Mineral Resource tonnes vs Li_2O grade



Source: Company data, Peloton Capital

Shaak's reserve grade ranks in line with average grades from peer projects. We expect this to increase in time with the incorporation of the CV13 orebody.

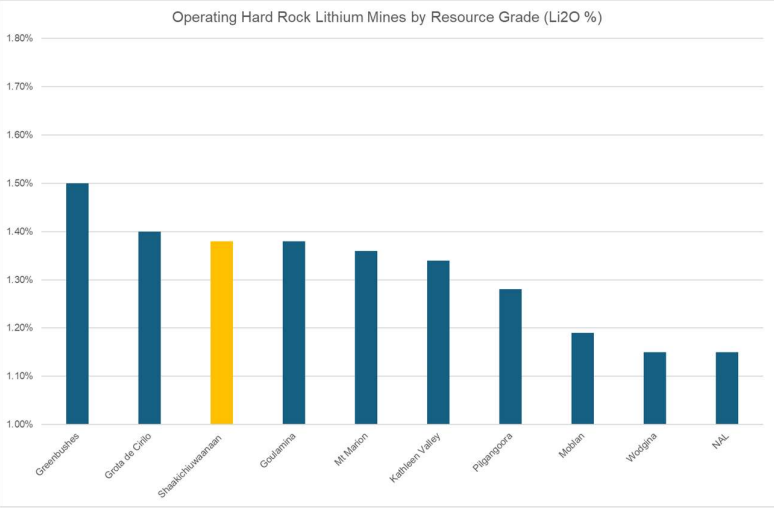
Figure 52 – Key Hard Rock Lithium Projects - Mineral Reserve tonnes vs Li_2O grade



Source: Company data, Peloton Capital

Compared to operating lithium mines, Shaak's resource grade is ranked highly.

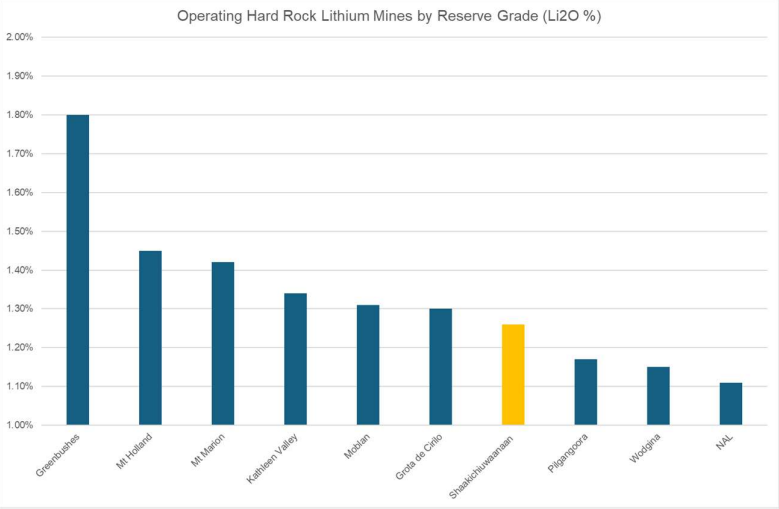
Figure 53 – Operating Hard Rock Lithium Mines by Resource Grade (Li_2O %)



Source: Company data, Peloton Capital

Comparing reserve grades of operating mines, Greenbushes continues to remain an outlier with a 1.8% grade. Shaak's reserve grade is more in line with operating peers and expected to increase with the incorporation of CV13.

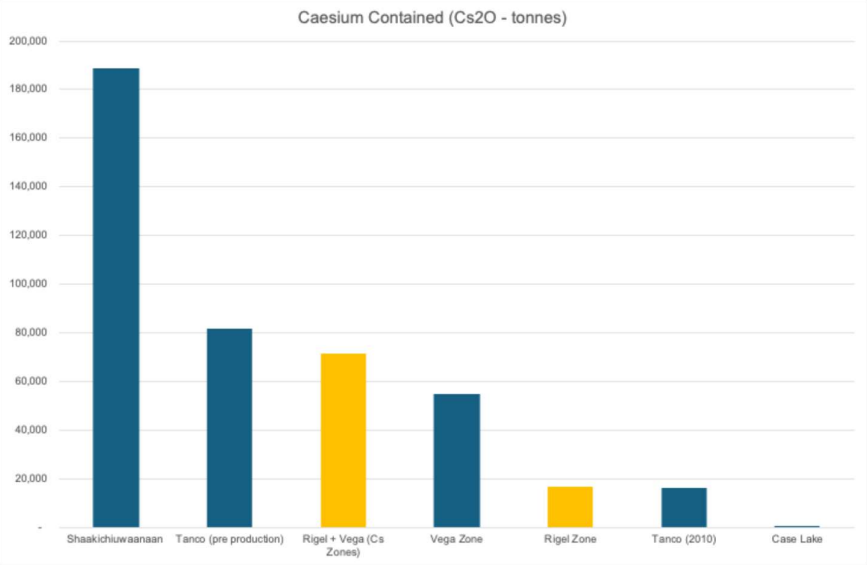
Figure 54 – Operating Hard Rock Lithium Mines by Reserve Grade (Li_2O %)



Source: Company data, Peloton Capital

Below we outline contained caesium content across the whole Shaak Project as well as the high-grade caesium zones. As mentioned, Shaak is currently the largest known caesium resource globally with 188kt of Cs_2O. At present, our focus centres on the very high-grade Rigel and Vega Zones which contain more than a third of the total metal across the orebody. Moreover, as mentioned earlier, our modelling assumes the mining of the Rigel Zone alone with potential upside if the Vega Zone is eventually mined.

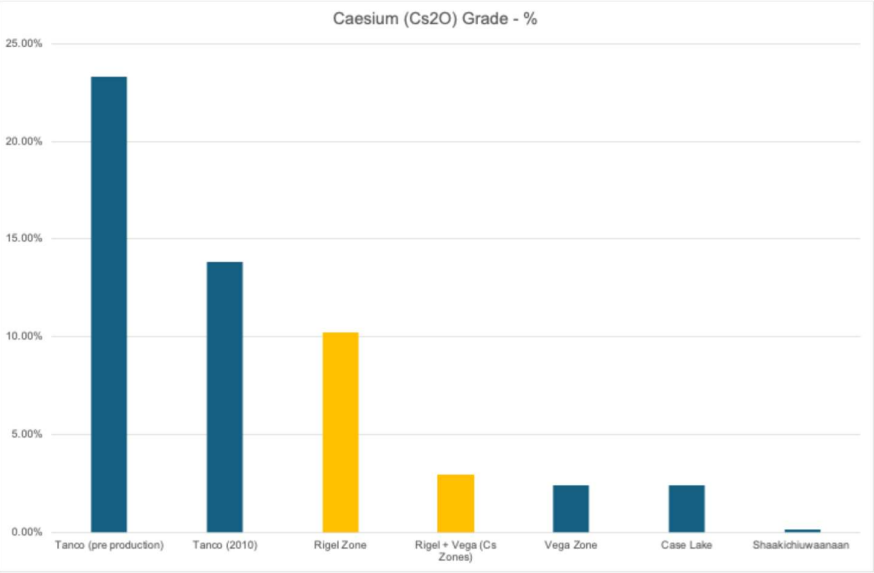
Figure 55 – Caesium Contained (Cs_2O tonnes)



Source: Company data, Peloton Capital

In Figure 56 – Caesium Grade (Cs_2O %) we compare the various high-grade zones at Shaak with TANCO as it was pre-production (in the 1960s) and in 2010. We also include the Case Lake project which is also in Canada.

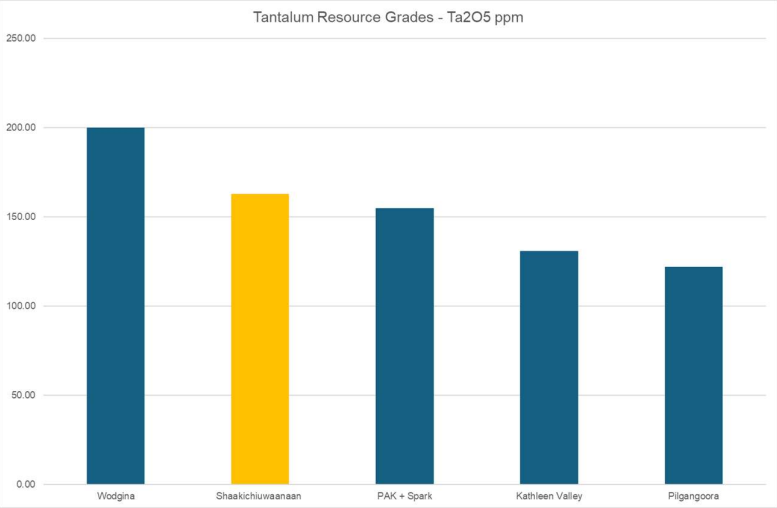
Figure 56 – Caesium Grade (Cs_2O %)



Source: Company data, Peloton Capital

Shaak compares favourably when looking at tantalum resource grades.

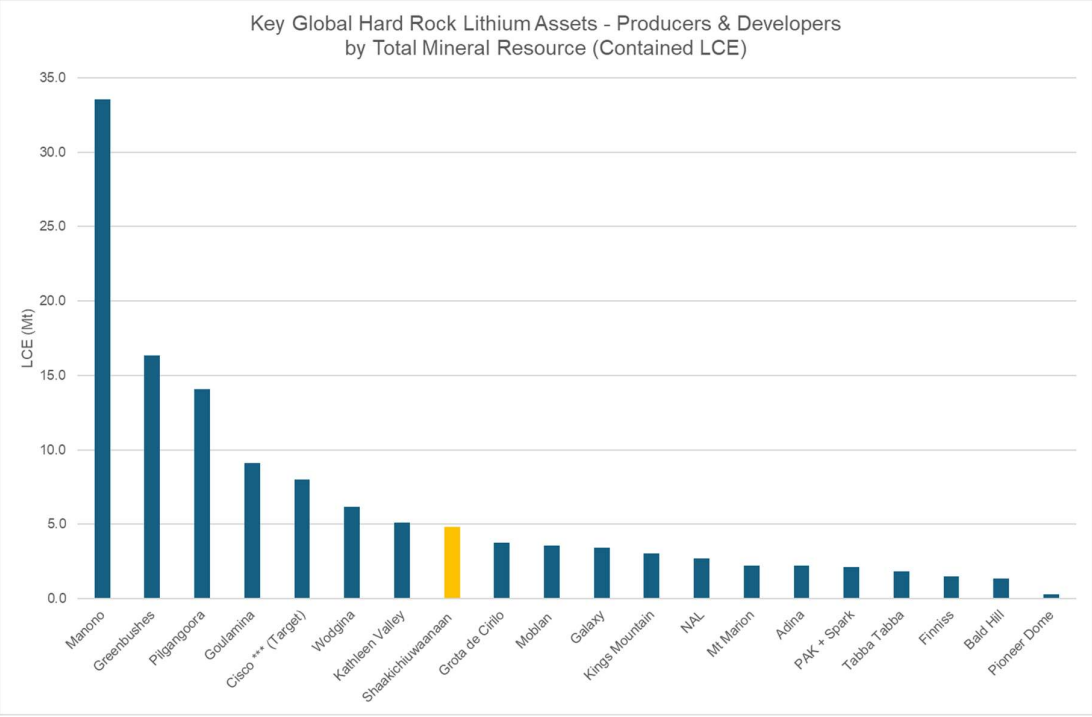
Figure 57 – Tantalum Resource Grades (Ta_2O_5 ppm)



Source: Company data, Peloton Capital

While Shaak has a significant Mineral Resource compared to other operating and non-operating projects, we believe there is further upside potential as demonstrated by the drill results disclosed in its recent exploration release (January 2026).

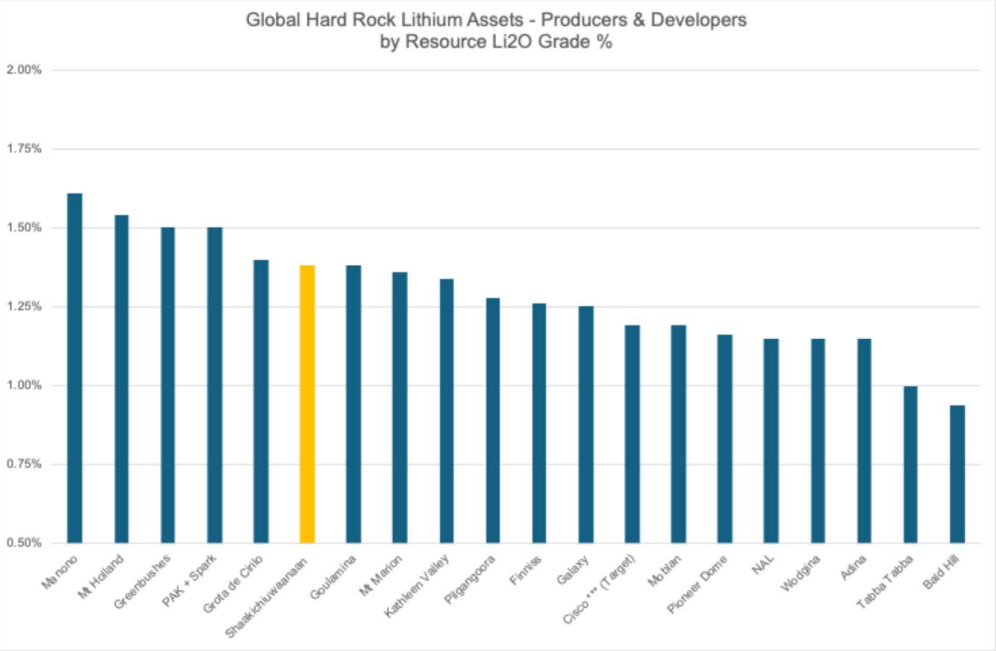
Figure 58 – Key Global Hard Rock Lithium Assets – Producers & Developers by Total Mineral Resource (contained LCE)



Source: Company data, Peloton Capital

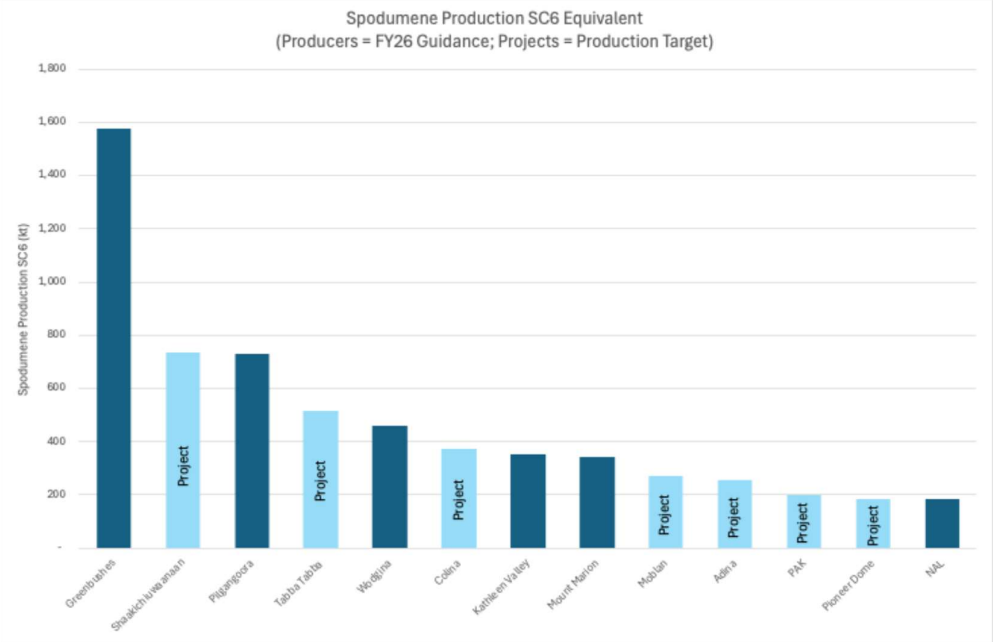
Shaak has a significant Mineral Resource grade compared to other operating and non-operating projects.

Figure 59 – Global Hard Rock Lithium Assets – Producers and Developers by Resource grade



Source: Company data, Peloton Capital

Figure 60 – Spodumene Production Comparison for Peer Assets (SC6 Equivalent)



Source: Company data, Peloton Capital

A CASE STUDY: THE TANCO MINE

The TANCO mine at Bernic Lake in Canada's eastern Manitoba is the closest geological analogue to PMET's Shaak Project. The deposit sits on the Archean Bird River greenstone belt.

TANCO is often regarded as a prime example of a true LCT-pegmatite; that is, a pegmatite that is highly evolved, highly fractionated, and possesses economic grades of lithium, tantalum and caesium as well as other elements like tin and rubidium. Since its discovery, the deposit has been the subject of many studies because of its uniqueness (Cerny, 1982).

In our view, to fully appreciate the potential of PMET's Shaak Project, it is useful to consider the TANCO operation, its significance to the global pegmatite sector and the factors that made TANCO distinctive. While TANCO had exception grades across its key elements, small tonnages appeared to have prevented the operation from gaining true economies of scale and being a through-the-cycle operation. This compares to Shaak, that has scale and preferred mineralogy, albeit at lower relative grades.

Background

The broader site was discovered by chance in 1929 by explorers from Jack Nutt Mines Ltd, who were searching for gold but instead found narrow tin veins (cassiterite). Lithium bearing pegmatite were identified later during deeper drilling and the economic value of lithium was recognised only at a later stage.

TANCO began as a tin producer transitioning to a tantalum focused operation following the 1967 joint venture between Chemalloy Minerals Ltd and Northern Goldfields Investments Ltd, which formed the Tantalum Mining Corporation of Canada Ltd (TANCO). Caesium production commenced subsequently with lithium (spodumene) production beginning in 1986.

TANCO initially featured extremely high grades of caesium (>20% Cs_2O) along with significant tantalum and lithium. The deposit also contained rubidium as well as tin, which was mined in the early years. At its peak, TANCO supplied approximately 40% of the world's tantalum and held the largest known reserves of caesium and rubidium. *("Tantalum Mining Corporation's gravity concentrator-recent developments"-1979)*

For context, Greenbushes in Western Australia followed a similar evolution. It started as a tin mine then tantalum mine and now is a lithium focused operation with tantalum as a by-product. Notably, our understanding is Greenbushes holds the first mining license issued in Western Australia (Licence No. 1, 1901).

Figure 61 – Location map of the Tenco mine

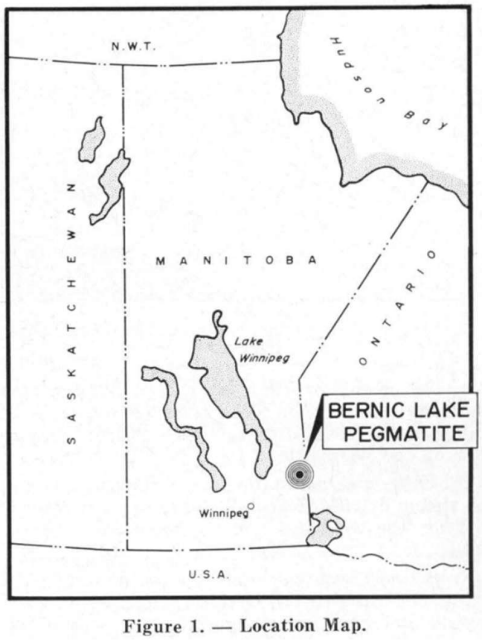


Figure 1. — Location Map.

Source: Geology and Economic Significance of the Bernie Lake Pegmatite, 1966

Geology and Metallurgy

TANCO is a geologically unique and very rich pegmatite with over 80 different mineral species identified (Cerny,1982). In our view, Shaak has the potential to be as geologically interesting. Shaak contains pollucite resources exceeding those TANCO is estimated to have had before it went into production (Refer Figure 63).

Shown in Figure 62 are the key economic mineral species for both TANCO and Shaak.

Figure 62 – Key economic mineral species

TANCO		Shaak	
Spodumene	Li Al (SiO_6)	Spodumene	Li Al (SiO_6)
Amblygonite	Li Al PO_4 (F,OH)	Pollucite	(Cs,Na) ($AlSi_2$,O_6) H_2O
Wodginite	Mn_4 (Sn>Ta,Ti,Fe)$_4$ (Ta>Nba O_{32})	Tantalite	((Fe, Mn) (Ta, Nb)$_2O_6$),
Microlite	(Na,Ca)$_2$ Ta_2O_6 (O,OH,F)		
Pollucite	(Cs,Na) ($AlSi_2$,O_6) H_2O		
Lepidolite	(K,Rb) (LiAl)$_2$ (Al,Si)$_4$ O_{10} (OH,F)$_2$		
K-feldspar	K ($AlSi_3O_8$)		

Source: In Search of Quality: TANCO's Cornucopia (1989), PMET, Peloton Capital

Comparing TANCO (pre-Production) and Shaak:

- TANCO (before it went into production) had much higher grades of lithium, caesium and particularly tantalum
- TANCO's contained metal however was lower with the total reserve tonnes an order of magnitude lower than Shaak's present resource:
- **Lithium.** TANCO's lithium zone is almost identical to the Nova Zone at CV13, TANCO had originally 7.3mt at 2.76% Li_2O in reserve, while Nova has 12Mt at 2.0% Li_2O**.** Shaak's contained metal is significantly higher than TANCO.
- **Caesium.** TANCO had extremely high caesium grades (~20% Cs_2O), more than double those of Shaak's Rigel Zone, though total contained metal was smaller. Compared to Shaak's global resource, TANCO's grades were an order of magnitude higher, however compared to the Rigel or Vega Zones, the difference is less pronounced. The Rigel Zone alone contains ~20% of TANCO's caesium reserves, while Rigel and Vega combined represent almost 90% of TANCO's caesium pre-production reserves.
- **Tantalum.** TANCO's tantalum grades were significantly higher, explaining its focus as a tantalum mine. Shaak's tantalum grades are more comparable when compared to other currently operating mines.
- **Rubidium.** TANCO had rubidium through the lepidolite whereas economic grades of rubidium for Shaak have yet to be reported.

Figure 63 – Comparison of Reserves for TANCO (prior to production) vs Shaak

		Shaakichiuwaanaan		
	TANCO	CV5+CV13	Rigel Zone	Vega Zone
Tonnes	7,301,735	141,371,000	163,000	2,228,000
Lithium (Li2O) - %	2.76%	1.38%	1.78%	1.91%
Contained metal (t)	201,528	1,950,920	2,901	42,555
Tonnes	350,000	141,371,000	163,000	2,228,000
Caesium (Cs2O) - %	23.3%	0.13%	10.25%	2.45%
Contained metal (t)	81,550	188,888	16,708	54,585
Tonnes	2,071,358	141,371,000	163,000	2,228,000
Tantalum - ppm	2,160	163	646	228
Contained metal (Mlbs)	9,864	50,928	232	1,120
Tonnes	110,000			
Rubidium (Rb2O) - %	3.25%			
Contained metal (t)	3,575			

Source: In Search of Quality: TANCO's Cornucopia (1989), PMET, Peloton Capital

Mineralogy and Processing

TANCO has produced four major products over its life: tantalum concentrate, spodumene concentrate (lithium), pollucite (caesium) and lepidolite (rubidium). Shaak is expected to produce three: spodumene, pollucite and a tantalum concentrate.

Throughput across the two operations is vastly different owing to the different reserve tonnages. TANCO's throughput is reported at 365ktpa (1,000tpd) while Shaak is targeting 5.1Mtpa, which goes to our earlier point regarding TANCO's scale.

Lithium

TANCO processed spodumene through flotation as well as DMS. This compares to Shaak's proposed DMS only circuit

TANCO has had to accommodate three primary lithium mineral species with different properties and impurities compared to one dominant lithium mineral (spodumene) at Shaak. Like Shaak, the spodumene is extremely coarse grained with crystals up to 3 feet long observed.

Despite what presently would be considered very high lithium grades, TANCO didn't produce a spodumene product until 1986 and didn't have a dedicated spodumene circuit until 1988. The plant was constructed in phases, starting mid 1985, utilising parts of the tantalum circuit before final completion of the spodumene mill in mid-1988. At the time TANCO entered the lithium market, the primary lithium buyers were in the glass and ceramics industries, which demanded exceptionally low impurity material. TANCO invested heavily to meet these strict specifications. This is very different from today's lithium market which is dominated by the needs of the lithium-ion battery market.

Tantalum

Tantalum is recovered using a conventional gravity circuit that has been modified over the years to deal with declining grades.

According to a report published by Cabot Corporation in "Canadian Milling Practice", overall plant tantalum recoveries at the time of publication ranged from 65% to 68% (depending on mineralogy), with upgrading of the ore from 0.080% Ta_2O_5 to 38% Ta_2O_5.

Caesium

Pollucite is the dominant caesium baring mineral at TANCO.

TANCO began by selling DSO. Later on, it produced a crushed 12mm product and a dry ground product. In 1993, when the TANCO mine came under new ownership, a caesium formate plant was constructed which allowed the production of high-density drilling fluid for use in the oil industry. The processing options for caesium employed by TANCO remain viable options for Shaak.

MINING AT TANCO

TANCO is an underground operation. Most of the pegmatite was situated 60m below Bernic Lake and being a long and flat lying orebody, Room & Pillar (R&M) was the selected mining method. The orebody was accessed by both a shaft and a decline from surface.

R&M mining was relatively straightforward for the operation and according to historical literature, the only mining issue identified was around mined pillar dimensions being too thick. Achieved extraction rates were 75% with R&M mining.

Mining of each ore type was carried out concurrently in several headings to minimise variation in ore grade feed to the mill.

We are much more comfortable with the underground mining of spodumene given the successes at TANCO and the current operating performance at Kathleen Valley.

THE LITHIUM MARKET

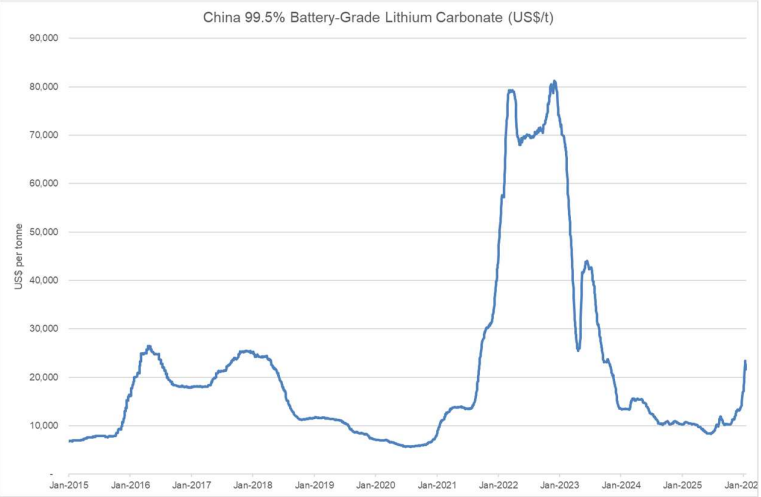
The global lithium market has entered a crucial phase in 2026, transitioning from a painful and prolonged cyclical downturn spearheaded by unexpected oversupply after record prices. The key China lithium carbonate price fell from a peak of ~US$80,000/t to a low of almost U$8,000/t (~90%), while the benchmark spodumene price out of Australia saw an equally precipitous fall from a high of over US$6,000/t to almost US$600/t or ~90%. Due to the accelerated adoption of Battery Energy Storage Systems (BESS) and the subsequent demand uplift now being accounted for in forecasts, the global lithium market appears to be structurally tight.

In our view, the rebound since the lows of June 2025 has been driven by two key factors:

1) Demand remaining unequivocally firm – EV demand continues its double-digit compound growth while, BESS is seeing even stronger and broader growth, and

2) Supply reductions and constraints from cancelled licenses in regional China over the past two years.

Figure 64 – China 99.5% Battery-Grade Lithium Carbonate (US$/t)



Source: SMM International, Peloton Capital

Figure 65 – China Spodumene Price Li_2O 6% CIF (US$/t)

Source: Asian Metal Inc, Peloton Capital

Lithium Supply

During the recent downturn, some companies were forced to put assets on Care & Maintenance or lower production and capex to preserve cash flow while others raised capital or merged. Almost all the lithium producers that we follow globally were impacted and took some form of action. Some of these measures taken by various producers included:

- Pilgangoora idling one of its processing plants at site;
- Wodgina transitioned to two processing plants working full time from three;
- Mount Marion prioritised higher grade feed and reduced mining activity;
- Bald Hill placed on C&M, and
- Finnis placed on C&M.

We believe these same producers will be slower to bring back supply and will likely want to see a period of sustained higher prices before supply is restarted or new projects commissioned. Below we outline key potential sources of supply, greenfield and brownfield, that may be incentivised by higher prices.

Figure 66 – Brownfield potential restarts and expansions for hard rock lithium supply

Operation	Tonnages	Likely Timing
Pilgangoora (Ngungaju Plant Resart)	~200,000 (SC5.2)	< 12 months
Wodgina Train 3	~250,000 (SC6)	< 12 months
Bald Hill restart	~120,000 (SC5.0)	< 12 months
Finnis	~200,000 (SC6)	< 12 months
NAL	~110,000 (SC5.4)	~ 12 months
Wodgina Trains 4	~500,000 (SC6)	> 12 months
Pilgangoora – P2000	~1,000,000 (SC5.2)	> 12 months
Liontown – move to 4.0mtpa from 2.8Mtpa	~250,000 (SC5.2)	> 12 months
Greenbushes (CGP4)	~520,000 (SC6)	> 12 months
Rio Argentina	~600,000 (SC6)	> 12 months
Rio Canada	~280,000 (SC6)	> 12 months
Wodgina Train 5/6 concepts	~500,000 (SC6)	A while away
TOTAL	**4,132,000 (SC6)**	

Source: Peloton Capital, various company reports

Figure 67 – Potential greenfield hard rock lithium supply projects

Operation	Tonnages
Tabba Tabba	565,000 (with Stage 2) (SC5.5)
Pioneer Dome	200,000 (SC5.5)
Shaakichiuwaanaan	800,000 (with Phase 2) (SC5.5)
PAK Lithium	200,000 (SC6)
Adina	280,000 (SC5.5)
Colina	405,000 (SC5.5)
TOTAL	**2,263,000 (SC6)**

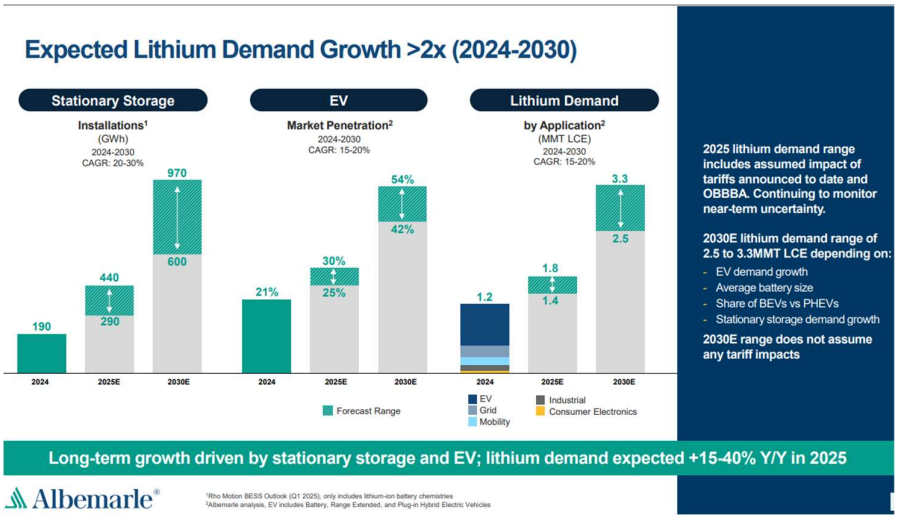
Source: Peloton Capital, various company reports

Low grade lepidolite coming out of China remains a key source of uncertainty for near-term supply to the market given vast reserves (estimated capacity 100-150kt LCE). Jiangxi has a number of lepidolite operations which have historically been able to ramp up production quickly when prices become favourable. However, the domestic policy within China is starting to shift, with the state council releasing an "Action Plan for Solid Waste Comprehensive Governance" on the 4th January 2026, followed by the Environmental Bureau of Yichun issuing a notice to solicit information on any illegal disposal of solid waste. This may see future supply out of Jiangxi constrained in the near term.

Lithium Demand

Global demand for lithium continues to remain firm. In 2025 it was estimated that lithium demand grew by at least 20% driven by continued strong growth in EVs and even stronger growth in BESS. Demand surprised to the upside with SQM (NYSE: SQM, not rated), one of the world's biggest lithium producers upgrading their growth estimates by 3% to 20% in its Q3 2025 results. In addition, Albemarle (NYSE: ALB, not rated) has been consistently projecting YoY growth of 15-40% throughout 2025, or 1.4 to 1.8Mt of LCE, and is projecting a 15-20% CAGR by 2030 to 2.5-3.3Mt. This compares to Rio Tinto (ASX:RIO, not rated) who sees a 13% CAGR in lithium demand out to 2035 from 2024, with 2035 demand expected to be ~4.5Mt LCE.

Figure 68 – Forecast lithium demand



Source: Albemarle

The most significant driver of growth in lithium demand in 2025 came from the BESS market, which has surprised materially to the upside throughout the whole year. The growth was not limited to China but was equally strong across all key markets. China is estimated to have grown BESS by 60% YoY and represented 50% of installations, while both North America and EU are estimated to have grown 145% YoY respectively with each market representing 20% and 10% of installations.

SQM and Albemarle both estimate that in 2025 alone, BESS represented ~20% of global lithium demand, up from 17% in 2024. Albemarle put demand at 250 to 380kt of LCE and see demand growing to 430-1070kt by 2030, a 15-30% CAGR from 2024. Taking the top end of Albemarle's BESS demand range with their total demand expectation for 2030 positions BESS at 32% of the market by 2030.

THE CAESIUM MARKET

We believe Caesium is positioned to be a crucial specialty metal that remains in one of the more opaque corners of the commodity market. Caesium is an extremely rare metal that is defined as a critical mineral by the US and Canada. We understand the market is supply constrained as the USGS report indicates existing stockpiles feeding the two downstream chemical converters (Sinomine and Albemarle) could be depleted in a few years. Similar to other small niche markets, caesium is priced out of China and is predominantly controlled by one Chinese group – the current 100% owner of the TANCO mine.

According to Power Metals (TSXV: PWN, not rated), the global caesium supply is rapidly diminishing and market participants are seeking reliable, transparent and politically aligned sources of critical minerals.

With mass improvements in technological efficiencies, caesium hosts a multitude of unique properties that simply has no competition.

It holds the status of being the most electropositive and least electronegative stable element, simply meaning it gives up its outer electron more readily than any other non-radioactive element, which explains why it is so reactive and useful in electronics.

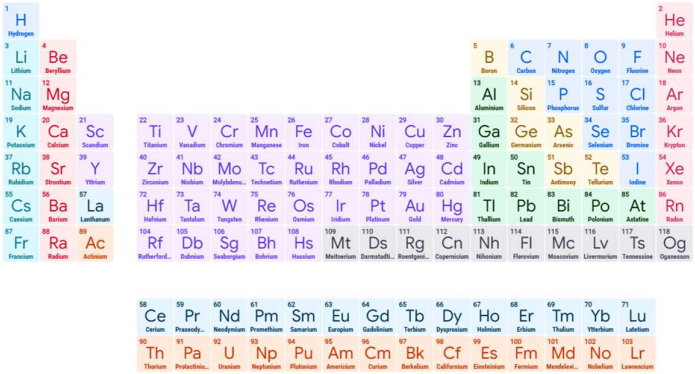
Caesium and rubidium can be used interchangeably in many applications because they have similar physical properties and atomic radii. Caesium, however, is more electropositive than rubidium, making it a preferred material for some applications.

Caesium, with chemical symbol 'Cs', sits in the far bottom left corner of the period table with the other alkaline metals lithium, sodium, potassium and rubidium. It has atomic number 55, meaning it has 55 protons in its nucleus and an atomic mass of 132.9.

Caesium is the rarest of the naturally occurring alkali metals and is highly reactive. It reacts explosively with water even at low temperatures.

It is a very useful mineral in its application whether its oil and gas, sulphuric acid catalysts or next generation (Perovskite) solar panels. Other uses include medicine, defence electronics and photonics. The demand drivers could be qualified as a multiple of GDP growth.

Figure 69 – The Periodic Table



Source: Google

Caesium Supply

Pollucite is considered the optimal host mineral for caesium due to its high caesium content (up to 42.6% Cs_2O) and its relative ease of processing. Mining requires only crushing and ore sorting to produce a saleable 10-20% Cs_2O pollucite concentrate, with no tailings of expensive infrastructure required. Upfront capital expenditure is also mineral given its simple processing flowsheet.

Pollucite is mainly found in association with lithium-rich pegmatites. Currently, the TANCO mine is believed to be the primary source of supply, despite it depleting. Caesium ore is also estimated to have been mined in China. All other primary mine production of caesium is believed to have ceased within the past two decades with the Bikita mine in Zimbabwe depleted of pollucite ore reserves in 2018 and the Sinclair mine in Australia ceasing to recover pollucite ore in 2019.

Shaak is the world's largest known pollucite-hosted caesium pegmatite Mineral Resource. Prior to Shaak, global reserves were dominated by TANCO, with the balance being highly scattered around at far less economical grades and scale.

Recycling: Caesium formate (formula: $CHCsO_2$)brines are typically rented by oil and gas exploration clients. After completion of the well, the used caesium formate brine is returned and reprocessed for subsequent drilling operations. Caesium formate brines are recycled, recovering nearly 85% of the brines for recycling to be reprocessed for further use (Source: USGS).

Currently, we understand the main players are:

- Sinomine – Own TANCO 100%

- Albemarle – who buy caesium feedstock from various sources and process them at their Langelsheim facility in Germany. There they develop and manufacture caesium products for the chemical and pharmaceutical industries. Albemarle produces other specialty products at Langelsheim that are lithium based.

Albemarle recently did a deal with Canadian explorer and developer Power Metals Corp, who is advancing its Case Lake Project in Ontario which has an Inferred Mineral Resource of 13,000 tonnes at 2.40% caesium oxide (Cs_2O) for 330 tonnes of Cs_2O concentrate. Albemarle will provide up to C$5 million in funding available through staged payments tied to permitting milestones.

Caesium Demand

According to the USGS, the global market of caesium chemical products, excluding caesium formate, is estimated to be over 2,000 tonnes per year caesium chemical products. China is estimated to account for nearly half the market. An estimated 10,000 tonnes of caesium formate is in use, with 5% being depleted and replaced annually.

From a demand perspective, we see Western supply chains benefiting from an additional Caesium supplier like PMET coming to the market simply due to additional capacity, optionality and secure product.

THE TANTALUM MARKET

The tantalum market is very small but critical. Tantalum is valued for its high heat resistance, corrosion resistance, and strong electrical capacitance as well as its ability to form alloys amongst other qualities. Demand is structurally supported by high performance capacitors at ~50% of demand, which are used in smartphones, 5G infrastructure, data centres and defence systems. The balance is mostly used in semiconductors and aerospace superalloys.

Historically, production was highly concentrated in Central Africa, mostly the DRC and Rwanda in the form of many artisanal mines. Today, this has shifted to the hard rock lithium mines in Australia and Brazil, reflecting the growth in LCT (tantalite) pegmatites being mined and the subsequent by-product recoveries from operations.

The market remains largely contract-driven with tantalum concentrate currently ~US$108/lb >30% grade.

Being one of the largest known tantalum pegmatite Mineral Resources globally, we believe Shaak could play an important part in the supply of tantalum into key markets.

Figure 70 – Tantalum Concentrate Ta3O5 30% CIF China (US$/lb)

Source: Bloomberg, Peloton Capital

BOARD AND MANAGEMENT

Non-Executive Chairman

Pierre Boivin – Legal Background

Pierre is a seasoned lawyer with over 40 years of experience in business law, particularly in the natural resources sector.

He has spent the past 23 years at McCarthy Tétrault, where he is Counsel, National Leader of the Africa Group, and Quebec Leader of the Global Metals and Mining Group. Recognised as one of Canada's leading lawyers, he has served on numerous boards, including Export Development Canada and FinDev Canada. He is a member of the Governance Committee of the Canadian Institute of Mining, Metallurgy and Petroleum.

CEO, President and Director

Ken Brinsden – Operational Background

Ken is a Mining Engineer with nearly 30 years of experience across surface and underground mining operations, spanning mine management, production, brownfield and greenfield development and executive and board leadership across multiple commodities.

Figure 71: Board Skill Matrix

	Legal	Finance	Operations	Management	ESG
Non-Executive Chairman Pierre Boivin	✓				
President and Director Ken Brinsden			✓	✓	
Non-Independent Director Blair Way				✓	
Independent Director Brian Jennings		✓			
Independent Director Melissa Desrochers					✓
Independent Director Aline Côté			✓		

Source: Peloton Capital

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