

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

Your Directors present their report on the consolidated entity consisting of Orion Metals Limited (the Company) and its controlled entities at the end of, or during the year ended, 28 February 2026.

1. THE DIRECTORS

The following persons were directors of the Company during the financial year and up to the date of this report:

Dr Yi Yang

Non-Executive Chairman

Appointed 22 July 2016

Qualifications

PhD in Philosophy

Experience

Dr Yi Yang was previously a government officer in the Central China Government and is now a director of numerous enterprises in China. He has many years' experience as a fund manager who managed up to RMB1 billion (AUD200 million). Dr Yang was the founder and Executive Chairman of Beijing Wayield Investment Co. Ltd in 2004 that has financially backed Excellence Holdings HK Limited in which he has a 50% interest and is a director. Wayield Investment is a registered financial institution by the Asset Management Association of China.

Special responsibilities

Chairman

Interest in Shares and
Options

448,913,044 shares held by Excellence Holdings HK Limited
10,869,565 shares held by Yi Yang

Dr Feng Wu

Executive Director (Compliance)

Appointed 22 July 2016

Qualifications

PhD in Law

Experience

Dr Feng Wu was previously a Prosecutor of the Supreme People's Procuratorate of China. He founded a successful law practice in China in 2000 and provides services for state owned enterprises and large businesses. He is a director of several other companies in China and is also Executive Chairman of Beijing Electronics Technology Ruida Co., which is a subsidiary of China Electronics Corporation, the largest Chinese state owned IT enterprise and a global top 500 IT company. Dr Wu also has a 50% interest in Excellence Holdings and is a director.

Special responsibilities

Compliance

Interest in Shares and
Options

448,913,044 shares held by Excellence Holdings HK Limited
10,869,565 shares held by Feng Wu

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

1. THE DIRECTORS (Cont'd)

Mr Yu Zhou	Non-Executive Director <i>Appointed 11 March 2021</i>
Qualifications	Bachelor of Economics (International Banking & Finance) Tianjin University of Finance & Economics
Experience	Mr Yu Zhou is a Non-Executive Director. After completing his degree Mr Zhou worked for a number of securities and investments companies, initially in China – including Beijing Wayield Investment Co. Ltd (2006-2015) – then in Australia – including Australia Cayenne Holdings Pty Ltd (2015-2019) – after moving to Sydney. Over the last couple of years he has acted as a consultant to the Company, particularly assisting with efforts to find JV partners or dispose of Orion's minerals leases, investigate potential new assets, and source new capital and other funding for the Company.
Special responsibilities	None
Interest in Shares and Options	10,869,565 shares held by Yu Zhou
Mr Bin Cai	Executive Director <i>Appointed 25 July 2012 (and previously Director 30 April 2012 ~ 31 May 2012)</i>
Qualifications	Master of Finance & IS
Experience	Mr Cai is the Managing Director of Conglin International Investment Group Pty Ltd based in Brisbane. He has a record of successful strategic investments in emerging Australian resources companies based on his long experience in resources investment. Prior to joining the Conglin Group Mr. Cai had eight years' experience with The China Investment Bank.
Special responsibilities	Chief Financial Officer
Interest in Shares and Options	5,441,033 shares 80,000,000 Performance rights

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

1. THE DIRECTORS (Cont'd)

Company Secretary

<i>John Lemon</i>	Appointed 1 October 2022
Qualifications	BA, LLB (Hons), GDipAppFin (Finsia), Grad.Dip.AppCorpGov, MAICD
Experience	Mr Lemon is a professional company secretary and company director. He is a qualified and former practising solicitor who worked for Clayton Utz Lawyers and as an in-house lawyer for several companies. He provides company secretary, director and governance services to small and medium size companies.

2. PRINCIPAL ACTIVITIES OF THE CONSOLIDATED ENTITY

The principal activity of the consolidated entity was the exploration for Rare Earth Elements, including Heavy Rare Earth Elements, and gold. However, in December 2021 the remaining mining tenement interests were sold and the Company is currently looking to acquire new assets, with one of these opportunities well advanced.

3. OPERATING RESULTS

The net result of operations of the consolidated entity for the year ended 28 February 2026 was a loss of \$656,654 (2025 – loss of \$468,631) which included:

- personnel expenses of \$551,792 (2025: \$321,813).

The consolidated entity's strategy for future years remains under review pending the Company's attempt to acquire new assets.

4. DIVIDENDS

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend since 28 February 2026 and to the date of this report.

5. REVIEW OF ACTIVITIES AND BUSINESS STRATEGIES

During the financial year ended 28 February 2026 the Company:

1. did not own any mining tenements and did not engage in exploration activities; and
2. with the assistance of professional advisors engaged to advise on investment opportunities in mining or exploration assets that are in a more advanced or developed stage, continued to investigate the acquisition of new assets by the Company and sourcing new funding arrangements.

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

6. OUTLOOK

The Company is currently evaluating and conducting Due Diligence on three overseas mining projects with a view to acquiring an interest in these projects. Negotiations in relation to these projects in particular are at an advanced stage. Whilst there can be no guarantee that the negotiations will lead to a legally binding acquisition agreement the Company is continuing to progress due diligence evaluation and negotiations in relation to these projects. If the Company is able to enter into a legally binding agreement to acquire an interest in those projects the Company intends to re-apply to be admitted to the ASX Official List and undertake any necessary incidental steps to achieve that such as lodgement of a prospectus with ASIC and obtaining requisite shareholder approval.

The main risks for the Company are;

1. inability of the Company to acquire new mining or exploration assets on suitable terms; and
2. inability of the Company to raise further funding as and when required to aid in the purchase and development of mining or exploration assets.

The Company will continue to deal with these risks by:

1. seeking to acquire an interest in one or more mining projects on suitable terms;
2. seek to raise further funding as and when required; and
3. where necessary, continue to rely on financial support from its ultimate holding company, Excellence Holdings HK Ltd.

7. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than stated elsewhere in this report, there were no significant changes in the state of affairs of the consolidated entity during the financial year.

8. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the Consolidated Entity in future financial years.

9. LIKELY DEVELOPMENTS

See "6. Outlook" (above).

10. COMPANY HEALTH & SAFETY POLICY

Orion Metals places the health and safety of its people at work as the highest priority consideration above all others in the business environment. Orion's people are not only its staff and employees, but its various consultants and contractors from time to time.

Orion believes that a healthy workforce engaged in a safe and caring work environment, with a proactive safety culture will be a productive, and content workforce. We see this evolve towards improved business efficiency, and commercial success. We strive to create a culture where safety is a core value and where every individual takes responsibility for their own actions; and will act to prevent and stop unsafe occurrences or the actions of others.

In support of this policy, management accepts responsibility for the implementation of systems and processes to reduce safety risks in the workplace to as low as reasonably practicable. In order to achieve this goal, Orion has implemented an industry best practise HSE Management Plan. Where appropriate, complementary to this is a process of continued up-skilling of its workforce through industry and in-house education and training.

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

Orion's ultimate goal is the elimination of all incidents or events in the workplace which have the potential to produce injury, harm, or damage.

Orion encourages employee participation in all matters affecting the health and safety of our people and invites suggestions from our work force of ways in which health and safety can be improved.

11. ENVIRONMENTAL REGULATION AND PERFORMANCE

The consolidated entity's operations are not currently subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

12. SHARES UNDER OPTION

Unissued ordinary shares subject to performance rights at the date of this report are as follows:

Date granted	Expiry date	Issue price of shares	Number subject to performance rights
25 July 2025	9 July 2027	Nil	80,000,000

No shares or interests were issued by the Company during or since the year ended 28 February 2026 as a result of the exercise of an option over unissued shares or interests.

13. DIRECTORS' MEETINGS

The number of directors' meetings held during the financial year and the number of meetings attended by each director whilst a director is as follows:

Directors	Meetings of Directors Held *	Meetings of Directors Attended
Dr Yi Yang	1	0
Dr Feng Wu	1	1
Mr Yu Zhou	1	1
Mr Bin Cai	1	1

** at which eligible to attend*

14. NON-AUDIT SERVICES

No amounts were paid or payable to the auditor for non-audit services provided during the year by the auditor.

ORION METALS LIMITED
ACN 096 142 737

DIRECTORS' REPORT

15. INDEMNIFICATION AND INSURANCE OF OFFICERS OR AUDITOR

Each of the Directors and the Secretary of the Company have entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors and Secretary.

The Company had previously insured all of the Directors and Officers (D&O) of Orion Metals Limited. The contract of insurance prohibited the disclosure of the nature of the liabilities covered and amount of the premium paid; the Corporations Act 2001 does not require disclosure of the information in these circumstances. However, since the previous D&O insurance expired in August 2020 the Company has not been able to obtain continuance or replacement of the D&O cover and the Directors continue to try and effect such cover.

The Company has not indemnified or insured its auditor.

16. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any other such proceedings during the year.

17. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 28 February 2026 has been received and forms part of this directors' report and can be found on page 7.

This report is made in accordance with a resolution of the Directors.

Signed:



BIN CAI
Director

28 May 2026

**ORION METALS LIMITED
ACN 096 142 737**

AUDITOR'S DECLARATION OF INDEPENDENCE



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DECLARATION OF INDEPENDENCE BY ANTHONY WHYTE TO THE DIRECTORS OF ORION METALS LIMITED

As lead auditor of Orion Metals Limited for the year ended 28 February 2026, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Orion Metals Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'A J Whyte', is written over a circular stamp or seal.

A J Whyte
Director

BDO Audit Pty Ltd

Brisbane, 28 May 2026

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2026	2025
		\$	\$
Other income		-	-
Other expenses	4	(104,862)	(146,818)
Personnel expenses	4	(551,792)	(321,813)
Loss from operating activities		(656,654)	(468,631)
Loss before income tax		(656,654)	(468,631)
Income tax	5	-	-
Loss after income tax		(656,654)	(468,631)
Other comprehensive income		-	-
Total comprehensive income		(656,654)	(468,631)
Loss attributable to: the owners of the company		(656,654)	(468,631)
Total comprehensive loss attributable to: the owners of the company		(656,654)	(468,631)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2026

	Note	2026 \$	2025 \$
Current Assets			
Cash and cash equivalents	6	518,622	767,522
Other assets	7	5,729	5,956
Total Current Assets		524,351	773,478
TOTAL ASSETS		524,351	773,478
Current Liabilities			
Trade and other payables	8	1,181,689	940,755
Employee benefits		241,376	227,883
Total Current Liabilities		1,423,065	1,168,638
TOTAL LIABILITIES		1,423,065	1,168,638
Net assets		(898,714)	(395,160)
Deficit			
Issued capital	9	17,447,717	17,447,717
Reserves	10	620,937	467,838
Accumulated losses		(18,967,368)	(18,310,715)
Total deficit		(898,714)	(395,160)

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 28 FEBRUARY 2026

	Issued Capital \$	Reserve \$	Accumulated losses \$	Total Deficit \$
Balance at 1 March 2024	17,447,717	536,349	(17,842,082)	141,984
Loss after income tax	-	-	(468,631)	(468,631)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(468,631)	(468,631)
Transactions with owners in their capacity as owners				
Performance rights adjustment during the year	-	(68,511)	-	(68,511)
Shares issued during the year	-	-	-	-
Share issue costs	-	-	-	-
Balance at 28 February 2025	17,447,717	467,838	(18,310,715)	(395,160)
Balance at 1 March 2025	17,447,717	467,838	(18,310,715)	(395,160)
Loss after income tax	-	-	(656,654)	(656,654)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(656,654)	(656,654)
Transactions with owners in their capacity as owners				
Performance rights issued during the year	-	153,100	-	153,100
Shares issued during the year	-	-	-	-
Balance at 28 February 2026	17,447,717	620,938	(18,967,369)	(898,714)

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 28 FEBRUARY 2026

	Note	2026 \$	2025 \$
Cash Flows From Operating Activities			
Receipts from government subsidies		-	-
Receipts from GST		7,522	23,504
Payments to suppliers and employees		(256,422)	(428,181)
Exploration and evaluation expense		-	-
Interest received		-	-
Net Cash Used In Operating Activities	16	<u>(248,900)</u>	<u>(404,677)</u>
Cash Flows From Financing Activities			
Proceeds from issues of equity securities		-	-
Proceeds from related party		-	-
Net Cash Provided By Financing Activities		<u>-</u>	<u>-</u>
Cash Flows From Investing Activities			
Repayment of loan from a related party		-	-
Net Cash Provided By/ (Used In) Investing Activities		<u>-</u>	<u>-</u>
Net Increase/(Decrease) In Cash and Cash Equivalents		(248,900)	(404,677)
Cash and Cash Equivalents opening balance		<u>767,522</u>	<u>1,172,199</u>
Cash and Cash Equivalents closing balance	6	518,622	767,522

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

1 REPORTING ENTITY

The financial statements of Orion Metals Limited for the year ended 28 February 2026 were authorised for issue in accordance with a resolution of the directors on 28 May 2026 and covers the Consolidated Entity consisting of Orion Metals Limited and its subsidiaries as required by the Corporations Act 2001. Orion Metals Limited (the Consolidated Entity) is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

The address of the registered office and principal place of business is 221 Jesmond Road, Fig Tree Pocket, Qld 4069.

2 BASIS OF PREPARATION

A. Statement of compliance

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) and other authoritative pronouncements by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the Consolidated Entity comply with the International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

B. Basis of measurement

The financial statements have been prepared on the historical cost basis.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

C. Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There have been no critical estimates and judgements in applying accounting policies during the period that had a significant effect on the amounts recognised in the financial statements other than those disclosed in note 11 Share Based Payments.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

2 BASIS OF PREPARATION (Cont'd)

Going concern

As at 28 February 2026 the Consolidated Entity had cash reserves of \$518,622. The Consolidated Entity has incurred a net loss after tax for the year ended 28 February 2026 of \$656,654. The net cash outflow from operations for the year was \$248,900. At 28 February 2026, the Consolidated Entity's current liabilities exceeded its current assets by \$898,714. This includes \$1,127,771 owing to directors.

The ability of the Consolidated Entity to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on its ability to successfully raise additional capital and continued support from the Ultimate Holding Company, Excellence Holdings HK Ltd. These circumstances give rise to the existence of a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following factors:

- Major shareholder, Excellence Holdings HK Ltd (the Ultimate Holding Company of the Consolidated Entity), has pledged its continuing support for a minimum of 12 months from the date of issuing these financial statements.
- \$1,127,771 of the payable balances relate to outstanding amounts owing to directors. The directors have pledged to not call upon directors fees owed for the next 12 months or until such time that the company has sufficient funds to pay the directors fees.
- If the Company's current due diligence evaluation and negotiations lead to the Company entering into a legally binding agreement to acquire an interest in the three projects currently under consideration by the Company, the Company intends to undertake a further capital raising to assist in funding the Company's obligations under the legally binding agreement and to raise further working capital generally.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied by all entities in the Consolidated Entity.

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of Orion Metals Limited and its subsidiaries for the year ended 28 February 2026 ("the Consolidated Entity"). Subsidiaries are entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity has control over an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date on which control is transferred to the Consolidated Entity and are deconsolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Income tax

The charge for current income tax expense is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date

Deferred tax is accounted for in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Current and deferred tax is recognised in the profit or loss, except where it relates to items recognised in the other comprehensive income or directly in equity. In this case the tax is recognised in the other comprehensive income or directly in equity respectively.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences or tax losses can be utilised.

C. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Consolidated Entity prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

D. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

E. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

F. New, revised or amending Accounting Standards and Interpretations adopted during the year

The accounting policies adopted are consistent with those of the previous financial year. Other amendments and interpretations applied for the first time during the year, however these changes did not have an impact on the financial statements of the Consolidated Entity.

4 EXPENSES

	Consolidated 2026	Consolidated 2025
	\$	\$
Profit/(loss) before income tax expense has been determined after:		
<i>Other expenses</i>		
Audit and accountancy fees	67,500	78,650
Legal fees	19,139	25,305
Share registry expenses and listing fees	9,760	24,325
Travel & Meeting Costs	43	11,275
Other miscellaneous costs	8,420	7,263
	<u>104,862</u>	<u>146,818</u>
<i>Personnel expenses:</i>		
Salaries and on-costs	217,284	185,124
Superannuation expense	21,408	20,968
Directors fees and consultancy fees	160,000	184,232
Share based payments	153,100	(68,511)
	<u>551,792</u>	<u>321,813</u>

5 INCOME TAX

Components of tax expense/(benefit) comprise:

Current tax	-	-
Deferred tax	-	-
Income Tax Expense/(Benefit)	<u>-</u>	<u>-</u>

Numerical reconciliation of income tax benefit to prima facie tax payable

Loss from operations for the year	(656,654)	(468,631)
The prima facie income tax benefit on loss before income tax at a tax rate of 25% (2025: 25%)	164,164	117,158

Tax effect amounts which are not taxable/(deductible) in calculating taxable income:

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

Share based payments	(38,275)	-
Deferred tax asset not recognised on current year loss	(125,889)	(117,158)
Total income tax benefit	-	-

Consolidated	Consolidated
2026	2025
\$	\$

Net unrecognised deferred tax assets

Net Deductible temporary differences	65,448	63,314
Unused tax losses	5,282,253	5,156,364
Net unrecognised deferred tax asset	5,347,701	5,219,678

Gross amounts of items in net unrecognised deferred tax assets

Net Deductible temporary differences	261,793	253,257
Unused tax losses	21,129,012	20,625,454
Total unrecognised deferred tax assets	21,390,805	20,878,711

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain. The Consolidated Entity has no franking credits.

6 CASH AND CASH EQUIVALENTS

Cash at bank	518,622	767,522
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7 OTHER ASSETS

Current

Deposits	2,578	2,578
Prepayments	3,151	3,378
	5,729	5,956

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

8 TRADE AND OTHER PAYABLES

Directors' fees payable	759,754	599,754
Superannuation Payable	44,766	32,048
Wages Payable	326,072	256,456
Trade Payables	2,098	5,424
GST payable	(3,646)	958
Other	52,645	46,115
	<u>1,181,689</u>	<u>940,755</u>

	Consolidated 2026 \$	Consolidated 2025 \$
Related party payables		
Opening Balance	-	100,000
Repaid during the period	-	100,000
Closing Balance	<u>-</u>	<u>-</u>

9 ISSUED CAPITAL

958,140,922 (2025: 958,140,922) fully paid ordinary shares	17,684,719	17,684,719
Transaction costs relating to share issues (net of tax)	(237,002)	(237,002)
	<u>17,447,717</u>	<u>17,447,717</u>

	Consolidated 2026		Consolidated 2025	
	#	\$	#	\$
Ordinary shares				
Balance at the beginning of the year	958,140,922	17,447,717	958,140,922	17,447,717
Share issues	-	-	-	-
Share issue costs	-	-	-	-
Balance at the end of the year	<u>958,140,922</u>	<u>17,447,717</u>	<u>958,140,922</u>	<u>17,447,717</u>

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

9 ISSUED CAPITAL (Cont'd)

	2026		2025	
<i>Share issues</i>	#	\$	#	\$
Balance at the beginning of the year	958,140,922	17,447,717	958,140,922	17,447,717
Share issued	-	-	-	-
Closing balance at the end of the year	958,140,922	17,447,717	958,140,922	17,447,717

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Capital risk management

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In common with many other exploration companies, the parent raises finance for the Consolidated Entity's exploration and appraisal activities in discrete tranches. The Consolidated Entity's overall strategy remains unchanged for 2026.

The Consolidated Entity is not subject to externally imposed capital requirements.

10 RESERVES

	Consolidated 2026 \$	Consolidated 2025 \$
Options reserve		
Opening balance	467,838	467,838
Options issued	-	-
Closing balance	467,838	467,838

The option reserve account is to account for share based payments.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

10 RESERVES (Cont'd)

	Consolidated 2025 \$	Consolidated 2025 \$
Performance rights reserve		
Opening Balance	-	68,511
Performance rights issued/(reversed)	153,100	(68,511)
Closing Balance	153,100	-
The performance rights reserve account is to account for share based payments.		
	620,938	-

11 SHARE BASED PAYMENTS

The Performance Rights Plan is designed to incentivise eligible participants to provide dedicated and ongoing commitment and effort to the Consolidated Entity and to align the interests of eligible participants with shareholders in order to increase shareholder value. Under the plan, eligible participants are granted performance rights which will only vest if certain performance conditions are met. Participation in the Performance Plan is at the boards discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

When exercisable, each right is convertible into one ordinary share.

Set out below are summaries of options granted under the plan:

	Average exercise price per right	Number of rights
As at 1 March 2025	-	-
Granted during the year	\$0.00	80,000,000
Exercised during the year	-	-
Forfeited during the year	-	-
As at 28 February 2026	\$0.00	80,000,000
Vested and exercisable at 28 February 2026	-	-

The weighted average exercise price during the financial year was \$nil (2024: n/a).

The weighted average remaining contractual life of rights outstanding at the end of the February 2026 was 2 years (2024: n/a).

Fair value of performance rights granted

The assessed fair value at grant date of performance rights issued was determined using the Black-Scholes Model that takes into account the exercise price, the underlying share price at the time of issue, the term of the rights, the underlying share's expected volatility, expected dividends and the risk-free interest rate for the expected term of the rights.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

11 SHARE BASED PAYMENTS (Cont'd)

The model inputs for performance rights granted during the year ended 28 February 2026 included:

Grant date	25/07/2025
Exercise price	\$0.00
Expiry date	28/02/2027
Vesting conditions	• Completion of a fundraising by the company of at least \$1,000,000 (before costs), and • Completion of the acquisition of assets by the company having net value of at least \$2,000,000
Share price at grant date (a)	\$0.0046
Underlying share price volatility	100%
Expected dividend yield	Nil
Risk-free interest rate	3.67%
Fair value per option	\$0.0046

(a) Share price at grant date is based on most recent capital raisings.

The share-based payment expense for the period is as follows:

	Consolidated 2026 \$	Consolidated 2025 \$
Share based payments expense	153,100	(68,511)

12 CONTROLLED ENTITIES

Investments in controlled entities

	Country of incorporation	Ownership 2026	Ownership 2025	Class of shares
Rich Resources Investments Pty Ltd	Australia	100%	100%	Ord
Broughton Orion Pty Ltd	Australia	100%	100%	Ord

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

13 COMMITMENTS FOR EXPENDITURE

The Consolidated Entity have no material commitments for expenditure as at 28 February 2026 (2025: nil).

14 CONTINGENT LIABILITIES AND ASSETS

The Directors are not aware of any contingent liabilities or contingent assets that are likely to have a material effect on the results of the Consolidated Entity as disclosed in these financial statements.

15 RELATED PARTIES

	2026	2025
	\$	\$
Key management personnel compensation		
Short term employee benefits	303,373	235,721
Share Based Remuneration	153,100	-
Post-employment benefits	41,946	37,793
	498,419	273,514

Amounts owing to related parties

As at 28 February 2026, \$1,127,771 of trade and other payables related to unpaid fees and wages that are owed to directors.

Substantial shareholder transactions

As at the reporting date Excellence Holdings HK Limited held 448,913,044 shares (2025:448,913,044) in the Company and nil options (2025: Nil).

16 CASH FLOW INFORMATION

	Consolidated	Consolidated
	2026	2025
	\$	\$
<i>Reconciliation of cash flow from operations with profit / (loss) after tax</i>		
Profit / (loss) after tax	(656,654)	(468,631)
Non-cash items in profit / (loss) after income tax		
Share based payments	153,100	(68,511)
Changes in operating assets and liabilities		
Decrease/(increase) in other assets	227	6,637
(Decrease)/increase in creditors and payables	240,935	126,070
(Decrease)/Increase in employee entitlements	13,493	(241)
Net cash used in operating activities	(248,900)	(404,676)

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

17 FINANCIAL INSTRUMENTS

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in Note 3 to the financial statements.

Financial risk management objectives

The financial risks of the Consolidated Entity include market risk (including currency risk and price risk), credit risk and liquidity risk. The consolidated entity does not hedge these risk exposures. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk that changes in market prices such as interest rates and equity prices will affect the Consolidated Entity's income and value of its holdings.

The Consolidated Entity's activities expose it primarily to the financial risks of changes in interest rates on its cash and cash equivalents. It is the policy of the Consolidated Entity to manage their risks by continuously monitoring interest rates. There has been no change to the Consolidated Entity's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

(i) Interest risk management

Interest rate risks are caused by fluctuations in interest rates which, in turn, are due to market factors.

Interest rate sensitivity

The Consolidated Entity's main interest rate risk arises from cash and cash equivalents. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the consolidated entity's profit/loss before taxes through the impact on cash and cash equivalents and held to maturity investments with a decrease or an increase of 0.25% in interest rates.

	Consolidated 2026 \$	Consolidated 2025 \$
Sensitivity		
Cash and cash equivalents and other financial assets	518,623	767,522
Effect on profit or loss before taxes		
Increase 0.25%	1,297	1,919
Decrease 0.25%	(1,297)	(1,919)

(ii) Price risk management

The Consolidated Entity did not hold any listed equity securities at reporting date.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

17 FINANCIAL INSTRUMENTS (Cont'd)

Liquidity risk management

Liquidity risks are caused by the inability to raise the money needed to meet payment of liabilities as and when they fall due. The Consolidated Entity manages liquidity risk by maintaining of reserves and by continually monitoring forecast and actual cash flows and cash balances. The parent entity raises equity for the Consolidated Entity's exploration and appraisal activities in discrete tranches.

At 28 February 2026 and 28 February 2025, the only financial liabilities of the Consolidated Entity were trade payables and accruals. All trade payables and accruals have a contractual maturity of 6 months or less.

Credit risk management

In relation to financial assets, credit risk arises from the potential failure of counterparties to meet their obligations under a contract or arrangements. Credit risk for the Consolidated Entity arises from cash and cash equivalents. The Consolidated Entity is not exposed to any material credit risks and only trades with credit worthy third parties, outside of cash and cash equivalents which are all held with Australian regulated banks. The maximum exposure to credit risk is the carrying amount of the financial assets recognised in the statement of financial position.

Fair values

The carrying amounts of all financial assets and liabilities primarily comprising cash and cash equivalents, trade and other receivables, and trade and other payables are stated at approximate their fair value due to their short-term nature.

18 AUDITORS REMUNERATION

Amounts paid/payable for audit or review of the financial statements

	Consolidated 2025	Consolidated 2024
	\$	\$
	47,230	53,900
	47,230	53,900

No other services were provided by the auditors during the year.

19 SUBSEQUENT EVENTS

There have been no matters or circumstances that have arisen since 28 February 2026 that have significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future years.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 28 FEBRUARY 2026

20 PARENT ENTITY DISCLOSURES

The parent entity of the Consolidated Entity is Orion Metals Limited.

	2026	2025
	\$	\$
Results of parent entity		
Profit/loss for the year	(390,079)	(468,631)
Other comprehensive income/(loss) for the year	-	-
Total comprehensive income	(390,079)	(468,631)
Financial position of parent entity at year end		
Current Assets	1,012,269	772,989
Total assets	1,012,269	772,989
Current Liabilities	1,283,268	653,909
Total liabilities	1,283,268	653,909
Net Assets	(270,999)	119,080
Total equity of the parent entity comprising :		
Issued capital	17,447,717	17,447,717
Reserves	467,838	467,838
Accumulated losses	(18,186,554)	(17,796,475)
Total equity	(270,999)	119,080

The exploration and commitment schedule shows nil balances. The Company now has no Queensland tenure.

The Company has not entered into any guarantees.

21 COMPANY DETAILS

The Company's registered office and principal place of business is located at:

221 Jesmond Road, Fig Tree Pocket, Qld 4069

Company Secretary: John Lemon

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED ENTITY DISCLOSURE STATEMENT
AS AT 28 FEBRUARY 2025

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of incorporation	Australian resident	Foreign jurisdiction(s)
Orion Metals Limited	Body Corporate	-	n/a	Australia	Yes	n/a
Rich Resources Investments Pty Ltd	Body Corporate	-	100	Australia	Yes	n/a
Broughton Orion Pty Ltd	Body Corporate	-	100	Australia	Yes	n/a

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*, reflecting the amendments to section 295(3A)(vi) and (vii) which clarify the definition of foreign resident as being an entity that is treated as a resident of a foreign country under the tax laws of that foreign country. The CEDS includes certain information for each entity that was part of the consolidated entity at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

ORION METALS LIMITED

ACN 096 142 737

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, including :-
 - (a) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the financial position as at 28 February 2026 and performance for the year ended on that date of the consolidated entity,
2. The financial statements also comply with International Financial Reporting Standards as disclosed in note 2.
3. The consolidated entity disclosure statement on page 26 is true and correct.
4. The Chief Executive Officer and Chief Financial Officer have declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (c) the financial statements and notes for the financial year give a true and fair view.
5. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



BIN CAI
Director

28 May 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Orion Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Orion Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 28 February 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of Orion Metals Limited, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 28 February 2026 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report is information included in the directors' report, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/apzlw0y/ar3_2024.pdf

This description forms part of our auditor's report.

BDO Audit Pty Ltd

BDO


A J Whyte
Director

Brisbane, 28 May 2026