



ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

BASIS OF PREPARATION

Brockman Mining Limited ("Brockman", or "Company") and its subsidiaries (collectively, the "Group") is pleased to present its Environmental, Social and Governance Report ("ESG", or "Report") for the year ended 30 June 2026 (the "Reporting Period"), in compliance with applicable code provision of the Environmental, Social and Governance Reporting Code as set out in Appendix C2 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong ("SEHK") and with reference to the IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board ("ISSB").

This Report has been prepared in accordance with the principles of materiality, quantitative approach, balance and consistency, and complies with the mandatory disclosure requirement and the "comply or explain" provisions recommended by the SEHK. The Group's performance is reviewed bi-annually by the Board, Health, Safety, Environmental and Sustainability, and Risk Management Committees, details of which are outlined in our "Risk Management and Internal Control" section in the Corporate Governance Statement of the Company's published 2026 Annual Report. This Report can be accessed from the Sustainability section of the Company's website www.brockmanmining.com.

The Company has a robust and comprehensive system of governance that is essential to the ongoing sound operation of the Company, and to balancing the interests of the Company's shareholders, suppliers, governments, and the various communities (collectively the "stakeholders") in which the Group operates.

CONNECTIVITY

This report contains the climate-related financial information of the Group for the financial year ended 30 June 2026 (the "Reporting Entity"). It aligns with the reporting period of the Group's consolidated financial statements (refer to Note 1 Basis of consolidation in the consolidated financial statements).

SOURCES OF GUIDANCE

In preparing its sustainability-related financial information, the Group has referred to, and considered, the applicability of disclosure topics and metrics in the SASB Standards.

With reference to the SEHK ESG Reporting Code, Industry-based Guidance on Implementing IFRS S2 — Climate-related disclosures, and taking into account the Company's strategic objectives, the Company identified material issues and determined the scope and boundaries of their impacts.

SCOPE AND PERFORMANCE

Due to the continued delay in the development of the Group's Marillana Project and no mining activities during the year, the scope of this report encompasses the Group's activities primarily comprise the assessment and advancement of exploration and evaluation activities, supported by corporate and administration functions with no boundary change from the financial year 30 June 2025. In conducting these activities, the Group procures goods and services from local or international suppliers. Key expenditure categories include exploration and evaluation activities, property and employee costs, the other significant expenses are electricity usage, cloud computing and data storage services, regulatory compliance, stakeholder engagement, and activity base business travel.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

STATEMENT FROM THE BOARD OF DIRECTORS

The Board has overall responsibility for the Group's ESG governance and oversees the integration of ESG considerations in the Group's strategy, risk management, decision-making. The Board is committed to operating in a manner that contributes to the sustainable development of mineral resources through efficient, balanced, long-term management while demonstrating due consideration for the wellbeing of our people and protection of the environment.

The Board provides strategic direction on ESG matters and is supported by management in implementing the Group's ESG initiatives, policies and objectives. Through regular reporting and review processes, the Board monitors ESG related risks and opportunities that may affect the Group's activities, stakeholders and long term sustainability.

The Group has established a process for identifying, assessing and prioritising material ESG issues. This process incorporates stakeholder engagement, an assessment of the risk and opportunities, and consideration of the potential financial, regulatory and reputational implications for the Group. The outcomes of the materiality assessment are reviewed by management and the Executive Committee and reported to the Board. The Board considers these outcomes when determining the Group's ESG priorities.

The Group recognises its responsibility to protect the environment and minimise the impact of its activities thereon. The Group is committed to developing and implementing practices in environmental design and management and actively operates to:

- Work within the legal approval framework and operate in accordance with our environmental management systems,
- Identify, monitor, measure, evaluate and minimise our impact on the surrounding environment,
- Give environmental aspects due consideration in all phases of the Group's projects, from exploration to development, operation and final closure, and
- Act systematically to improve the planning, execution and monitoring of its environmental performance.

The Board reviews the effectiveness of the Group's ESG management and priorities bi-annually and monitors progress against ESG-related goals. The review process also considers key outcomes, emerging ESG risks, and changes in regulatory requirements. Where appropriate, the Board updates ESG objectives and initiatives to support the Group's long-term sustainability and continuous improvement in ESG, including initiatives aimed at reducing the Group's environmental footprint and enhancing social and governance outcomes.

Refer to the Environmental Compliance section on page 20 of this report for the details on the Group's compliance with relevant laws and regulations that have significant impact on the Group.

ESG goals and oversight

The Board oversees the establishment and monitoring of the ESG related goals, relevant to the Group's activities. These may include objectives relating to environmental compliance, workplace health and safety, employee training, stakeholder engagement, and governance. Progress against these goals is measured through key performance indicators ("KPI") where appropriate and is reported to the Board on a bi-annual basis. The Board considers the effectiveness of the Group's actions in achieving its ESG objectives and goals, and, where necessary, direct management to implement additional measures to address gaps, emerging risks and opportunities for improvement.



REPORTING PRINCIPLES

The compilation of the report follows the principles as suggested by the ESG reporting guidelines:

Materiality	Opinions of stakeholders that were gathered from internal and external stakeholders engagement and we have reviewed and determined the material ESG aspects to the Group.
Balance	To provide an unbiased assessment of the Group and report the progress of sustainability development, including future plans.
Quantitative	Quantitative key performance indicators are used to monitor the progress and results of set targets.
Consistency	Unless otherwise stated, the ESG report has adopted consistent methodology.

MATERIALITY ASSESSMENT

The Group recognises that effective management with stakeholders is fundamental to identifying and managing material ESG matters. The Group defines material stakeholder groups as those who have frequent connections, significant financial and operational influence, are affected by the Group's activities, and form a long term and strategic relationship with the Group.

During the reporting period, the Group undertook a materiality assessment to identify and evaluate ESG factors that are most relevant to its activities and stakeholders. The assessment was informed by the Group's routine stakeholder interactions conducted throughout 2026, together with the outcomes of internal risk management processes, regulatory reviews and management assessments. No separate stakeholder engagement exercise was undertaken specifically for the purpose of the materiality assessment and the potential influence of ESG matters on the Group's activities. ESG topics were evaluated with reference to stakeholder interests and expectations identified through ongoing engagement activities, as well as the actual or potential impacts of these matters on the Group's activities, reputation, and long term sustainability objectives. The assessment also considered applicable regulatory requirements, the Group's risk exposure and the significance of ESG related risks and opportunities to its activities. The results of the assessment were used to determine the ESG topics and disclosures considered material for reporting purpose.

Stakeholders and shareholder opinions and engagements are crucial for the continuous improvement of the Group's ESG performance, and the Board recognises the importance of good communication with stakeholders. Information in relation to the Group is disseminated to shareholders in a timely manner through several formal channels, including interim and annual reports, announcements, and circulars. These published documents along with updated corporate information and news, are made available on the Company's website under section "Investors and Announcements".

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Aspects and KPIs relevant to this report's disclosure are set out as follows:

Stakeholders	Material issues	KPI	Engagement channels
Investors and shareholders	Business activities	General disclosure	Financial reports and announcements
Regulators	Compliance with laws and regulations	General disclosure on aspects A1, B1, B2, B4, B6, B7	On-going compliance review
	Disclosure		
	Environmental	Aspects A1-A3 and relevant KPIs	On-going communications
	Anti-corruption	KPI B7.1-3	Training for directors and management
	Labour standards	KPI B4. 1-2	Yearly review and monitoring of latest regulatory updates
	Product Responsibility	General disclosure	A framework for product quality assurance will be developed prior to the delivery of first ore
Suppliers	Supply chain management	KPI B5.1-4	Review of suppliers and procurement procedures
Employees	Remuneration and labour standards	KPI B1.1-2	Yearly review
	Training and development	KPI B3.1-2	Training for directors and management
	Occupational health & safety	KPI B2.1-3	Internal communications and yearly review
Community	Charity work	KPI B8.1-2	Support charity organisations



JUDGEMENT AND UNCERTAINTIES

In preparing information presented in this report, the Company has applied judgement to determine what information is relevant, reliable and useful for disclosure. This includes the interpretation of reporting requirements and making informed decisions where the standards allow flexibility. Furthermore, measurement uncertainty may exist due to gaps in data, reliance on third party information, external factors or forward looking information.

The table below summarises information topics where the Company has applied judgement and identified measurement uncertainty affecting amounts disclosed:

Overview of judgements applied and measurement uncertainty

Topic	Section of this Report
1. Scenario analysis and climate modelling	Building resilience through scenario analysis
2. Climate related risks and effects and strategies	Climate risk and opportunity integration into business strategy
3. Assessment of climate resilience	Building resilience through scenario analysis
4. GHG emissions calculation methodology	Methodology for the calculation of GHG emissions

IMPLEMENTATION RELIEFS

The Company has prepared the climate disclosures related content of its ESG report in accordance with the climate-related disclosure requirements set in Appendix C2 Part D of the SEHK's Environmental, Social and Governance Reporting Code. During the preparation of the report, due to the current stage of internal system development and data collection and calculation capabilities, the Company is temporarily unable to complete the disclosure of certain provisions.

In preparing this report, the Group has applied implementation reliefs to the following in the annual reporting period:

- Climate-scenario analysis (reasonable information relief and capabilities relief) — a scaling approach is applied to climate resilience and scenario analysis disclosures. The Company will progress to a quantitative analysis overtime as capabilities mature.
- Scope 3 emissions (reasonable information relief) — Scope 3 emissions data is dependent on information obtained from suppliers and other third parties across the value chain. At this stage, processes, systems and controls required to collect complete and reliable Scope 3 data are still being developed and enhanced.
- Current and anticipated financial effects (reasonable information relief, capabilities relief and financial effects relief) — the Company has not provided all quantitative information relating to the current and anticipated financial effects of climate-related risks and opportunities on its financial position, financial performance and cashflows for this reporting period. The Company continues to enhance its processes, methodologies, data collection capabilities and internal controls to support the assessment and measurement of climate-related risks and opportunities and expects to expand the scope and granularity of these disclosures in future reporting periods as information becomes available and reporting capabilities mature.
- Cross-industry metrics (reasonable information relief) — The Company currently finds it difficult to isolate from its financial statements the specific financial impact amounts solely attributable to climate-related risks and opportunities, without undue cost or efforts, thus is unable to make the required quantitative disclosures in this regard. We will continue to enhance our tracking and allocation methodologies to enable fuller disclosure in future reporting cycles.
- As this is the Company's first year of climate-related reporting under SEHK Part D, the Company is unable to provide the prior-year comparative data at this stage, and the Company will work towards including these elements as our reporting maturity develops.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A. ENVIRONMENTAL

A.1 EMISSIONS

Governance

Applying reduction, resource recovery, and sound management measures to the emissions is not only a core requirement for the Company to fulfill its environmental responsibilities, but also an important way for us to improve resource-use efficiency.

Compliance with the environmental protection standards

The Group operates according to specific Environmental Management Plans ("EMP") approved by the environmental authorities in Western Australia, Australia. The EMP determines the frequency of monitoring and measuring of our various activities.

Annual performance

During the reporting year, the Group has complied in all material respects with the environmental standards, laws, regulations and permit conditions that have a significant impact on our activities including those relating to air emissions, discharges into water and land, waste management, and the handling and disposal of hazardous and non-hazardous waste. The Group is not aware of material breaches of applicable environmental laws and regulations during the reporting period.

The foundation for the Group's emission policies, controls, procedures and reporting are derived from the respective environmental approval for each of the Group's exploration activities. Relevant legislation applicable to the Group's activities includes, where relevant, Mining Act 1978, and other relevant environmental regulations such as the Environmental Protection Act 1986, the Environmental Protection and Biodiversity Conservation Act 1999, the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, the Rights in Water and Irrigation Act 1914, the Native Title Act 1993 and the Aboriginal Heritage Act 1972.

The approvals are activity specific and prescribe the relevant operating parameters as defined by the environmental authorities. The Group monitors compliance with these requirements through ongoing environmental management and reporting processes and seeks to minimise the environmental impact of its activities through the implementation controls, environmental protection measures and rehabilitation practices.

Emission statistics

Greenhouse Gas emissions (GHG Emissions) for the reporting period are mainly generated from the consumption of purchased electricity for exploration activities and office running costs. Emissions for Nitrogen Oxides (NOx), Sulphur Oxides (SOx) and Respirable suspended particulates (RSP) are not disclosed as the amount is insignificant.



Relevant KPIs are as shown below:

	2026	2025
i) Purchased electricity consumption	19,640 kWh	14,815 kWh
ii) Scope 1 GHG Emissions	0 tCO₂e (*)	0 tCO ₂ e
iii) Scope 2 GHG Emissions	8.22 tCO₂e	7.16 tCO ₂ e
iv) Scope 3 GHG Emissions	Not disclosed	Not disclosed

Note:

(*) tCO₂e refers to metric tonnes of CO₂ equivalent.

The methodology adopted for reporting on GHG emissions set out above was based on the Environmental, Social and Governance Reporting Code and the GHG Protocol Corporate Accounting and Reporting Standard (refer to section "Methodology for the calculation of GHG emissions").

Scope 1 emissions — Direct emissions from operations that are owned or controlled by the Company.

Scope 2 emissions — Energy indirect emissions resulting from the generation of purchased or acquired electricity consumed within the Company.

Scope 3 emissions — All other indirect emissions that occur outside the company, including both upstream and downstream emissions such as emissions from business travel of employees and paper waste disposed of at landfill etc.

While it has decided not to disclose its Scope 3 greenhouse gas emissions, detailed financial effects or other cross-metrics for this reporting period due to the immature data collection methodology, the Group is committed to continuously improving the accuracy of these metrics.

The scope during the reporting period covered a gross floor area of 249.10m²

GHG intensity by floor area amounts to 41.99 kg CO₂e/m² (2025: 28.76 kg CO₂e/m²).

Purchased electricity consumption increased by 32% compared with the prior year, resulting in the Group not achieving its planned objective of reducing electricity consumption. Despite this outcome, the Group remains committed to improving energy performance and will continue to implement measures at reducing electricity consumption overtime to its activities that consider:

- Unnecessary business trips and board meetings have been reduced through the use of electronic communications.
- Encouraged employees to switch off lights and air conditioning.
- Procure only electrical appliances with "Grade1" or equivalent energy labels if needed to increase energy efficiency.

During the reporting period, the Company incurred no unnecessary business trips (domestic or overseas), and all board meetings were conducted via electronic communications.

During the reporting period, no material hazardous or non-hazardous waste was generated as our exploration activities do not generate hazardous or non-hazardous materials. Waste generated comprises printer toner cartridges, batteries and obsolete computer and printing equipment. All hazardous waste is disposed of at appropriate facilities licensed for the receipt and treatment of such waste. Non-hazardous waste such as general domestic refuse and printing paper from office activities were considered minimal.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A.2 USE OF RESOURCES

Governance

The Group is committed to promoting an environmentally conscious work environment and has focused on measures to minimise waste and electricity consumption, initiate paper and cartridge recycling and promote electronic communications and storage. We promote recycling of office equipment and reduce domestic waste as much as possible. To reduce consumption of paper, the Group prefers using electronic means to disseminate information via electronic devices and electronic communication systems.

Strategy

We encourage our office employees to switch off idle lights, air conditioners and other office equipment we also remind them to print and photocopy on both sides of paper if printing is unavoidable. Additionally, we also encourage our employees to bring their own lunch and reduce purchase of takeaway and beverages, thereby minimising the use of plastic disposable utensils. The Group promotes the use of public transportation and carpooling to reduce car usage and its environmental impact.

Our offices are required to maintain in-door temperature at 24 degree Celsius to ensure efficient use of air conditioning.

As stated above, the Group remains committed to achieving a net reduction in emissions in the upcoming year. Given that purchased electricity is the primary contributor to the Group's emissions, reducing annual energy consumption continues to be a key objective. With these directional objectives, the Group will review progress periodically with a view to establishing quantitative targets once sufficient data and experience have been accumulated.

The Group promotes initiatives to mitigate environmental impacts by choosing energy-efficient products by comparing Energy Labels issued by the Electrical and Mechanical Services Department (EMSD)/ Energy Rating Labels issued by the Australian Federal Government. As waste electrical and electronic equipment (WEEE) poses severe harm to the environment, the Group encourages all employees to use the WEEE donation or recycling programs. All employees are responsible and accountable for operating in an environmentally responsible manner.

Indicators and targets

The total purchased electricity for the year ended amounted to 19,640 kWh (2025: 14,815 kWh) and the electricity usage intensity by floor area amounted to approximately 78.85 kWh/m² (2025: 59.47 kWh/m²).

Water resource management

Governance

Water resource management and protection, the Group complies with the laws and regulations on water resource management for our exploration activities, and no issue in sourcing water that is fit for purpose has been reported.

The Group's existing activities do not require any significant water consumption, water usage and any consumption relates to drinking water (including bottled water).

The Joint Operation with Polaris has developed a water borefield at the Marillana iron ore project, comprising production bores and an array of monitoring bores were established. Pump and infiltration testing will be incorporated into the groundwater model. The purpose of the water borefield is to improve the knowledge of the water balance and the data from the water monitoring bores will become more detailed in coming years.



Indicators and targets

There is no data of water consumption because it is not feasible to obtain water withdrawal and discharge data as an individual occupant of commercial office leases in Hong Kong and Australia where water supply and discharge are not billed separately by the respective building management. Consequently, in the absence of reliable baseline data, the Group has not established a quantitative water efficiency target for the reporting period. Although data on water usage was not quantifiable, the Group maintains best endeavours to conserve the environment by requiring our employees to report immediately damage to any water facilities, thereby mitigating unnecessary water loss where practicable.

Raw materials and packaging materials

Due to the nature of the activities, there is no applicable data on packaging material as our activities does not involve their use.

A.3 THE ENVIRONMENT AND NATURAL RESOURCES

Governance

The Company is committed to the principles of being a good corporate and environmental citizen, and takes careful consideration of environmental, social responsibility and sustainability issues. The Group aims to minimise its environmental footprint and its disturbance to natural resources.

The system of environmental management under the guidance of the Board, the HSES Committee formulates objectives and defines the direction of environmental management and guidance on the management of the environment.

As the activities of the Group change as the Marillana project advances to development, fines residue storage and waste rock management, water use and discharge, and continued land management and rehabilitation are the most important areas of concern to the Group and will closely monitor these aspects, in compliance with its regulatory approvals obtained with key State and Commonwealth Governments.

Waste rock and tailings that is created during the mining and ore refining process can release toxins into the environment if not stored or disposed of properly. In many cases, waste rock and tailings are left out in the open where they are exposed, and toxins can be washed into water systems by rainfall, or can leach into the soil. To mitigate such risk, a detailed mine plan with enhanced tailings and erosion control structure will serve as part of the mine's water management plan. The most likely source of impact to the surface water environment from discharge is from unplanned flooding or spillages. However, safeguards are in place to minimise this risk that includes alarms and flashing beacons to warn of failure of mechanical components (pump and blower). In addition, flood protection will be implemented, to ensure floodwaters do not adversely impact water ways.

The Company is proposing to clear up to 3,785 ha of vegetation to mine and transport ore to Port Hedland by a land infrastructure solution. After mine closure and the subsequent rehabilitation of the cleared area, the long-term cleared footprint will be around 60 ha which represents the final open pit void. All other disturbances will be rehabilitated to the satisfaction of the Western Australian Environmental Protection Authority (EPA), Department of Environment and Water (DEW) and Department of Mines, Petroleum and Exploration (DMPE). Most key environmental approvals are secured. We will adhere to our proposed plan in the event of early works commence and we will endeavour to mitigate any environmental disturbance and implement our monitoring schedule.

The principal environmental incidents that could potentially occur at the Group's exploration sites include hydrocarbon spills; the destruction of local wildlife habitats; water substance levels exceeding permits limits; and other incidents that negatively impact the environment. Any environment incidents are reported, investigated, remedied and monitored by the Group and, where appropriate, reported to the responsible authorities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Strategy

Central to the Company's ESG approach is our commitment to creating sustained value for all our stakeholders, shareholders, investors and employees. Environmental monitoring and reporting forms part of the Group's proactive approach and includes:

- Contribute to the conservation of biodiversity in the Pilbara region of Western Australia, and
- Ensuring contractors support the Company's environmental sustainability policy.

We fully recognise the tangible impacts our activities have on the environment and natural resources and firmly believe that responsible companies should not only mitigate those impacts, but also work to restore ecosystems and create shared value. As the project activities advance the Company will continue to incorporate its environmental strategy, incorporating mine closure, land reclamation, and biodiversity conservation into the planning from pre to post development of the activities, with the aim of turning the impact of resource extraction on natural capital into opportunities to rebuild and enhance ecology.

Indicators and targets

Prior to the commencement of exploration activities, certain approvals are required in accordance with the Mining Act 1978 from DMPE:

1. Programme of work submission — to include details of mechanised equipment and potential disruption to the ground during exploration for minerals.
2. Mining proposals — details of the proposed mining operation.
3. Mine closure plans — such plan must be included together with any submission on mining proposals, covering all aspects of mine decommissioning and rehabilitation.

Environmental compliance

Ensuring environmental compliance is integral to the Group's activities. The Group implements environmental management systems and practices, from which we assess and identify potential environmental risks; conduct monitoring; and report the performance results to mitigate the impact of our activities on the environment. The Group strives to promote the efficient use of resources and reduction and prevention of pollution. As a responsible Company we seek to meet, and where possible exceed, the regulatory requirements governing our environmental performance.

The Group complies with all applicable environmental laws, regulations, and standards as set out in the Mining Act 1978 and other relevant environmental regulations such as the Environmental Protection Act 1986, the Environmental Protection and Biodiversity Conservation Act 1999, the Environmental Protection (Clearing of Native Vegetation) Regulations 2004, the Rights in Water and Irrigation Act 1914, the Native Title Act 1993 and the Aboriginal Heritage Act 1972.

During the year ended 30 June 2026, there were no environmental approval breaches. All approval and permit levels were complied.

Biodiversity

Governance

Project activities may cause a certain degree of surface damage and as such the Company considers biodiversity as an important issue in ESG management. Before activities commence biodiversity surveys and assessments are conducted and no exploration activities in sensitive areas such as nature reserves and ecological conservation areas.



Strategy

Before activities begin the Company will conduct detailed ecological surveys using field investigations and other methods, covering flora and fauna resources and other aspects, to ensure a comprehensive understanding of biodiversity in the project area. By comprehensively assessing the distribution of flora and fauna in the project area and surrounding areas, potential ecological risks can be identified. A clear ecological restoration plan could be developed, including measures such as soil and vegetation restoration, to ensure that the land can recover its ecological functions after the project activities have been completed.

For the exploration activities undertaken during the year, biodiversity analysis and assessment was conducted. No protected flora or fauna was found within the assessment area. Based on field surveys, there are relevant nature reserves or wildlife mitigation corridors in the assessment area or its surroundings. On this basis, the Company incorporated biodiversity protection requirements into planning and environmental management plans and, through baseline surveys, risks assessments, and necessary mitigation measures, sought to minimise the impact of project activities on local ecosystems.

B. SOCIAL

B.1 EMPLOYMENT AND LABOUR PRACTICES

Employment

The Group's employment policies are documented in its Code of Conduct ("Code"), which provides clear guidance on the conduct and behaviour of all employees, including the Board and senior management. The Code is designed to encourage and foster a culture of integrity and responsibility with the focus on strengthening the Group's reputation as a valued employer, joint operator, and good corporate citizen. Specifically, the Code provides guidance on the following aspects:

- Compliance with laws, rules and regulations,
- Conflicts,
- Knowledge and information security (including handling of confidential information and disclosure and securities trading),
- Health, safety and environment,
- Employment practices, and
- Whistleblowing and misconduct reporting.

The Code of Conduct is available on the Company's website.

The Group is committed to responsible corporate governance, including the implementation of measures that encourage employees and representatives of the Group to identify and report in good faith any concerns relating to serious misconduct, or could potentially be:

- A criminal offence (including theft, drug use/sale, violence or threatened violence and criminal damage to property),
- A breach of a legal obligation,
- Dishonest, fraudulent, or corrupt behaviour,
- A serious risk to the health of an individual, the public, or the environment,
- In breach of any of the Group policies, or
- Designed to conceal business records or other evidence related to any of the factors above.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Recruitment and promotion

The Group recognises, and endeavours to protect, the rights of its employees and is committed to providing equal opportunities. The Group engages in transparent and fair recruitment practices, and fair remuneration and disciplinary decisions without regard to gender, age, family position, or ethnic background. The remuneration package provided to our employees include a basic salary component and other long-term incentives (where appropriate). The Group determines employee remuneration based on qualifications and experience. The Group provides employees with retirement benefits and healthcare benefits (where appropriate) and in accordance with statutory requirements. We motivate employees by promotion and salary increments based on results of regular performance appraisals. Apart from offering employees' competitive salary packages, the Group also provides the grant of share options to eligible participants.

Working hours, rest periods, benefits, compensation and dismissal

A five-day work week arrangement is adopted to facilitate work-life balance. In addition to all rest days and statutory holidays as specified in local laws and regulations, employees are entitled to paid annual, maternity, paternity, marriage and compassionate leave. Employees are also entitled to benefits such as medical benefits, post-employment benefits subject to the Group's human resources management policy. In Hong Kong and Australia an employee dismissal is based on relevant local laws and regulations, as well as the requirements in the employee contracts.

Equal opportunity, diversity and anti-discrimination

The Group invests time and resources to fulfil its obligations under the respective laws of Hong Kong and Australia. The Group has a whistleblower policy that enables an employee to raise concerns about practices and procedures in their workplace. It enables employees to report concerns of fraud, corruption, illegal or immoral misconduct, illegitimate practices or malpractice in a way that will not be seen as being disloyal to colleagues.

Workplace diversity

The Company's recognition of the benefits of diversity where individuals from different gender, age, ethnicities and cultural backgrounds bring fresh ideas and perspectives that enhance the workplace efficiency is reflected in the Diversity and the Workplace Diversity, Equity and Inclusion Policies, which are available in the corporate governance section of the Company's website. These policies outline specific diversity initiatives designed to facilitate equal employment opportunities and requires the Company to set targets with the aim of reporting the progress towards the metrics in the annual report.

These key metrics include:

- Proportion of women appointed as Non-Executive Directors of the Company;
- Proportion of women in the workplace;
- Proportion of women in senior management;
- Parental leave return rates; and
- Employee turnover.



Table 2 — The following metrics shows the comparison to historical data. The historical data is as follows:

	2026	2025	2024	2023	2022
Proportion of women appointed as Non-Executive Directors	7%	7%	—	—	—
Proportion of women in the workplace	21%	21%	14%	14%	13%
Proportion of women in senior management	14%	14%	7%	7%	7%
Parental leave return rates	N/A	N/A	N/A	N/A	N/A
Employee turnover	—%	14%	—	7%	—

The measurable objectives adopted for 2026 and the Company's performance are outlined in the table below:

Objective	Performance
1. We will evaluate our gender balance and improve the proportion of women in the Group's workforce	The female representation across the Group remained unchanged at 21% from 2025 to 2026. Increasing female representation will continue to be an area of focus in 2027.
2. We are committed to providing a workplace that is free from harassment and promotes inclusivity. We will continue to educate our employees on acceptable standards of behaviour and the responsibility of the Company to ensure we are providing a safe place or work.	The Company continued its efforts ensuring our workplace environment is supportive and inclusive. We will continue this into 2027.
3. We will apply a focus on female employees as part of our talent and succession process and aim at creating a strong female talent pipeline for more senior positions.	While female representation in the Group is 14% in 2026, the Group will continue to identify female talent and create opportunities to support their growth and advancement within the organisation.

The Board is continually looking to achieve diversity and will endeavour to appoint individuals who will provide a mix of experience, perspective and skills appropriate for the Company, including appropriate technical and commercial skills relevant to the resource industry.

In Hong Kong, the employment regulations are governed by the Employment Ordinance, the Minimum Wage Ordinance, and, the Employees' Compensation Ordinance and Mandatory Provident Fund Scheme Ordinance. In Australia, The Fair Work Act 2009 (Cth) governs the employment of the majority of Australian employees, supplemented by other federal, state and territory legislative instruments pertaining to areas such as work, health and safety and non-discrimination.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

	2026		2025	
TOTAL WORKFORCE	14		14	
By nature of work	Australia	Hong Kong	Australia	Hong Kong
Corporate directors	3	5	3	5
Corporate Services	1	3	1	3
Project Development	—	1	—	1
Exploration	1	—	1	—
Total	5	9	5	9
By gender				
Male	4	7	4	7
Female	1	2	1	2
By employee category				
Directors (Executive)	1	2	1	2
Directors (Non-Executive)	2	3	2	3
Management	2	4	2	4
By age group				
31-50	—	4	1	4
50+	5	5	4	5
EMPLOYEE TURNOVER RATE ANALYSIS	Australia	Hong Kong	Australia	Hong Kong
By geographical location	—	—	—	22%
	Male	Female	Male	Female
By gender	—	—	18%	—
	31-50	50+	31-50	50+
By age group	—	—	—	18%

During the year, the Group was not aware of any breaches of the relevant laws and regulations relating to the Group's compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare and had not received any substantial complaints from any individual or authority, nor has it paid or was liable to pay any penalty due to employment breaches.



Health and safety

Safety is the Group's top priority. Safeguarding the health and wellbeing of our employees, contractors, and communities is essential. The Group consistently goes beyond what is required to comply with local health and safety legislation.

To operate an effective and sustainable business, the Company will:

- Focus on the elimination and management of workplace hazards and risks.
- Act ethically and responsibly in all its interactions.
- Promote a culture that prioritise workplace health and safety among its employees, contractors, suppliers and joint operation partner.
- Provide a workplace that is free from bullying or discrimination, and that offers equal opportunities to all employees.
- Actively work across that is all areas of the Company's activities both to minimise actual and potential environmental impacts.
- Respect the rights of the Traditional Owners and value the indigenous cultural heritage associated with the Company's activities.

Management is responsible for implementing the Group's occupational health and safety policies, procedures and controls across all operations, including the identification, assessment and management of workplace hazards and risks. Health and safety performance is monitored on an ongoing basis through regular reporting, inspections, and compliance assessments.

Oversight of the Group's health and safety framework is provided by Health, Safety, Environmental and Sustainability Committee, which reviews health and safety performance, monitors significant risks and incidents, evaluates the effectiveness of management systems, and makes recommendations to the Board on matters relating to workplace health and safety. The Committee reports regularly to the Board, enabling the Board to monitor the effectiveness of the Group's occupational health and safety measures and overall safety performance.

We will implement systems and ensure that resources are allocated to implement and monitor these commitments and our legal obligations. Our employees and stakeholders will be updated on the Company's progress towards these goals. The policy and the system that support it will be routinely measured to ensure the delivery of our commitments.

The Group's Operational Health and Safety (OHS) Policy and objectives that applies to our activities are summarised as follows:

- Achieve "Zero Harm" to people, the community and the workplace environment;
- Support, encourage and promote efforts to achieve industry-leading occupational health and safety performance;
- Eliminate or manage circumstances which may lead to injury, property damage and business interruption; and
- Achieve health and safety performance consistent with the OHS Policy.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

These objectives will be achieved by:

- Providing employees and contractors with the necessary responsibility training and resources to assist them to perform their tasks safely and effectively;
- Establishing and enforcing accountabilities for employees and contractors regarding health and safety policy, objectives and performance;
- Complying with all applicable laws, regulations and statutory obligations; and
- Demonstrating effective leadership and management of health and safety through risk assessment and the development and implementation of safe operational procedures and communication in health and safety issues.

During the year, the Group had zero work-related fatalities and injuries resulting in zero lost days, consistent with previous three years

During the reporting period the percentage of trained employees and average hours of training received:

	Percentage of trained employees		Average hours of training received during the year	
	2026	2025	2026	2025
By employment type:				
Directors	57%	57%	198	160
Senior management	43%	43%	198	225
By gender:				
Male	79%	79%	264	200
Female	21%	21%	132	184

(2025: Nil and 2024: Nil). Furthermore, the Group was not aware of any breaches of the relevant laws and regulations concerning the provision of a safe working environment and protection of employees from occupational hazards.

B.3 DEVELOPMENT AND TRAINING

The Group is committed to fostering a culture of continuous learning. We subsidise our employees for their continuing education, and encourage employees to participate in various workshops and seminars according to their respective areas of interest and job description.

Types of training includes:

- Compliance and regulatory;
- Job specific training;
- Comprehensive safety induction for all newly hired employees; and
- Job and activity specific health and safety is provided to employees and contractors.



B.4 LABOUR STANDARDS

Preventing and addressing the Group's involvement in child or forced labour in any of its activities is central to our sustainability efforts and our commitment to operating a safe and responsible business. The Group strictly prohibits the use of child and forced labour and complies with all relevant laws and regulations.

To prevent such practices, the Group implements recruitment and employment procedures designed to verify the identity and age of prospective employees before engagement. As part of the on boarding of new employees, employees are required to provide valid identification and supporting documentation to confirm that they meet the legal age of employment requirements.

If any instance of child labour or forced labour were identified, the Group would take immediate corrective action, including removing the individual from the inappropriate work situation, conducting an investigation into the circumstances, addressing any deficiencies in recruitment or labour management processes, and implementing measures to prevent recurrence. Where appropriate, the Group would also report the matter to the relevant authorities and provide support to the affected individuals in accordance with applicable laws and regulations.

During the year, the Group has not employed any person under the age of 18 and incurrance of child labour. Based on the nature of the Group's activities, the risk of child labour and forced labour occurring is not a significant risk factor.

B.5 RESPONSIBLE SUPPLY CHAIN MANAGEMENT

The Group is committed to upholding human rights and respect cultures, customs, and values in all individuals, communities and organisations involved in our activities. The Group strives to implement environmentally and socially responsible supply chain practices by working closely with all stakeholders including suppliers, local community and authorities. To assist in maintaining a transparent supply chain, the Group only procures goods and services from suppliers and contractors whose trade, employment practices and company values are aligned with the Group's expectations regarding ethical conduct, environmental and social responsibility.

A system is in place to ensure that procurement practices identify, assess and manage environmental and social risks that may arise throughout its supply chain. This includes considering factors such as compliance with applicable laws and regulations, workplace health and safety standards, labour practices, human rights considerations and environmental performance. As part of our internal control on procurement procedures, at least 2 quotations will be obtained for each procurement engagement. Sustainable, fair-trade and environmental products where commercially practical, taking into account factors such as resource efficiency, waste reduction, and environmental impact over the good or service cycle.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

During the reporting period, the number of suppliers by geographical breakdown is as follows:

By geographical region	Number of suppliers	
	2026	2025
Hong Kong	19	16
Australia	42	35
Total	61	51

The Group engages external parties in its day-to-day activities including environment and process consultants, laboratory services, drilling services and professional services.

During the reporting period, such practices were applied across the Group's active supplier base of 61 suppliers operating in Hong Kong and Australia. Responsibility for implementing these practices rests with management and employees involved in procurement and contractor engagement activities. To monitor compliance, the Group undertakes where appropriate, evaluates supplier performance and considers ESG factors as part of supplier selection. Management reports significant supply chain risks and compliance matters to the Executive Committee and, where relevant, the Board to support ongoing oversight and continuous improvement of supply chain practices. Independent internal control consultants are engaged yearly to perform reviews on whether internal control processes are being observed.

B.6 PRODUCT RESPONSIBILITY AND STEWARDSHIP

We value responsible environmental management, seek continued improvement of our environmental performance, and aspire to be effective environmental stewards.

The Company will ensure all required documentation will be implemented prior to shipment of iron ore. Sinter testwork conducted has provided positive results and confirmation of our product quality and the Group will strive to maintain the product's quality upon future delivery of ore.

Given that production has yet to commence, no complaints from customers nor product recalls have been received for the reporting period. Quality assurance and recall procedures will be duly implemented upon future delivery of iron ore product.

The Company upholds the confidentiality of information relating to customers', prospective customers' or business counterparts' information by implementing confidentiality agreements. These agreements outlines the Group's position on data security, privacy an intellectual property rights, including:

- Work related documents are the property of the Company unless otherwise specifically agreed, and
- Destruction of documents containing confidential information must be carried out reliably.

As the Group's activities are focused primarily on exploration and evaluation activities, and corporate and administration functions, it does not collect or process significant volumes of consumer personal data. Nevertheless, the Group manages data protection and privacy through its information technology systems, internal controls and policies governing information security. Responsibility for implementing and monitoring these controls rests with management and supported by external IT service provider engaged to assist with system administration, cybersecurity and data protection measures.



During the year, the Group was not aware of any breaches of the relevant laws and regulations relating to the Group health and safety, advertising, labelling and privacy matters relating to its products and services. Given the Group's business nature, products sold or shipped subject to recalls for safety and health reasons are not relevant, thus not reported in this Report.

B.7 ANTI-CORRUPTION

The Company is committed to responsible Corporate Governance, including the implementation of measures to encourage employees and stakeholders of the Company to identify and report in good faith any concerns relating to serious misconduct which is, or potentially could be, a criminal offence, a breach of legal obligation, dishonest, fraudulent, or corrupt, a breach of the Company's policies (collectively, Inappropriate Conduct). Brockman takes a zero tolerance approach to corruption and bribery and is committed to acting professionally, fairly and with integrity in all our business dealings. Accordingly, the Board have endorsed an anti-corruption and bribery, and whistleblower policies to encourage and foster a culture of integrity and responsibility within the Group. These policies provide the protected disclosure, how to report Inappropriate Conduct, confidentiality and whistleblower protections.

The Company's whistleblower policy encourages employees, suppliers and other representatives known as Eligible Whistleblowers to report Inappropriate Conduct. Where an Eligible Whistleblower is concerned about Inappropriate Conduct observed within the Group, the Eligible Whistleblower can discuss it with the manager or supervisor. Alternatively, they can raise the matter with the Compliance Officer. The Compliance Officer will report and communicate Inappropriate Conduct directly to the Audit Committee. All disclosures made under the whistleblower policy are treated seriously and may be the subject of an investigation. Such investigations will be facilitated in accordance with the steps and processes detailed in Appendix A of the Whistleblower

Policy. The Audit Committee is informed at each meeting of all whistleblower matters and incidents, including information on the number and nature of disclosures made, the status of investigations underway and outcomes of any investigations completed, and actions taken as a result of these investigations. Material whistleblower matters and incidents are also reported to the Board.

The Company's anti-corruption and bribery, and whistleblower policies are periodically reviewed by the Board.

In 2026, the Group was in compliance with relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering. There were no concluded legal cases regarding corruption practice matters relating to Inappropriate Conduct or corrupt practices brought against the Group or its employees during the year (2025: Nil).

The Company has adopted a Securities Trading Policy which applies, inter-alia, to all Directors and executives. The Securities Trading Policy complies with ASX Listing Principles and the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 of the SEHK Listing Rules. All directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code throughout the year ended 30 June 2026.

The Company has adopted the same Securities Trading Policy for Relevant Employees to regulate dealings in securities of the Company by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of inside information in relation to the Company or its securities.

During the year ended 30 June 2026, reading material regarding "Update on Listing Rules and Corporate Governance Code, review of the Group's anti-corruption and bribery policy and guidance on implementation of climate reporting" was circulated to all directors of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

A copy of the Code of Conduct, Securities Trading, Anti-corruption and Bribery, and Whistleblower Policies are available in the "Corporate Governance" section on the Company's website.

B.8 COMMUNITY INVESTMENT

The Company is transparent on the need to earn the respect and support of the communities in which it is located and by demonstrating a tangible level of commitment to environmental sustainability.

The Group operates in two regulatory environments (Hong Kong and Australia). While compliance with these regulatory environments is the basis of the Group's environmental management. The Group is committed to the principle of developing and implementing appropriate practices and will actively work to:

- Protect the environment surrounding its activities,
- Give environmental aspects due consideration in all phases of our activities, from exploration and evaluation, development and final closure,
- Act systemically to improve the planning, execution and monitoring of its environmental performance, and
- Respect the rights of the traditional owners and value the indigenous culture heritage.

The Group is committed to operating in a way which contributes to the sustainable development of mineral resources through efficient, balanced and long-term management, while showing due consideration for the wellbeing of people, protection of the environment and the development of local economies.

The Group's Sustainability Policy seeks to ensure it is a constructive partner to advance the social, economic and institutional development of the communities in which it operates. The Group fully acknowledges the rights, cultures, customs, and values of people affected by the development and exploitation of mineral resources.

Brockman maintains its community focus on health and sports, and has sponsored charity runs/marathons for employees, for the purpose of raising employees' awareness on health while giving back to the community. During the reporting period, the Group sponsored employee participation in charity runs and marathon events, promoting health and wellbeing. Employee participation time formed the primary resources contribution to these activities and the related time contribution was not separately tracked during the year and the Group will consider enhancing data collection processes for future reporting periods to facilitate quantitative disclosure of Community Investment activities.



CLIMATE CHANGE GOVERNANCE

Business governance

The Company incorporate climate-related risks into the ESG governance system, clearly defining the oversight responsibilities of the Board and management responsibilities in climate related risks and opportunities.

The Board has ultimate responsibility for overseeing the climate-related risks and opportunities as part of its governance strategy, risk management and financial planning. Detailed governance arrangements are described below.

The Board's Charter specifies that the Board's oversight of climate-related risks and opportunities will be supported by several established functions throughout the organisation.

Roles and responsibilities for Governance

Board oversight

The Board brings a wealth of experience across diverse sectors and geographic regions, bringing effective guidance for climate-related matters. The Board receives bi-annually updates through business risk reporting on all climate-related issues, including areas of progress, emerging trends, and updates on climate-related risks and opportunities that could reasonably be expected to affect the Group's prospects in terms of its impact on cash flows, and access to finance over the short, medium or long term. The structured information flow arranges that the Board is informed about climate-related risks and opportunities to monitor and assess implications for the Group's strategy.

During the year, the Board met bi-annually with climate-related updates and discussions including progress towards the incorporation of climate-related risks and opportunities into the strategy.

Committees in place to support Board oversight

Three committees support the Board in fulfilling its responsibility of overseeing climate-related matters, each with a distinct role and mandate. The committees help prepare the Board for decision-making on sustainability-related matters. Although the committees play an important role, the Board retains overall responsibility for their activities. The terms of reference for the committees are available on the Company's website at www.brockmanmining.com.

The three committees convene bi-annually on sustainability-related matters. During these meetings, they review the sustainability strategy, programs, action plans, policies and internal controls. They are provided with an update on CROs.

Health, Safety, Environment and Sustainability Committee

The primary function of the Health, Safety, Environment and Sustainability Committee ("HSES") supports the Board in its sustainability mandate and focuses on its responsibilities in relation to health, safety, environmental protection and community matters arising from Group's project activities, and risk management in relation to such matters and adopting ESG-related policies and monitoring their compliance and evaluating compliance with ESG-related laws and regulations.

Risk Management Committee

The Risk Management Committee ('RM') oversees and reviews emerging and strategic risks, including climate-related risks, risk management and internal controls over climate-related data.

The Risk Management Committee plays an important role in overall risk management. The Committee uses a risk matrix to determine risk exposures and appetite, considering both likelihood and impact of climate-related risks. The Committee performs a bi-annual review of the Group's risks and related mitigation and adaption plans. Each of the Group's risks are reviewed by the Board, Audit Committee, HSES Committee throughout the year, considering the detailed risk description, the controls and mitigating actions in place, and the resultant residual risk exposure.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Audit Committee

The Audit Committee is responsible for assessing the effectiveness, objectivity and independence of the Company's statutory auditor. This responsibility is discharged by the Committee throughout the year at formal committee meetings, during private meetings with audit engagement partner and through discussions with key management.

The Committee oversees the accuracy of sustainability-related financial information in the annual report. The Committee also receives reports from other Board Committees on the financial statement implications of CROs, including their impact on forecasts and budgets, supporting consistent and informed financial planning and reporting.

Management responsibilities

The Board delegates day-to-day responsibility of executing the sustainability strategy and reporting, risk management framework, to the Executive Committee. The Executive Committee is a management committee comprising of the CEO and other senior executives that the Board resolves from time to time. Management prepares submissions to the Executive Committee on sustainability-related matters that may impact the Group and its key stakeholders.

Controls and procedures used by management to support oversight of climate-related risks and opportunities

The Board has ultimate responsibility for the overall setting and monitoring of the process that management has in place to identify and manage business risks and opportunities including ESG and CRO's. This also involves approving, reviewing and monitoring the Company's risk management framework. The Board is supported by Board Committees to whom authority maybe delegated. The Company recognises that it is not possible or necessarily desirable to eliminate all risks, with some being inherent to core business and development opportunities.

Execution of the management of CROs is delegated to the HSES and the Executive Committee, with input from management. This includes the process of identifying and assessing risks and opportunities, including those related to climate change.

Governance of climate strategy

The Board provides strategic oversight of the Company's strategy, which includes management of CROs. It approves the Company's strategy ensuring that it aligns with the Company's purpose, values and long-term goals. The Company Secretary keeps a skills matrix up to date, and the Board reviews periodically to verify it has the appropriate skills to oversee these matters. External specialists are engaged to provide additional guidance or training as required.

Consistent with its terms of reference, the HSES committee assists the Board by overseeing climate related risks and opportunities (including emerging) and monitoring progress against sustainability objectives and development in the regulatory environment. Supported by the CEO, who also is a member of the Executive and HSES Committees.

In overseeing the Group's strategy, risk management and major transactions, the Board considers the potential impacts, risks, opportunities and associated trade-offs arising from climate-related matters, including how these may affect the Group's objectives and resilience. Where relevant, the Board consults the HSES Committee to support its consideration of climate-related matters in decision making and significant business transactions.

The Group has not established any voluntary climate-related commitments or emission targets during the reporting period. In addition, there are currently no laws or regulations applicable to the Group that require the adoption of mandatory climate-related targets or emissions reduction commitments.

**Climate-related skills and experience**

The Board represents a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. Biographies of the Board directors are included in the 'Directors and Management' section of the 2026 Annual Report.

Board skills and training

Together, the Company's directors contribute a wide-ranging set of skills and experience that enhance decision-making and oversight. The directors attend annual training on identifying, assessing and reporting sustainability and climate-related risks and opportunities, including on topics sustainability reporting and climate change.

Frequent consideration is given to experience, qualifications, background and skills. Each year, Directors including the Chair self-assess their individual skills and experience. The self-assessment ratings inform the Board's Skills and Experience matrix, which is developed and maintained by the Nomination Committee. The Skills and Experience Matrix identifies the skills and experience that Board either has or aims to acquire from new appointments or to develop through continued education and training.

The Board's skill matrix confirms that the Board collectively possesses skills and experience in strategy, risk management, governance and climate-related matters. Annual training and periodic skill assessments support the ongoing development of climate-related competencies.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Table 1 — Skills and experience

Skills and experience	Examples of skill experience	Relevance to the Group
Leadership 	Held senior positions such as CEO, or similar position in an organisation	Setting strategy and evaluating performance of senior leaders
Financial expertise 	Proficiency in financial accounting and reporting	Assessing complex financial initiatives and policies
Governance 	Experience as a non-executive director (NED) of a listed company and/or understanding of legal frameworks	Understanding local and offshore legal and regulatory frameworks
Risk management 	Experience in identifying, assessing and monitoring existing and emerging non-financial and financial risks	Monitoring risk appetite, assessing overall risk profile and adapting emerging trends
Climate 	Experience, qualifications and understanding oversee strategies designed to respond to climate-related risks and opportunities	Understanding climate-related risks and opportunities the relevance to the business and oversight of strategies to respond. Oversight of setting climate, policies and decisions over climate related risks and opportunities
 High competency, knowledge and experience  Direct experience  Awareness		

Remuneration linked to sustainability performance metrics

The annual remuneration of the members of the Board and its committees is approved by the shareholders at the Annual General Meeting. The Group does not currently link remuneration outcomes for directors and senior management to climate-related performance measures. The Board considers that the existing remuneration framework remains appropriate having regard to the Group's size, activities and stage of development. The Board will keep this position under review as the Climate-related governance, strategy and risk management practices continue to evolve.



STRATEGY

Business strategy

The Company integrates climate strategy into planning, identifies the short, medium, long term impacts of climate related risks and opportunities on the activities and formulates responses measures.

The Group's view of the world

There is a high degree of uncertainty in the level of and time horizons for action the world will take to reduce GHG emissions. The effects predictions consist of warming levels, timing, and climate events. There is also an almost infinite number of pathways for reducing GHG emissions as geographies around the world are unlikely to act to the same extent and in similar timeframes whilst industry sectors will also take different trajectories to net zero.

Value chain estimation

In the assessment of climate-related risks and opportunities, the upstream and downstream value chain was considered using all reasonable and supportable information available without undue cost or effort for a comprehensive understanding of the climate-related risks and opportunities.

The Group's value chain is comprising of the exploration, evaluation and advancement of iron ore projects, in Western Australia. Key activities include geological studies, exploration drilling, resource evaluation, environmental and heritage assessments, stakeholder and community engagement, regulatory approvals. To support these activities, the Group engages or procures a range of goods and services from contractors, consultants, including drilling services, geological and technical consulting, environmental and heritage specialists, laboratory testing, as well as transport and accommodation services.

The Group's corporate offices provide administrative support to these projects through the procurement of office facilities, electricity, cloud computing and data storage services, and business travel.

While it has decided not to disclose its Scope 3 greenhouse gas emissions, detailed financial effects or other cross-industry metrics for this reporting due to the immature data collection methodology, the Group is committed to continuously improving the accuracy of these metrics. It is investing in improving data collection and engaging with clients to obtain more precise data. Additionally, the Group is enhancing its financial risk models to better capture the potential impacts of climate change on its activities, with the aim of providing more accurate estimations of anticipated financial effects in future sustainability reports.

Climate risks and opportunities impacting the business

The physical impacts of climate change and the transition towards a net zero emissions economy are likely to impact areas of our business and parts of the value chain to varying degrees. Climate change presents both discrete risks and opportunities as well as acting as a threat multiplier as it impacts other strategic and operational business risks such as regulatory risk, access to capital, cost of inputs, health and safety. It is recognized that the Group also has an impact on the climate, and the Group seeks to minimize its environmental footprint to manage climate-related.

The Group has conducted an assessment to identify and subsequently determine the current and anticipated effects of climate-related risks and opportunities on its activities and value chain. In this assessment, the Group identified specific areas within its activities and value chain where the identified climate-related risks and opportunities are concentrated, such as physical risks from extreme weather events and opportunities such as expanding renewable energy offerings.

The table 2 summarises the relevant CROs that could affect the business over the short, medium and long term.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Identification of climate-related risks and opportunities

Table 2 — Climate related risks and opportunities

Time horizons: a) short-term: 0-5 years (5 year strategic planning cycle) b) Medium term: 5-20 years (long-term planning) c) Long term: 20 years + (long term investment).

Driver	Time horizon	Potential impacts	Mitigation or adaption efforts	
Transition risks and opportunities				
Risks				
1	Increased stakeholder concern or negative stakeholder feedback	Medium to long	Increased pressure to meet emissions targets Reduced Net Present Value (NPV) from decreased production capacity through delayed planning approvals	
2	Shift in consumer preference to green metals and minerals	Medium to long	Reduced NPV from iron ore sales	In the long term, the Group will continue to invest in research and development and with a view that its iron ore assets continue beyond 2050.
3	Transition to lower emissions and/or more efficient technology	Medium to long	Higher cost may be involved in deploying technology that is not fully commercialised. Locked-in emissions due to technologies not being ready for implementation at the time required Lack of in-house capabilities to operate new technologies	
4	Emerging carbon reduction policies and regulations	Long	Increased costs due to regulatory compliance requirements Increased energy and supply chain costs	
5	Shift in workforce attitude towards workplace sustainability	Medium	Reduced employee attraction and retention, increased recruitment costs	In the long term, building climate resilience in the supply chain: prioritise suppliers in regions less exposed to climate risks, diversify procurement channels to reduce dependence on a single source, and mitigate the impact of extreme weather on the supply chain.



Driver	Time horizon	Potential impacts	Mitigation or adaption efforts
6 Increased data collection and reporting requirements	Short to medium	Increased operating costs such as cost of running monitoring equipment, data collection and staff requirements Cost of non-compliance	
7 Exposure to litigation from increased scrutiny from market regulations	Long	Increased legal costs Reputational damage Rise in insurance premiums	
Opportunities			
1 Transition to lower emissions and/or more efficient technology	Medium to long	Decreased operating costs through energy savings and lower emissions Increased reputation Automation of existing processes, reducing operating costs and potentially increasing production	
Physical risks and opportunities			
Risks			
1 Extreme rain/flooding	Short to long	Damaged assets Increases in insurance premiums and/or increased difficulty to obtain appropriate insurance cover Downtime due to unsafe working conditions, and disrupted travel Supply chain disruptions, including through disrupted transport	The implementation of mitigation and adaption measures designed to protect from damage from extreme weather such as high temperatures and heavy rains to ensure continuity of activities
2 Extreme heat and rising temperatures	Short to long	Impacts on health & safety of employees. Increased cooling requirements and costs during extreme heat	
3 Droughts and water stress	Short to long	Disruptions to water-intensive activities & increased water costs	

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Effects of identified risks on its business model and concentration of those risks

For each of the identified risks, the Group has determined the potential effects on the Group's strategy and business model. By integrating these insights into strategic planning, the Group aims to manage the financial, operational and reputational implications of climate change.

Please see the table 2 for the identified risks and their impact on the business model as well as mitigation activities in place to manage those risks.

Overview of current and anticipated financial effects

The Group undertakes a bi-annual climate related risk assessment as part of its risk management process. CRO's are identified, assessed and prioritised based on their potential impact on the Group's exploration and evaluation activities, financial performance and cash flows. Risks are evaluated by management using qualitative criteria, including the likelihood of occurrence, potential financial consequences, relevance to the Group's activities, time horizon of potential impacts, and the extent to which the risk could affect the achievement of the Group's objectives.

Based on this assessment, the following four climate-related risks were identified as the most relevant and potentially financially material risks to the Group at the reporting date. No climate-related opportunities were identified as financially material.



Table 3 — Current and anticipated financial effects

Risks		2026 effects	Significant risk of material adjustment in 2027	Anticipated financial effects over short, medium and long-term
1	Emerging carbon reduction policies and regulations (e.g. carbon price and safeguard mechanism)	No material impact was identified during 2026	None identified	Potential increases in exploration operating expenses may arise as regulatory requirements evolve. These impacts could affect exploration and evaluation expenses and future cash outflows. Quantitative estimates have not been provided because the financial effects are currently not separately identifiable and remain subject to uncertainty regarding the nature, timing and application of future regulatory developments.
2	Extreme heat and rising temperatures	No material impact was identified during 2026	None identified	More frequent or prolonged extreme heat events could affect field-based activities through reduced productivity, modified work schedules, increased health and safety protocols. These impacts may increase exploration and evaluation expenditure and operating cash outflows. Quantitative estimates have not been provided due to the uncertainty associated with the frequency, duration and severity of future climate conditions and their impact on exploration activities.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Risks		2026 effects	Significant risk of material adjustment in 2027	Anticipated financial effects over short, medium and long-term
3	Extreme rain/flooding	No material impact was identified during 2026	None identified	Severe rainfall and flooding events could disrupt access to exploration sites, delay field programs, impact transportation and logistics. Such events could increase exploration and evaluation expenditure and affect operating cash outflows. Quantitative estimates have not been provided because the potential financial effects depend on the location, timing and severity of future weather events, which cannot currently be estimated with sufficient reliability.
4	Droughts and water stress	No material impact was identified during 2026	None identified	Reduced water availability may affect future exploration activities in areas where water is required for drilling. This could increase water sourcing, that includes transportation costs and result in higher exploration and evaluation expenditure and operating cash outflows. Quantitative estimates have not been provided because future water availability and the associated financial impacts are highly uncertain and not currently separately identifiable.

During the reporting period, management assessed the financial effects of the materially CRO's described in the table above and determined that none had a material impact on the Group's financial position, financial performance and cashflows. The assessment also concluded that none of these CRO's creates a significant risk of a material adjustment within the next annual reporting period 2027 to the carrying amounts of assets and liabilities.

As the Group is currently in the exploration and evaluation phase of its activities, all exploration and evaluation expenditure is expensed as incurred. Consequently, potential future climate-related financial effects are expected within changes in operating expenses and cashflows rather than through significant impacts on recognised non-current assets. As the reporting date, management was unable to quantify the anticipated financial effects of these risks with reasonable certainty because the effects are not separately identifiable and remain subject to uncertainties relating to the timing, frequency, severity and regulatory outcomes associated with future climate-related developments. Nevertheless, management continues to monitor these risks through its climate-related risk assessment process and will update its assessment as additional information becomes available.



Financial resources to respond to climate effects

The Company maintains cash and liquid resources in accordance with the Board's risk management policy. Management considers the Group to be appropriately positioned to support its current activities and address foreseeable climate-related impacts on existing activities. Notwithstanding this, the costs associated with future low-carbon transition pathways, decarbonisation initiatives, and evolving regulatory requirements remain subject to uncertainty and could require additional investment as the Group's projects progress and climate-related obligations develop.

Overview of the Climate Transition Plan

Based on the extent of the climate-related risks and opportunities and the subsequent potential financial impacts, the Board has yet to develop a Climate Transition Plan ('CTP') but continues to endeavour the completion of such plan in due course. This will support the business strategy of achieving a resilient long-term portfolio of resource assets that will support transition to a net-zero world. As this is the Company's first Part D reporting period, there are no previously disclosed Part D response plans requiring progress reporting.

The development of the CTP will be utilising the expected global GHG emissions pathway, which has been modelled based on a range of assumptions as set out in IPCC scenario SS1-2.6, analysis of the Nationally Determined Contributions (NDCs) in the jurisdictions in which the Group has activities.

For a hypothetical pathway where the Group may seek to achieve net-zero emissions over the long term, it would likely need to work collaboratively with its suppliers to improve the measurement, management and reduction of greenhouse gas emissions across the value chain. Potential initiatives could include supplier education programs to support more reliable emissions measurement and reporting, as well as engagement programs aimed at identifying opportunities to reduce emissions over time. Any future pathway would likely require the establishment of agreed goals, targets and timeframes with suppliers, together with appropriate monitoring and reporting mechanisms.

As the Group has not developed a formal transition plan, the following should be regarded as preliminary considerations rather than assumptions underpinning an adopted strategy. These considerations may include technological advancements in clean technologies, alignment with international climate commitments (such as NDCs submitted under the Paris Agreement), and the ability of the resource sector to transition lower-emissions models. The feasibility of any future pathway would also be influenced by factors outside of the Group's direct control, including collaboration with customers, regulatory support, and ongoing progress in global climate policy.

Decarbonisation strategy

The Company monitors climate-related risks and opportunities that may affect its activities, strategy, and financial performance over the short, medium, and long term. As at the reporting date, the Company has not developed a formal climate transition plan, decarbonisation strategy, or greenhouse gas emissions reduction targets.

Management and the Board periodically assess the potential impacts of climate-related risks and opportunities, taking into consideration the Company's activities, regulatory developments, customer expectations, and industry trends. The Company continues to evaluate its greenhouse gas emissions profile and opportunities to improve its efficiency in its activities and reduce environmental impacts where commercially appropriate.

Given the nature, scale, and current emissions profile of the Company's activities, the Board has determined that a formal decarbonisation strategy has not yet been established. The Company will continue to monitor evolving stakeholder expectations, climate-related regulations, and business impacts and will reassess the need for a formal transition plan, emissions reduction targets, or other climate-related initiatives as part of its ongoing planning processes.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Climate risk and opportunity integration into business strategy

Climate-related risks as detailed above fall into two categories: physical and transition risks. Both have the potential to affect activities, either directly or indirectly via the value chain. The Group's Risk Management Framework (RMF) is designed to address these identified risks and enhance our overall business resilience. Our climate risk and opportunity process identified and assessed the physical and transition risks and opportunities that the Group is facing from climate change.

How climate-related risks and opportunities are integrated into our capital allocation

The Group has not yet established a formal capital allocation policy that specifically addresses climate-related risks and opportunities. Given the Group's current stage of activities and the nature of its activities, no material capital expenditure, financing arrangements or investments were deployed during the reporting period for climate-related risks or opportunities. Capital allocation decisions continue to be assessed as part of the Group's overall budgeting and investment review processes. As the Group further develops its climate-related risk management and frameworks, it will continue to evaluate whether a formal climate-related capital allocation policy is appropriate and necessary.

At 30 June 2026, the Group did not apply an internal carbon price in decision making but as activities advance it may be considered.

Building resilience through scenario analysis ***Scenario development***

Climate scenario analysis (CSA) is a tool used to systematically assess material climate opportunities and risks that impact our activities and to assess the financial risks from climate change. Climate scenarios help us explore, assess and understand climate-related issues that may impact business-as-usual assumptions and form an integral part of our climate strategy. By understanding the key risks and opportunities, CSA helps us assess organisational impact and resilience under future climate scenarios. Consequently, it helps us enhance resilience by mitigating risks, take advantage of opportunities and assess/inform the financial impact of climate change on financial projections.

Scenario sources

The scenario analysis evaluated the potential impacts of climate-related physical and transition risks on the Group's exploration and evaluation activities in the Pilbara region of Western Australia and its corporate office administration activities. The assessment considered material value chain components directly relevant to exploration and evaluation activities, including the availability of drilling and field service providers, transport and logistics services, information technology and cloud-based services. The Group also holds interests in assets that are owned as a joint venture but not operated by the Group. Joint venture assets are not included in the assessment. The following three scenario sources were used for the assessment.



Scenario sources	Source description
Intergovernmental Panel on Climate Change (IPCC)	The IPCC Sixth Assessment Report (AR6) uses five Shared Socio-economic Pathways (SSPs) that examine how global society, demographics and economics might change over the next century. The SSPs have been simulated in over 50 global climate models. The SSPs are built upon Representative Concentration Pathways (RCPs) from the IPCC AR5. Scenario type (SSP or RCP) is dependent on available climate metrics (e.g. acute extremes).
Network for Greening the Financial System (NGFS)	The NGFS developed scenarios that are derived from the IPCC pathways and scenarios from the Potsdam Institute for Climate Impact Research and the International Institute for Applied System Analysis (IIASA). The NGFS climate scenarios deliver a set of harmonised transition pathways, chronic climate impacts and indicative economic impacts for each of the NGFS climate pathways.
International Energy Agency (IEA)	The IEA developed scenarios to examine future energy trends published in the World Energy Outlook. Each scenario is built on a different set of underlying assumptions about how the energy system might evolve. Data on energy supply transformation and demand, and energy is obtained from the IEA's databases. Models have been combined with other globally recognised models, for factors such as greenhouse gas/air pollutant, land use/net emissions and investment/GDP interactions.

Based on reference scenarios from IPCC, NGFS and IEA, the Group developed a number of future scenario narratives to explore how difference climate futures may affect its exploration and evaluation activities, and corporate administration activities. The scenarios were selected to reflect a range of relevant transition and physical climate outcomes relevant to the Group's activities.

The Group undertook a qualitative climate scenario analysis during the reporting period to assess the potential resilience of its exploration and evaluation activities, corporate and administration functions under a range of plausible climate futures. The assessment considered climate-related risks and opportunities over short, medium and long-term time horizons, and evaluated how different transition pathways and physical climate outcomes may affect the Group's activities and objectives.

The analysis covered the Group's exploration and evaluation activities in the Pilbara region of Western Australia and its supporting corporate administration functions. The selected scenarios were considered relevant given the long-term nature of mineral exploration and project development activities, the potential for future regulatory and stakeholder expectations to influence project advancement, and the exposure of exploration activities to changing climatic conditions, including extreme weather events and water availability.

For transition risk assessment, the Group considered a Paris-aligned 1.5 degree scenario and a below 2 degree scenario to evaluate how differing levels of global carbonisation may influence regulatory requirements, stakeholder expectations, costs and future development decisions. The assessment also considered the potential impact on corporate and administration functions, including sustainability reporting obligations, compliance requirements, and information technology services.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

For physical risk assessment, the Group considered a below 2 degree scenario and a higher emissions scenario to evaluate the potential implications of changing climatic conditions on exploration and evaluation activities, corporate, and administration functions. Factors considered included the frequency and severity of extreme weather events, changing rainfall patterns, water availability, disruption to exploration programs, transportation and logistics challenges, and impacts on workforce productivity and site accessibility.

As the assessment was qualitative in nature, it focused on identifying the nature, likelihood and relative significance of climate-related risks and opportunities rather than quantifying financial impacts.

Scenario narratives used in the CSA

Table 4 — Scenario narratives

Scenario ambition	Climate narrative	Scenarios	Physical risks	Transition risks
Very low emission scenario (1.5 degree)	Aggressive emission reduction scenario to meet the Paris Agreement targets, marked by global collaboration by governments, society and industry to lead steep decarbonisation. Emission reduction is driven by an accelerated transition to renewables and electrification. Aggressive regulations limit the extraction and use of fossil fuels. Transition opportunities and risks dominate. The narrative has been used to assess transition opportunities and risks only.	* SSP1-1.9 * IEA Net Zero Emissions by 2050 (NZE) * NGFS Net Zero 2050		✓
Low emission scenario (below 2 degree)	Climate policies become gradually more stringent over time, reaching net zero emissions after 2070. Moderate technology change, gradual transition to renewables and electrification, and increasing regulations limiting the extraction and use of fossil fuels. In this narrative, there is high GDP growth per capital and low material consumption. Transition opportunities and risks dominate but physical risks also increase. This narrative has been used to assess transition and physical opportunities and risks.	* SSP1-2.6 * IEA Announced Pledges Scenario (APS) * NGFS Below 2 degree scenario	✓	✓
High emission scenario (3.3 degree to 5.7 degree)	Baseline of how global emissions would evolve if governments and markets make no changes to their existing policies and investments in low carbon. This scenario narrative assumes continued use of fossil fuels, energy intensive activities and high material consumption. Physical risks dominate and require significant investments in adaption measures. This narrative has been used to assess physical risks only.	* SSP5-8.5 * RCP8.5	✓	



The Group considered these scenarios to assess the resilience of its exploration activities and supporting corporate and administration functions under differing climate futures, including a Paris-aligned 1.5 degree transition pathway and higher-emissions climate outcomes. The analysis assisted management in understanding how climate-related risks and opportunities may evolve over time and informed the Group's ongoing climate risk management and disclosure processes.

Transition and physical climate risks

Brockman conducted a CSA to assess both the potential impact of climate-related risks and opportunities on its exploration and evaluation activities, as well as the resilience to those risks and opportunities. The assessment considered transitional and physical climate risks relevant to the Pilbara region of Western Australia, where the Group's principal exploration and activities are located.

The CSA identified that Brockman's primary climate-related exposures arise from weather and climate conditions that may affect field-based exploration programs, access to exploration ground, contractor availability, workforce safety and regional infrastructure. The table below shows our climate-related physical risk exposure in the region, classified by the level of exposure that they represent.

Climate hazards	Exposure level
Extreme rain intensity	High risk
Longest dry spell	High risk
Extreme fire weather days	High risk
Highest temperature	High risk
Extreme rain frequency	Medium risk

Increased exposure to extreme heat, bushfires conditions, and drought and intense rainfall events may result in temporary disruptions to exploration activities, reduced access to exploration ground, increased health and safety risks for employees and contractors, and interruptions to regional transport. Compared with the Group's corporate office activities, the exploration projects are expected to experience a higher degree of exposure to physical climate-related risks.

Extreme rain frequency and severity

Increased frequency and severity of rainfall may increase downtime, overwhelm water management systems, affect workforce mobility. These impacts can result in for example, safety hazards, supply chain interruption and increased costs. Water management infrastructure is tailored to activity requirements.

Increased frequency of drought

Increased frequency of drought may impact activities and communities. Prolonged drought conditions may also degrade rehabilitation resources which may inhibit the ability to meet closure criteria.

As at the reporting date, the Group's climate resilience assessment concluded that its main activities of exploration and evaluation remain reasonably resilient under the scenarios assessed. The analysis did not identify any climate-related risks, that are expected to fundamentally alter the Group's strategy or materially impair its ability to undertake exploration and evaluation activities over the short, medium or long term. However, climate-related physical risks may influence the timing, cost and execution of exploration programs, requiring increased consideration of weather conditions, workforce safety, logistical planning and site accessibility.

The assessment also identified a number of uncertainties, including the future severity and frequency of climate hazards, the pace of climate change, technological developments, and changes in regulatory and stakeholder expectations. As the Group's assets remain at the exploration and evaluation stage, the nature, scale and location of any future development activities are also uncertain and may influence the extent of climate-related impacts in future periods.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

The Group considers that it has the capacity to adapt to the physical climate risks identified through established risk management processes and the inherent flexibility of its exploration activities. Potential adaption measures include adjusting exploration schedules to avoid periods extreme weather, implementing appropriate heat and bushfire management procedures and incorporating climate-related considerations into future project planning and development decisions. The ability to modify exploration programs, deployment schedules and field activities provides the Group with flexibility to respond to changing climate conditions.

The Group undertook a qualitative climate scenario analysis using reasonable and supportable information available without undue cost or effort. The assessment is in an early stage of maturity and will continue to be enhanced in future reporting periods. We are committed to refining our methodology of assessing climate-related risks and opportunities on a quantitative basis in the future.

RISK MANAGEMENT

Risk management

The Group's identification and management of all risks is performed in accordance with our risk management framework (RMF). Climate-related risks are integrated within our broader RMF, aligning with other principal risks and providing a holistic approach to identifying, assessing and managing risks. Potential climate-related risks are identified by gathering and analysing entity-specific evidence (such as specific risks or uncertainties that are factored into budgets) and external evidence (as such industry peer disclosures, industry-specific or jurisdiction-specific business commentaries, topics identified in disclosure standards).

This process supports the identification, assessment and ongoing monitoring of climate-related risks and opportunities across the Group. As part of this process, management undertakes a bi-annual review of key climate-related matters that could reasonably be expected to affect the Group's cashflows over the short, medium or long term. Both climate-related risks and opportunities are evaluated for their potential financial impacts, with opportunities assessed in terms of their ability to improve efficiency and reduce costs. The outcomes of these reviews are considered as part of the Group's broader risk management processes.

Risk governance

The RMF integrates risk governance, strategy and processes into business decision making. By adopting a three-line defence model, the Group establishes accountability and effectiveness in managing risk while enhancing compliance with regulation. An outline of the three-line defence model has been noted below:



Table 5 — Three-lines of defence

Line	Includes	Responsibilities
Management (first line)	Includes employees making decisions in line with the overall strategy, those deploying resources within the Group and those who contribute to overall business outcomes	Responsible for both assisting in the identification and management of associated risks, including climate risks
Executive Committee (second line)	Includes evaluating risk management and mitigation strategies, monitoring controls, providing advisory services, monitoring compliance, and facilitating communication	Provides an assessment to the Risk Management and Board over the control environment within the Group, including on climate matters
Risk Management Committee (third line)	Includes those responsible for providing expert knowledge, support and monitoring on risk-related matters in line with the RMF	Responsible for managing organisation-wide risks including the review and approval of RMF climate risk, appetite, and strategy

Risk processes

Processes for identifying, prioritising, assessing and monitoring climate risks

The Group's approach to identify, assess, prioritise and monitor climate-related risks is guided by the Group's RMF. This process supported by a set of policies designed to arrange transparency, stakeholder engagement, and ongoing improvement. As 2026 is the Group's first Part D reporting year, the formal climate-risk process was established and enhanced during the reporting period and therefore there is no prior-year process baseline for comparison.

The Group uses qualitative climate scenario analysis to support the identification and assessment of climate related risks and opportunities across the short, medium, and longer-term time horizons. The scenarios incorporate a consistent set of assumptions and parameters relevant to its exploration and evaluation activities, including potential changes in climate conditions and weather patterns, environmental and climate-related regulatory requirements, approval expectations, access to land and infrastructure, technological developments, and broader market and economic trends.

1. ***Risk and opportunity — Identification***

The Company conducts a process to identify the impacts and dependencies across the value chain and to determine which of these give rise to potentially relevant CROs. This includes:

- Determining the Company's time horizons for the purposes of assessment;
- A scan of the regulatory horizon to understand changes to relevant legislation, regulations, standards and frameworks;
- Scenario analysis to identify climate, related risks and opportunities. The Group applies qualitative climate scenario analysis to support the identification and assessment of climate-related risks and opportunities that could affect its activities and long term prospects. The analysis considers a range of scenarios characterised by increasing regulatory requirements, technological advancements and changing stakeholder expectations and more frequent or severe

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

weather-related events. Through this assessment, management evaluates how different climate conditions may influence the Group's exploration activities and its overall operating environment. The analysis assists in identifying climate-related physical and transition risks, including changes in regulation, market conditions, stakeholder expectations and potential disruptions arising from extreme weather events. The Group assesses opportunities to improve efficiency, enhance environmental performance, respond to evolving stakeholder expectations and support the long-term sustainability of its activities.

For climate-related risk identification, the Group considers how these factors may adversely affect its exploration activities and project development opportunities. This includes assessing the potential for increased disruption to field activities from extreme weather events, changes in regulatory requirements and environmental approval processes, increased costs, impact on access to resources, and changing stakeholder expectations that could influence the availability of funding for exploration and project development.

For climate-related opportunity identification, the Group considers how these same factors may create benefits to the Group's activities. Qualitative insights obtained from the scenario analysis assist the Group in identifying opportunities to enhance stakeholder engagement, and improve planning processes.

2. *Risk and opportunity — Assessment*

The insights derived from the scenario analysis are incorporated into the Group's risk management processes. CRO's are assessed based on their potential significance, timing and relevance to the Group's activities.

For more information on the scenario assumptions and why the Group considers this as a meaningful prediction of the future, please refer to the Strategy section of this report. The Group has analysed its exposure to climate-related risks and opportunities and identified all climate-related risks and opportunities that could reasonably be expected to affect the Group's cash flows.



Table 6 — Risk evaluation matrix

Likelihood rating	Probability of occurrence	Description
Unlikely	< 10%	Rare occurrence; not expected to occur under normal circumstances
Possible	10% – 60%	Could occur occasionally based on prevailing conditions and historical experience
Likely/Almost Certain	> 60%	Expected to occur or has a high probability of occurring

Impact thresholds	Low	Medium	High
Financial impact (HK\$)	> HK\$20,000 < HK\$100,000	Moderate impact (> HK\$100,000 < HK\$500,000)	Significant impact (> HK\$500,000 < HK\$1,000,000)
Reputational impact	Non-criminal breach of legislative/regulatory requirements identified by an external agency	Non-criminal breach of legislative/regulatory requirements leading to temporary restrictions	Non-criminal breach of legislative/regulatory requirements leading to prolonged restrictions, significant regulatory action

The likelihood of each CRO's is assessed using a qualitative rating scale ranging from unlikely to almost certain. Ratings are informed by historical data, management experience, industry trends, and the anticipated impacts of climate change on the Group's activities. Likelihood assessments are aligned with the Group's risk matrix, under which events with a probability of less than 10% are classified as unlikely, events with a probability between 10% and 60% are classified as possible, and events with a probability greater than 60% are classified as likely or almost certain. The significance of identified risks and opportunities is then evaluated by considering both the likelihood of occurrence and the potential financial and reputational impacts in accordance with the Group's risk management framework.

The Group undertook a climate-related risk assessment covering its exploration and evaluation activities, together with supporting corporate management and administrative functions. The assessment considered climate physical and transition related risks and opportunities through an analysis of current and projected climate conditions, relevant regulatory developments, market trends and sentiments, and stakeholder expectations.

Separate from this risk assessment, the climate scenario analysis was undertaken and focused on climate-related impacts to exploration and evaluation activities, including field access, extreme weather events, water availability and regulatory requirements. The analysis did not extend to non-material corporate activities or value-chain components that were not considered significant to the Group's exploration and evaluation activities.

3. Risk and opportunity — Prioritisation

Using information collected in the identify and assess steps, the Company prioritises the CROs through the processes of structured evaluation of time horizons, magnitude and likelihood. The Group's risk matrix incorporates probability and severity.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

- 3.1 Risk matrix: identified risks are categorised using a risk matrix that considers both likelihood and impact, enabling prioritisation of climate-related risk alongside traditional operational and financial risks.
- 3.2 Scenario analysis: the Company conducts climate-related scenario analyses based on qualitative assumptions.
- 3.3 Assessment criteria: The Group re-evaluates risks using qualitative factors (e.g., stakeholder sentiment, regulatory landscape). Opportunities are prioritised based on their potential impact, feasibility and alignment with the strategy. Opportunities are evaluated based on their relevance to the Group's project activities and stakeholder interest

4. Risk and opportunity — Manage and monitor

The climate-related risks that are added to the Group's risk register are reviewed bi-annually by the HSES Committee. The review considers whether any updates are required to the risk assessment and considers the progress of activities to mitigate or adapt to the climate-related risk. If targets relating to the risk are set, the progress towards meeting those targets is also reviewed. A summary of the review is presented to the Board bi-annually. Ongoing monitoring of climate-related risks and opportunities are integrated into business activities, e.g., through the RMF. This includes:

- 4.1 Bi-annual review of all risk exposure and emerging trends in climate science: This monitoring arranges that emerging risks and opportunities are promptly identified and addressed.
- 4.2 Engagement: Continuous engagement with stakeholders, including local communities and regulatory bodies, to stay informed about changes in climate policy and environmental conditions.

5. Risk and Opportunity — Communication

The outcomes of the risk and opportunity assessment are communicated to the HSES Committee and the Board for discussion, validation and Board sign-off. The Company is in its second year of its sustainability reporting journey. The Company first incorporated climate related disclosures in FY26 and started to incorporate the management of other sustainability-related topics into the strategy in FY25. As the risk management processes mature, the Company will be able to conduct more detailed assessments of relevant CROs.

METRICS AND TARGETS

Calculation standard

The Company measures GHG emissions using the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (2004), applying the operational control approach. This approach was selected because it enables the Company to distinguish between emissions from activities it controls (through the authority to introduce and implement operating policies) and emissions from activities in the value chain, which it does not directly control, but may be able to influence.

Emissions are disclosed on a gross basis, without offsets, in metric tonnes of CO₂ equivalent (tCO₂e).



Table 7 — GHG Emissions (details disclosed in section A1.3)

Scope	Emission category	Activity	Data source	Emission factor (EF) source	Methodology, data quality and uncertainty	Additional notes
Scope 1	Stationery combustion	No controlled combustion sources				
Scope 2	Purchased electricity	Electricity consumption	Invoices	Australian operation (office): EF sourced from Australian National Greenhouse Accounts Factors 2025 published by the Department of Climate Change, Energy, the Environment and Water of the Australian Government. Hong Kong operation (office): EF sourced from CLP Power Hong Kong Limited's 2025 ESG Data Hub.	High data quality and low uncertainty due to complete invoice sets	NGER (Measurement) Determination 2008

Methodology for the calculation of GHG emissions

Scope 2 calculation methodologies

Scope 2 emissions were calculated using the location-based method covering indirect emissions from purchased electricity. Emissions were calculated using supplier invoices multiplied by the respective emission factor from refer to table 8 — Application of methodology. No contractual instruments — such as energy attributable certificates or power purchase agreements — were used. Where supplier invoices do not align exactly with reporting year, the usage has been prorated.

The table below summarises the methodology applied for the Group's reporting of Scope 2 emissions, including key inputs and assumptions. Electricity invoices are the source records for the Group's Scope 2 emissions.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

Table 8 — Application of methodology

Activity type	Country	2026 Emission Factor (kg Co ₂ e/unit)
Purchase and loss of electricity from main electricity grid	Hong Kong	0.34
Purchase and loss of electricity from main electricity grid	Australia	0.50

Energy-efficiency optimization

The Company's commercial lease property is upgrading with smart energy systems, such as automated heating, ventilation and air conditioning controls. The leased property is also making lighting improvements through LED lighting and smart sensors for occupancy and daylight control. These allow it to reduce energy usage and help to manage physical risks, such as increased cooling demand due to rising temperatures, and transition risks such as stricter energy efficiency regulations. These measures also lower operating costs.

Climate-related targets

The Group has established a qualitative, directional climate-related goal to reduce its annual electricity consumption on a year-on-year basis, with the objective of achieving a corresponding net reduction in its Scope 2 greenhouse gas emissions.

While the Group does not currently have a sufficiently mature historical data baseline to support the formulation of a quantitative reduction target, this directional goal was determined by the management team, based on an assessment of operational capabilities, with regular review on a bi-annual basis. Metrics used to monitor progress include total annual electricity consumption (in kWh) and the corresponding Scope 2 emission (in tCo₂e). Performance and trends are detailed in section "Emission Statistics".

As a directional goal, the Group does not currently plan to use carbon credits to achieve this target. The target is a gross emissions target, not a net target, as no offsetting is planned. The target is derived from internal operational analysis rather than a sector-specific decarbonisation pathway.