



FORTRESS MINERALS LIMITED

(Company Registration No.: 201732608K)

Unaudited Condensed Interim Financial Statements for the Fourth Quarter and Full Year Ended 28 February 2026 (“4Q FY2026” and “FY2026”)

Background

Fortress Minerals Limited (“**Fortress**” or the “**Company**” and collectively with its subsidiaries, the “**Group**”) is principally engaged in the exploration, mining, production and sale of iron ore with low level of impurities. With a proven operational track record, the Group consistently supplies iron ore that meets regional market requirements to support stable and ongoing demand. All of our iron ore are efficiently priced in the United States Dollar, benchmarked against international iron ore indices in line with global industry practices.

Building on this strong foundation, the Group is entering a new phase of strategic growth. With shareholders’ approval secured at the Extraordinary General Meeting in FY2024, Fortress is actively expanding into the exploration and development of other strategic and critical minerals, in line with global sustainability priorities and evolving market demands.

The Group continues to seek opportunities to grow its commodities portfolio prudently and in a disciplined manner via acquisitions, investments, 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 guided by core values of integrity, sustainability, empowerment, and prosperity, with a steadfast commitment to the safety and development of its people. Our team drives the business towards our vision of excelling in mineral exploration through strategic insights and alliances, addressing regional client demands, and maintaining ethical excellence.

Fortress Minerals Limited (SGX: OAJ) 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 2026 (“4Q FY2026” and “FY2026”)

Condensed interim consolidated statement of profit or loss

		Group			Group		
		Three months ended			Twelve months ended		
	Note	28 February 2026 US\$	28 February 2025 US\$ (Restated*)	Change %	28 February 2026 US\$	28 February 2025 US\$ (Restated*)	Change %
Revenue	3	13,453,573	17,959,038	(25.1)	64,261,287	56,253,961	14.2
Cost of sales		(5,364,019)	(9,227,434)	(41.9)	(26,945,275)	(22,871,214)	17.8
Gross profit		8,089,554	8,731,604	(7.4)	37,316,012	33,382,747	11.8
Other income		37,288	(541,587)	nm	1,528,214	906,681	68.6
Selling and distribution expenses		(1,462,443)	(1,989,757)	(26.5)	(7,875,534)	(6,339,951)	24.2
Other operating expenses		(4,179,814)	(3,767,687)	10.9	(14,715,234)	(12,667,842)	16.2
Administrative expenses		(77,425)	(54,970)	40.8	(1,582,589)	(1,314,665)	20.4
Impairment losses on financial assets, net		(537)	-	100.0	(35,930)	-	100.0
Impairment losses on non-financial assets		-	(2,999,627)	(100.0)	-	(2,999,627)	(100.0)
Fair value changes on contingent consideration		(502,773)	298,138	nm	(502,773)	298,138	nm
Fair value changes on derivative financial instrument		249,850	-	100.0	519,715	-	100.0
Finance costs		(214,148)	(121,034)	76.9	(589,781)	(598,005)	(1.4)
Share of results of associates		(125,021)	-	100.0	(125,021)	-	100.0
Profit before income tax	4	1,814,531	(444,920)	nm	13,937,079	10,667,476	30.7
Income tax expense	5	(943,585)	(1,198,413)	(21.3)	(4,139,468)	(4,719,063)	(12.3)
Profit/(Loss) for the financial period		870,946	(1,643,333)	nm	9,797,611	5,948,413	64.7
Profit/(Loss) attributable to:							
Owners of the Company		902,953	(974,379)	nm	9,795,103	6,497,727	50.7
Non-controlling interests		(32,007)	(668,954)	(95.2)	2,508	(549,314)	nm
		870,946	(1,643,333)	nm	9,797,611	5,948,413	64.7
Earnings per share attributable to owners of the Company (cents)							
- Basic and diluted	6	0.17	(0.19)	nm	1.87	1.24	50.8

nm – not meaningful

* – See Section 2.3 of the notes to the condensed interim consolidated financial statements for further details.

Condensed interim consolidated statement of other comprehensive income

	Group			Group		
	Three months ended			Twelve months ended		
Note	28 February 2026 US\$	28 February 2025 US\$ (Restated*)	Change %	28 February 2026 US\$	28 February 2025 US\$ (Restated*)	Change %
Profit/(Loss) for the financial period	870,946	(1,643,333)	nm	9,797,611	5,948,413	64.7
Other comprehensive income						
<u>Item that will not be reclassified subsequently to profit or loss:</u>						
Fair value changes on equity instrument designated at fair value through other comprehensive income	303,100	-	100.0	426,655	-	100.0
<u>Item that may be reclassified subsequently to profit or loss:</u>						
Exchange differences on translating foreign operations	3,986,835	(371,082)	nm	8,751,932	3,672,679	138.3
Total other comprehensive income for the financial period, net of tax	4,289,935	(371,082)	nm	9,178,587	3,672,679	249.9
Total comprehensive income/ (loss) for the financial period	5,160,881	(2,014,415)	nm	18,976,198	9,621,092	97.2
Total comprehensive income/ (loss) for the financial period attributable to:						
Owners of the Company	5,221,118	(1,334,189)	nm	19,117,032	10,169,774	88.0
Non-controlling interests	(60,237)	(680,226)	(91.1)	(140,834)	(548,682)	(74.3)
	5,160,881	(2,014,415)	nm	18,976,198	9,621,092	97.2

nm – not meaningful

* – See Section 2.3 of the notes to the condensed interim consolidated financial statements for further details.

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Condensed interim statements of financial position

	Note	Group		Company	
		28	28	28	28
		February 2026 US\$	February 2025 US\$ (Restated*)	February 2026 US\$	February 2025 US\$
ASSETS					
Non-current assets					
Investments in subsidiaries		-	-	43,014,878	43,014,878
Investments in associates		618,315	-	-	-
Equity instrument at fair value through other comprehensive income ("FVTOCI")	7	814,754	-	814,754	-
Derivative financial instrument	7	519,715	-	519,715	-
Exploration and evaluation assets		5,542,715	3,342,203	-	-
Mining properties	8	50,966,165	42,800,000	-	-
Plant and equipment	9	37,871,533	23,883,089	-	-
Right-of-use assets	10	161,974	132,712	-	-
Intangible asset		3,613,372	3,023,271	-	-
		<u>100,108,543</u>	<u>73,181,275</u>	<u>44,349,347</u>	<u>43,014,878</u>
Current assets					
Inventories		10,134,339	6,507,051	-	-
Trade receivables		2,535,170	6,242,535	-	-
Other receivables, deposits and prepayments		9,135,821	7,987,530	1,500,059	59
Amounts due from subsidiaries		-	-	30,676,077	13,328,803
Current income tax receivables		629,875	745,588	-	-
Financial assets at fair value through profit or loss ("FVTPL")	7	4,687	1,040,510	3,005	799,451
Cash and bank balances	11	14,612,467	7,850,163	335,784	308,998
		<u>37,052,359</u>	<u>30,373,377</u>	<u>32,514,925</u>	<u>14,437,311</u>
Total assets		<u>137,160,902</u>	<u>103,554,652</u>	<u>76,864,272</u>	<u>57,452,189</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	12	28,995,034	28,995,034	28,995,034	28,995,034
Other reserves		1,604,075	(7,717,854)	426,655	-
Retained earnings		66,175,706	58,251,390	28,649,244	26,331,932
		<u>96,774,815</u>	<u>79,528,570</u>	<u>58,070,933</u>	<u>55,326,966</u>
Non-controlling interests		(459,847)	(326,199)	-	-
Total equity		<u>96,314,968</u>	<u>79,202,371</u>	<u>58,070,933</u>	<u>55,326,966</u>
Non-current liabilities					
Bank borrowings	15	6,717,560	2,610,666	-	-
Lease liabilities	15	80,048	40,989	-	-
Deferred tax liabilities		4,717,076	3,830,229	-	-
Other payables		2,488,182	2,050,071	2,488,182	2,050,071
		<u>14,002,866</u>	<u>8,531,955</u>	<u>2,488,182</u>	<u>2,050,071</u>
Current liabilities					
Banks borrowings	15	11,393,152	3,462,281	-	-
Lease liabilities	15	84,318	94,049	-	-
Trade payables		1,328,392	1,864,835	-	-
Other payables and accruals		13,934,493	10,297,930	172,559	67,892
Amounts due to directors		-	-	-	-
Amounts due to subsidiaries		-	-	16,129,424	817
Current income tax payables		102,713	101,231	3,174	6,443
		<u>26,843,068</u>	<u>15,820,326</u>	<u>16,305,157</u>	<u>75,152</u>
Total liabilities		<u>40,845,934</u>	<u>24,352,281</u>	<u>18,793,339</u>	<u>2,125,223</u>
Total equity and liabilities		<u>137,160,902</u>	<u>103,554,652</u>	<u>76,864,272</u>	<u>57,452,189</u>

* – See Section 2.3 of the notes to the condensed interim consolidated financial statements for further details.

Condensed interim statements of changes in equity

<u>Group</u>	Note	Share capital US\$	Capital reserve US\$	Foreign currency translation reserve US\$	Merger reserve US\$	Fair value reserve US\$	Retained earnings US\$	Equity attributable to owners of the Company US\$	Non-controlling interests US\$	Total equity US\$
Balance at 1 March 2025, as previously reported		28,995,034	383,615	(4,535,493)	(3,565,976)	-	57,921,200	79,198,380	(326,199)	78,872,181
Effect of change in accounting policy for inventories, net of tax	2.3	-	-	-	-	-	330,190	330,190	-	330,190
Balance at 1 March 2025, as restated		28,995,034	383,615	(4,535,493)	(3,565,976)	-	58,251,390	79,528,570	(326,199)	79,202,371
Profit for the financial period		-	-	-	-	-	9,795,103	9,795,103	2,508	9,797,611
<u>Other comprehensive income</u>										
Fair value changes on equity instrument designated at fair value through other comprehensive income ("FVTOCI")		-	-	-	-	426,655	-	426,655	-	426,655
Exchange differences on translating foreign operations		-	-	8,895,274	-	-	-	8,895,274	(143,342)	8,751,932
Other comprehensive income for the financial period, net of tax		-	-	8,895,274	-	426,655	-	9,321,929	(143,342)	9,178,587
Total comprehensive income/(loss) for the financial period		-	-	8,895,274	-	426,655	9,795,103	19,117,032	(140,834)	18,976,198
<u>Transactions with owners</u>										
Acquisition of subsidiaries with non-controlling interests		-	-	-	-	-	-	-	6,580	6,580
Acquisition of additional interests in a subsidiary with no change in control		-	-	-	-	-	(678)	(678)	606	(72)
FY2025 Final dividend paid	13	-	-	-	-	-	(1,870,109)	(1,870,109)	-	(1,870,109)
Total transactions with owners		-	-	-	-	-	(1,870,787)	(1,870,787)	7,186	(1,863,601)
Balance at 28 February 2026		28,995,034	383,615	4,359,781	(3,565,976)	426,655	66,175,706	96,774,815	(459,847)	96,314,968

Condensed interim statements of changes in equity (continued)

<u>Group</u>	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, as previously reported		28,995,034	383,615	(8,207,540)	(3,565,976)	54,639,963	72,245,096	1,496	72,246,592
Effect of change in accounting policy for inventories, net of tax	2.3	-	-	-	-	156,628	156,628	-	156,628
Balance at 1 March 2024, as restated		28,995,034	383,615	(8,207,540)	(3,565,976)	54,796,591	72,401,724	1,496	72,403,220
Profit/(Loss) for the financial period		-	-	-	-	6,497,727	6,497,727	(549,314)	5,948,413
<u>Other comprehensive income</u>									
Exchange differences on translating foreign operations		-	-	3,672,047	-	-	3,672,047	632	3,672,679
Other comprehensive income for the financial period, net of tax		-	-	3,672,047	-	-	3,672,047	632	3,672,679
Total comprehensive income/(loss) for the financial period		-	-	3,672,047	-	6,497,727	10,169,774	(548,682)	9,621,092
<u>Transactions with owners</u>									
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	(4,535,493)	(3,565,976)	58,251,390	79,528,570	(326,199)	79,202,371

Condensed interim statements of changes in equity (continued)

	Note	Share capital US\$	Fair value reserve US\$	Retained earnings US\$	Total equity US\$
<u>Company</u>					
Balance at 1 March 2025		28,995,034	-	26,331,932	55,326,966
Profit for the financial period		-	-	4,187,421	4,187,421
<u>Other comprehensive income</u>					
Fair value changes on equity instrument designated at fair value through other comprehensive income ("FVTOCI")		-	426,655	-	426,655
Other comprehensive (loss)/income for the financial period, net of tax		-	426,655	-	426,655
Total comprehensive income for the financial period		-	426,655	4,187,421	4,614,076
<u>Transaction with owners</u>					
Dividend paid	13	-	-	(1,870,109)	(1,870,109)
Balance at 28 February 2026		28,995,034	426,655	28,649,244	58,070,933

	Note	Share capital US\$	Retained earnings US\$	Total equity US\$
<u>Company</u>				
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		-	5,604,298	5,604,298
<u>Transaction with owners</u>				
Dividend paid	13	-	(2,402,686)	(2,402,686)
Balance at 28 February 2025		28,995,034	26,331,932	55,326,966

Condensed interim consolidated statements of cash flows

Note	Group Twelve months ended	
	28 February 2026 US\$	28 February 2025 US\$ (Restated*)
Operating activities		
Profit before income tax	13,937,079	10,667,476
Adjustments for:		
Amortisation of mining properties	564,577	780,502
Depreciation of plant and equipment	4,422,279	3,695,937
Depreciation of right-of-use assets	99,667	778,724
Interest expenses	589,781	598,005
Interest income	(245,117)	(162,449)
Distribution from financial assets at FVTPL	(37,324)	(112,007)
Fair value gain on financial assets at FVTPL	(569)	(7,248)
Fair value changes on contingent consideration	502,773	(298,138)
Fair value changes on derivative financial instrument	(519,715)	-
Impairment losses on financial assets, net	35,930	-
Impairment losses on non-financial assets	-	2,999,627
Bad debt written off	3,546	-
Deposits written off	1,427	4,855
Plant and equipment written off	30,003	5,665
(Gain)/Loss on disposal of plant and equipment	(37,442)	39,348
Gain on disposal of a subsidiary	-	(3,982)
Share of results from an associate, net of tax	125,021	-
Modification of lease contracts	(170)	(37,074)
Unrealised foreign exchange gain	(1,247,246)	(706,842)
Operating cash flow before working capital changes	18,224,500	18,242,399
Working capital changes:		
Inventories	(1,355,506)	(1,942,101)
Trade and other receivables	7,916,791	(865,507)
Trade and other payables	(2,371,062)	2,205,343
Cash generated from operations	22,414,723	17,640,134
Income tax paid	(3,418,513)	(4,398,096)
Income tax refunded	87,798	883
Net cash flow generated from operating activities	19,084,008	13,242,921
Investing activities		
Additions of exploration and evaluation assets	(2,252,591)	(1,000,184)
Additions of mining properties	(931,550)	(209,660)
Additions of plant and equipment	(7,731,610)	(2,179,665)
Additions of intangible assets	(128,462)	-
Acquisition of subsidiaries, net of cash acquired	(2,483,160)	-
Acquisition of additional interests in a subsidiary with no change in control	(72)	(640,500)
Proceeds from disposal of plant and equipment	305,623	450,488
Purchase of equity instrument at FVTOCI	(388,099)	-
Purchase of financial asset at fair value through profit or loss, net	1,036,520	1,162,853
Investment in associates	(728,258)	-
Interest received	245,117	162,449
Distribution income received	37,324	112,007
Net cash flow used in investing activities	(13,019,218)	(2,142,212)
Financing activities		
Interest paid	(584,706)	(572,564)
Movement in short-term deposit pledged	-	2,002,749
Proceeds from bank borrowings	6,771,298	-
Repayments of bank borrowings	(4,355,087)	(7,287,214)
Repayment of lease liabilities	(111,547)	(992,341)
Proceed from issuance of new ordinary shares of a subsidiary to non-controlling interest	-	71,890
Dividends paid	(1,870,109)	(2,402,686)
Net cash flow used in financing activities	(150,151)	(9,180,166)
Net change in cash and cash equivalents	5,914,639	1,920,543
Effects of exchange rate changes on cash and cash equivalents	847,665	250,960
Cash and cash equivalents at beginning of financial period	7,850,163	5,678,660
Cash and cash equivalents at end of financial period	11 14,612,467	7,850,163

* – See Section 2.3 of the notes to the condensed interim consolidated financial statements for further details.

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 2026 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 period ended 28 February 2026 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 28 February 2025.

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 Singapore Financial Reporting Standards (“SFRS(I)s”) and Interpretations of SFRS(I) (“SFRS(I) INTs”) that are mandatory for the accounting periods beginning on or after 1 March 2025. 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 28 February 2025.

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.

- *Assessment of significant influence over an associate*

The Group has exercised significant judgement in assessing its interest in North Ilocos Minerals Inc. and determined that it has significant influence, but not control or joint control, over the investee. This assessment is based on factors including the Group's shareholding interest, board representation, participation in policy-making processes, and relevant contractual arrangements. While certain reserved matters require shareholder approval, these rights are considered protective in nature and do not confer control over the investee's relevant activities. Accordingly, the investment has been classified as an associate and is accounted for using the equity method in accordance with SFRS(I) 1-28.

2. Basis of preparation (continued)

2.2 Use of judgements and estimates (continued)

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 reporting date. 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.

- *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.

The recoverable amount of the CGU is determined from value in use calculations based on cash flow forecasts for the next eight (8) years (2025: 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 - 148,000 WMT (2025: 0 - 152,000 WMT)
 - Copper concentrate of 3,000 - 49,000 WMT (2025: 3,000 - 49,000 WMT);
- (ii) Earnings before interest and tax ("EBIT") margins of 37% - 52% (2025: 33% - 54%);
- (iii) Discount rate of 11.90% (2025: 13.70%); and
- (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.

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.

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.

2.3 Change in accounting policy

During the financial year ended 28 February 2026, the Group changed its accounting policy for the measurement of inventories from the first-in, first-out (“FIFO”) method to the weighted average cost (“WAC”) method.

The change was made to better reflect the pattern of consumption of inventories and to improve the relevance and reliability of the financial information presented, as well as to enhance comparability with industry practices.

The change in accounting policy has been applied retrospectively in accordance with SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors*. Accordingly, the comparative financial information has been restated.

Impact of the change in accounting policy

The following table summarises the impact of the change in accounting policy on the comparative condensed interim financial statements of the Group:

	28 February 2025 US\$ (Reported)	Effect of change from FIFO to WAC US\$	28 February 2025 US\$ (Restated)
Condensed interim statement of profit or loss			
Cost of sales	(23,044,776)	173,562	(22,871,214)
Profit for the financial year	5,774,851	173,562	5,948,413
Condensed interim statement of financial position			
Inventories	6,176,861	330,190	6,507,051
Retained Earnings	57,921,200	330,190	58,251,390

2. Basis of preparation (continued)

2.3 Change in accounting policy (continued)

The increase in retained earnings as at 28 February 2025 of US\$330,190 comprises:

- (i) US\$156,628 relating to the adjustment to opening retained earnings as at 1 March 2024; and
- (ii) US\$173,562 relating to the increase in profit for the financial year ended 28 February 2025.

There is no material tax impact arising from this change in accounting policy.

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

	Iron Ore	Others	Group
1 December 2025 to 28 February 2026	US\$	US\$	US\$
Revenue			
External customers, representing total revenue	13,453,573	-	13,453,573
Results:			
Interest income from financial institutions	74,029	-	74,029
Distribution from financial assets at FVTPL	4,342	-	4,342
Gain on disposal of plant and equipment	26,630	-	26,630
Amortisation of mining properties	(158,671)	-	(158,671)
Depreciation of right-of-use assets	(25,816)	-	(25,816)
Depreciation of plant and equipment	(1,409,972)	-	(1,409,972)
Interest expense	(214,148)	-	(214,148)
Segment profit/(loss)	1,809,940	4,591	1,814,531
Assets:			
Additions to non-current assets	11,847,428	-	11,847,428
Segment assets	133,416,596	3,744,306	137,160,902
Segment liabilities	(40,725,464)	(120,470)	(40,845,934)
1 December 2024 to 28 February 2025 (Restated)			
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)	(222,139)	(222,781)	(444,920)
Assets:			
Additions to non-current assets	562,885	-	562,885
Segment assets	102,996,594	558,058	103,554,652
Segment liabilities	(24,273,371)	(78,910)	(24,352,281)

3. Segment and revenue information (continued)

3.1 Reportable segments (continued)

	Iron Ore	Others	Group
1 March 2025 to 28 February 2026	US\$	US\$	US\$
Revenue			
External customers, representing total revenue	64,261,287	-	64,261,287
Results:			
Interest income from financial institutions	245,117	-	245,117
Distribution from financial assets at FVTPL	37,324	-	37,324
Fair value gain on financial assets at FVTPL	569	-	569
Gain on disposal of plant and equipment	37,442	-	37,442
Amortisation of mining properties	(564,577)	-	(564,577)
Depreciation of right-of-use assets	(99,667)	-	(99,667)
Depreciation of plant and equipment	(4,422,279)	-	(4,422,279)
Interest expense	(589,781)	-	(589,781)
Segment profit/(loss)	14,195,795	(288,574)	13,907,221
Assets:			
Additions to non-current assets	21,291,771	-	21,291,771
Segment assets	133,416,596	3,744,306	137,160,902
Segment liabilities	(40,725,464)	(120,470)	(40,845,934)
1 March 2024 to 28 February 2025 (Restated)			
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)	11,478,833	(811,357)	10,667,476
Assets:			
Additions to non-current assets	7,864,546	-	7,864,546
Segment assets	102,996,594	558,058	103,554,652
Segment liabilities	(24,273,371)	(78,910)	(24,352,281)

3. Segment and revenue information (continued)

3.2 Disaggregation of revenue

Group	Three months ended		Twelve months ended	
	28 February 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Geographical information:				
Malaysia	13,453,573	15,851,147	59,667,260	52,110,400
People's Republic of China	-	2,107,891	4,594,027	4,143,561
	<u>13,453,573</u>	<u>17,959,038</u>	<u>64,261,287</u>	<u>56,253,961</u>
Timing of revenue recognition:				
At a point in time	<u>13,453,573</u>	<u>17,959,038</u>	<u>64,261,287</u>	<u>56,253,961</u>

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:

	FY2026 US\$	FY2025 US\$ (Restated)	Change %
<u>Group</u>			
(a) Sales reported for first half year	32,428,640	25,293,266	28.2
(b) Operating profit after tax before deducting non-controlling interests reported for first half year	4,441,802	6,848,372	(35.1)
(c) Sales reported for second half year	31,832,647	30,960,695	2.8
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for second half year	5,355,809	(899,959)	nm

4. Profit before income tax

4.1 Significant items

Group	Three months ended		Twelve months ended	
	28 February 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Income				
Foreign exchange gain/(loss), net	483,519	(126,593)	1,020,371	136,361
Gain on disposal of plant and equipment, net	26,630	10,567	37,442	(39,348)
Expenses				
Amortisation of mining properties	158,671	321,184	564,577	780,502
Depreciation charge of:				
- plant and equipment	1,409,972	1,672,336	4,422,279	3,695,937
- right-of-use assets	25,816	260,912	99,667	778,724
Interest expenses on:				
- borrowings	212,928	118,319	584,447	571,560
- lease liabilities	1,220	2,715	5,334	26,445
Commission expense	56,082	130,585	443,347	431,817
Handling and transportation	307,591	741,858	2,518,166	2,173,527
Royalty expense	1,029,674	1,035,188	4,628,952	3,528,136
Upkeep of machinery	1,000,744	697,744	3,045,876	2,439,888
Upkeep of motor vehicles	427,025	227,483	1,385,358	828,306

4.2 Related party transactions

Material transactions with related parties are as follows:

Group	Three months ended		Twelve months ended	
	28 February 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Transaction with a major shareholder of the Company				
Purchase of motor vehicle	-	63,336	-	63,336
Transactions with entities of common major shareholder of the Company				
Sale of motor vehicle	17,842	-	17,842	-
Lease payments	14,915	13,451	57,094	52,964

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 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Directors' fees	138,641	149,215	561,439	690,183
Salaries and other emoluments	885,692	479,506	3,559,699	3,123,908
Contributions to defined contribution plans	105,781	154,110	426,312	375,323
Social security contributions	387	298	1,352	1,087
	<u>1,130,501</u>	<u>783,129</u>	<u>4,548,802</u>	<u>4,190,501</u>

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 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Current income tax expense	564,616	1,246,382	3,526,400	4,543,292
Deferred tax relating to (reversal)/ origination of temporary differences	378,969	(47,969)	613,068	175,771
Income tax expense recognised in profit or loss	<u>943,585</u>	<u>1,198,413</u>	<u>4,139,468</u>	<u>4,719,063</u>

6. Earnings per ordinary share (“EPS”)

Group	Three months ended		Twelve months ended	
	28 February 2026 US\$	28 February 2025 US\$ (Restated)	28 February 2026 US\$	28 February 2025 US\$ (Restated)
Net profit attributable to owners of the Company (US\$)	902,953	(974,379)	9,795,103	6,497,727
Weighted average number of ordinary shares	523,316,100	523,316,100	523,316,100	523,316,100
Basic and diluted EPS (US cents)	0.17	(0.19)	1.87	1.24

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 2026 and 28 February 2025:

	Group		Company	
	28 February 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Financial assets carried at amortised cost				
Trade receivables	2,535,170	6,242,535	-	-
Other receivables and deposits (excluding prepayments)	5,894,635	3,246,263	1,500,059	59
Amounts due from subsidiaries	-	-	30,676,077	13,328,803
Cash and bank balances	14,612,467	7,850,163	335,784	308,998
	23,042,272	17,338,961	32,511,920	13,637,860
Financial assets carried at fair value				
Equity instrument at FVTOCI ⁽¹⁾	814,754	-	814,754	-
Derivative financial instrument at FVTPL ⁽²⁾	519,715	-	519,715	-
Financial assets at FVTPL	4,687	1,040,510	3,005	799,451
	1,339,156	1,040,510	1,337,474	799,451
Total financial assets	24,381,428	18,379,471	33,849,394	14,437,311
Presented as				
Current assets	23,046,959	18,379,471	32,514,925	14,437,311
Non-current assets	1,334,469	-	1,334,469	-

7. Financial assets and financial liabilities (continued)

	Group		Company	
	28 February 2026 US\$	28 February 2025 US\$	28 February 2026 US\$	28 February 2025 US\$
Financial liabilities carried at amortised cost				
Banks borrowings	18,110,712	6,072,947	-	-
Lease liabilities	164,366	135,038	-	-
Trade payables	1,328,392	1,864,835	-	-
Other payables and accruals	13,871,359	10,297,930	109,425	67,892
Amounts due to subsidiaries	-	-	16,129,424	817
	33,474,829	18,370,750	16,238,849	68,709
Financial liability carried at fair value				
Contingent consideration ⁽³⁾	2,551,316	2,050,071	2,551,316	2,050,071
Total financial liabilities	36,026,145	20,420,821	18,790,165	2,118,780
Presented as				
Current liabilities	26,740,355	15,719,095	16,301,983	68,709
Non-current liabilities	9,285,790	4,701,726	2,488,182	2,050,071

- (1) The Company holds an equity interest in Norwest Minerals Ltd (“NML”), a company listed on the Australian Securities Exchange. The investment is classified as an equity instrument designated at FVTOCI. This classification reflects the strategic nature of the investment, which is not held for trading. The fair value of the investment is determined based on quoted market prices in an active market and is presented as a Level 1 financial instrument under the fair value hierarchy. Changes in fair value are recognised in other comprehensive income and accumulated in the fair value reserve, with no subsequent reclassification to profit or loss.
- (2) As part of the equity investment in NML, the Company received free options to acquire additional shares in NML. These options are recognised as derivative financial instruments and are measured at fair value through profit or loss. The fair value is determined using the Black-Scholes option pricing model, incorporating observable market inputs such as the underlying share price, expected volatility, risk-free interest rate, strike price, and time to maturity. The instrument is classified within Level 2 of the fair value hierarchy. Changes in fair value are recognised in profit or loss as they occur.
- (3) 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 2026, 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 at 28 February 2026 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 assets and financial liability measured at fair value.

	Fair value measurement using			Total US\$
	Level 1 US\$	Level 2 US\$	Level 3 US\$	
Group				
28 February 2026				
<u>Financial assets</u>				
Equity instrument at FVTOCI	814,754	-	-	814,754
Derivative financial instrument at FVTPL	-	519,715	-	519,715
Financial asset at FVTPL	-	4,687	-	4,687
<u>Financial liability</u>				
Contingent consideration	-	-	2,551,316	2,551,316
28 February 2025				
<u>Financial asset</u>				
Financial asset at FVTPL	-	1,040,510	-	1,040,510
<u>Financial liability</u>				
Contingent consideration	-	-	2,050,071	2,050,071
Company				
28 February 2026				
<u>Financial asset</u>				
Equity instrument at FVTOCI	814,754	-	-	814,754
Derivative financial instrument at FVTPL	-	519,715	-	519,715
Financial asset at FVTPL	-	3,005	-	3,005
<u>Financial liability</u>				
Contingent consideration	-	-	2,551,316	2,551,316
28 February 2025				
<u>Financial asset</u>				
Financial asset at FVTPL	-	799,451	-	799,451
<u>Financial liability</u>				
Contingent consideration	-	-	2,050,071	2,050,071

8. Mining properties

During the financial year ended 28 February 2026, the Group incurred addition of mining properties expenditures amounting to US\$0.9 million (28 February 2025: US\$0.2 million) reflecting the Group's ongoing commitment to improve existing mines and sustain mining operations. Furthermore, exploration and evaluation assets of US\$3.1 million were reclassified to mining properties under construction upon commencement of construction at the Group's new mining site, Seri Bandi.

9. Plant and equipment

Acquisitions and disposals

During the financial year ended 28 February 2026, the Group acquired plant and equipment with cost of US\$15.7 million (28 February 2025: US\$6.0 million), of which US\$7.9 million (28 February 2025: US\$4.3 million) was financed by asset financing.

Plant and equipment with net book value of US\$1.0 million (28 February 2025: US\$0.5 million) were disposed of by the Group during the financial year ended 28 February 2026, resulting in a net gain on disposal of US\$37,442 (28 February 2025: Net loss on disposal of US\$39,348).

10. Right-of-use assets

The Group leases office space, hostels and storage space in Malaysia. During the financial year ended 28 February 2026, the Group recognised addition of right-of-use assets for premises amounting to US\$19,938 (28 February 2025: US\$0.5 million).

The Group renegotiated and modified existing lease contracts for certain premises during the financial year ended 28 February 2026 which were accounted for as a lease modification with increase to the right-of-use assets and lease liabilities of US\$94,929 and US\$94,759 (28 February 2025: US\$947,556 and US\$984,630) respectively, resulting in gain on modification of lease contracts of US\$170 (28 February 2025: US\$37,074).

11. Cash and bank balances

	Group		Company	
	28 February 2026	28 February 2025	28 February 2026	28 February 2025
	US\$	US\$	US\$	US\$
Cash at banks	14,584,302	7,824,067	335,784	308,998
Cash on hand	28,165	26,096	-	-
Cash and cash equivalents as per consolidated statement of cash flows	14,612,467	7,850,163	335,784	308,998

12. Share capital

	Group and Company			
	28 February 2026		28 February 2025	
	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 2026. There were no subsidiary holdings during and as at the end of the current financial period reported on.

13. Dividends

	Group	
	28 February 2026 US\$	28 February 2025 US\$
<u>Ordinary dividends paid:</u>		
In respect of financial year ended 28 February 2025:		
- Final one-tier tax exempt dividend of 0.46 Singapore cents (equivalent to 0.36 US cents) per ordinary share	1,870,109	-
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
	1,870,109	2,402,686

14. Net Asset Value

	Group		Company	
	28 February 2026 US\$	28 February 2025 US\$ (Restated)	28 February 2026 US\$	28 February 2025 US\$ (Restated)
Net asset value (“NAV”) (US\$)	96,774,815	79,528,570	58,070,933	55,326,966
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)	18.49	15.20	11.10	10.57

15. Borrowings and lease liabilities

	Group	
	28 February 2026 US\$	28 February 2025 US\$
<u>Repayable within one year or on demand</u>		
Secured		
- Bank borrowings	11,393,152	3,462,281
Unsecured		
- Leases liabilities	84,318	94,049
	11,477,470	3,556,330
<u>Repayable after one year</u>		
Secured		
- Bank borrowings	6,717,560	2,610,666
Unsecured		
- Leases liabilities	80,048	40,989
	6,797,608	2,651,655

15. Borrowings and lease liabilities (continued)

The Group's secured borrowings as at 28 February 2026 comprised 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\$12.6 million (28 February 2025: US\$5.7 million).

16. Capital commitments

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

	Group	
	28 February 2026	28 February 2025
	US\$	US\$
Capital expenditures contracted but not provided for		
- Plant and equipment	3,974,593	161,400

17. Subsequent events

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

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

1. Review

The condensed interim statements of financial position of Fortress Minerals Limited and its subsidiaries as at 28 February 2026 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of financial position, 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 have not been audited or reviewed by the Company's auditors.

The Group's latest audited financial statements for the financial year ended 28 February 2025 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 2026 ("FY2026") and the comparative financial year ended 28 February 2025 ("FY2025").

	FY2026	FY2025	Increase/ (Decrease) (%)
Sold (DMT*)	724,439	632,424	14.5
Revenue realised ⁽¹⁾ (US\$)	64,225,761	56,208,593	14.3
Average realised selling price (US\$/DMT)	88.66	88.88	(0.2)

* DMT denotes Dry Metric Tonnes

⁽¹⁾ Excluding effect of foreign exchange.

As shown in the table above, the Group recorded revenue of US\$64.2 million in FY2026, being 14.3% or US\$8.0 million higher than FY2025 due to higher volume sold in the current financial year. This increase was mainly derived from an increase in local and export sales, reflecting resilient demand from regional markets.

The increase was slightly offset by the lower average realised selling price of US\$88.66/DMT recorded in FY2026, a decrease of 0.2% or US\$0.22/DMT due to the average benchmark IODEX CFR North China of Platts Daily Iron Ore Assessments price indices weakening slightly in FY2026 as compared to FY2025.

Cost of sales

	FY2026	FY2025 (Restated)	Increase/ (Decrease) (%)
Sold (WMT*)	797,008	694,878	14.7
Cost of sales (US\$)	26,945,275	22,871,214	17.8
Average unit cost of sales (US\$/WMT)	33.81	32.91	2.7

* WMT denotes Wet Metric Tonnes

The Group's cost of sales increased by 17.8% to US\$26.9 million in FY2026. Furthermore, the Group's average unit cost of sales increased by 2.7% or US\$0.90/WMT to US\$33.81/WMT in FY2026, mainly attributable to higher production costs such as direct materials, direct labour, and blasting and drilling expenses, in line with the higher sales volume during the financial year.

Gross profit and gross profit margin

As a result of the abovementioned reasons, gross profit for FY2026 of US\$37.3 million was US\$3.9 million higher than FY2025 and gross profit margin decreased 1.3% to 58.1% in FY2026.

Other income

The Group's other income increased by US\$0.6 million to US\$1.5 million in FY2026. The increase was mainly due to an increase in unrealised gain on foreign exchange differences by US\$0.5 million due to the strengthening of exchange rate movement of RM against USD.

Selling and distribution expenses

Selling and distribution expenses increased by US\$1.5 million to US\$7.9 million in FY2026, which comprise mainly royalty expenses and transportation charges. This is consistent with the increase in volume sold in FY2026.

Other operating expenses

The Group's other operating expenses comprise mainly employee benefits expenses and plant maintenance expenses. Other operating expenses increased by US\$2.0 million to US\$14.7 million in FY2026 which was primarily due to the following:

- an increase of US\$0.4 million in depreciation expenses for non-production plant and equipment, which were reclassified from cost of sales to other operating expenses in FY2026;
- an increase in employee benefits expenses by US\$1.0 million due to higher staff headcount and adjustments to provisions for bonus in FY2026; and
- an increase in repair and maintenance costs by US\$0.5 million, due to higher maintenance requirements and equipment repairs during the financial year.

Administrative expenses

Administrative expenses comprise mainly miscellaneous expenses incurred to provide support for general business activities. Administrative expenses increased by US\$0.2 million to US\$1.6 million in FY2026 mainly due to increase in certain miscellaneous expenses.

Impairment losses on financial assets, net

Impairment losses on financial assets were recognised in FY2026 mainly due to expected credit losses on other receivables of certain subsidiaries of the Group, net of recoveries of amounts previously impaired.

Impairment losses on non-financial assets

Impairment losses on non-financial assets in the prior financial year were primarily due to the expiry of the prospecting licenses in December 2024 for the exploration activities in Sabah.

Fair value loss on contingent consideration

A fair value loss of US\$0.5 million was recognised in FY2026, compared to a fair value gain of US\$0.3 million in FY2025. These movements relate to the adjustment for fair value changes in the gross revenue royalty (Refer to Part I Note 7).

Fair value changes on derivative financial instrument

A fair value gain of US\$0.5 million was recognised in FY2026. This movement relates to the adjustment for fair value changes in the free options received as part of the investment in NML (Refer to Part I Note 7).

Finance costs

Finance costs comprised interest expenses on bank borrowings and lease liabilities remained comparable at US\$0.6 million in FY2026.

Share of results of associates

Share of results of associates relates to the Group's investments made in FY2026 in mining and/or exploration activities in the Philippines and Malaysia, where certain projects are at an early stage and in the process of obtaining the relevant mining or exploration rights.

Income tax expense

Income tax expense decreased by US\$0.6 million to US\$4.1 million in FY2026.

The Group's effective tax rate in FY2026 was 29.8%, 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 FY2026 increased by US\$3.9 million or 64.7%, to US\$9.8 million from US\$5.9 million in FY2025 as a result of the aforementioned reasons.

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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 2026 and 28 February 2025.

Condensed interim statements of financial position

Non-current assets

Non-current assets comprise investments in associates, equity instrument at FVTOCI, derivative financial instrument, exploration and evaluation assets, mining properties, plant and equipment, right-of-use assets and intangible assets. The Group's non-current assets increased by US\$26.9 million from US\$73.2 million as at 28 February 2025 to US\$100.1 million as at 28 February 2026.

Investments in associates amounting to US\$0.6 million as at 28 February 2026 relates to the Group's investments in mining and/or exploration activities in the Philippines and Malaysia, where certain projects are at an early stage and in the process of obtaining the relevant mining or exploration rights. These investments are accounted for using the equity method in accordance with SFRS(I) 1-28 *Investments in Associates and Joint Ventures*.

Equity instrument at FVTOCI comprised the equity interest in NML, a company listed on the Australian Securities Exchange ("ASX"). As at 28 February 2026, the fair value of the equity instrument increased to US\$0.8 million, based on quoted market prices on the ASX.

Derivative financial instrument comprises free options received as part of the equity investment in NML. As at 28 February 2026, the fair value of the derivative financial instrument increased to US\$0.5 million, based on a valuation using the Black-Scholes option pricing model, incorporating observable market inputs.

Exploration and evaluation assets increased by US\$2.2 million to US\$5.5 million as at 28 February 2026, primarily due to the acquisition of a subsidiary holding mining rights and exploration assets. The acquisition was accounted for as an asset acquisition, as the acquired entity did not meet the definition of a business under SFRS(I) 3 *Business Combinations*. Accordingly, the consideration of US\$2.4 million was allocated to exploration and evaluation assets.

The increase also reflects on-going exploration activities undertaken by the Group at the Bukit Besi and CASB mines, as well as the new exploration area under the acquired entity, amounting to US\$2.2 million, as well as foreign exchange translation differences of US\$0.6 million, arising from the strengthening of exchange rate movement of RM against USD. However, this was partially offset by the reclassification of US\$3.1 million from exploration and evaluation assets to mining properties under construction upon commencement of construction activities at the Group's new mining site, Seri Bandi.

Mining properties increased by US\$8.2 million to US\$51.0 million as at 28 February 2026. The increase is primarily attributable to:

- the payment of relevant fees amounting to US\$0.9 million in relation to the exclusive concessionaire rights granted for the CASB mine, with a tenure of 21 years;
- the effects of exchange translation differences of US\$5.0 million due to the strengthening of exchange rate movement of RM against USD; and
- the reclassification of US\$3.1 million from exploration and evaluation assets to mining properties under construction upon commencement of construction activities at the Group's new mining site, Seri Bandi.

However, the increase was partially offset by the amortisation charges of US\$0.8 million.

Plant and equipment increased by US\$14.0 million to US\$37.9 million as at 28 February 2026 from US\$23.9 million as at 28 February 2025. 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\$2.8 million and US\$4.0 million, respectively;
- additions of motor vehicles, and plant and machineries amounting to US\$6.1 million and US\$2.6 million, respectively; and
- effects of exchange translation differences of US\$4.7 million.

The increase was partially offset by the depreciation charges of US\$5.4 million and disposals of plant and equipment with net book value of US\$1.0 million.

Right-of-use assets at the Group level relate to leases of office space, hostels and storage space for use at both the Bukit Besi and CASB mine. Right-of-use assets increased by US\$29,262 to US\$0.2 million as at 28 February 2026, primarily due to lease extensions, partially offset by depreciation charges.

The intangible asset comprised the goodwill arising from the acquisition of Fortress Mengapur Group and computer software. The intangible asset increased by US\$0.6 million to US\$3.6 million as at 28 February 2026 due to the effects of exchange translation differences of US\$0.5 million from the strengthening of exchange rate movement of RM against USD, as well as the purchase of computer software amounting to US\$0.1 million.

Current assets

As at 28 February 2026, the Group's current assets remained strong and stood at US\$37.1 million compared to US\$30.4 million as at 28 February 2025. The increase was mainly attributable to the following:

- increase in inventories by US\$3.6 million attributable to an increase in production and consumable inventories, driven by a higher production volume relative to the achieved sales volume;
- increase in other receivables, deposits and prepayments by US\$1.1 million, which was primarily due to a first deposit payment of US\$1.5 million in relation to the proposed acquisition of a 10% equity interest in Strategic Venture Pte. Ltd., an interested person transaction. Further details on the proposed acquisition are available in the Company's announcement released via SGXNet on 7 May 2025; and
- increase in cash and bank balances of US\$6.8 million primarily due to the net cash flow generated from operating activities being higher than the net cash flow used in investing and financing activities in FY2026.

However, it was partially offset by:

- the decrease in trade receivables by US\$3.7 million due to a lower outstanding trade receivables as at 28 February 2026 which is consistent with the lower sales volume in the final month of FY2026 as compared to FY2025;
- the decrease in financial assets at FVTPL by US\$1.0 million which comprise money-market funds as at 28 February 2026, attributable to redemption of funds during the financial year; and
- the decrease in current income tax receivables by US\$0.1 million in FY2026 attributable to lower tax installments paid to tax authorities compared to the tax provision for the same financial year.

Non-current liabilities

As at 28 February 2026, the Group's non-current liabilities increased by US\$5.5 million to US\$14.0 million from US\$8.5 million as at 28 February 2025.

The increase was mainly due to the increase in deferred tax liabilities of US\$0.9 million, non-current fair value on contingent consideration of US\$0.5 million and non-current bank borrowings of US\$4.1 million due to drawdown for asset financing during the financial year FY2026.

Current liabilities

As at 28 February 2026, the Group's current liabilities increased by US\$11.0 million from US\$15.8 million as at 28 February 2025 to US\$26.8 million.

The increase was primarily due to the:

- (i) drawdown of asset financing and trade financing of amounting to US\$3.8 million and US\$6.8 million, respectively;
- (ii) effects of exchange translation differences of US\$1.8 million on bank borrowings in FY2026; and
- (iii) trade and other payables of US\$3.0 million due to lower repayments made in FY2026.

The increase was partially offset by the repayment of bank borrowings of US\$4.4 million made in FY2026.

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\$10.2 million as at 28 February 2026 as compared to US\$14.5 million as at 28 February 2025.

Condensed interim consolidated statements of cash flows

In FY2026, the Group's net cash generated from operating activities increased to US\$19.1 million as compared to US\$13.2 million in FY2025.

The operating cash flow before working capital changes remained stable at US\$18.2 million in FY2026. After adjusting for the increased working capital inflows of US\$4.8 million, which was mainly attributable to the higher collection from trade and other receivables of US\$8.8 million and increased inventory levels of US\$0.6 million, mitigated by the higher repayments made to trade and other payables of US\$4.6 million, the Group's net cash flow generated from operating activities increased by US\$5.8 million to US\$19.1 million in FY2026.

In FY2026, the Group's net cash flow used in investing activities increased by US\$10.9 million to US\$13.0 million as compared to US\$2.1 million in FY2025. The increase was primarily attributable to:

- increase in capital investment related to exploration and evaluation assets, mining properties, and plant and equipment by US\$7.5 million;
- increase in purchase consideration for acquisition of subsidiaries and investments in associates by US\$2.5 million and US\$0.7 million, respectively;

- increase in purchase consideration of US\$0.4 million for an equity instrument classified as FVTOCI;
- decrease in proceeds from disposals of plant and equipment of US\$0.1 million in FY2026; and
- decrease in redemption of financial asset at FVTPL which comprise money market funds by US\$0.1 million in FY2026.

However, the increase was partially offset by the decrease in purchase consideration paid to acquire additional shares in a subsidiary from non-controlling interests by US\$0.6 million in FY2026.

In FY2026, the Group's net cash flow used in financing activities decreased by US\$9.0 million to US\$0.2 million. The decrease was primarily due to:

- the increase in proceeds from bank borrowings of US\$6.8 million as compared to FY2025;
- the decrease in repayments of bank borrowings and lease liabilities of US\$2.9 million and US\$0.9 million, respectively as compared to FY2025; and
- the decrease in dividend payments to shareholders of US\$0.5 million as compared to FY2025.

However, the decrease was partially offset by the absence of a redemption of short-term deposit pledged of US\$2 million as compared to FY2025.

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 in 2025 totalled 1,849.4 million tonnes ("Mt"), down 2% yoy.¹ Going into 2026, market conditions remain mixed. According to the World Steel Association, crude steel production across 69 reporting countries for January to February 2026 totalled 298.2 Mt, down 1.5% year on year. China's production declined year on year over the first two months of 2026, while India continued to

¹ World Steel Association, 23 January 2026: [December 2025 crude steel production and 2025 global crude steel production totals - worldsteel.org](https://www.worldsteel.org/en/donors-and-partners/2026-01-23-december-2025-crude-steel-production-and-2025-global-crude-steel-production-totals)

expand, underscoring the divergence between a softer China cycle and structurally stronger growth pockets in emerging markets.²

Industry-wide, market visibility is being shaped as much by policy and trade dynamics as by end-demand. The OECD Steel Committee highlighted intensifying pressure from global excess capacity and trade circumvention behaviour, which is contributing to heightened trade friction and uneven realised pricing across markets. While 2026 demand is expected to show modest growth, primarily driven by India and Southeast Asia, the OECD also emphasised that the extent and pace of recovery remain highly uncertain given the current geopolitical backdrop.³

Geopolitical risk has moved from a background variable to an active driver of cost, confidence and procurement behaviour. Recent developments in the Middle East have introduced renewed uncertainty across energy markets and shipping corridors, with knock-on effects on industrial supply chains globally. The Asian Development Bank (“ADB”) has highlighted that disruption risks can materially raise energy price pressures and tighten regional financial conditions, and a more prolonged conflict could reduce regional growth and raise inflation relative to baseline assumptions.⁴ In parallel, UN Trade and Development noted that the conflict and shipping disruption risks could weigh on trade momentum, with trade growth expected to slow as rising trade costs interact with broader geopolitical uncertainty.⁵

Against this backdrop, the regional macro picture remains generally resilient. The ADB projects Malaysia’s economy to grow 4.6% in 2026 and 4.5% in 2027, supported primarily by domestic demand, while cautioning that a prolonged conflict in West Asia would remain a key downside risk factor.⁴

Despite the rising uncertainties, the demand for the Group’s high-grade iron ore concentrate, as a key steelmaking input, is expected to remain supported by ongoing infrastructure and industrial activity across regional markets. This is evidenced by recent offtake agreements secured with a domestic steel mill in Malaysia. At the same time, the Group expects the operating environment to remain fluid, with steel and iron ore pricing and customer procurement decisions influenced by China’s supply-demand rebalancing, global overcapacity and trade actions, and evolving geopolitical and logistics conditions impacting energy costs. The Group will continue to monitor these developments closely and maintain operational and commercial flexibility to navigate near-term market volatility.

Operational Developments

The Group continues to prioritise commercial visibility and disciplined execution as it advances its operational roadmap. In addition to the two 24-month offtake agreements entered into in August 2025 with a domestic steel mill in Malaysia, which provide longer-dated delivery visibility, the Group entered into a new 12-month offtake agreement in April 2026 with the same domestic steel mill, further strengthening its domestic presence with a leading steel mill.

² World Steel Association, 24 March 2026: [February 2026 crude steel production - worldsteel.org](https://www.worldsteel.org/en/donors-and-partners/2026-03-24-february-2026-crude-steel-production/)

³ OECD, 24 March 2026: [99th Session of the Steel Committee: Statement by the Chair](https://www.oecd.org/industry/steel/99th-session-of-the-steel-committee-statement-by-the-chair/)

⁴ The Asian Development Bank, 10 April 2026: [Asia and Pacific Growth to Slow to 5.1%, Weighed Down by Middle East Conflict | Asian Development Bank](https://www.adb.org/en/news/2026/04/10/asia-and-pacific-growth-to-slow-to-5.1%,-weighed-down-by-middle-east-conflict)

⁵ United Nations Trade and Development, April 2026: [Global Trade Update](https://unctad.org/en/press-releases/2026/04/042601-global-trade-update)

At the Bukit Besi mine, the Group remains focused on enhancing production capabilities and efficiency as it services new and ongoing offtake commitments. The construction of a new crushing plant was completed in 1Q FY2026, and the Group has aligned its commissioning with the targeted completion of the integrated processing facility in FY2027, supporting a more optimised production capability.

In 4Q FY2026, the Group commissioned an on-site solar photovoltaic installation at the Bukit Besi mine to support part of its operational power requirements. This initiative strengthens operational resilience while supporting the Group's sustainability efforts through reduced carbon intensity, diversified energy sources, and improved long-term energy cost efficiency.

At the CASB mine, the Group continues to progress development works for an integrated processing plant intended to enhance production capabilities and support the production of iron ore, copper and pyrrhotite concentrates. The flowsheet and engineering design have been completed, and the Group is progressing with the construction of a pilot plant for trial production.

In addition, the Group has undertaken preliminary open pit optimisation and early-stage economic assessments based on the current Mineral Resource model, which indicate potential for a large-scale operation with a higher-value central zone and additional upside from molybdenum as a by-product. Ongoing work is focused on refining inputs and advancing mine design, scheduling, cost modelling and technical studies to support potential conversion of Mineral Resources into an Ore Reserve and future feasibility studies.

Following the acquisition of the Seri Bandi mine site in 2Q FY2026 and completion of exploration drilling and geological studies, the Group commenced construction of mining and processing facilities in 4Q FY2026 in line with its expansion strategy. The Group is targeting commencement of iron ore concentrate production by FY2027, with a designed throughput capacity of approximately 600,000 tonnes per annum.

The Group continues to seek opportunities to grow its commodities portfolio in a disciplined manner via acquisitions, investments, joint ventures and/or mining contracting services in Malaysia and the region, leveraging its strong capabilities and partnerships to meet growing demand.

The Group will 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.

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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 28 February 2025 to 28 February 2026. The Company's share capital was US\$28,995,034 comprising 523,316,100 shares as at 28 February 2026 and 28 February 2025.

There were no outstanding options, convertible securities, treasury shares or subsidiary holdings as at 28 February 2026 and 28 February 2025.

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 2026	As at 28 February 2025
Total number of issued shares excluding treasury shares	<u>523,316,100</u>	<u>523,316,100</u>

The Company did not have any treasury shares as at 28 February 2026 and 28 February 2025.

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 and 2.3 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 28 February 2025.

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\$0.00472 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\$0.00460 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.

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. Save as disclosed in the table below, there were no other interested person transactions of S\$100,000 or above entered into during FY2026.

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to <u>Rule 920</u>)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to <u>Rule 920</u> (excluding transactions less than \$100,000)
		S\$'000	S\$'000
Dato' Sri Ivan Chee Yew Fei ⁽¹⁾	Director, CEO and Controlling Shareholder	3,874 ⁽²⁾	-

⁽¹⁾ Acquisition of 10% of the issued and paid-up share capital (comprising 10 ordinary shares) of Strategic Venture Pte. Ltd. from Dato' Sri Ivan Chee Yew Fei. Further details on the acquisition are available in the Company's announcement released via SGXNet on 7 May 2025.

⁽²⁾ Based on exchange rate of USD/SGD 1.2914 as at 7 May 2025.

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.

	FY2026		FY2025	
	US\$	S\$	US\$	S\$
Ordinary shares (tax exempt 1-tier)				
- Final ^(1,2)	1,954,774	2,470,052	-	-
- Final ⁽³⁾	-	-	1,870,109	2,407,254
Total Annual Dividend	1,954,774	2,470,052	1,870,109	2,407,254

⁽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 1.2636 as at 28 February 2026.

⁽³⁾ Based on exchange rate of USD/SGD 1.2899 as at 22 August 2025.

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	60	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	49	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	26	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.	Not applicable

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)	(4,400) ⁽¹⁾	-
Prospecting expenditures in relation to the two prospecting licenses in Sabah	3,500	800	(4,300) ⁽²⁾	-
Total	8,700	-	(8,700)	-

(1) utilised for payment for purchase of machinery parts and initial design fees for the new pilot 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 17 July 2024 in relation to the change in and update on the use of proceeds from the placement of 23,316,100 new ordinary shares in the capital of the Company.

As at the date of this announcement, the placement proceeds have been fully utilised.

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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 FY2026, 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	0.52	0.50
Cost of sales	5.36	5.86
Selling and distribution costs	1.46	1.54
Total	7.34	7.90

During 4Q FY2026, the Group's cost of sales was lower than the projected amount by US\$0.5 million which was mainly due to higher production volumes that resulted in cost savings from economies of scale.

In 4Q FY2026, the selling and distribution costs remain relatively consistent with the projected amount at US\$1.5 million.

The Group utilised the originally planned funds in exploration and evaluation activities in 4Q FY2026 on the on-going exploration activities undertaken by the Group at the various 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	0.50
Cost of sales	7.35
Selling and distribution costs	2.06
Total	9.91

The Group will continue its exploration and evaluation activities at its East, Valley and West Deposits of Bukit Besi Mine, tenements held by Fortress Mengapur Group and other early-stage exploration areas during the first quarter of FY2027 ("1Q FY2027"). Prospecting activities in Sabah remain on hold, and the Group has reallocated its resources to other projects and operations in the interim.

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.

Bukit Besi

In the 2025 calendar year, just over 12,589m of resource definition drilling was completed from 77 drillholes to support the magnetite mining operations at Bukit Besi. Approximately 2.75Mt of magnetite mineralisation was mined and approximately 2.1Mt sent to the plant, depleting the Mineral Resource Estimate (“MRE”) for the 2025 calendar year at the cut-offs used to report the MRE where approximately 2.22Mt was reported. This reflects improvement in the MRE update compared to previous years of high-level reconciliation of the MRE to production, indicating that there are still opportunities to optimise the grade control process to reduce dilution.

An update of the Bukit Besi Mineral Resource estimate was prepared from drill datasets dated 28 February 2026 and a mine survey dated 1 February 2026. The drilling, sampling, survey, and estimation methodologies are described in the Summary Qualified Person’s Report (dated 28 April 2026) (the “2026 MRE Update”). Please refer to the 2026 MRE Update released by the Company via SGXNet on 28 April 2026.

Michael Andrew, working as an Executive Consultant with Snowden Optiro, prepared the 2026 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 14.49 million tonnes grading 40.62% iron, with a reporting date of 28 February 2026. 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.

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Bukit Besi Mineral Resource tabulation – 28 February 2026*

Area	Classification	Gross attributable to ML7/2013 Tonnes Mt	Grade Fe %	Net attributable to Fortress Tonnes Mt	Grade Fe %	Change from previous update %	Remarks
East	Indicated	0.16	35.05	0.16	35.05	-44%	1
Valley		0.74	44.04	0.74	44.04	-1%	1
West		0.34	38.78	0.34	38.78	5%	1
Sub-total		1.24	41.43	1.24	41.43	-9%	1
East	Inferred	1.30	32.57	1.30	32.57	218%	1
Valley		10.94	42.00	10.94	42.00	23%	1
West		1.01	35.04	1.01	35.04	14%	1
Sub-total		13.25	40.55	13.25	40.55	30%	1
Total		14.49	40.62	14.49	40.62	25%	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 2025.

Competent Person Statement

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.

Mengapur

In the financial year ended 28 February 2026, 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 2026 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 2026

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.

Competent Person Statement

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. Subscription of 15% Equity Interest in North Ilocos Minerals Inc. (“NIMI”)

On 9 December 2025, an indirect wholly-owned subsidiary of the Company, Strategic Pinnacle Holdings Pte. Ltd., subscribed for 177,629 preference shares with voting rights equivalent to ordinary shares, with a par value of PHP142.50 each (representing 15% of the shareholding) in the share capital of NIMI for a subscription price of PHP25,312,132.50 (approximately US\$419,000), which was fully paid upon issuance of the shares.

Notwithstanding that the Group holds less than 20% of the equity interest, NIMI is accounted for as an associated company as the Group has significant influence over NIMI by virtue of its representation on the board of directors, in accordance with SFRS(I) 1-28 *Investments in Associates and Joint Ventures*.

The subscription price was determined based on the par value of the preference shares with voting rights. The Group’s investment in NIMI is carried out in the ordinary course of the Group’s business and is in line with its strategy to expand its mineral exploration and mining activities into the Philippines.

The intended principal activity of NIMI is for acquisition of mines, mining rights, quarries and trading in minerals. NIMI is currently in the early stages of development and is in the process of applying for the mining rights and its relevant permits and licenses. The issued and paid-up share capital of NIMI (including preference shares) is PHP30,312,132.50 and NIMI has a shareholders’ fund of PHP23,926,137.50 as at the date of completion of the share issuance.

The investment in NIMI 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 2027.

Save as disclosed above, there was no incorporation of new entities, other acquisitions and realisation of shares during 4Q FY2026.

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**BY ORDER OF THE BOARD OF
FORTRESS MINERALS LIMITED**

Dato' Sri Ivan Chee
Chief Executive Officer
28 April 2026

*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 12-months ended 28 February 2026 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dato' Sri Ivan Chee
Executive Director

Edmund Chee Ji Kang
Executive Director

Singapore
28 April 2026