FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)

Unaudited Condensed Interim Financial Statements for the Fourth Quarter and Full Year Ended 28 February 2025 ("4Q FY2025" and "FY2025")

Background

Fortress Minerals Limited ("**Fortress**" or the "**Company**" and collectively with its subsidiaries, the "**Group**") is principally in the business of exploration, mining, production and sale of iron ore of low level of impurities. All of our iron ore are efficiently priced in the United States Dollar against international iron ore indexes as practiced world-wide.

The Group is enhancing its production capabilities and expanding its mineral resources at the Bukit Besi mine. At the CASB mine, the Group is developing a new integrated processing plant. The mining lease for the CASB mine is due for renewal upon its expiry at the end of May 2025. The Group has initiated the renewal process and is engaging with the relevant authorities. In Sabah, the Group is advancing its prospecting efforts through various phases of mineral exploration, subject to the renewal of the prospecting licenses, as the current prospecting licenses expired in December 2024.

The Group continues to seek opportunities to grow its commodities portfolio prudently and in a disciplined manner via acquisitions, joint ventures and/or providing mining contracting services both in Malaysia and in the region, where its strong capabilities provide a competitive edge to tap on the demand.

Fortress is committed to our team's safety and values of integrity, sustainability, empowerment, and prosperity. Our team drives the business to achieve our vision of excelling in mineral exploration through strategic insights and alliances, addressing regional client demands, and maintaining ethical excellence.

Fortress Minerals Limited (OAJ: SGX) has been listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") since 27 March 2019.

For more information, please visit https://fortress.sg

Part I – Condensed Interim Financial Statements for the Fourth Quarter and Full Year ended 28 February 2025 ("4Q FY2025" and "FY2025")

Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group			Group		
		Three months ended			Twelve months ended		
	Note	28 February 2025 US$	29 February 2024 US$	Change %	28 February 2025 US$	29 February 2024 US$	Change %
Revenue	3	17,959,038	12,490,266	43.8	56,253,961	53,932,963	4.3
Cost of sales		(9,400,996)	(6,118,737)	53.6	(23,044,776)	(20,671,393)	11.5
Gross profit		8,558,042	6,371,529	34.3	33,209,185	33,261,570	(0.2)
Other income		(541,587)	(286,352)	89.1	906,681	416,461	117.7
Selling and distribution expenses		(1,989,757)	(1,428,643)	39.3	(6,339,951)	(6,687,629)	(5.2)
Other operating expenses		(3,767,687)	(2,055,389)	83.3	(12,667,842)	(9,863,224)	28.4
Administrative expenses		(54,971)	(52,292)	5.1	(1,314,666)	(1,574,279)	(16.5)
Impairment losses on financial assets		-	(663,402)	(100.0)	-	(663,402)	(100.0)
Impairment losses on non-financial assets		(3,026,371)	-	100.0	(3,026,371)	-	100.0
Fair value changes on contingent consideration		298,138	(53,256)	nm	298,138	(53,256)	nm
Finance costs		(121,034)	(190,242)	(36.4)	(598,005)	(962,524)	(37.9)
Profit/(Loss) before income tax	4	(645,227)	1,641,953	nm	10,467,169	13,873,717	(24.6)
Income tax expense	5	(1,147,621)	(1,014,966)	13.1	(4,668,271)	(3,835,711)	21.7
Profit/(Loss) for the financial period		(1,792,848)	626,987	nm	5,798,898	10,038,006	(42.2)
Profit/(Loss) attributable to:							
Owners of the Company		(1,769,894)	629,650	nm	5,702,212	10,047,877	(43.2)
Non-controlling interests		(22,954)	(2,663)	762.0	96,686	(9,871)	nm
		(1,792,848)	626,987	nm	5,798,898	10,038,006	(42.2)
Other comprehensive income							
Item that may be reclassified subsequently to profit or loss:							
Exchange differences on translating foreign operations		(343,587)	(1,316,867)	(73.9)	3,700,174	(3,423,345)	nm
Total comprehensive income/(loss) for the financial period, net of tax		(2,136,435)	(689,880)	209.7	9,499,072	6,614,661	43.6
Total comprehensive income/(loss) for the financial period attributable to:							
Owners of the Company		(2,111,757)	(683,313)	209.0	9,392,206	6,622,607	41.8
Non-controlling interests		(24,678)	(6,567)	275.8	106,866	(7,946)	nm
		(2,136,435)	(689,880)	209.7	9,499,072	6,614,661	43.6
Earnings per share attributable to owners of the Company (cents)							
- Basic and diluted	6	(0.34)	0.12	nm	1.09	1.93	(43.5)

nm – not meaningful

Condensed interim statements of financial position

	Note	Group 28 February 2025 US$	Group 29 February 2024 US$	Company 28 February 2025 US$	Company 29 February 2024 US$
ASSETS					
Non-current assets					
Investments in subsidiaries		-	-	43,014,878	43,014,921
Exploration and evaluation assets		3,425,175	4,977,668	-	-
Mining properties	8	42,800,000	41,589,686	-	-
Plant and equipment	9	23,765,028	21,211,697	-	-
Right-of-use assets	10	132,712	1,436,973	-	-
Intangible asset		3,023,271	2,834,372	-	-
		73,146,186	72,050,396	43,014,878	43,014,921
Current assets					
Inventories		6,176,861	3,135,168	-	-
Trade receivables		6,242,535	7,205,929	-	-
Other receivables, deposits and prepayments		7,737,615	4,197,106	59	-
Amounts due from subsidiaries		-	-	15,241,755	13,372,073
Current income tax receivables		767,982	754,860	-	-
Financial assets at fair value through profit or loss ("FVTPL")		1,040,510	2,196,115	799,451	2,196,115
Cash and bank balances	11	7,850,163	7,681,409	308,998	2,073,664
		29,815,666	25,170,587	16,350,263	17,641,852
Total assets		102,961,852	97,220,983	59,365,141	60,656,773
EQUITY AND LIABILITIES					
Equity					
Share capital	12	28,995,034	28,995,034	28,995,034	28,995,034
Other reserves		(7,699,907)	(11,389,901)	-	-
Retained earnings		57,299,247	54,639,963	28,244,884	23,130,320
		78,594,374	72,245,096	57,239,918	52,125,354
Non-controlling interests		329,349	1,496	-	-
Total equity		78,923,723	72,246,592	57,239,918	52,125,354
Non-current liabilities					
Bank borrowings	15	2,354,895	1,918,301	-	986,994
Lease liabilities	15	40,989	205,331	-	-
Deferred tax liabilities		3,830,229	3,543,846	-	-
Other payables		2,050,071	2,309,552	2,050,071	2,309,552
		8,276,184	7,977,030	2,050,071	3,296,546
Current liabilities					
Banks borrowings	15	3,433,048	6,939,565	-	4,947,974
Lease liabilities	15	94,049	1,270,384	-	-
Trade payables		1,864,835	1,180,197	-	-
Other payables and accruals		10,297,930	7,593,013	67,892	245,618
Amounts due to directors		-	1,529	-	-
Amounts due to subsidiaries		-	-	817	41,199
Current income tax payables		72,083	12,673	6,443	82
		15,761,945	16,997,361	75,152	5,234,873
Total liabilities		24,038,129	24,974,391	2,125,223	8,531,419
Total equity and liabilities		102,961,852	97,220,983	59,365,141	60,656,773

Condensed interim statements of changes in equity

Group	Note	Share capital US$	Capital reserve US$	Foreign currency translation reserve US$	Merger reserve US$	Retained earnings US$	Equity attributable to owners of the Company US$	Non-controlling interests US$	Total equity US$
Balance at 1 March 2024		**28,995,034**	**383,615**	**(8,207,540)**	**(3,565,976)**	**54,639,963**	**72,245,096**	**1,496**	**72,246,592**
Profit for the financial period		-	-	-	-	5,702,212	5,702,212	96,686	5,798,898
Other comprehensive income									
Exchange differences on translating foreign operations		-	-	3,689,994	-	-	3,689,994	10,180	3,700,174
Other comprehensive income for the financial period, net of tax		-	-	3,689,994	-	-	3,689,994	10,180	3,700,174
Total comprehensive income for the financial period		-	-	3,689,994	-	5,702,212	9,392,206	106,866	9,499,072
Transactions with owners									
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	149,355	149,355
Acquisition of additional interests in a subsidiary with no change in control		-	-	-	-	(640,242)	(640,242)	(258)	(640,500)
Issuance of new ordinary shares of a subsidiary to non-controlling interest		-	-	-	-	-	-	71,890	71,890
FY2024 Final dividend paid	13	-	-	-	-	(2,402,686)	(2,402,686)	-	(2,402,686)
Total transactions with owners		-	-	-	-	(3,042,928)	(3,042,928)	220,987	(2,821,941)
Balance at 28 February 2025		**28,995,034**	**383,615**	**(4,517,546)**	**(3,565,976)**	**57,299,247**	**78,594,374**	**329,349**	**78,923,723**

Condensed interim statements of changes in equity (continued)

Group	Note	Share capital US$	Capital reserve US$	Foreign currency translation reserve US$	Merger reserve US$	Retained earnings US$	Equity attributable to owners of the Company US$	Non-controlling interests US$	Total equity US$
Balance at 1 March 2023		**22,463,273**	**383,615**	**(4,782,270)**	**(3,565,976)**	**47,741,243**	**62,239,885**	**(25,183)**	**62,214,702**
Profit/(loss) for the financial period		-	-	-	-	10,047,877	10,047,877	(9,871)	10,038,006
Other comprehensive income									
Exchange differences on translating foreign operations		-	-	(3,425,270)	-	-	(3,425,270)	1,925	(3,423,345)
Other comprehensive (loss)/income for the financial period, net of tax		-	-	(3,425,270)	-	-	(3,425,270)	1,925	(3,423,345)
Total comprehensive (loss)/income for the financial period		-	-	(3,425,270)	-	10,047,877	6,622,607	(7,946)	6,614,661
Transactions with owners									
Issuance of new ordinary shares		6,531,761	-	-	-	-	6,531,761	-	6,531,761
Issuance of new ordinary shares of a subsidiary to non-controlling interest		-	-	-	-	-	-	34,625	34,625
FY2023 Final dividend paid	13	-	-	-	-	(3,149,157)	(3,149,157)	-	(3,149,157)
Total transactions with owners		6,531,761	-	-	-	(3,149,157)	3,382,604	34,625	3,417,229
Balance at 29 February 2024		**28,995,034**	**383,615**	**(8,207,540)**	**(3,565,976)**	**54,639,963**	**72,245,096**	**1,496**	**72,246,592**

Condensed interim statements of changes in equity (continued)

Company	Notes	Share capital US$	Retained earnings US$	Total equity US$
Balance at 1 March 2024		**28,995,034**	**23,130,320**	**52,125,354**
Profit for the financial period representing total comprehensive income for the financial period		-	7,517,250	7,517,250
Transaction with owners				
Dividend paid	13	-	(2,402,686)	(2,402,686)
Balance at 28 February 2025		**28,995,034**	**28,244,884**	**57,239,918**

Company	Notes	Share capital US$	Retained earnings US$	Total equity US$
Balance at 1 March 2023		**22,463,273**	**17,152,427**	**39,615,700**
Profit for the financial period representing total comprehensive income for the financial period		-	9,127,050	9,127,050
Transactions with owners				
Issuance of new ordinary shares		6,531,761	-	6,531,761
Dividend paid	13	-	(3,149,157)	(3,149,157)
Total transactions with owners		6,531,761	(3,149,157)	3,382,604
Balance at 29 February 2024		**28,995,034**	**23,130,320**	**52,125,354**

Condensed interim consolidated statements of cash flows

	Note	Group Twelve months ended 28 February 2025 US$	 29 February 2024 US$
Operating activities			
Profit before income tax		10,467,169	13,873,717
Adjustments for:			
Amortisation of mining properties		780,502	898,437
Depreciation of plant and equipment		3,695,937	3,487,364
Depreciation of right-of-use assets		778,724	1,995,646
Interest expenses		598,005	962,524
Interest income		(162,449)	(45,866)
Distribution from financial assets at FVTPL		(112,007)	(128,353)
Fair value gain on financial assets at FVTPL		(7,248)	(46,184)
Deposits written off		4,855	426
Impairment losses on financial assets		-	663,402
Impairment losses on non-financial assets		3,026,371	-
Fair value (gain)/loss on contingent consideration		(298,138)	53,256
Gain on disposal of a subsidiary		(3,982)	-
Loss/(Gain) on disposal of plant and equipment		39,348	(158,501)
Plant and equipment written off		5,665	-
Modification of lease contracts		(37,074)	10,407
Unrealised foreign exchange (gain)/loss		(706,842)	(175,281)
Operating cash flow before working capital changes		18,068,836	21,390,994
Working capital changes:			
Inventories		(1,768,539)	2,277,503
Trade and other receivables		(320,739)	(5,222,120)
Trade and other payables		2,205,341	787,783
Cash generated from operations		18,184,899	19,234,160
Income tax paid		(4,398,096)	(4,610,447)
Income tax refunded		883	48,018
Net cash flow generated from operating activities		13,787,686	14,671,731
Investing activities			
Additions of exploration and evaluation assets		(1,081,947)	(1,993,769)
Additions of mining properties		(209,660)	(630,535)
Additions of plant and equipment		(2,155,569)	(2,894,229)
Acquisition of subsidiaries, net of cash acquired		(298,493)	-
Acquisition of additional interests in a subsidiary with no change in control		(640,500)	-
Proceeds from disposal of plant and equipment		450,488	289,040
Redemption/(Purchase) of financial asset at fair value through profit or loss, net		1,162,853	(683,554)
Interest received		162,449	45,866
Distribution income received		112,007	128,353
Net cash flow used in investing activities		(2,498,372)	(5,738,828)
Financing activities			
Interest paid		(572,564)	(927,267)
Decrease/(Increase) in short-term deposit pledged		2,002,749	(978)
Repayments of bank borrowings		(7,475,821)	(7,365,432)
Repayment of lease liabilities		(992,341)	(2,261,658)
Proceed from issuance of new ordinary shares		-	6,531,761
Proceed from issuance of new ordinary shares of a subsidiary to non-controlling interest		71,890	34,625
Dividends paid		(2,402,686)	(3,149,157)
Net cash flow used in financing activities		(9,368,773)	(7,138,106)
Net change in cash and cash equivalents		1,920,541	1,794,797
Effects of exchange rate changes on cash and cash equivalents		250,962	216,038
Cash and cash equivalents at beginning of financial period		5,678,660	3,667,825
Cash and cash equivalents at end of financial period	11	7,850,163	5,678,660

Notes to the condensed interim consolidated financial statements

1. Corporate information

Fortress Minerals Limited (the "Company") is incorporated and domiciled in Singapore and whose shares are publicly listed on the Catalist Board of the Singapore Exchange Securities Trading Limited ("SGX-ST").

These condensed interim financial statements as at and for the three months and twelve months ended 28 February 2025 comprise the Company and its subsidiaries (collectively, the "Group").

The principal activity of the Company is that of an investment holding company.

The principal activities of the subsidiaries are:

(a) acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals;
(b) transport of iron ore and minerals;
(c) contractors for drilling and blasting works, other site preparation activities and mining work; and
(d) provide support across the Group's financial accounting, payroll, information technology, purchasing, corporate services and others.

2. Basis of preparation

The condensed interim financial statements for the three months and twelve months ended 28 February 2025 have been prepared in accordance with the Singapore Financial Reporting Standards (International) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore ("ASC"). The condensed interim financial statements do not include all the information and disclosures required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last audited annual financial statements for the financial year ended 29 February 2024.

The condensed interim financial statements of the Group have been prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)s") under the historical cost convention, except as disclosed in the accounting policies below.

The condensed interim financial statements have been prepared on a going concern basis, since the directors have verified that there are no financial, operating or other types of indicators that might cast significant doubt upon the Group's ability to meet its obligations in the foreseeable future and particularly within the 12 months from the end of the reporting period.

The condensed interim financial statements are presented in United States dollar ("US$"), which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

The Group has adopted all the applicable new and revised SFRS(I)s and Interpretations of SFRS(I) ("SFRS(I) INTs") that are mandatory for the accounting periods beginning on or after 1 March 2024. The adoptions of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Group for the current financial period reported on.

2. Basis of preparation (continued)

2.2 Use of judgements and estimates

The preparation of the Group's condensed interim financial statements in compliance with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the Group's application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 29 February 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following note:

- *Impairment assessment of mining assets*

  The Group assesses these assets at each reporting period to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is determined as the higher of fair value less costs to sell and value in use. In determining if there are indicators of impairment of these assets, judgement is used to consider if there are external and internal sources of information that indicates these assets may be impaired. The Group has determined that there are no indications of impairment on mining assets taking into consideration the remaining estimated mining resource, production costs, iron ore prices and continuation of the production activities.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

- *Amortisation of mining properties*

  Mining properties are amortised on a unit of production basis over the economically recoverable resources of the mine concerned except for the mining rights which are amortised over the term of permit. Management have engaged external expert to review and revise the estimates of the recoverable resources of the mines and remaining useful life and residual values of mining properties at the end of each financial year. Any changes in estimates of the recoverable resource of the mine, the useful life, and residual values of the mining properties would impact the amortisation charges and consequently affect the Group's financial performance.

2. **Basis of preparation** (continued)

2.2 Use of judgements and estimates (continued)

- *Impairment of goodwill arising from acquisition of Fortress Mengapur Group*

  Management determines whether goodwill is impaired at least on an annual basis and whenever there is an indication that they are impaired. The process of evaluating potential impairment of goodwill requires significant judgements and assumptions. Management estimates the recoverable amount of the cash-generating-unit ("CGU") to which the goodwill has been allocated. The recoverable amount of the CGU is determined based on value-in-use calculations. The value-in-use calculations are based on a discounted cash flow model. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows. Any excess of the carrying value over the discounted future cash flows are recognised as impairment loss in profit or loss statement.

  The recoverable amount of the CGU is determined from value in use calculations based on cash flow forecasts for the next eight (8) years (2024: eight (8) years) taking into account the life-of-mine ("LOM") and development plans for the Mengapur mine as part of the long-term planning process.

  The key assumptions for these value in use calculations are follows:

  (i) Anticipated Annual Production Volume in Wet Metric Tonnes ("**WMT**")
  - Iron concentrate of 0 - 138,000 WMT (2024: 60,000 - 240,000 WMT)
  - Copper concentrate of 3,000 - 49,000 WMT (2024: 7,000 - 44,000 WMT);

  (ii) Earnings before interest and tax ("EBIT") margins of 33% - 54% (2024: 32% - 50%);

  (iii) Discount rate of 13.70% (2024: 12.30%);

  (iv) The anticipated average realised selling price based on historical S&P Global Commodity Platts Price for iron concentrate and LME Copper Price for copper concentrate with adjustment to account for prices applied to the local market; and

  (v) The mining rights is expected to be renewed and extended beyond the forecast period.

  Based on these assumptions, management is of the view that no impairment loss is required in relation to goodwill, and no reasonably possible change in any of the above key assumptions would cause the carrying amount of the CGU to materially exceed its recoverable amount.

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2. **Basis of preparation** (continued)

2.2 Use of judgements and estimates (continued)

- *Expected credit loss ("ECL") allowance on other receivables and deposits*

  Management monitors and assess at each reporting date on any indicator of significant increase in credit risk on other receivables and deposits, by considering forward looking information using industry market data and customer profile. For those where the credit risk has not increased significantly since initial recognition, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

3. **Segment and revenue information**

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker ("CODM"). Management monitors the operating results of the segment separately for the purposes of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated based on operating profit or loss which is similar to the accounting profit or loss.

The Group has one (1) reportable segment being iron ore. The Group's reportable segment is as follows:

(i) Iron ore – exploration, mining, drilling and blasting works, production and sales of iron ore; and

(ii) Others – Group's remaining minor trading and investment holding activities which are not included within reportable segment as they are not separately reported to the CODM and they contribute minor amounts of income to the Group.

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3. Segment and revenue information (continued)

3.1 Reportable segments

1 December 2024 to 28 February 2025	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	17,959,038	-	17,959,038
Results:			
Interest income from financial institutions	35,317	-	35,317
Distribution from financial assets at FVTPL	11,152	-	11,152
Fair value gain on financial assets at FVTPL	699	-	699
Gain on disposal of plant and equipment	10,567	-	10,567
Amortisation of mining properties	(321,184)	-	(321,184)
Depreciation of right-of-use assets	(260,912)	-	(260,912)
Depreciation of plant and equipment	(1,672,336)	-	(1,672,336)
Interest expense	(121,034)	-	(121,034)
Segment profit/(loss)	(421,845)	(223,382)	(645,227)
Assets:			
Additions to non-current assets	528,307	-	528,307
Segment assets	102,403,794	558,058	102,961,852
Segment liabilities	(23,705,171)	(332,958)	(24,038,129)

1 December 2023 to 29 February 2024	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	12,490,266	-	12,490,266
Results:			
Interest income from financial institutions	22,100	-	22,100
Distribution from financial assets at FVTPL	39,848	-	39,848
Fair value gain on financial assets at FVTPL	3,532	-	3,532
Gain on disposal of plant and equipment	24,186	-	24,186
Amortisation of mining properties	(279,455)	-	(279,455)
Depreciation of right-of-use assets	(680,189)	-	(680,189)
Depreciation of plant and equipment	(1,079,307)	-	(1,079,307)
Interest expense	(190,242)	-	(190,242)
Segment profit/(loss)	2,074,776	(432,823)	1,641,953
Assets:			
Additions to non-current assets	2,204,282	-	2,204,282
Segment assets	97,150,067	70,916	97,220,983
Segment liabilities	(24,795,861)	(178,530)	(24,974,391)

3. Segment and revenue information (continued)

3.1 Reportable segments (continued)

1 March 2024 to 28 February 2025	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	56,253,961	-	56,253,961
Results:			
Interest income from financial institutions	162,449	-	162,449
Distribution from financial assets at FVTPL	112,007	-	112,007
Fair value gain on financial assets at FVTPL	7,248	-	7,248
Loss on disposal of plant and equipment	(39,348)	-	(39,348)
Amortisation of mining properties	(780,502)	-	(780,502)
Depreciation of right-of-use assets	(778,724)	-	(778,724)
Depreciation of plant and equipment	(3,695,937)	-	(3,695,937)
Interest expense	(598,005)	-	(598,005)
Segment profit/(loss)	11,279,127	(811,958)	10,467,169
Assets:			
Additions to non-current assets	7,829,968	-	7,829,968
Segment assets	102,403,794	558,058	102,961,852
Segment liabilities	(23,705,171)	(332,958)	(24,038,129)

1 March 2023 to 29 February 2024	Iron Ore US$	Others US$	Group US$
Revenue			
External customers, representing total revenue	53,932,963	-	53,932,963
Results:			
Interest income from financial institutions	45,866	-	45,866
Distribution from financial assets at FVTPL	128,353	-	128,353
Fair value gain on financial assets at FVTPL	46,184	-	46,184
Gain on disposal of plant and equipment	158,501	-	158,501
Amortisation of mining properties	(898,437)	-	(898,437)
Depreciation of right-of-use assets	(1,995,646)	-	(1,995,646)
Depreciation of plant and equipment	(3,487,364)	-	(3,487,364)
Interest expense	(962,524)	-	(962,524)
Segment profit/(loss)	14,720,243	(846,526)	13,873,717
Assets:			
Additions to non-current assets	9,218,744	-	9,218,744
Segment assets	97,150,067	70,916	97,220,983
Segment liabilities	(24,795,861)	(178,530)	(24,974,391)

3. Segment and revenue information (continued)

3.2 Disaggregation of revenue

Group	Three months ended 28 February 2025 US$	Three months ended 29 February 2024 US$	Twelve months ended 28 February 2025 US$	Twelve months ended 29 February 2024 US$
Geographical information:				
Malaysia	15,851,147	10,896,095	52,110,400	48,258,596
People's Republic of China	2,107,891	1,594,171	4,143,561	5,674,367
	17,959,038	12,490,266	56,253,961	53,932,963
Timing of revenue recognition:				
At a point in time	17,959,038	12,490,266	56,253,961	53,932,963

Seasonality of operations

The Group's business is not affected significantly by seasonal or cyclical factors during the financial period.

3.3 A breakdown of sales as follows:

Group		FY2025 US$	FY2024 US$	Change %
(a)	Sales reported for first half year	25,293,266	30,572,266	(17.3)
(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	6,848,372	7,083,552	(3.3)
(c)	Sales reported for second half year	30,960,695	23,360,697	32.5
(d)	Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	(1,049,474)	2,954,454	(35.5)

4. Profit before income tax

4.1 Significant items

Group	Three months ended		Twelve months ended	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Income				
Foreign exchange gain/(loss), net	(126,593)	(73,002)	136,361	(424,182)
Gain/(Loss) on disposal of plant and equipment, net	10,567	24,186	(39,348)	158,501
Expenses				
Amortisation of mining properties	321,184	279,455	780,502	898,437
Depreciation charge of:				
- plant and equipment	1,672,336	1,079,307	3,695,937	3,487,364
- right-of-use assets	260,912	680,189	778,724	1,995,646
Impairment losses on financial assets	-	663,402	-	663,402
Impairment losses on non-financial assets	3,026,371	-	3,026,371	-
Interest expenses on:				
- borrowings	118,319	190,096	571,560	925,757
- lease liabilities	2,715	146	26,445	36,767
Commission expense	130,585	94,139	431,817	1,001,309
Handling and transportation	741,858	645,742	2,173,527	2,351,850
Royalty expense	1,035,188	685,466	3,528,136	3,261,920
Upkeep of machinery	697,744	383,337	2,439,888	2,257,976
Upkeep of motor vehicles	227,483	248,566	828,306	869,740

4.2 Related party transactions

Material transactions with related parties are as follows:

Group	Three months ended		Twelve months ended	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Transaction with a major shareholder of the Company				
Purchase of motor vehicle	63,336	-	63,336	-
Transaction with an entity of common major shareholder of the Company				
Lease payments to:				
-Webcon Venture Sdn Bhd	13,451	12,748	52,964	51,911

4. Profit before income tax (continued)

4.2 Related party transactions (continued)

Key management personnel remuneration

Key management personnel are directors of the Company and subsidiaries and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly, or indirectly. The details of their remunerations are as follows:

Group	Three months ended		Twelve months ended	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Directors' fees	149,215	286,977	690,183	667,143
Salaries and other emoluments	581,234	968,461	3,225,636	3,067,044
Contributions to defined contribution plans	52,382	78,161	273,595	248,702
Social security contributions	298	645	1,087	1,086
	783,129	1,334,244	4,190,501	3,983,975

5. Income tax expense

The Group calculates the period's income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

Group	Three months ended		Twelve months ended	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Current income tax expense	1,195,591	706,941	4,492,501	3,768,955
Deferred tax relating to (reversal)/ origination of temporary differences	(47,970)	308,025	175,770	66,756
Income tax expense recognised in profit or loss	1,147,621	1,014,966	4,668,271	3,835,711

6. Earnings per ordinary share ("EPS")

Group	Three months ended		Twelve months ended	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Net profit attributable to owners of the Company (US$)	(1,769,894)	629,650	5,702,212	10,047,877
Weighted average number of ordinary shares	523,316,100	520,704,187	523,316,100	520,704,187
Basic and diluted EPS (US cents)	(0.34)	0.12	1.09	1.93

The basic and diluted EPS are the same as the Company and the Group did not have any potentially dilutive instruments for the respective financial periods.

7. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group and of the Company as at 28 February 2025 and 29 February 2024:

	Group		Company	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Financial assets carried at amortised cost				
Trade receivables	6,242,535	7,205,929	-	-
Other receivables and deposits (excluding prepayments)	3,246,263	2,193,895	59	-
Amounts due from subsidiaries	-	-	15,241,755	13,372,073
Cash and bank balances	7,850,163	7,681,409	308,998	2,073,664
	17,338,961	17,081,233	15,550,812	15,445,737
Financial assets carried at fair value				
Financial assets at FVTPL	1,040,510	2,196,115	799,451	2,196,115
Total financial assets	18,379,471	19,277,348	16,350,263	17,641,852
Presented as				
Current assets	18,379,471	19,277,348	16,350,263	17,641,852

7. **Financial assets and financial liabilities** (continued)

	Group		Company	
	28 February 2025	**29 February 2024**	**28 February 2025**	**29 February 2024**
	US$	**US$**	**US$**	**US$**
Financial liabilities carried at amortised cost				
Banks borrowings	5,787,943	8,857,866	-	5,934,968
Lease liabilities	135,038	1,475,715	-	-
Trade payables	1,864,835	1,180,197	-	-
Other payables and accruals	10,297,931	7,525,841	67,892	178,446
Amounts due to directors	-	1,529	-	-
Amounts due to subsidiaries	-	-	817	41,199
	18,085,747	19,041,148	68,709	6,154,613
Financial liability carried at fair value				
Contingent consideration *****	2,050,071	2,376,724	2,050,071	2,376,724
Total financial liabilities	20,135,818	21,417,872	2,118,780	8,531,337
Presented as				
Current liabilities	15,689,863	16,984,688	68,709	5,234,791
Non-current liabilities	4,445,955	4,433,184	2,050,071	3,296,546

* As part of the acquisition of the entire issued and paid-up share capital in Fortress Mengapur Group from Monument Mining Limited (the "Vendor"), the Company had also on the same date entered into a royalty agreement with the Vendor for the payment of royalties by the Company at the rate of 1.25% of gross revenue on all mineral products produced in forms ready for sale from the area within the boundaries of the entire tenements held by the subsidiaries namely CASB and SDSB, save for free digging oxide magnetite iron materials contained on the top soil at certain areas of the tenement held by CASB in accordance with the terms thereof. This portion of the consideration was determined to be contingent, as it is based on the performance of Fortress Mengapur Group.

As at 28 February 2025, the condition of Fortress Mengapur Group showed that it is highly probable that the performance indicator would be achieved due to continuous development of mining activities. Hence, the fair value of the contingent consideration determined as at 28 February 2025 reflected this development.

The fair value is determined using the discounted cash flow method. This is a level 3 fair value measurement.

7. Financial assets and financial liabilities (continued)

Fair value hierarchy

The Group classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following presented the financial liability measured at fair value.

	Fair value measurement using			
	Level 1 US$	**Level 2 US$**	**Level 3 US$**	**Total US$**
Group				
28 February 2025				
Financial asset				
Financial asset at FVTPL	-	1,040,510	-	1,040,510
Financial liability				
Contingent consideration	-	-	2,050,071	2,050,071
29 February 2024				
Financial asset				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
Financial liability				
Contingent consideration	-	-	2,376,724	2,376,724
Company				
28 February 2025				
Financial asset				
Financial asset at FVTPL	-	799,451	-	799,451
Financial liability				
Contingent consideration	-	-	2,050,071	2,050,071
29 February 2024				
Financial asset				
Financial asset at FVTPL	-	2,196,115	-	2,196,115
Financial liability				
Contingent consideration	-	-	2,376,724	2,376,724

8. Mining properties

During the financial year ended 28 February 2025, the Group incurred addition of mining properties expenditures amounting to US$0.2 million (29 February 2024: US$0.6 million) reflecting the Group's ongoing commitment to improve existing mines and sustain mining operations.

9. Plant and equipment

Acquisitions and disposals

During the financial year ended 28 February 2025, the Group acquired plant and equipment with cost of US$5.9 million (29 February 2024: US$4.4 million), of which US$4.2 million (29 February 2024: US$1.6 million) was financed by hire purchase borrowings.

Plant and equipment with net book value of US$0.5 million (29 February 2024: US$0.4 million) were disposed of by the Group during the financial year ended 28 February 2025, resulting in a net loss on disposal of US$0.1 million (29 February 2024: Net gain on disposal of US$0.2 million).

10. Right-of-use assets

The Group leases office space, hostels, storage space and motor vehicles in Malaysia. During the financial year ended 28 February 2025, the Group recognised addition of right-of-use assets for motor vehicles and premises amounting to US$0.5 million (29 February 2024: US$1.8 million).

The Group renegotiated and modified existing lease contracts for motor vehicles during the financial year ended 28 February 2025 which were accounted for as a lease modification with decrease to the right-of-use assets and lease liabilities of US$947,556 and US$984,630 (29 February 2024: increase of US$1,285,466 and US$1,295,873) respectively, resulting in gain on modification of lease contracts of US$37,074 (29 February 2024: US$10,407).

11. Cash and bank balances

	Group		Company	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Cash at banks	7,824,067	4,549,852	308,998	70,915
Cash on hand	26,096	27,657	-	-
Short-term deposits	-	3,103,900	-	2,002,749
	7,850,163	7,681,409	308,998	2,073,664

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise the followings:

	Group	
	28 February 2025 US$	29 February 2024 US$
Cash and bank balances as above	7,850,163	7,681,409
Less: Short-term deposit pledged	-	(2,002,749)
Cash and cash equivalents as per consolidated statement of cash flows	7,850,163	5,678,660

12. Share capital

	Group and Company			
	28 February 2025		29 February 2024	
	Number of shares	Amount US$	Number of shares	Amount US$
Total number of issued shares excluding treasury shares	523,316,100	28,995,034	523,316,100	28,995,034

The Company did not have any treasury shares as at 28 February 2025. There were no subsidiary holdings during and as at the end of the current financial period reported on.

13. Dividends

	Group	
	28 February 2025 US$	29 February 2024 US$
Ordinary dividends paid:		
In respect of financial year ended 29 February 2024:		
- Final one-tier tax exempt dividend of 0.60 Singapore cents (equivalent to 0.46 US cents) per ordinary share	2,402,686	-
In respect of financial year ended 28 February 2023:		
- Final one-tier tax exempt dividend of 0.80 Singapore cents (equivalent to 0.60 US cents) per ordinary share	-	3,149,157
	2,402,686	3,149,157

14. Net Asset Value

	Group		Company	
	28 February 2025 US$	29 February 2024 US$	28 February 2025 US$	29 February 2024 US$
Net asset value ("NAV") (US$)	78,594,374	72,245,096	57,239,918	52,125,354
Total number of issued shares excluding treasury shares	523,316,100	523,316,100	523,316,100	523,316,100
NAV per Share (US cents)	15.02	13.81	10.94	9.96

15. Borrowings and lease liabilities

	Group		Company	
	28 February 2025 US$	**29 February 2024 US$**	**28 February 2025 US$**	**29 February 2024 US$**
Repayable within one year or on demand				
Secured				
- Bank borrowings	3,433,048	6,939,565	-	4,947,974
Unsecured				
- Leases liabilities	94,049	1,270,384	-	-
	3,527,097	8,209,949	-	4,947,974
Repayable after one year				
Secured				
- Bank borrowings	2,354,895	1,918,301	-	986,994
Unsecured				
- Leases liabilities	40,989	205,331	-	-
	2,395,884	2,123,632	-	986,994

The Group’s secured borrowings as at 28 February 2025 comprised:

(i) bank borrowings which were used to finance the purchase of certain plant and equipment and are secured over certain of the Group’s motor vehicles and machinery with carrying amounts amounted to US$5.6 million (29 February 2024: US$3.0 million); and

(ii) bank borrowings which were used to finance part of the acquisition of Fortress Mengapur Group and charge over all new monies securities comprising assignments of proceeds from certain subsidiaries for all monies payable under the borrowing facility and a short-term deposit pledged (Note 11) in the previous financial year ended 29 February 2024.

16. Capital commitments

As at the end of reporting period, commitments in respect of capital expenditures are as follows:

	Group	
	28 February 2025 US$	**29 February 2024 US$**
Capital expenditures contracted but not provided for		
- Plant and equipment	161,400	310,329

17. Subsequent events

There are no known subsequent events which have led to adjustments to this set of interim financial statements.

Part II – Other information required by Appendix 7C of the Catalist Rules

1. Review

The condensed interim statements of financial position of Fortress Minerals Limited and its subsidiaries as at 28 February 2025 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the fourth quarter and twelve months then ended and the selected explanatory notes (the "Condensed Interim financial Statements") have not been audited or reviewed by the Company's auditors.

The Group's latest audited financial statements for the financial year ended 29 February 2024 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: -

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Condensed interim consolidated statement of profit or loss and other comprehensive income

Revenue

Below is a summary of the iron ore sales performance of the Group for the financial year ended 28 February 2025 ("**FY2025**") and the comparative financial year ended 29 February 2024 ("**FY2024**").

	FY2025	FY2024	Increase/ (Decrease) (%)
Sold (**DMT***)	632,424	550,887	14.8
Revenue realised [1] **(US$)**	56,208,593	53,902,384	4.3
Average realised selling price **(US$/DMT)**	88.88	97.85	(9.2)

* DMT denotes Dry Metric Tonnes

(1) Excluding effect of foreign exchange.

As shown in the table above, the Group recorded revenue of US$56.2 million in FY2025, being 4.3% or US$2.3 million higher than FY2024 due to higher volume sold in the current financial year.

However, the increase was partially offset by a lower average realised selling price of US$88.88/DMT, representing a decrease of 9.2% or US$8.97/DMT due to the weakening of the average benchmark IODEX CFR North China of Platts Daily Iron Ore Assessments price indices in FY2025 compared to FY2024.

Cost of sales

	FY2025	FY2024	Increase/ (Decrease) (%)
Sold **(WMT*)**	694,878	606,843	14.5
Cost of sales **(US$)**	23,044,776	20,671,393	11.5
Average unit cost of sales **(US$/WMT)**	33.16	34.06	(2.6)

* WMT denotes Wet Metric Tonnes

The Group's cost of sales increased by 11.5% to US$23.0 million in FY2025 due to inflation of certain production costs, including labour, electricity, and other related expenses. However, the Group's average unit cost of sales decreased by 2.6% or US$0.90/WMT to US$33.16/WMT in FY2025, which was driven by higher production volume achieved during the current financial year, which enabled the Group to benefit from economies of scale.

Gross profit and gross profit margin

As a result of the abovementioned reasons, gross profit for FY2025 was US$33.2 million, reflecting a decrease of US$0.1 million compared to FY2024. Additionally, the gross profit margin decreased to 59.0% in FY2025.

Other income

The Group's other income increased by US$0.5 million to US$0.9 million in FY2025, primarily due to a US$0.4 million compensation received from the termination of a contract by a third party with the Group's subsidiary. Additionally, a US$0.1 million increase in gain on foreign exchange differences contributed to the growth, driven by the strengthening of exchange rate movement of RM against USD in FY2025 compared to FY2024.

Selling and distribution expenses

Selling and distribution expenses decreased by US$0.3 million to US$6.3 million in FY2025, primarily due to a US$0.6 million reduction in commission expenses. This decrease was partially offset by a US$0.3 million increase in royalty expenses, in line with the higher sales volume in FY2025.

Other operating expenses

The Group's other operating expenses primarily comprise employee benefits and plant maintenance expenses. In FY2025, other operating expenses increased by US$2.8 million to US$12.7 million, mainly due to a US$0.7 million increase in plant maintenance expenses from higher machinery upkeep and higher maintenance requirements for aging equipment. Additionally, payroll costs increased by US$0.9 million, driven by a higher staff count and salary increments during the year. The increase also includes US$0.9 million in depreciation expenses for non-production plant and equipment, which were reclassified from cost of sales to other operating expenses in FY2025.

Administrative expenses

Administrative expenses, which primarily consist of miscellaneous costs incurred to provide support for general business activities, decreased by US$0.3 million to US$1.3 million in FY2025 compared to FY2024. This was mainly due to a US$0.4 million reduction in foreign exchange losses, driven by the strengthening of the RM against the USD.

Impairment losses on financial assets

Impairment losses on financial assets were recognised in FY2024 due to a significant increase in credit risk on deposit, leading to the recognition of lifetime expected credit loss concerning the deposit. The Group will continue to monitor and assess the recoverability of the deposit closely.

Impairment losses on non-financial assets

Impairment losses on non-financial assets are primarily due to the expiry of the prospecting licenses in December 2024 for the exploration activities in Sabah. As at 28 February 2025, the Group assessed that there are indications of impairment and recognised impairment losses on exploration and evaluation assets of US$3.0 million. Notwithstanding this, the Group is actively pursuing the renewal of the prospecting licenses, and the application is currently under review by the relevant regulatory authorities.

Fair value loss on contingent consideration

A fair value gain of US$0.3 million was recognised in FY2025, compared to a fair value loss of US$0.1 million in FY2024. These movements relate to the adjustment for fair value changes in the gross revenue royalty (Refer to Part I Note 7).

Finance costs

Finance costs comprised interest expenses on bank borrowings and lease liabilities which had decreased by US$0.4 million to US$0.6 million in FY2025, primarily due to the repayment of principal amounts on bank borrowings.

Income tax expense

Income tax expense increased by US$0.8 million to US$4.7 million in FY2025.

The Group’s effective tax rate in FY2025 was 44.6%, which is higher than the Group’s applicable tax rate of 24% mainly due to non-deductibility of certain expenses and losses in certain subsidiaries, thus the inability to offset against taxable profits in other subsidiaries within the Group.

Profit after income tax

Our Group’s profit after income tax in FY2025 decreased by US$4.2 million to US$5.8 million as a result of the aforementioned reasons.

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The comparative performance of the assets and liabilities listed below is based on the financial statements as at 28 February 2025 and 29 February 2024.

<u>Condensed interim statements of financial position</u>

<u>Non-current assets</u>

Non-current assets comprise exploration and evaluation assets, mining properties, plant and equipment, right-of-use assets and goodwill. The Group's non-current assets increased by US$1.1 million from US$72.1 million as at 29 February 2024 to US$73.1 million as at 28 February 2025.

Exploration and evaluation assets decreased by US$1.6 million to US$3.4 million as at 28 February 2025, primarily due to impairment losses of US$3.0 million. The decrease was partially offset by the effects of exchange translation differences of US$0.3 million due to the strengthening of exchange rate movement of RM against USD and the on-going exploration activities undertaken by the Group at the CASB mine of US$0.2 million and the Sabah exploration areas of US$1.0 million as at 28 February 2025.

Mining properties increased by US$1.2 million to US$42.8 million as at 28 February 2025. The increase is primarily attributable to the:

- mining development expenditure incurred to gain access to mineral deposits and for mine processing purposes at the CASB mine amounting to US$0.2 million; and

- the effects of exchange translation differences of US$2.0 million due to the strengthening of exchange rate movement of RM against USD.

However, the increase was partially offset by the amortisation charges of US$1.0 million.

Plant and equipment increased by US$2.6 million to US$23.8 million as at 28 February 2025 from US$21.2 million as at 29 February 2024. The increase was mainly due to the following:

- construction work-in-progress of processing plants in the Bukit Besi and CASB mine amounting to US$0.8 million and US$0.4 million, respectively;

- additions of motor vehicles and heavy machineries amounting to US$3.4 million and US$0.9 million, respectively; and

- effects of exchange translation differences of US$1.6 million.

The increase was partially offset by the depreciation charges of US$4.4 million and disposals of plant and equipment with aggregate net book value of US$0.5 million as at 28 February 2025.

Right-of-use assets at the Group level refers to the leases of motor vehicles, machineries, office and hostel premises for use at both the Bukit Besi and CASB mine. Right-of-use assets decreased by US$1.3 million to US$0.1 million as at 28 February 2025, which was attributable to modification of lease terms which amounted to US$0.9 million and depreciation charges amounting to US$1.0 million. This was partially offset by the addition of right-of-use assets of US$0.5 million.

The intangible asset comprised the goodwill arising from the acquisition of Fortress Mengapur Group. The intangible asset increased by US$0.2 million to US$3.0 million as at 28 February 2025 due to the effects of exchange translation differences from the strengthening of exchange rate movement of RM against USD.

Current assets

As at 28 February 2025, the Group's current assets increased by US$4.6 million to US$29.8 million compared to US$25.2 million as at 29 February 2024. The increase was mainly attributable to the following:

- increase in inventories by US$3.0 million is attributed to an increase in production and consumable inventories, driven by a higher production volume relative to the achieved sales volume; and

- increase in other receivables, deposits and prepayments by US$3.5 million which was mainly attributable to the higher prepayments to suppliers for purchase of plant and equipment of US$2.5 million and increase in deposits for mining contracts of US$0.7 million in FY2025.

However, it was partially offset by the:

- decrease in trade receivables by US$1.0 million due to a lower outstanding trade receivables as at 28 February 2025 which is consistent with the lower sales volume in the final month of FY2025 as compared to FY2024; and

- decrease in financial assets at fair value through profit or loss by US$1.2 million which comprise money-market funds as at 28 February 2025.

Non-current liabilities

As at 28 February 2025, the Group's non-current liabilities increased by US$0.3 million to US$8.3 million from US$8.0 million as at 29 February 2024.

The increase was mainly due to the increase in deferred tax liabilities of US$0.3 million and the increase in non-current bank borrowings of US$0.4 million from the drawdown of hire purchase borrowings as at 28 February 2025. This was partially offset by the decrease in non-current lease liabilities and other payables by US$0.2 million and US$0.3 million, respectively.

Current liabilities

As at 28 February 2025, the Group's current liabilities decreased by US$1.2 million from US$17.0 million as at 29 February 2024 to US$15.8 million.

The decrease was primarily due to the net repayment of bank borrowings and lease liabilities of US$7.5 million and US$1.0 million respectively as at 28 February 2025.

However, it was offset by the drawdown of hire purchase borrowings of US$4.2 million and the increase in trade and other payables of US$3.4 million due to lower repayments made as at 28 February 2025.

Working capital

Consequent to the Group's profitability and positive net operating cashflow, the Group continues to record a positive working capital position of US$14.1 million as at 28 February 2025 as compared to US$8.2 million as at 29 February 2024.

Condensed interim consolidated statements of cash flows

In FY2025, the Group's net cash generated from operating activities decreased to US$13.8 million as compared to US$14.7 million in FY2024.

The operating cash flow before working capital changes decreased by US$3.3 million to US$18.1 million as compared to US$21.4 million in FY2024. However, after adjusting for the increased working capital inflows of US$2.3 million, which was mainly attributable to the higher collection from trade and other receivables of US$4.9 million and lower repayments made to trade and other payables of US$1.4 million in FY2025. This was partially offset by the increased inventory levels of US$4.0 million.

In FY2025, the Group's net cash flow used in investing activities decreased by US$3.2 million to US$2.5 million as compared to US$5.7 million in FY2024. The decrease was primarily attributable to:

- decrease in capital expenditure investments for the mining and exploration activities of the Group in Bukit Besi mine, CASB mine and prospecting areas in Sabah amounting to US$2.1 million;

- decrease in purchase of financial asset at FVTPL by US$1.8 million which comprise money market funds in FY2025; and

- increase in proceeds from disposals of plant and equipment of US$0.2 million in FY2025.

The decrease was mitigated by the purchase consideration paid to acquire additional shares in a subsidiary from non-controlling interests of US$0.6 million and purchase consideration for acquisition of subsidiaries of US$0.3 million.

In FY2025, the Group's net cash flow used in financing activities was US$9.4 million as compared to US$7.1 million in FY2024. The increase of US$2.2 million was primarily due to the absence of proceeds from issuance of new ordinary shares of US$6.5 million as compared to FY2024. This was partially offset by:

- decrease in dividends paid by US$0.7 million as compared to FY2024;

- decrease in repayments of lease liabilities by US$1.3 million;

- decrease in interest paid on bank borrowings by US$0.4 million; and

- decrease in short-term deposit pledged by US$2.0 million due to the full repayment of certain bank borrowings.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There was no forecast or prospect statement previously disclosed to shareholders.

4. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Market Outlook

Global crude steel production decreased 3.4% yoy from February 2024 to February 2025, reaching 144.7 million tonnes. China, the world's largest steel producer, produced an estimated 78.9 million tonnes in February 2025, down 3.3% from February 2024[1]. Domestic steel demand in China remains soft, driven by ongoing challenges in the property sector and slower manufacturing growth. January 2025 to February 2025 data year-on-year showed new construction starts to fall by 29.6%, signaling a continued reduction in construction activity[2].

China's steel industry has demonstrated resilience amid escalating geopolitical tensions and U.S. tariffs. The New Orders Purchasing Managers' Index reached a 10-month high of 51.1, indicating that purchase volumes have not yet been affected by tariffs. This is evidenced by a 6.7% year-over-year increase in finished steel exports during January 2025 to February 2025, while imports declined by 7.2%[3]. Nonetheless, overcapacity continues to exert pressure on Chinese steel markets, and the imposition of tariffs may result in China redirecting its surplus affordable steel to Southeast Asia or other alternative markets[4].

Pre-US tariff announcements on 2 April 2025, Southeast Asia remained a bright spot with strong and resilient economies. Malaysia's central bank forecasted the economy to expand between 4.5% and 5.5% in 2025, following 5.1% growth in 2024, signalling continued domestic strength through global volatility[5].

Demand for the Group's iron ore concentrate from regional steel mills remained strong and is well supported by the recent offtake agreements and underlying decarbonisation trends. Looking ahead, there remains uncertainty in the macro environment and the Group will continue to monitor the situation closely.

Operational developments

On 7 November 2024, the Group entered into two new offtake agreements with a domestic steel mill in Malaysia, covering approximately 510,000 WMT of iron ore for delivery from 1 November 2024 to 31 December 2025. These agreements run concurrently and highlight sustained demand for the Group's high-grade iron ore concentrate and reaffirm its strong and enduring relationships with customers.

The Group continues to enhance its production capabilities at Bukit Besi mine while progressing the development of the East, Valley, and West deposits to expand its mineral resources. Construction of the new crushing plant with advanced, efficient equipment is

[1] The World Steel Association, 25 March 2025: February 2025 crude steel production
[2] Reuters, 18 March 2025: China's steel and iron ore swing between hopeful outlook and grim reality
[3] S&P Global Commodity Insights, Iron Ore Commodity Briefing Service (CBS) report , 11 March 2025
[4] The Business Times, 24 March 2025: The steel squeeze: Asean at risk of becoming world's steel dumping ground
[5] Bank Negara Malaysia, 24 March 2025: Bank Negara Malaysia Publishes Annual Report 2024

underway. The plant, positioned for scalable operations, is expected to be commissioned in FY2026.

The Group continues to advance the development of an integrated processing plant at the CASB mine to enhance production capabilities and produce high-grade iron ore, copper, and pyrrhotite concentrates. The flowsheet and engineering design for the new plant have been completed. Based on consultants' recommendations, the Group is in the preparation stage to construct a pilot plant for trial production.

In relation to the prospecting activities in Sabah by Saga Mineral Sdn. Bhd. ("**Telupid**"), and Kencana Primary Sdn. Bhd. ("**Tongod**"), the Group is awaiting the renewal of their respective prospecting licenses upon the expiry of the current ones on 14 December 2024 and 18 December 2024 respectively, with the process currently under review by the relevant authorities.

Fortress Minerals remains focused on actively executing its strategic growth plans by leveraging the sustained demand for its high-grade iron ore products and strong business relationships to enhance revenue and continue to be on a look out to broaden and diversify its revenue streams.

The Group continues to seek opportunities to grow its commodities portfolio prudently and in a disciplined manner via acquisitions, joint ventures and/or providing mining contracting services both in Malaysia and in the region, where its strong capabilities provide a competitive edge to tap on the demand.

The Group continues to explore various fund-raising opportunities to enhance its cash balances for operational needs when required. The Group will update shareholders via SGXNET as and when there are any material developments on the aforementioned.

5. Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up share capital of the Company from 29 February 2024 to 28 February 2025. The Company's share capital was US$28,995,034 comprising 523,316,100 shares as at 28 February 2025 and 29 February 2024.

There were no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 28 February 2025 and 29 February 2024.

6. **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

	Company	
	As at 28 February 2025	**As at 29 February 2024**
Total number of issued shares excluding treasury shares	523,316,100	523,316,100

The Company did not have any treasury shares as at 28 February 2025 and 29 February 2024.

7. **A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

8. **A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

9. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed in Section 2.1 of Part I above, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited consolidated financial statements for the financial year ended 29 February 2024.

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10. Dividend information

a) Current financial period reported on

Any dividend declared for the current financial period reported on?

Yes

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share	S$0.0046 per ordinary share
Tax rate	Tax exempt one tier

b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of dividend	Final dividend
Dividend type	Cash
Dividend amount per share	S$0.0060 per ordinary share
Tax rate	Tax exempt one tier

c) Whether the dividend is before tax, net of tax or tax exempt

The proposed final dividend is one-tier tax exempt.

d) Date payable

The proposed final dividend will be paid at the date to be announced in due course, subject to shareholders' approval at the forthcoming annual general meeting to be convened at a later date.

e) Books closure date

The Record Date for the proposed final dividend will be announced in due course.

11. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

12. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for IPTs. In FY2025, there were no interested person transactions of S$100,000 and above.

13. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company confirms that undertakings have been procured from the Board of Directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)).

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

The Group only has 1 operating segment, and the factors leading to any material changes in contribution to the Group's revenue and earnings has been disclosed in Para 2 of Part II – Other information required by Appendix 7C of the Catalist Rules above.

15. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2025		FY2024	
	US$	S$	US$	S$
Ordinary shares (tax exempt 1-tier)				
- Final [1,2]	1,784,473	2,407,254	-	-
- Final [3]	-	-	2,402,686	3,139,897
Total Annual Dividend	**1,784,473**	**2,407,254**	**2,402,686**	**3,139,897**

(1) The proposed final tax-exempt dividend is subject to shareholders' approval at the forthcoming annual general meeting of the Company.
(2) Based on exchange rate of USD/SGD 1.3490 as at 28 February 2025.
(3) Based on exchange rate of USD/SGD 1.3079 as at 23 August 2024.

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16. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chee Yew Fei	59	Father of our Executive Director, Edmund Chee Ji Kang and Non-Executive Director, Willa Chee Keng Fong	Executive Director and CEO of the Company, and CEO of Fortress Mining Sdn Bhd since 2011.	Not applicable.
Yeow Boon Ban	48	Brother-in-law of our Executive Director and CEO, Chee Yew Fei	Director cum maintenance manager of Fortress Mining Sdn Bhd since 2017. Primarily responsible for all mine site repair and maintenance activities.	Not applicable
Edmund Chee Ji Kang	25	Son of our Executive Director and CEO, Chee Yew Fei and brother of our Non-Executive Director, Willa Chee Keng Fong	Executive Director of the Company, and Director of Fortress Mining Sdn Bhd since June 2023.	Appointed on 1 June 2023.

17. Use of proceeds pursuant to Rule 704(30)

On 10 April 2023, our Company received S$8.7 million (net of placement expenses of S$0.3 million) as placement net proceeds. As at the date of this announcement, the status on the use of the placement net proceeds is as follows:

Use of net proceeds	Amount allocated	Amount re-allocated	Amount utilised	Balance
	S$'000	S$'000	S$'000	S$'000
Further development of the CASB mine, including continuing and future exploration and geology work, as well as addition of a new integrated processing plant	5,200	(800)	(2,571)[1]	1,829
Prospecting expenditures in relation to the two prospecting licenses in Sabah	3,500	800	(4,228)[2]	72
Total	**8,700**	**-**	**(6,799)**	**1,901**

[1] utilised for payment for purchase of machinery parts and initial design fees for the new integrated processing plant.

[2] utilised for payment for purchase of plant and equipment, licensing fees, operating expenses and employee benefit expenses.

The above utilisation of the placement proceeds is in accordance with the intended use as stated in the Company's announcement dated 20 March 2023 in relation to the placement of 23,316,100 new ordinary shares in the capital of the Company.

At the appropriate juncture, our Group will deploy the remaining placement proceeds as the Group intends to further develop the CASB mine and undertake exploration activities in Sabah. Pending such deployment, funds have been placed in interest bearing deposits with licenced banks in Singapore and Malaysia.

The Company will make periodic announcements on the utilisation of the proceeds from the placement as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial statements.

18. Use of funds/cash by mineral, oil and gas companies pursuant to Rule 705(6)

i. Use of funds/cash for the quarter: -

During 4Q FY2025, funds/cash was mainly used for the following production activities, as compared to the projections: -

Purpose	Amount (US$ million)	
	Actual	Projected
Exploration and evaluation activities	-	0.20
Cost of sales	9.40	8.15
Selling and distribution costs	1.99	2.11
Total	**11.39**	**10.46**

During 4Q FY2025, the Group's cost of sales was higher than the projected amount by US$1.25 million due to higher production volume achieved during the current financial period.

In 4Q FY2025, the selling and distribution costs were fairly consistent with the projected amount.

The Group utilised less than planned funds in exploration and evaluation activities in 4Q FY2025 on the on-going exploration activities undertaken by the Group at the CASB mine and the Sabah exploration areas during the quarter under review.

ii. Projection on the use of funds/cash for the next immediate quarter, including material assumptions: -

Purpose	Amount (US$ million)
Exploration and evaluation activities	0.20
Cost of sales	5.77
Selling and distribution costs	1.54
Total	**7.51**

The Group will continue its exploration and evaluation activities at its East, Valley and West Deposits of Bukit Besi Mine and tenements held by Fortress Mengapur Group during the first quarter of FY2026 ("**1Q FY2026**"). Prospecting activities in Sabah are currently put on hold, pending the renewal of prospecting licences upon the expiry of the current ones in December 2024.

Total exploration and evaluation expenses, cost of sales, and selling and distribution costs expected to be incurred are as tabulated above.

19. Pursuant to Rule 705(7) - Details of exploration (including geophysical surveys), development and/or production activities undertaken by the issuer and a summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.

<u>**Bukit Besi**</u>

In the 2024 calendar year, just over 2,931m of resource definition drilling was completed from 18 drillholes to support the magnetite mining operations at Bukit Besi. Approximately 1.5 Mt of magnetite mineralisation was mined and sent to the plant, depleting the Mineral Resource Estimate ("**MRE**") for the 2023 calendar year at the cut-offs used to report the MRE where only approximately 560kt was reported. This suggests that the actual cut-off grades employed during the grade control process are not aligned with cut-offs used for reporting of the MRE. The high level reconciliation suggests that the MRE is being reported at a higher cut-off than what is being used to discriminate ore and waste for mining. The use of a lower cut-off to report the MRE would result in a larger reported resource. Further work is required to align the cut-off used to report the MRE with actual cut-offs used to discriminate material suitable for processing through the Bukit Besi process plant.

An update of the Bukit Besi Mineral Resource estimate was prepared from drill datasets dated 28 February 2025 and a mine survey dated 15 February 2025. The drilling, sampling, survey, and estimation methodologies are described in the Summary Qualified Person's Report (dated 24 April 2025) (the "**2025 MRE Update**"). Please refer to the 2025 MRE Update released by the Company via SGXNet on 24 April 2025.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2025 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Bukit Besi Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalist Rules.

The updated and depleted MRE for the Bukit Besi Iron Project is 11.55 million tonnes grading 44.36 % iron, with a reporting date of 28 February 2025. The MRE is classified as Indicated and Inferred following the JORC guidelines on a qualitative basis, considering numerous factors, including data quality, geological complexity, data coverage, estimation validation and limited magnetite mass recovery data and reconciliation against production from the mine.

Bukit Besi Mineral Resource tabulation – 28 February 2025*

Area	Classifi-cation	Gross attributable to ML7/2013 Tonnes Mt	Grade Fe %	Net attributable to Fortress Tonnes Mt	Grade Fe %	Change from previous update %	Remarks
East	Indicated	0.29	37.74	0.29	37.74	126%	1
Valley		0.75	46.41	0.75	46.41	400%	1
West		0.32	43.13	0.32	43.13	1%	1
Sub-total		**1.36**	**43.77**	**1.36**	**43.77**	127%	1
East	Inferred	0.41	34.88	0.41	34.88	-53%	1
Valley		8.89	45.07	8.89	45.07	126%	1
West		0.88	42.59	0.88	42.59	-63%	1
Sub-total		**10.18**	**44.44**	**10.18**	**44.44**	42%	1
Total		**11.55**	**44.36**	**11.55**	**44.36**	**48%**	1

Notes:

* Based on a block cut-off grade of greater than 20% Fe and magnetic susceptibility greater than 30. Some discrepancies may occur due to rounding.

* No Ore Reserves stated. Mineral Resources that are not Ore Reserves do not have demonstrated economic viability. The Mineral Resource is limited to within the tenement boundary. Some discrepancies may occur due to rounding.

1 Reflects additional drilling completed in 2024/25 and change in domaining cut off to Fe > 20% and Magsus > 30

<u>Competent Person Statement</u>

The Competent Person responsible for the preparation and reporting of the Bukit Besi Mineral Resource Estimate is Michael Andrew, who is an Executive Consultant with Snowden Optiro, mining industry consultants. Michael Andrew has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Michael Andrew is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No 111172).

Michael Andrew consents to the inclusion in this announcement of the matters based on the information in the form and context in which they appear.

<u>Mengapur</u>

In the financial year ended 28 February 2025, no further work or mining was undertaken on the reported Mengapur deposit. As such, the reported MRE remains unchanged from the previously reported grade and tonnages in April 2024.

The following is an extract from the 2023 full-year financial results announced by the Company via SGXNet on 26 April 2023 to provide some context for the 2025 resource statement:

Since the acquisition of Mengapur in 2021, the Company has drilled 48 infill drillholes for 5,391 metres with sample analysis completed at both Bukit Besi and the Company's newly commissioned Mengapur laboratory. The updated MRE has incorporated this drilling with the existing drill data. Only drill data generated by Fortress and the previous owner Monument has been used to generate the pyrrhotite and magnetite resources. The skarn hosted copper resources were initially informed by only the Fortress and Monument data, any uninformed areas of the estimate after the initial pass were then informed by the lower confidence historic drilling completed prior to Monument's ownership of the deposit. Any material informed by the pre-Monument data was classified as Inferred. Any material classified as Indicated Resources has only been informed by the Fortress and Monument data.

The Mineral Resource is limited to within the CASB and SDSB mining lease boundaries and is also constrained within an optimised pit shell based on the recovery of copper only, no value was attributed to iron hosted by the magnetite units or the gold and silver or any other materials present on the mining leases. The parameters used in the pit optimisation were high level assumptions provided by Fortress based on the limited metallurgical test work to date. The parameters used are presented below;

- *Costs*
  - *Mining cost – US$1.15/t rock*
  - *Process cost – US$10.27/t ore*
  - *Selling cost – US$23.82/t Cu conc*
- *Recoveries*
  - *Cu – 85%*
- *Price*
  - *US$10,000/t Cu*
  - *Cu Payability – 83%*
- *Slopes*
  - *45 degrees*
- *Min grade – 0.3% Cu*

Previously the copper mineralisation has been reported at a cut-off grade of 0.5% copper, which accounts for the increase in the copper resource. The reduction in the magnetite resource is a reflection of reporting the resource within the optimised pit shell based on the copper mineralisation.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2023 MRE Update and reported them in accordance with JORC guidelines. The following summary of the Mengapur Mineral Resources is formatted following the requirements set out in Appendix 7D of the Catalist Rules. More information can be found in the 2023 Summary QPR announced via SGXNET on 26 April 2023.

Mengapur Mineral Resource Estimate as at 28 February 2025

Classification	Cut-off grade	Mineralisation	Gross Attributable to Licenses						Nett Attributable to Fortress						Change from previous update	Remarks
			Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S	Tonnes	Grade Fe	Grade Cu	Grade Au	Grade Ag	Grade S		
			Mt	%	%	g/t	g/t	%	Mt	%	%	g/t	g/t	%	%	
Indicated	0.3% Cu	Skarn Cu	20.3	20.76	0.41	0.12	7.26	4.6	20.3	20.76	0.41	0.12	7.26	4.6	0	None
		Pyrrhotite Cu	0.7	29.11	0.55	0.28	3.48	14.14	0.7	29.11	0.55	0.28	3.48	14.14	0	None
		Sub Total	**21**	**21.03**	**0.42**	**0.13**	**7.13**	**4.92**	**21**	**21.03**	**0.42**	**0.13**	**7.13**	**4.92**	**0**	**None**
	25% Fe	Skarn Magnetite	0.34	27.66	0.13	0.09	1.52	6.23	0.34	27.66	0.13	0.09	1.52	6.23	0	None
		Breccia Magnetite	0.01	46.28	0.21	0.23	5.66	0.13	0.01	46.28	0.21	0.23	5.66	0.13	0	None
		Sub Total	**0.34**	**28.01**	**0.13**	**0.09**	**1.6**	**6.12**	**0.34**	**28.01**	**0.13**	**0.09**	**1.6**	**6.12**	**0**	**None**
Inferred	0.3% Cu	Skarn Cu	7.93	22.39	0.41	0.13	8.42	4.62	7.93	22.39	0.41	0.13	8.42	4.62	0	None
		Pyrrhotite Cu	6.96	29.26	0.6	0.27	3.56	13.75	6.96	29.26	0.6	0.27	3.56	13.75	0	None
		Sub Total	**14.89**	**25.6**	**0.5**	**0.19**	**6.15**	**8.89**	**14.89**	**25.6**	**0.5**	**0.19**	**6.15**	**8.89**	**0**	**None**
	25% Fe	Skarn Magnetite	1.38	27.8	0.13	0.12	1.35	5.89	1.38	27.8	0.13	0.12	1.35	5.89	0	None
		Breccia Magnetite	0.38	41.51	0.2	0.17	6.04	0.19	0.38	41.51	0.2	0.17	6.04	0.19	0	None
		Sub Total	**1.76**	**30.75**	**0.14**	**0.13**	**2.36**	**4.67**	**1.76**	**30.75**	**0.14**	**0.13**	**2.36**	**4.67**	**0**	**None**
Total	**0.3% Cu**	**Total Cu**	**35.89**	**22.93**	**0.45**	**0.16**	**6.72**	**6.56**	**35.89**	**22.93**	**0.45**	**0.16**	**6.72**	**6.56**	**0**	**None**
	25% Fe	**Total Magnetite**	**2.1**	**30.3**	**0.14**	**0.13**	**2.24**	**4.9**	**2.1**	**30.3**	**0.14**	**0.13**	**2.24**	**4.9**	**0**	**None**

Notes:
Some discrepancies may occur due to rounding.

<u>Competent Person Statement</u>

The Competent Person responsible for the preparation and reporting of the Mengapur Mineral Resource Estimate is Michael Andrew, who is an Executive Consultant with Snowden Optiro, mining industry consultants. Michael Andrew has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Michael Andrew is a Fellow of the Australian Institute of Mining and Metallurgy (Membership No 111172).

Michael Andrew consents to the inclusion in this announcement of the matters based on the information in the form and context in which they appear.

20. PART III – ADDITIONAL INFORMATION REQUIRED PURSUANT TO CATALIST RULE 706A

i. Disposal of Alfa Wijaya Sdn. Bhd. (“AWSB”)

An indirect wholly-owned subsidiary of the Company has, on 27 December 2024, disposed the entire 65% shareholding in AWSB with an issued and paid-up capital of MYR300,000 comprising 300,000 ordinary shares to the previous vendor, not related to any of the Directors or substantial shareholders of the Company at consideration of MYR195,000. The disposal was carried out at no gain or loss, following the mutual termination and revocation of the Share Sale Agreement dated 15 June 2023, as a condition precedent under the agreement was not fulfilled.

The intended principal activity of AWSB is for the acquisition of mines, mining rights, metalliferous land, quarries and trading in minerals. However, AWSB has remained dormant since December 2020 when it ceased business operations. The current share capital of AWSB is MYR300,000 and AWSB has a capital deficiency of MYR27,091 as at the disposal date.

The disposal of AWSB is not expected to have any significant impact on the net tangible assets and earnings per share of the Group for the financial year ending 28 February 2026.

ii. Incorporation of Ecomines Global Sdn. Bhd. (“EcoGlobal”)

An indirect wholly-owned subsidiary of the Company has, on 6 January 2025, incorporated a 70% partially-owned subsidiary in Malaysia known as Ecomines Global Sdn. Bhd. (“**EcoGlobal**”).

The share capital of EcoGlobal is RM1,000.00. The intended principal activity of EcoGlobal is for acquisition of mines, mining rights, quarries and trading in minerals. However, EcoGlobal has remained dormant since its date of incorporation.

The incorporation of EcoGlobal was funded through internal resources and will not have any material impact on the net tangible assets and earnings per share of the Group for the financial year ending 28 February 2026.

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20. PART III – ADDITIONAL INFORMATION REQUIRED PURSUANT TO CATALIST RULE 706A (continued)

iii. Acquisition of Juara Suria Sdn. Bhd. ("JSSB")

An indirect wholly-owned subsidiary of the Company, FM Gold Sdn. Bhd., has on 18 February 2025, acquired 65,000 ordinary shares (representing 65% of the shareholding) in the share capital of JSSB from an unrelated third party for a cash consideration of MYR3,500,000 (approximately US$787,000), being MYR350,000 paid upon transfer of shares. The balance consideration of MYR3,150,000 is payable once the condition precedents are fulfilled.

The purchase consideration was arrived at after arm's length negotiations, on a willing buyer-willing seller basis after taking into consideration, among other things, the potential earnings and future prospects of JSSB and the mining rights to be acquired by JSSB.

The intended principal activity of JSSB is for acquisition of mines, mining rights, quarries and trading in minerals. However, JSSB has remained dormant since its date of incorporation. The current share capital of JSSB is MYR100,000 and JSSB has a shareholders' fund of MYR89,810 as at the acquisition date.

The acquisition of JSSB is not expected to have any significant impact on the net tangible assets and earnings per share of the Group for the financial year ending 28 February 2026.

Save as disclosed above, there was no incorporation of new entities, other acquisitions and realisation of shares during 4Q FY2025.

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BY ORDER OF THE BOARD OF
FORTRESS MINERALS LIMITED

Dato' Sri Ivan Chee
Chief Executive Officer
24 April 2025

*This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited ("the **Exchange**") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement. The Sponsor has also not drawn on any specific technical expertise in its review of this announcement.*

The contact person for the Sponsor is Ms Foo Jien Jieng, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg.

Confirmation by the Board pursuant to Catalist Rule 705(6)(b)

On behalf of the Board of Directors of the Company, we the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the 3-months and full year ended 28 February 2025 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dato' Sri Ivan Chee Executive Director	Ng Mun Fey Executive Director

Singapore
24 April 2025