Polymetals

Quarterly Report.

For the quarter ending 30 June 2025

An Australian silver and zinc producer.

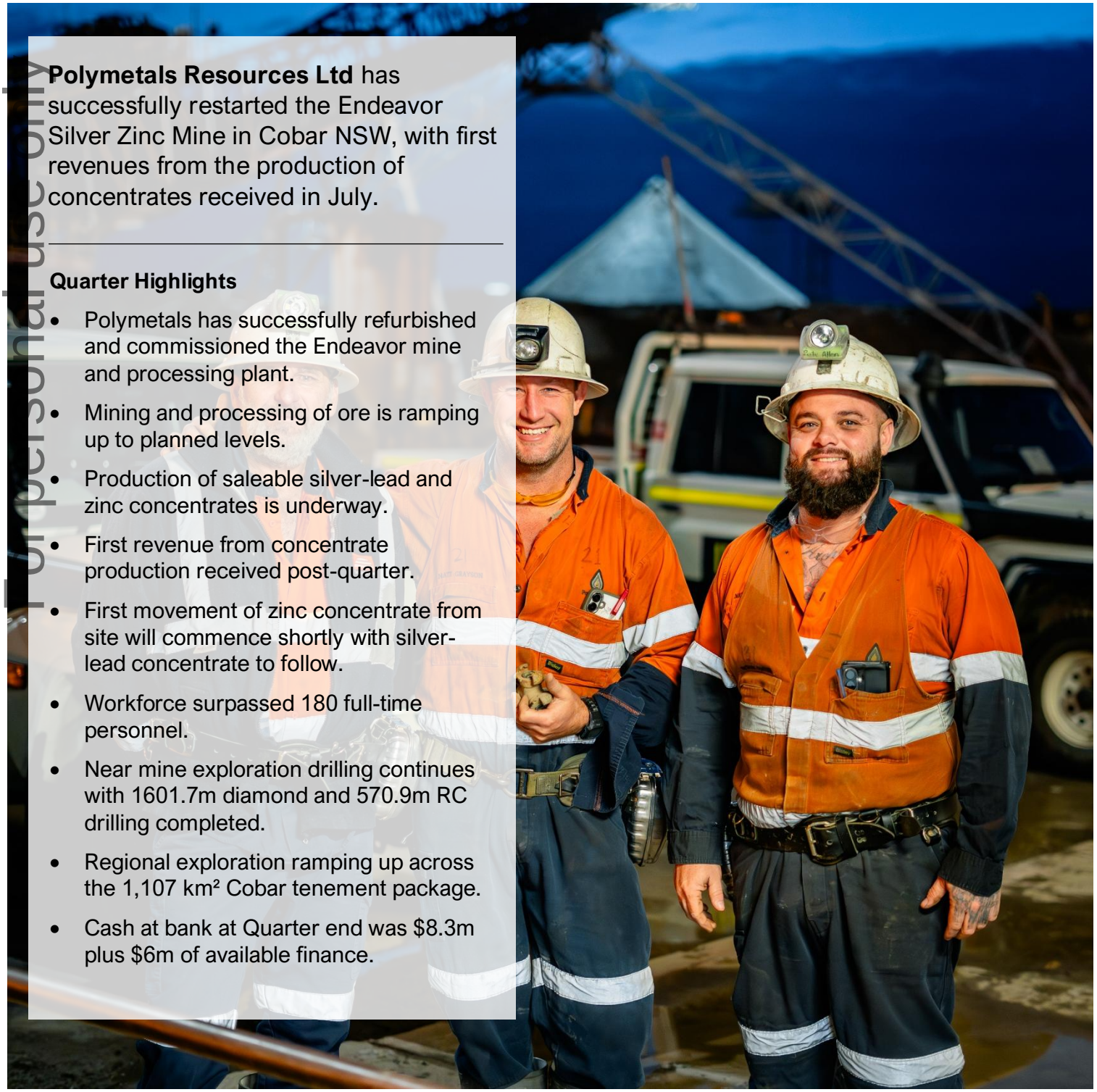
Polymetals Resources Ltd
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ASX: **POL**

9 July 2025

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Polymetals Resources Ltd has successfully restarted the Endeavor Silver Zinc Mine in Cobar NSW, with first revenues from the production of concentrates received in July.

Quarter Highlights

- Polymetals has successfully refurbished and commissioned the Endeavor mine and processing plant.
- Mining and processing of ore is ramping up to planned levels.
- Production of saleable silver-lead and zinc concentrates is underway.
- First revenue from concentrate production received post-quarter.
- First movement of zinc concentrate from site will commence shortly with silver-lead concentrate to follow.
- Workforce surpassed 180 full-time personnel.
- Near mine exploration drilling continues with 1601.7m diamond and 570.9m RC drilling completed.
- Regional exploration ramping up across the 1,107 km² Cobar tenement package.
- Cash at bank at Quarter end was $8.3m plus $6m of available finance.

Chairman's Letter

Dear Shareholders,



The Endeavor Silver Zinc Mine has restarted. The first concentrates have now been produced, and maiden revenues received this week through pre-payment arrangements; this marks a major milestone for the company. This achievement is the result of a tremendous effort by many, and it would not have been possible without the continued support of our shareholders and stakeholders. I extend my sincere thanks to everyone involved in the successful restart of Endeavor, which now stands as the foundation for sustained cash flow and long-term growth.

The re-commissioning of the underground mine's crushing and shaft hoisting system, and the successful refurbishment of Endeavor's processing plant over an eight-month period with a modest budget culminated with first ore treatment in June. The achievement is testament to our General Manager, Matt Gill, our management team and our growing workforce which is nearing 200 full time employees. Milling operations are running smoothly with optimisation works aiming to maximise metal recoveries and produce consistent premium grade silver-lead and zinc concentrates.

The company will be exporting zinc concentrate from Berth 29, Adelaide in 10,000 dry metric tonne (dmt) parcels with silver-lead concentrate to be initially exported in 5,000 dmt parcels.

With silver prices at thirteen-year highs - currently above US$36.00 per ounce, Polymetals is aiming to process over five million ounces of contained silver over the next two years, combined with ongoing zinc and lead production.

While the main orebody at Endeavor contains the bulk of current reserves, the Upper North Lode - located 100 to 200 metres below surface, may ultimately deliver greater reserves than currently anticipated. This potential follows detailed engineering, access to the area and supported by geotechnical studies which might allow stoping which is more efficient than the cut-and-fill method assumed in earlier mine plans.

Meanwhile, near mine and regional exploration continued across Polymetals 100% owned 1,107 km² Cobar tenement package during the quarter, highlighted by near mine exploration drilling at the Endeavor South and Carpark prospects.

Polymetals has posted another quarter of progress, delivering on what we said we would and will continue to do so as we sharpen our focus on "filling the mill with quality ore" and increasing mine life through discovery at Endeavor for the benefit of all stakeholders.

Best Regards,

Dave Sproule
Executive Chairman

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Endeavor Silver Zinc Mine
Cobar, NSW

Silver-lead and zinc concentrate is being delivered to plan

The highlight of the June quarter was achieving first production of saleable silver-lead and zinc concentrates at the Endeavor Mine to mark its official restart in line with our Mine Plan. First cashflow was received in July via a concentrate pre-payment by Ocean Partners under our offtake agreement.

Endeavor's restart follows eight months of underground and surface refurbishment works. Mining works including underground level rehabilitation and development, crushing and hoisting continued to ramp up to planned levels, delivering over 40,000t of ore to surface. Also, during the June quarter, surface refurbishment activities were completed to a level to ensure long term reliability of plant and infrastructure. First ore was treated on 7th June which was followed by an output bearing failure of the Ball Mill motor within two days. The motor was replaced with a spare unit and the plant has been operational since 11th June with 36,066 dmt of commissioning ore treated for the month containing 103g/t Ag, 3.72% Zn & 2.31% Pb.

First concentrate transport is scheduled to commence during July. The company will be exporting zinc concentrate from Berth 29, Adelaide in 10,000 dmt parcels with silver-lead concentrate to be initially exported in 5,000dmt parcels.



Figure 1: *Endeavor Silver Zinc Mine – May 2025.*

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Figure 2: *Crushed ore surface stockpile.*

The plant is now operating smoothly, with ongoing optimisation to maintain consistent production and to maximise metal recoveries. Further optimisation of the process plant includes commissioning of the rougher concentrate grinding mills, now in progress, which will improve the production of premium grade zinc and silver-lead concentrates.



Figure 3: *Crushed ore on mill feed conveyor feeding at 100 dry tonne per hour.*

Site activities remain on schedule to be processing on average 65,000t of ore per month during H2 2025.

Mine development to access the high-grade silver ore in the Upper North Lode, which sits above the main ore body, is progressing well with first ore expected from that area in the coming weeks.

At Quarter end, the Endeavor Mine workforce reached 185 full time personnel. The number of contractors involved in the refurbishment activities have been substantially reduced with a focus on building autonomy on the site as the number of fulltime Polymetals employees grows to a target of 230.

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Figure 4: *June zinc concentrate stockpile.*

Near-Mine Exploration

During the quarter, our near-mine exploration program continued at the Carpark and the Endeavor South prospects, focusing on identifying new sources of mineralisation adjacent to existing mine operations. Five HQ diamond holes for 1601.7m and two reverse circulation holes for 570.9 m were completed during the Quarter.

Drilling at the Carpark Prospect tested geophysical anomalies located just 300 metres from the existing Endeavor Resource boundary. Although no ore-grade intersections were returned this quarter, the drilling has provided invaluable geological and structural information. Strong alteration zones and key structures that may control mineralisation have been intersected, confirming the prospectivity of this

southern corridor. This work forms part of a broader geological and geochemical “vector-to-ore” study now underway to identify subtle indicators of buried ore systems.

At Endeavor South, drilling beneath previously identified silicified zones intersected encouraging alteration, visible sulphides and veining, including elevated copper values in core samples. These signs reinforce the potential for a continuation of the mineral system south of the Endeavor main lode. Follow-up drilling is underway and is building the understanding of the potential southern extension to the orebody.

Importantly, this exploration work is refining our geological model and defining a more focused path forward - key steps in unlocking additional near-mine value.

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Figure 5: *Drilling of Endeavor South – May 2025.*

Regional Exploration

Polymetals’ regional exploration plan is designed to unlock long-term value from its extensive tenement holding in the Cobar Basin. With 1,107 km² of highly prospective ground under licence, our strategy targets the discovery of new mineralised systems that could either supplement the Endeavor mill or support stand-alone development.

Over the quarter, significant effort was invested in refining the regional targeting pipeline. Historic datasets — comprising geophysics, drilling, and geochemistry dating back more than five decades — were reviewed and integrated into a unified 3D geological model. This process, supported by expert consultants, has clarified structural trends and highlighted a series of high-priority targets across the tenement package.

Preparations are now complete for the deployment of a 10,000 metre aircore and slimline percussion drilling program. This drilling is designed to test the shallow redox boundary zones in areas that are largely underexplored but display geochemical signatures consistent with mineralising systems.

In parallel, planning is underway for a staged induced polarisation (IP) survey campaign to image deep-seated structures at select targets, including No. 4 Tank, Boundary Tank, and Furney’s Tank. These IP datasets will build on prior work and are expected to refine existing targets and highlight new ones with potential for sulphide mineralisation.

Key prospects such as No. 4 Tank, Kiri, and Cougar Ridge are progressing through geochemical and geophysical reviews, while early-stage orientation sampling at Poon Boon and Elura SE auger targets are helping define the next phase of work.

The regional exploration plan is underpinned by a methodical, data-driven approach that maximises the value of historic exploration while leveraging new techniques and interpretations. With groundwork underway and drill-ready targets emerging, Polymetals is well positioned to test targets and endeavour to make meaningful discoveries across its Cobar Basin holdings.

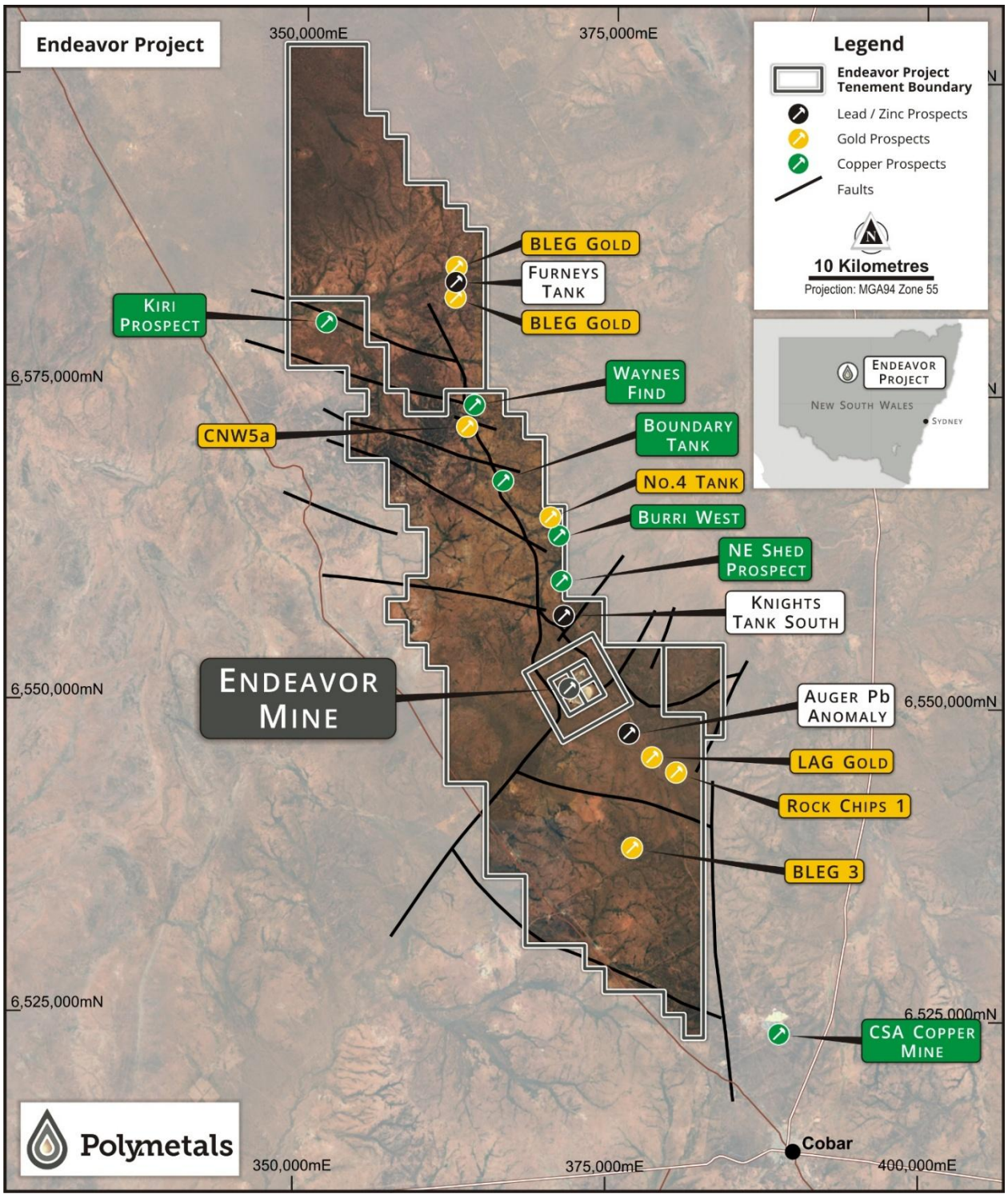


Figure 6: *Regional Explorational Map.*

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Corporate

Subsequent to the end of the June quarter, Polymetals advised that the company's existing US$20m debt facility with Ocean Partners had been reduced to US$10m due to the inability to obtain releases of additional security from existing security holders. The undrawn US$10m debt was replaced with an equity placement of A$15m at $0.80 per new share. This ensures adequate working capital is available for the Endeavor Mine's ongoing production ramp-up.

The company is progressing the replacement of the Environmental Rehabilitation Bond held by the vendor, due for exchange by August 2026. The company is completing legal and technical due diligence as part of the financing process. The Company is expecting to conclude this process during H2 2025.

The Endeavor Project development expenditure during the quarter was $16m.

Exploration and evaluation expenses were $222,000 during the quarter.

Payments in cash to related parties of the Company and their associates during the quarter amounted to $90,000. This comprised executive salary and non-executive Director fees of $90,000.

On 30 June 2025, the Company held a pro forma cash position of approximately $8.3 million. Subsequent to the Quarter end the company received its first revenue from pre-payment of silver-lead and zinc concentrate.

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Tenements

In accordance with Listing Rule 5.3.3, Polymetals provides the following Information concerning Its mining tenements:

(a) no applications were made during the quarter by the Company to acquire new or surrender its existing licences; and

(b) the following table lists the Company's mining tenements held at the end of the quarter and their location:

***Table 1**: Polymetals - Exploration Licences & Mining Leases: Endeavor and Guinea.*

Project	Licence	Location	Expiry	Ownership
Endeavor (NSW)				
Exploration Licence	EL 5785	NSW	5/10/2027	100%
Exploration Licence	EL 8583	NSW	2/6/2029	100%
Exploration Licence	EL 8752	NSW	27/6/2027	100%
Mining Lease	ML 158	NSW	20/5/2028	100%
Mining Lease	ML 159	NSW	12/3/2028	100%
Mining Lease	ML 160	NSW	12/3/2028	100%
Mining Lease	ML 161	NSW	12/3/2028	100%
Mining Lease	ML 930	NSW	20/5/2028	100%
Guinea				
Alahiné	EL22123	Republic of Guinea	Awaiting renewal	100%
Mansala	EL22694	Republic of Guinea	Awaiting renewal	100%

This announcement was authorised for release by Polymetals Resources Ltd Board.

For further information, please contact:

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Important Notices

References

The information in this report references to previously released ASX Announcements.

- ASX Announcement "Debt Reduction and Equity Raise" dated 7 July 2025
- ASX Announcement "POL delivers silver and zinc concentrate at Endeavor Mine" dated 24 June 2025
- ASX Announcement "Production underway at the Endeavor Silver Zinc Mine" dated 16 June 2025
- ASX Announcement "Endeavor Silver Zinc Mine Commissioning Underway" dated 21 May 2025
- ASX Announcement "Endeavor Mine Funding and Offtake secured" dated 16 September 2024

The Company confirms that it is not aware of any information or data that materially affects the information included in the relevant market announcement and all material assumptions and technical parameters underpinning the estimates in the Original Announcement continue to apply and have not materially changed.

Competent Persons Statement

The information supplied in this release regarding Exploration Targets & Exploration Results of the Endeavor Project is based on information compiled by Mr Jess Oram. Mr Oram is an Executive Director of Polymetals Resources Ltd.

The information supplied in this release regarding Mineral Resources of the Endeavor Project is based on information compiled by Mr Troy Lowien. Mr Lowien is a full-time employee of Polymetals Resources Ltd.

The information supplied in this release regarding Ore Reserves of the Endeavor Project is based on information compiled by Mr Matthew Gill. Mr Gill is a full-time employee of Polymetals Resources Ltd.

Mr Jess Oram, Mr Troy Lowien and Mr Matthew Gill are each Competent Persons and Members of the Australian Institute of Mining and Metallurgy. Mr Jess Oram, Mr Troy Lowien and Mr Matthew Gill each have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Oram, Mr Lowien and Mr Gill consent to the inclusion of matters based on information in the form and context in which it appears.

Forward Looking Statement

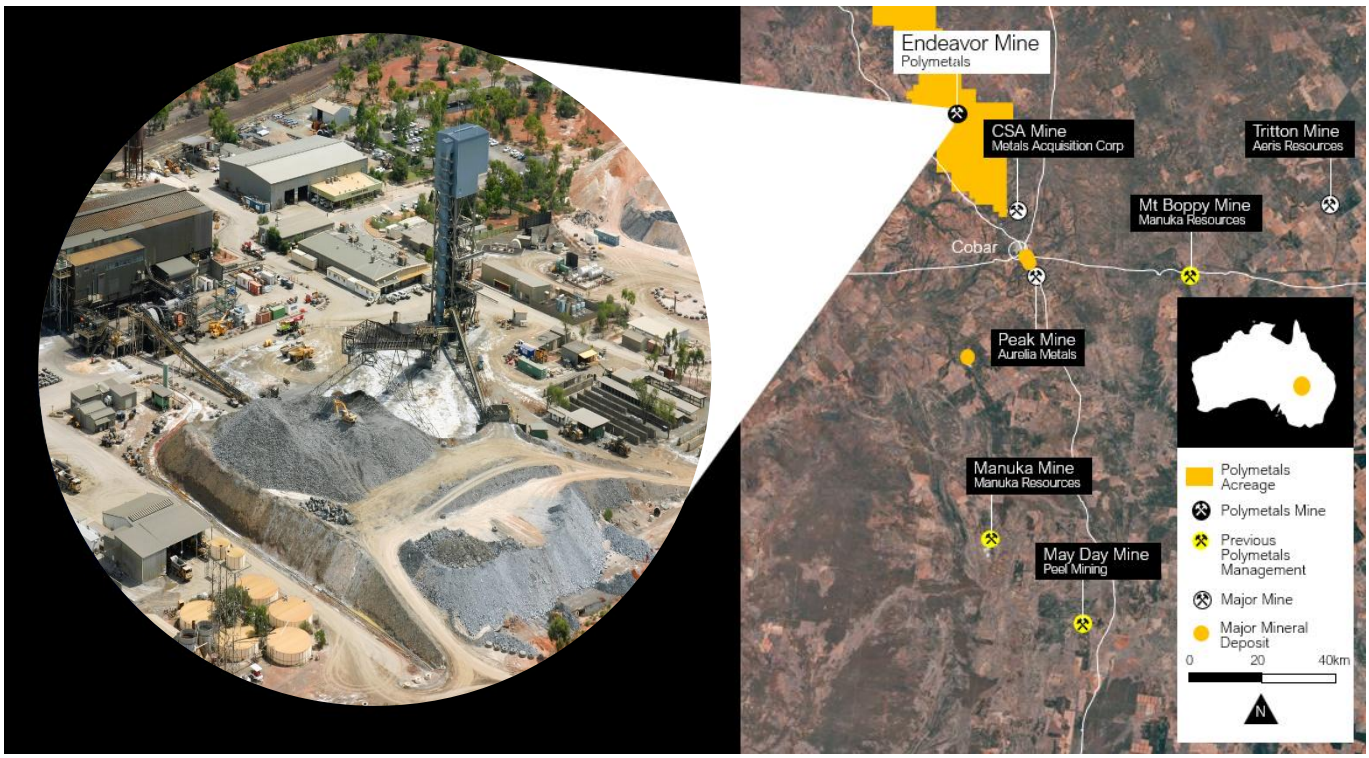
This report prepared by Polymetals Resources Limited (or 'the Company') includes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward looking words such as 'may', 'will', 'expect', 'intend', 'plan', 'estimate', 'anticipate', 'continue', and 'guidance', or other similar words and may include, without limitation, statements regarding plans, strategies and objectives of management, exploration results, anticipated production or construction commencement dates and expected costs or production outputs. Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to differ materially from any future results, performance or achievements. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Although the Company attempts and has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in forward looking statements, there may be other factors that could cause actual results, performance, achievements or events not to be as anticipated, estimated or intended, and many events are beyond the reasonable control of the Company. Accordingly, readers are cautioned not to place undue reliance on forward looking statements.

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Company Profile

Polymetals Resources Ltd (ASX: POL) is an Australian mining company operating its 100% owned Endeavor Silver Zinc Mine, located in the Cobar Basin, New South Wales, Australia. Polymetals has the potential to be a +20-year producer of precious and base metals, initially within its five approved and permitted mining leases. Polymetals is active across its 1,107km^2 of exploration licenses covering 80km strike length of the prolific polymetallic (copper, gold, silver and zinc) mineral province.

For more information visit www.polymetals.com



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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Name of entity

POLYMETALS RESOURCES LTD

ABN	**Quarter ended ("current quarter")**
73 644 736 247	30 June 2025

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(222)	(946)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(6,730)	(14,142)
	(e) administration and corporate costs	(206)	(1,096)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	69	116
1.5	Interest and other costs of finance paid	(153)	(565)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	75	75
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(7,167)**	**(16,568)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(493)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) project development - Endeavor	(16,032)	(29,849)

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(16,032)**	**(30,342)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	36,013
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1,858)
3.5	Proceeds from borrowings	-	15,652
3.6	Repayment of borrowings	(773)	(1,956)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - EL Bond replacement	-	(40)
3.10	**Net cash from / (used in) financing activities**	**(773)**	**47,358**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	32,236	7,846
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(7,167)	(16,568)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(16,032)	(30,342)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(773)	47,358

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**8,264**	**8,264**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	8,264	17,236
5.2	Call deposits	-	15,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**8,264**	**32,236**

6.	**Payments to related parties of the entity and their associates**	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 (Director Fees)	90
6.2	Aggregate amount of payments to related parties and their associates included in item 2	0

Note : The above payments to directors reflect fees for services paid during the current quarter. More information concerning the breakdown of the relevant director payments can be found within the accompanying Quarterly Announcement.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at current quarter end $A'000**	**Drawn amount at previous quarter $A'000**
7.1	Loan facilities (US$10m @ 0.65)	15,385	15,385
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	14,600	13,900
7.4	**Total financing facilities**	29,985	29,285

1. Underground Mobile Equipment Lease facility by Epiroc Financial Solutions Australia. Total = $6.7m ($4.5m drawn at 30/06/2025).
2. Vehicle Lease facility by Hertz Australia. Total = $500,000 ($500,000 drawn at 30/06/2025)
3. Concentrate pre-payment/loan facility by Ocean Partners. Total US$10m (US$9.5m drawn at 30/06/2025)
4. Underground Equipment Facility by Sandvik Finance. Total = $4.5m ($2.3m drawn at 30/06/2025)
5. Forklift & Vehicle Facility by Toyota Finance. Total = $1m ($0.5m drawn at 30/06/2025)
6. WesTrac Caterpillar Finance Facility. Total = $1.9m ($1.9m drawn at 30/06/2025)

No further loan facilities have been entered into (made) by the Company since the end of the quarter.

7.5	**Unused financing facilities available at quarter end**	$5.7 million

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

1. Underground Mobile Equipment facility - Term 41-months, Interest = 7.5%
2. Vehicle Lease facility - Term 36-months
3. US$20m pre-payment/loan facility - Interest = SOFR + 6%
4. Underground Equipment facility - Term 36-months, Interest = 8%
5. Toyota Forklift & Vehicle Facility - Term 36 months, Interest 6.25%
6. Westrac Caterpillar Finance - Term 36 months, Interest 8.75%

No further loan facilities have been entered into (made) by the Company since the end of the quarter.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(7,167)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(7,167)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	8,264
8.5	Unused finance facilities available at quarter end (Item 7.5)	5,700
8.6	Total available funding (Item 8.4 + Item 8.5)	13,964
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	1.95

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: The Company has received its first payment (prepayment) for production of concentrate on 8 July 2025. The Company expects significant receipts from sales on an ongoing basis whilst salaries and other costs remain stable.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: ASX Release dated 7 July 2025 where the Company advised it intends to issue $15 m of equity securities.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, see above.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: **9 July 2025**

Authorised by: **By the Polymetals Resources Ltd Board**

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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