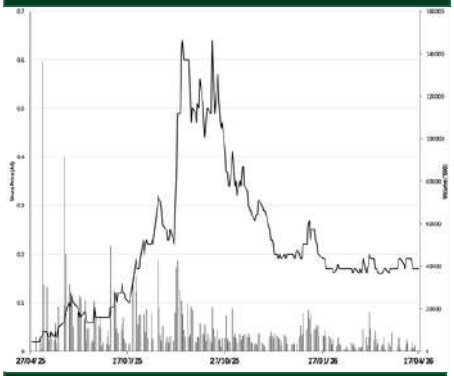
Locksley Resources Ltd (ASX:LKY)

27 April 2026 - Update Note

Market Data (A$) - As at 27 April 2026	
Current Price	$0.175
52-Week Range	$0.018-0.690
Market Cap	$65.6M
EV	$48.9M
Cash	$16.7M
Ordinary Shares	375M
Unlisted Options	31.98M

12-Month Share Price Performance (A$)



Company Description

Locksley Resources Limited (ASX: LKY, OTCQX: LKYRF) is a U.S. focused critical minerals company advancing the Mojave Project in California, located 1.4km from MP Materials' Mountain Pass Mine. The project hosts two high-grade targets, the Desert Antimony Mine and the El Campo rare earth prospect. The Mojave Project has returned high-grade results across both antimony and REE commodities and benefits from strong infrastructure, strategic positioning and proximity to downstream processing. The Company is fully funded for near-term exploration and is advancing drilling and field programs aimed at unlocking district-scale potential.

Top 10 Shareholders	26.39%
CITICORP NOMINEES PTY LIMITED	7.13%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4.12%
BNP PARIBAS NOMINEES PTY LTD	3.60%
VANGUARD SUPERANNUATION PTY LTD	2.54%
MR GARRY CHARLES PERSHOUSE	2.27%
MS JINGYAN FAN + MR WEI ZHANG	1.59%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1.53%
AUV INVESTMENT GROUP PTY LTD	1.39%
WARBONT NOMINEES PTY LTD	1.15%
PRINCIPAL GLOBAL INVESTMENTS PTY LTD	1.07%
Top 20 Shareholders	**31.64%**

Advancing a High-Impact REE–Sb Discovery in a Tier-1 U.S. District

Locksley Resources Ltd (ASX: LKY) is a U.S. focused critical minerals company advancing the Mojave Critical Minerals Project in San Bernardino County, California. The Project hosts two key prospects, the Desert Antimony Mine (antimony and silver) and the El Campo REE Prospect (NdPr-enriched rare earths), located just 1.4 kilometres from MP Materials' Mountain Pass Mine (NYSE: MP), the only operating rare earth mine in the United States.

Over the past 6–12 months, Mojave has transitioned from a largely surface-defined, pre-drill asset to an active drilling-stage project, with both prospects now being drilled and supported by expanding structural, geophysical and metallurgical datasets. This positions the Project for its most active news flow period to date, with back-to-back drilling programs driving continuous exploration updates throughout Q2 and Q3 CY2026. The landholding has also doubled to ~40km² with 491 mining claims, and a JORC Exploration Target has been defined.

The investment case is anchored by four core value drivers: high-grade dual commodity exposure to antimony and rare earths, near-term drilling catalysts across both prospects, a mine-to-market strategy already supported by downstream milestones, and $16.7M in cash with growing U.S. institutional support through funding pathways and strategic capital.

Maiden Drilling Now Testing Scale and Continuity

Drilling programs across both Project targets are testing the continuity, geometry and scale of both mineralised systems at depth. A diamond drilling program at the Desert Antimony Mine (DAM) commenced 23 February 2026 with assays now pending, while the El Campo diamond drilling program commenced 9 April 2026 and is expected to conclude in late April 2026 with assays delivered thereafter. Initial assays are expected to provide the first meaningful insight into depth extensions and overall system potential, representing key de-risking events and near-term catalysts for the Project.

Downstream Proof-of-Concept Already Proven

Locksley has demonstrated tangible progress toward an integrated mine-to-market strategy. The production of a 100% American-made antimony ingot confirms the viability of a fully domestic supply chain, while metallurgical testwork has delivered a 68.1% Sb concentrate and 99.5% purity antimony trioxide. These results validate the ability to produce high-grade refined products suitable for defence and industrial markets, positioning Locksley as one of the few U.S. aligned projects capable of integrating mining, processing and product specification within a single supply chain.

Strategic Alignment with U.S. Critical Minerals Policy

Locksley has established a level of U.S. federal alignment that is uncommon for an ASX-listed explorer at this stage. The U.S. Export-Import Bank has issued a Letter of Interest for up to US$191 million in potential project financing. The Company is also an Affiliate Member of the DOE's Critical Materials Innovation Hub, enabling collaboration with national laboratories. Further positioning is supported by NATO CAGE registration and the appointment of retired Lieutenant General Mark C. Schwartz as Strategic Advisor, strengthening engagement across defence and federal funding channels.

Target Price and Recommendation

We do not assign a formal target price for Locksley in this note. The Company remains at the pre-resource exploration stage, with no JORC Mineral Resource Estimate defined at either the Desert Antimony Mine or El Campo prospects. A meaningful intrinsic valuation requires inputs, including confirmed mineralisation continuity, grade distribution, recoverable tonnage, and capital and operating parameters, which are not yet available.

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Investment Thesis

Locksley Resources appears well positioned for a potential re-rating as the Company enters a catalyst-rich phase following the delivery of several key milestones and the commencement of maiden drilling across both core prospects. With multiple high-impact assay results pending, advancing downstream initiatives, strengthening U.S. engagement and a refreshed leadership team assembled to execute the mine-to-market strategy, Mojave is transitioning from an early-stage exploration project toward a more credible development opportunity. With a balance sheet of approximately A$16.7m, Locksley is fully funded to progress near-term value-accretive workstreams across drilling, metallurgy, engineering and broader project development, creating potential to build strong market momentum. The executive appointment of CEO and Managing Director Kerrie Matthews strengthens delivery capability across project execution, approvals and downstream buildout.

Maiden Drilling Complete at Desert Antimony Mine (DAM)

The Desert Antimony Mine (DAM) represents an emerging U.S. based antimony development opportunity with the prospect hosting a JORC Exploration Target of 772kt to 1.38Mt at 2.5% to 4.9% Sb, equating to 19.4kt to 67.7kt contained antimony. The strategic relevance of DAM is underpinned by antimony remaining essential to defence systems, semiconductors, batteries and flame retardants, with no current U.S. domestic supply. Diamond drilling commenced on 23 February 2026, targeting interpreted depth extensions beneath historical workings. Positive results confirming grade, thickness and continuity could materially improve confidence in DAM as a future domestic supply source and support progression toward resource definition.

Maiden Drilling Underway at El Campo REE Prospect

Continuous news flow is expected over the next four months following April, covering preparations, drilling, and subsequent results.

El Campo provides Locksley with NdPr-enriched rare earth exposure, enveloped by MP Materials tenure and lying approximately 5km southeast of the Mountain Pass Mine. Surface results of up to 12.1% TREO including 3.19% NdPr place El Campo within the higher-value magnet feed segment of the rare earth market. Its positioning has become more significant following the U.S. Government's substantial support for MP Materials, including a US$400 million equity investment and US$150 million Department of Defense loan. Diamond drilling commenced on 9 April 2026, comprising four holes testing approximately 900m of strike of sheared carbonatite-hosted mineralisation. Success at El Campo would validate a second mineralised system at Mojave and enhance the Project's strategic relevance.

Figure 1: El Campo drilling operations with Mountain Pass REE mine in the background

Source: Company

Downstream Proof-of-Concept Across Dual Processing Pathways

Locksley has delivered a sequence of metallurgical milestones that de-risk the mine-to-market pathway. Flotation testwork at Base Metallurgical Laboratories produced concentrate grading 68.1% Sb at 95% of theoretical stibnite maximum, indicating a simple flowsheet and supporting total recoveries above 80% with circuit optimisation. In October 2025, a 100% American-made antimony ingot was cast at Hazen Research Inc. in Colorado using DAM feedstock, the first verified domestic mine-to-metal from the Project. In March 2026, bench-scale testwork produced 99.5% purity antimony trioxide measured by XRD, meeting a key threshold for defence, munitions and specialty industrial applications. Supported by DeepSolv™ at Rice University and a Columbia research agreement, the project offers a rare dual-commodity, dual-pathway platform at the pre-resource stage.

U.S. Federal Financing Letter of Interest and DOE Engagement

Locksley has established a level of U.S. federal alignment that is uncommon for an ASX-listed explorer at its stage, materially strengthening access to funding and downstream integration. In November 2025, the U.S. Export-Import Bank issued a non-binding Letter of Interest for up to US$191 million in potential project financing, providing early validation of strategic relevance and access to non-dilutive capital. This positioning was further reinforced by Locksley's inclusion in the U.S. Department of Energy Critical Materials Innovation Hub, embedding the Project within the U.S. critical minerals ecosystem and enabling collaboration with national laboratories. Mojave's alignment with the U.S Australia Critical Minerals Framework Agreement embeds the Project within a coordinated federal supply chain strategy, enhancing its access to capital and institutional support.

Balance Sheet and Capital Markets Positioning

Locksley ended the December 2025 half-year with A$16.7 million in cash, following an oversubscribed A$17 million placement at A$0.24 per share led by U.S. institutional investors. This provided full funding for drilling programs, downstream workstreams and federal engagement through to initial assay catalysts. The Company trades across four markets: ASX (LKY), OTCQX (LKYRF), Frankfurt (X5L) and a sponsored Level 1 ADR program with BNY Mellon (LKYLY), progressed in December 2025. This multi-market footprint broadens access to U.S. capital, including institutional funds, wealth managers and ETFs, and establishes a pathway toward a potential future U.S. exchange listing.

Four Catalysts Drive the Re-Rating Case

We do not assign a formal target price, as the Project remains pre-resource and lacks the inputs required for a meaningful intrinsic valuation. However, we identify a re-rating pathway over the next 6 to 12 months across four key catalyst streams. First, initial assay results from the maiden DAM and El Campo drilling programs, expected through Q2 2026. Second, confirmation of mineralisation continuity at each prospect, supporting progression toward a maiden Mineral Resource Estimate at DAM and validating the El Campo lode at depth adjacent to MP Materials' Mountain Pass Mine. Third, advancement of U.S. Export-Import Bank due diligence toward a potential financing package, alongside engagement under DPA Title III and U.S. Department of Energy funding pathways. Fourth, progression of scoping study workstreams and pilot plant engineering design, with RFP issuance targeted for mid-Q1 2026 and initial contract awards by end of Q1 2026.

Mojave Project Overview

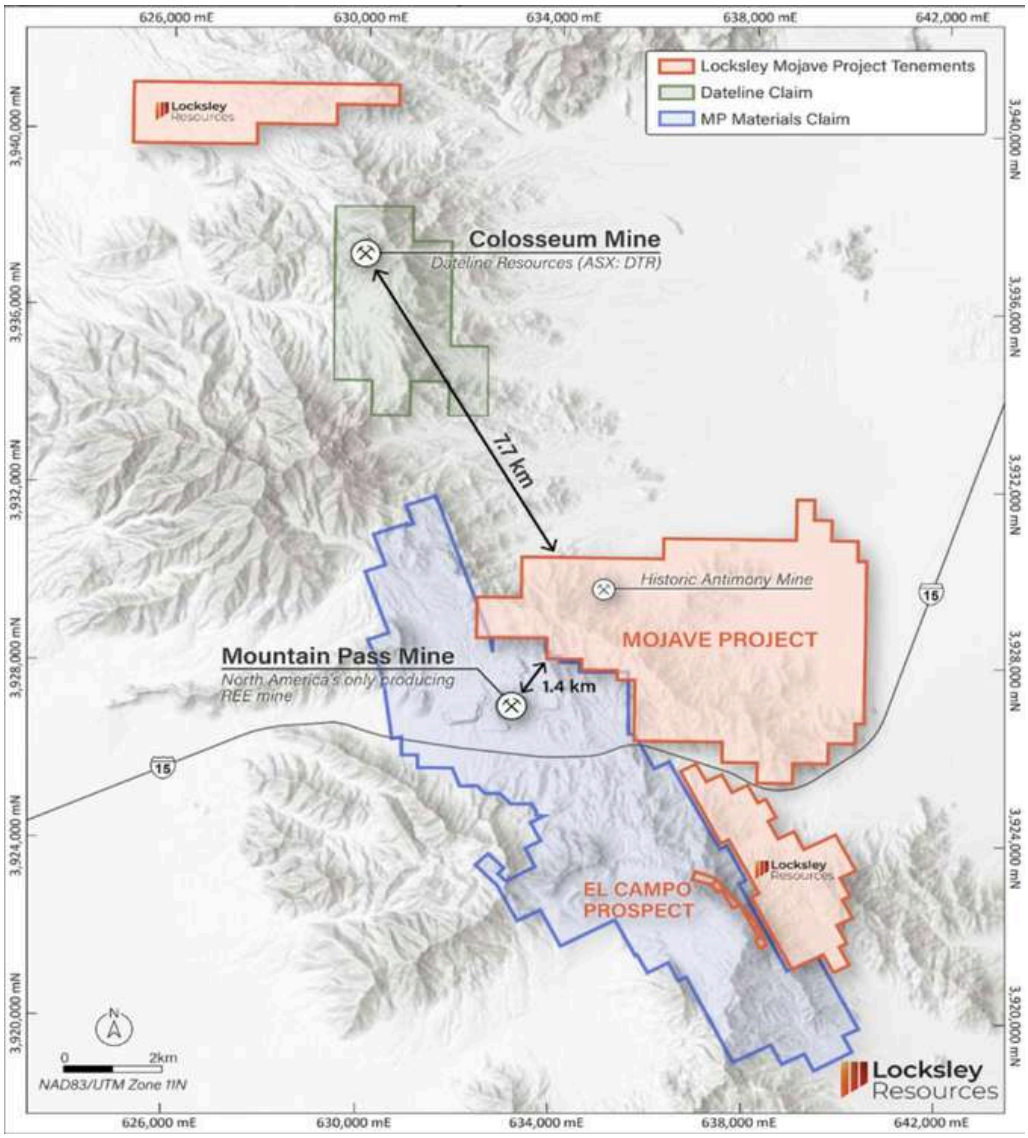
Proximity of 1.4km from the NYSE:MP Mountain Pass Mine and 7.7km from the ASX:DTR Colosseum Mine, creating a concentration of critical minerals assets aligned with federal strategic priorities.

The Mojave Critical Minerals Project is located in San Bernardino County, California, approximately 1.4 kilometres from MP Materials' Mountain Pass Mine and 7.7 kilometres from Dateline Resources' Colosseum Project, within a tier-1 jurisdiction and established critical minerals corridor. Following a land expansion in September 2025, Locksley doubled its landholding by staking an additional 249 claims, bringing the Project to 491 mining claims covering approximately 40km², up from ~20km² previously. Of the 491 total claims, 242 are registered and active with the Bureau of Land Management (BLM), with the remaining 249 in the process of being lodged.

The claims are grouped into three distinct areas (**Figure 2**). This consists of the North Block, which directly abuts claims held by MP Materials, the Northeast Block, and the El Campo Prospect. The newly acquired northern claims are located 3km along strike from the Colosseum Project, while the southeastern expansion encompasses gneissic geology prospective for REE-bearing carbonatites, further adding polymetallic and precious metals optionality to Locksley's exploration pipeline.

Locksley's antimony and REE projects sit in a tier-1 U.S. critical minerals corridor, offering strong development potential

Figure 2: Mojave Project Tenements



Source: Company

Geological Framework

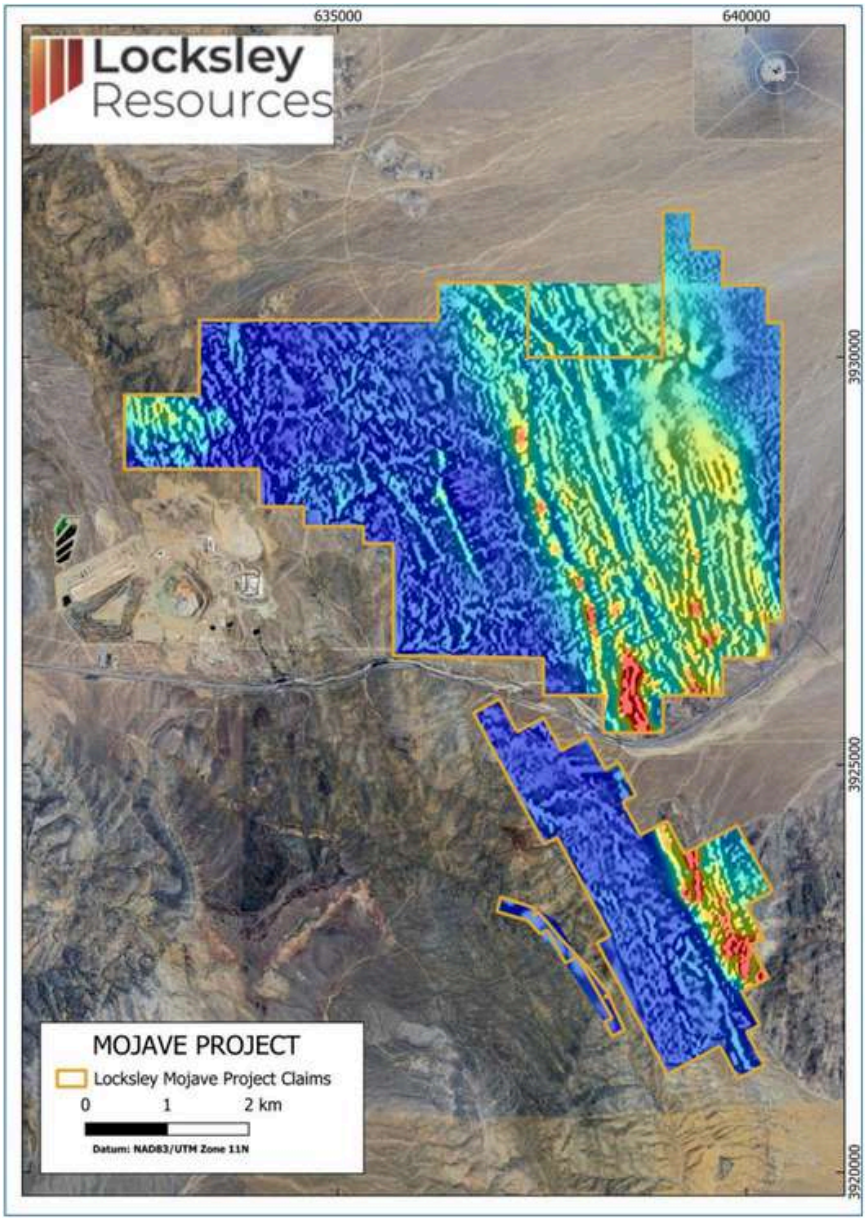
The Mojave Project is located within the southern Clark Range of the northern Mojave Desert, part of the southwestern Great Basin province characterised by basin-and-range extensional tectonics.

Locksley's Mojave project shares key geological similarities with the Mountain Pass deposit. Mid-Proterozoic intrusive rocks have been documented at El Campo, analogous to the carbonatite terrane at Mountain Pass.

The nearby Mountain Pass deposit is hosted within an uplifted block of Precambrian metamorphic and igneous rocks and represents a carbonatite-hosted rare earth system. Mojave shares key geological similarities, with Mid-Proterozoic intrusive rocks, including syenite, shonkinite and carbonatite, identified at El Campo and interpreted to extend into the North and Northeast Blocks. These lithologies are analogous to those at Mountain Pass, supporting a favourable setting for rare earth and associated mineralisation.

A high-resolution helicopter-borne magnetic and radiometric survey completed in late 2025 (~500 line-km at 50m spacing) identified pronounced Thorium anomalies in the North Block and a parallel anomaly approximately 700m east of El Campo (see **Figure 3**). These signatures mirror the geophysical response at Mountain Pass, defining high-priority REE targets across the expanded tenure.

Figure 3: Map showing magnetic RTP (colour) and 1VD (shade) magnetic geophysics image. Note annotated location of Thorium anomalies identified in the newly acquired dataset and within Locksley's tenure



Source: Company

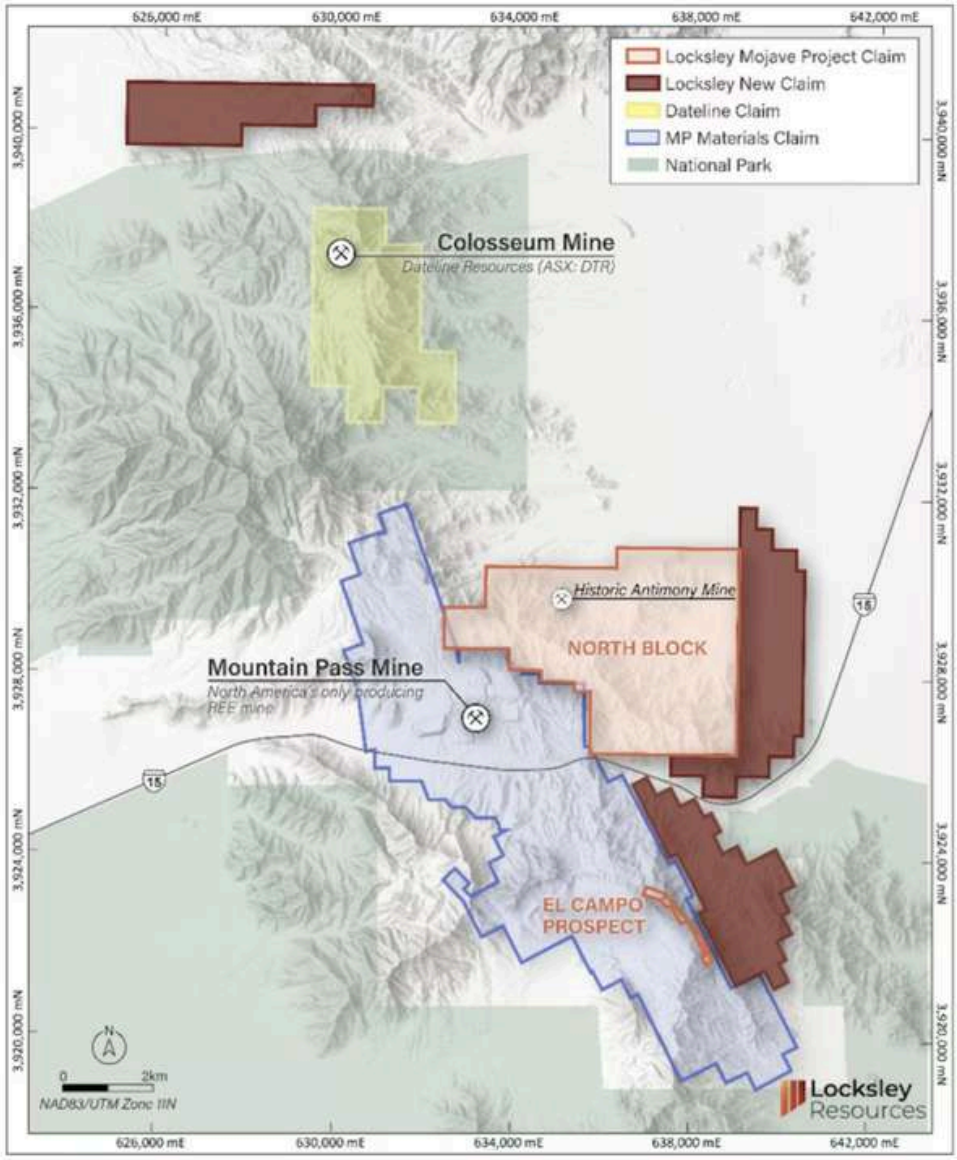
Tenure and Permitting Status

All mining claims are held under the General Mining Law of 1872 and administered by the U.S. Bureau of Land Management (BLM). Of the 491 total claims, 242 are registered and active with the BLM, with the remaining 249 claims, staked in September 2025 as part of the doubling of the land position (see **Figure 4**), in the process of being lodged. Locksley has successfully advanced the federal permitting process across both key prospects, with the expanded Plan of Operations (POO) for drilling at the Desert Antimony Mine secured following bond acceptance, and a Notice of Intent (NOI) in place for drilling at the El Campo REE Prospect, with final bond payments completed by late 2025.

These approvals enabled the commencement of back-to-back drilling campaigns across the project: a program of approximately 2,300 metres at the Desert Antimony Mine targeting high-grade antimony vein structures, and a maiden four hole diamond drilling program at El Campo commenced in April 2026 targeting carbonatite-hosted REE mineralisation over approximately 900 metres of strike.

Recent policy developments have further enhanced the permitting environment for domestic critical minerals projects. The March 2025 Executive Order has streamlined BLM assessments and improved inter-agency coordination for projects aligned with U.S. national security objectives, shortening approval timelines and providing a clearer opportunity for projects such as Mojave to access future federal support. The tenure provides secure exploration rights with a straightforward pathway to convert to mining leases upon demonstration of economic mineralisation, and administration by the BLM ensures a predictable regulatory process compared to many other jurisdictions.

Figure 4: New Locksley claim blocks staked in September 2025



Source: Company

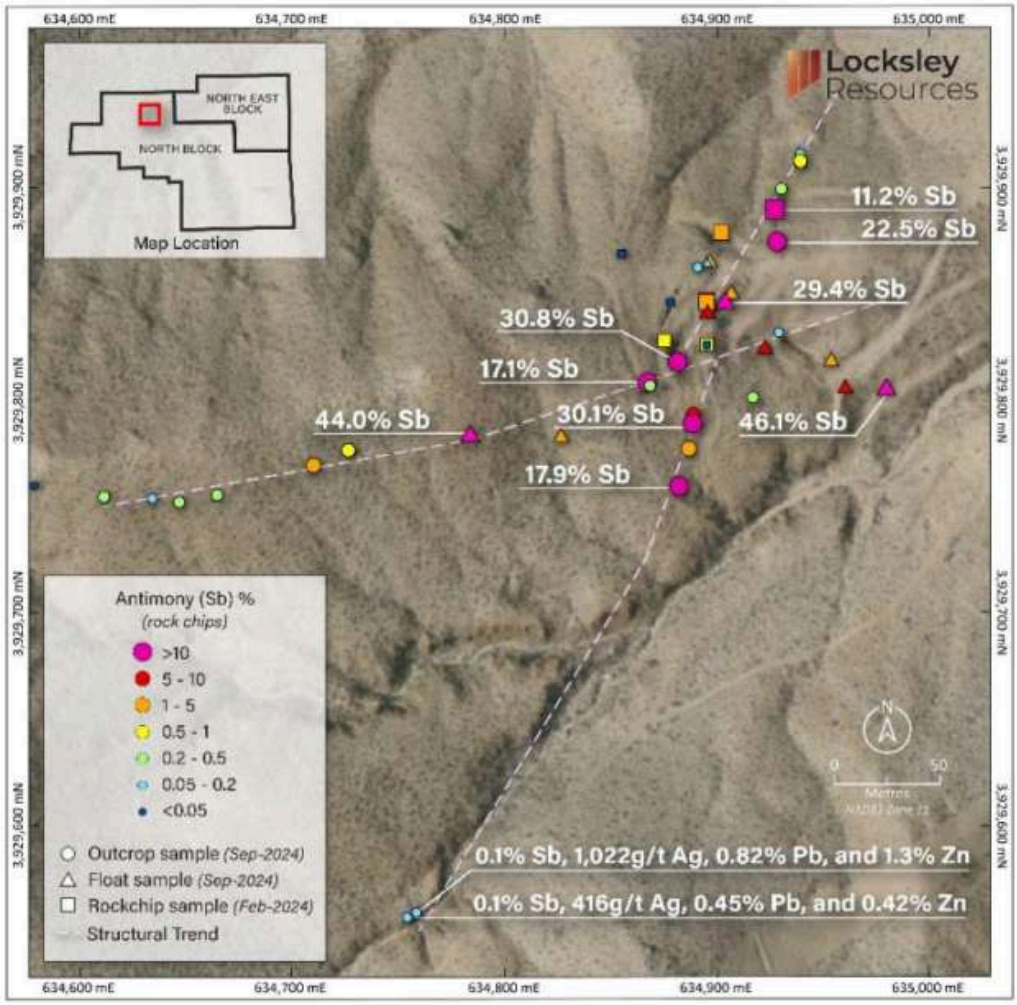
Desert Antimony Mine (DAM)

Geology and Target Definition

The Desert Antimony Mine (DAM) hosts primary, high-grade stibnite mineralisation within quartz-carbonate-stibnite veins strongly controlled by a north-northeast to south-southwest structural corridor, comprising north–south stibnite veins with later east–west offsets. Historical records indicate intermittent small-scale production in 1926–1927 and again in 1939, before the mine was abandoned due to low antimony demand and the technological limitations of the era. This legacy provides a documented production history, high-grade historical data, and well-developed underground access points that materially reduce the cost and time required to achieve initial resource definition.

Surface rock chip sampling has returned grades up to 46% Sb and 409 g/t Ag, with eight surface samples returning over 17% Sb and eighteen samples returning over 1.4% Sb, demonstrating a robust and spatially continuous mineralised system. At surface, stibnite veining extends for approximately 200 metres along strike, with quartz-carbonate veins locally reaching up to one metre in width. A 325 kilogram bulk sample from underground workings returned a head grade of 7.6–7.8% Sb, providing feed for the flotation testwork that has already produced a 68.1% Sb concentrate.

Figure 5: Location and grade range of surface samples collected at DAM



Source: Company

Up to 46% Sb and 1,022 g/t Ag, making it one of the highest-grade known antimony occurrences in the U.S.

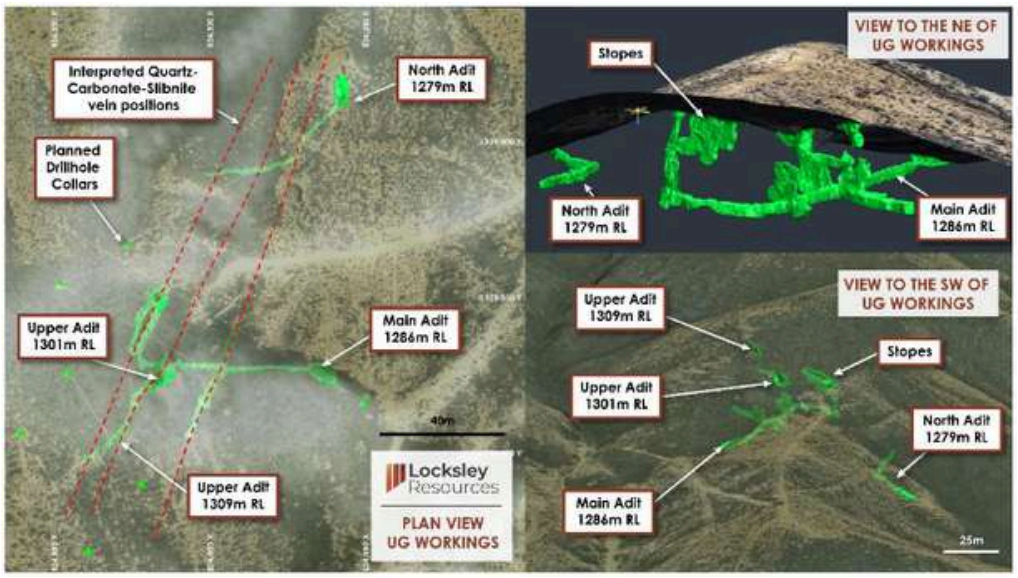
A high-resolution LiDAR survey from November 2025 (**Figure 6**) mapped ~236m of historical underground workings and supported a detailed 3D geological model. Together with surface structural mapping completed through August–September 2025, this work defined three quartz–carbonate–stibnite vein systems and improved understanding of the DAM prospect. The resulting dataset underpins the exploration target, comprising three interpreted vein systems extending up to ~800 metres of strike, and supports planned drilling (**Figure 7**). It has also enabled Locksley to define a JORC 2012 Exploration Target for DAM (see **Table 1**).

Table 1: Exploration Target for the Desert Antimony Mine Prospect (JORC 2012)

Range	Volume (m^3)	Tonnage	Sb Grade	Contained Sb Metal
Lower	270,000	772,000t	2.5% Sb	19,400t
Upper	483,000	1,382,000t	4.9% Sb	67,700t

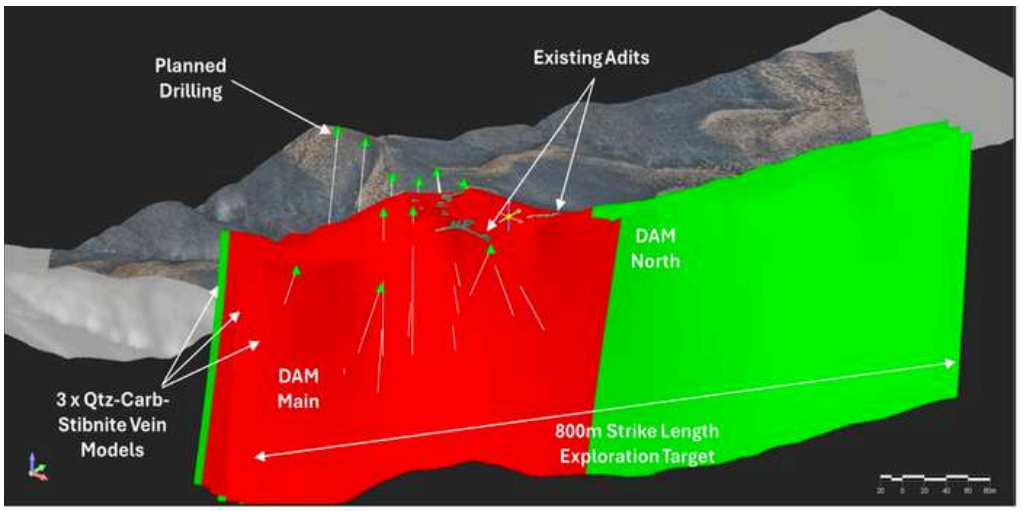
Source: Company

Figure 6: Underground LiDAR survey of the Desert Antimony Mine Workings and interpreted approximate surface position of the Quartz-Carbonate-Stibnite veins.



Source: Company

Figure 7: Desert Antimony Mine (DAM) Prospect target wireframes and plans for drilling (original plan of 14 holes for ~2,180m which then changed to 16 for 2,300m)

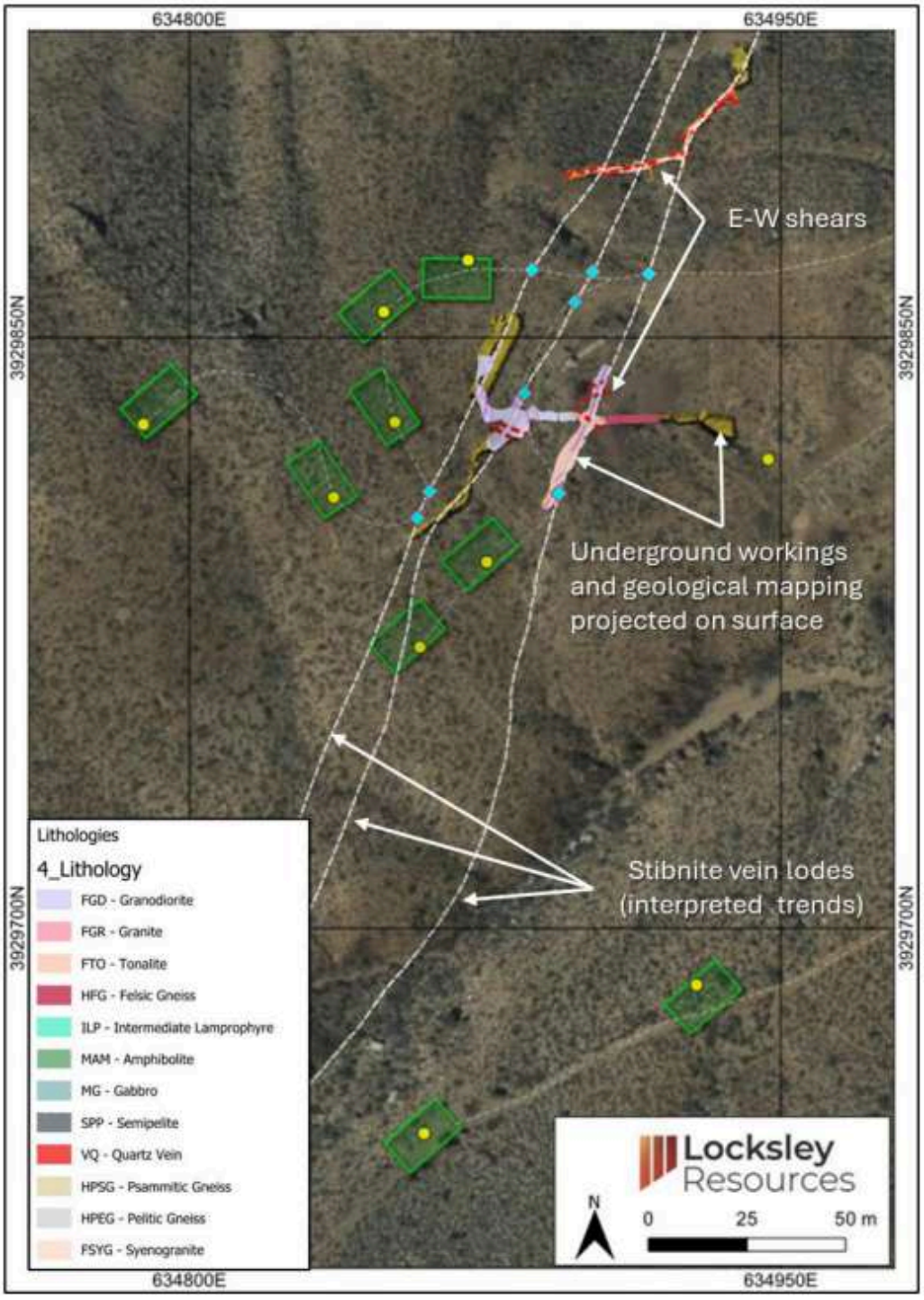


Source: Company

DAM Maiden Drilling Program

Diamond drilling commenced at the Desert Antimony Mine on 23 February 2026, the first systematic subsurface test of the project. The program targets extensions of known high-grade stibnite mineralisation below the historical underground workings, using up to 16 drill holes for approximately 2,300 metres (**Figure 8**). The expanded Plan of Operations (POO) covering this program received final BLM approval following resolution of the U.S. Government shutdown and acceptance of the required reclamation bond by the BLM in late 2025.

Figure 8: Location of planned drill hole collar locations at DAM (yellow points) and interpreted traces of mineralised veins (blue points).



Source: Company

Ahead of drilling, surface exposure mapping conducted during earthworks provided additional geological data, confirming the orientation and continuity of primary stibnite veins at surface and returning a peak grab assay of 16.9% Sb. These results support the interpreted continuity of high-grade mineralisation along strike and above the historical underground workings.
This work was complemented by detailed underground mapping, which confirmed the geometry of the primary north–south mineralised vein system and identified later east–west shears that offset and locally displace high-grade zones. These structural insights have improved targeting of faulted extensions at depth. In addition, regional mapping identified the Beefeater Shear, a 10–15 metre wide north–south corridor exhibiting analogous alteration and structural characteristics to the DAM system, highlighting the potential for additional parallel mineralised structures within the broader project area.

Assay results from the DAM drilling program are currently pending. Positive intercepts confirming the thickness, grade, and continuity of stibnite mineralisation below historical workings would represent a transition from surface-defined mineralisation to drill-validated subsurface continuity. This would support progression toward a JORC Mineral Resource Estimate, enable more advanced downstream engineering, and strengthen the basis for potential federal project financing.

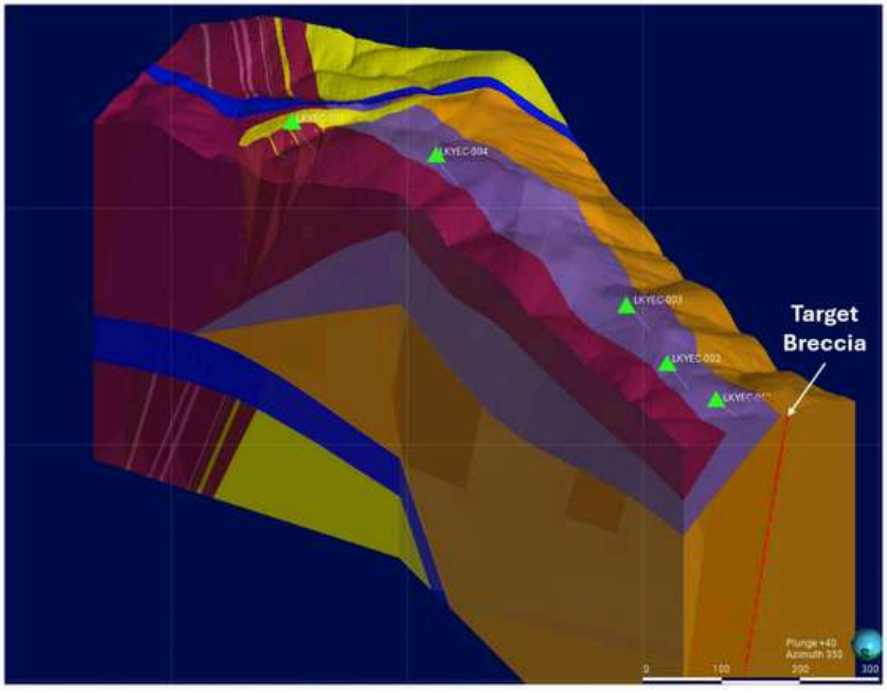
In parallel with drilling, the Company issued an Expression of Interest in December 2025 to shortlisted Tier 1 U.S. engineering firms for a Scoping Engineering Design covering a pilot processing plant at DAM, integrating ongoing metallurgical optimisation with engineering design. This workstream is progressing concurrently with drilling and reflects management's intention to compress the timeline from exploration success to pilot-scale production.

El Campo REE Prospect

Geology and Surface Mineralisation

The El Campo Rare Earth Element Prospect is located approximately 4 miles (6.4 kilometres) southeast of Mountain Pass infrastructure, with the El Campo claim block surrounded on three sides by MP Materials' tenements. This relationship is geologically significant: the Mountain Pass deposit is a carbonatite-hosted rare earth system, and El Campo hosts mid-Proterozoic carbonatite and alkaline intrusive rocks with documented surface REE mineralisation directly analogous to those found at Mountain Pass. The geological model is not a distant analogy, it is the same rock package, in the same structural setting, in an immediately adjacent tenement position.

Figure 9: Isometric view to the NW of the El Campo REE Prospect



Source: Company

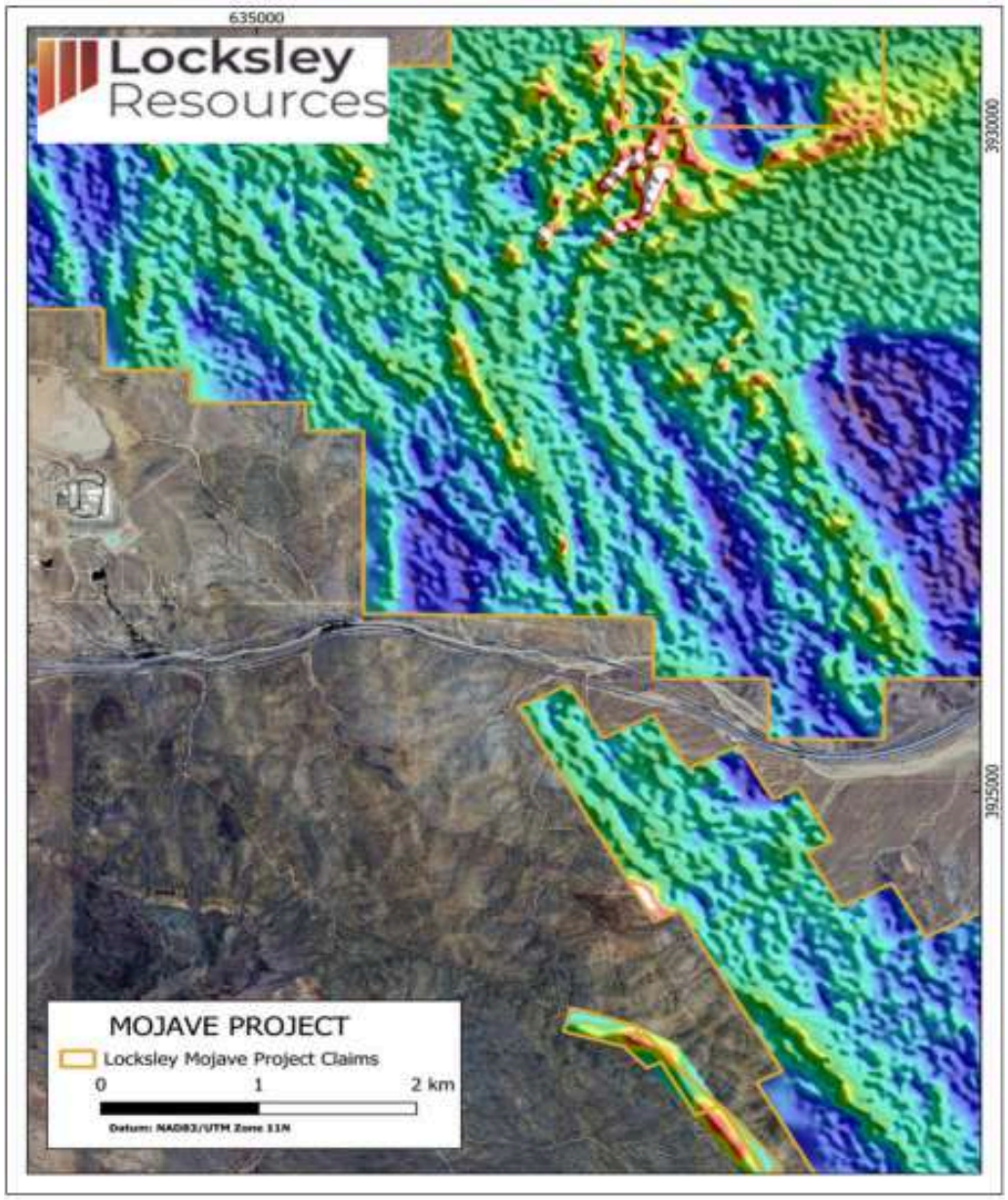
Up to 12.1% Total Rare Earth Oxides (TREO) and 3.19% neodymium-praseodymium (NdPr)

Surface exploration at El Campo has returned results ranging from 1.03% to 12.1% TREO across twelve high-grade rock chip samples, with up to 3.19% NdPr confirmed from initial sampling. The NdPr content is particularly significant: neodymium-praseodymium is the magnet rare earth suite most directly linked to electric vehicles, wind turbines, advanced defence platforms, and the permanent magnet motor revolution.

The high-grade outcropping sample from surface exploration defines a coherent approximately 900m prospective horizon. Detailed structural mapping has confirmed the primary REE-bearing shear zone dips steeply between 70 and 80 degrees to the southwest, a geometry highly favourable for down-dip continuity and consistent with underground mining potential at depth.

The helicopter-borne magnetic and radiometric survey completed during the December 2025 quarter identified a pronounced Thorium anomaly, a primary geochemical indicator of carbonatite-hosted REE mineralisation, trending parallel to and approximately 700m east of the El Campo Prospect. This discovery opens a second prospective REE trend at no incremental exploration cost and expands the district-scale potential of the North Block.

Figure 10: Map showing radiometric geophysical radiometric Thorium data.



Source: Company

El Campo Maiden Drilling: First-Ever Drill Test of a Mountain Pass Analogue Target

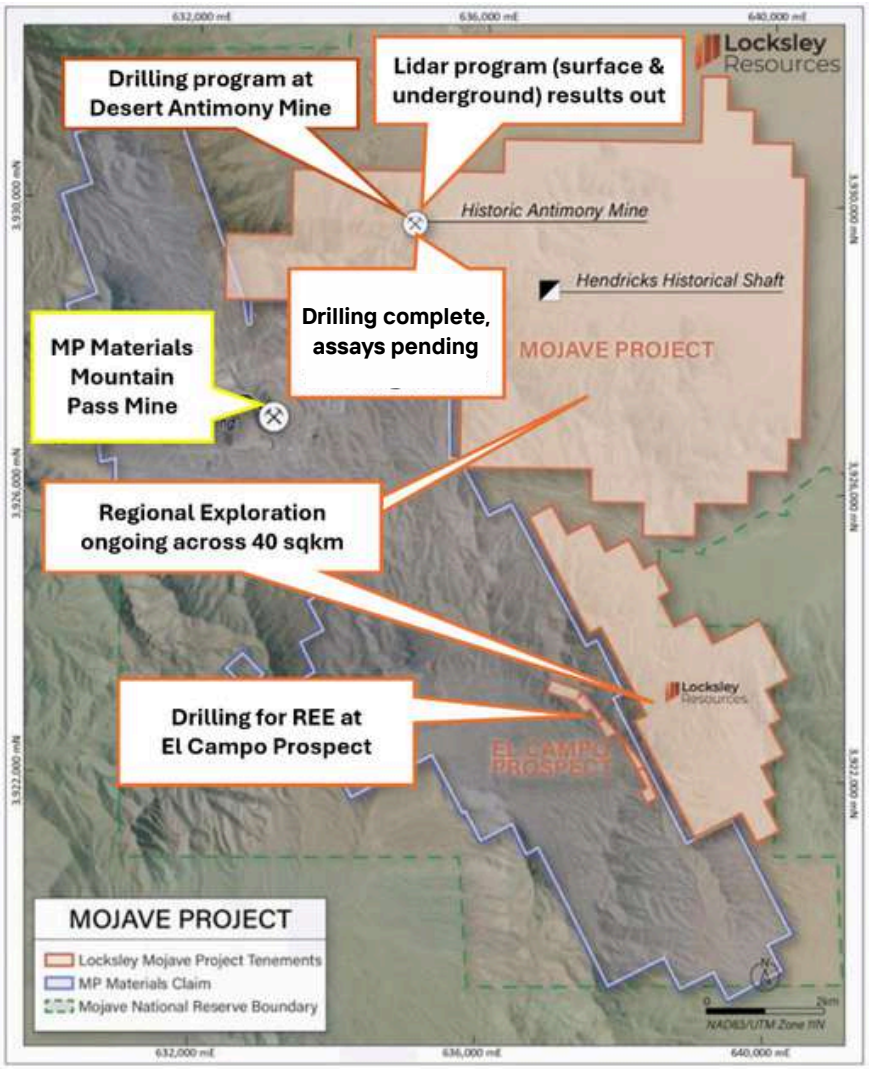
Diamond drilling at the El Campo REE Prospect commenced on 9 April 2026, representing LKY's first drill testing of REE mineralisation in the Mountain Pass corridor outside of MP Materials' own operations. The initial program comprises four diamond drill holes designed to test sheared carbonatite-hosted REE mineralisation along approximately 900 metres of strike. Drilling is expected to take approximately three weeks, with initial assays delivered thereafter.

The program targets the depth and lateral continuity of REE mineralisation identified at surface, with the structural model predicting that the steep southwest-dipping shear zone will maintain grade at depth. Core samples will also be used for detailed geological analysis and metallurgical testwork to assess REE recovery, a program specifically designed to support the development of a 3D geological model and guide follow-up exploration. Success at this stage is defined as any subsurface confirmation of carbonatite hosted REE mineralisation consistent with surface sampling grades, particularly where NdPr contribution exceeds 2% of TREO.

The strategic relevance of the El Campo program extends beyond the Company itself. The MP Materials–Department of Defense partnership announced in July 2025, which committed a 10-year NdPr price floor of US$110 per kilogram and US$400 million in DoD convertible preferred equity to Mountain Pass, has effectively positioned Mountain Pass as a national strategic asset and established a credible commercial framework for NdPr monetisation. A mineralisation discovery at El Campo would have the potential not only to re-rate Locksley, but also to introduce a relationship with the most important player in the U.S. rare earth sector.

Figure 11: Mojave Project Claims and Exploration Activities

Summary of the most recent exploration activities across the Mojave Project



Source: Company

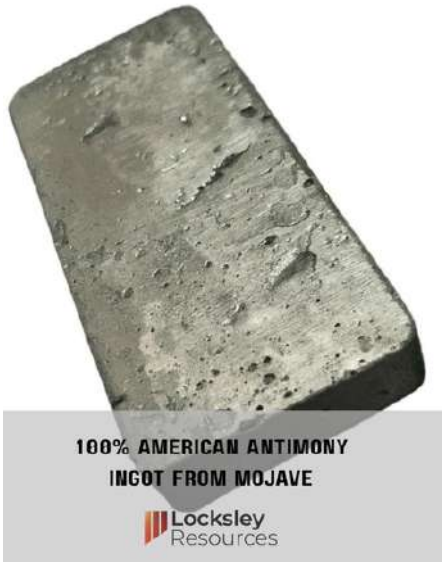
Mine-to-Market and Downstream Strategy

Downstream Milestones Establish Locksley as More Than an Explorer

Locksley's differentiation lies in its deliberate progression beyond conventional exploration toward a vertically integrated mine-to-market antimony platform in the United States. Rather than solely advancing a mineral asset and relying on third-party processors, the Company has spent the past 12 months systematically building technical, commercial and institutional frameworks aimed at restoring a domestic U.S. antimony supply chain.

This approach is particularly significant given the U.S. remains heavily reliant on imported antimony products, despite antimony's recognised importance in defence systems, semiconductors, energy storage, flame retardants and manufacturing. Against that backdrop, Locksley's Mojave Project is being positioned not simply as a mine restart opportunity, but as a potential strategic domestic source of antimony feedstock, refining capacity and downstream value-added products.

Figure 12: 100% American made antimony ingot from Mojave



Source: Company

Processing Milestones (Chronological)

Milestone 1: 68.1% Sb Flotation Concentrate (8 October 2025)
Second-stage cleaner flotation testwork on DAM surface samples, conducted by Independent Metallurgical Operations (IMO, a subsidiary of SGS Australia) and Base Metallurgical Laboratories in Arizona, delivered a high-grade concentrate grading 68.1% Sb, representing 95% of the theoretical maximum stibnite grade (71.68%). This result was achieved in only two preliminary tests, indicating a straightforward flowsheet, and demonstrated total antimony recoveries expected to exceed 80% with circuit optimisation and tails recycling.

The concentrate grade significantly exceeds the minimum marketable sales requirement of 55% Sb, validating the quality of the feedstock. This material serves as the upstream input for both the Hazen pyrometallurgical pathway and the Rice University DeepSolv™ advanced solvometallurgical program.

Milestone 2: 100% Made-in-America Antimony Ingot (20 October 2025)
Locksley successfully produced a 100% American-made antimony ingot using feedstock sourced from the Mojave Desert Antimony Mine and processed entirely within the United States by Hazen Research Inc. in Colorado. This marked the production of domestically sourced and refined antimony metal in the United States, highlighting progress toward establishing a fully integrated American mine-to-metal supply chain with reduced reliance on offshore and Chinese processing routes.

While bench-scale, the milestone is strategically important as it demonstrates the technical feasibility of converting Mojave mineralisation into saleable metal products entirely within U.S. borders. For investors, this reduces a key risk often associated with Western critical mineral projects, namely stranded ore without access to downstream refining capacity.

Figure 13: Interim pure antimony trioxide sample

Source: Company

Milestone 3: 99.5% Purity Antimony Trioxide (13 March 2026)
Continuing metallurgical campaigns through Hazen confirmed production of metallic antimony exceeding 99% purity before the program advanced to oxide production. On 13 March 2026, Locksley announced the successful production of 99.5% purity antimony trioxide (Sb_2O_3) from Desert Antimony Mine feedstock at bench scale, with purity confirmed by XRD analysis. This specification is significant as it aligns with higher-value end markets including munitions primers, military electronics, flame-retardant systems and specialised industrial chemicals.

The result demonstrates that Mojave feedstock can be upgraded beyond concentrate into premium refined products, materially expanding the Company's addressable market and downstream margin potential. Locksley has indicated the material is being targeted for qualification with offtake partners, metals traders and government supply chain participants. Antimony trisulphide, a strategic input into defence primer systems, is the next product qualification target.

Hazen Research: Near-Term Processing Bridge

On 5 November 2025, Locksley formalised its relationship with Hazen Research Inc. through a signed MoU, securing an immediate pathway for toll treatment, pilot-scale processing, metallurgical optimisation, product sampling and economic data generation. The agreement is strategically important because it may allow the Company to monetise ore, generate operational data and qualify products with customers well ahead of any standalone refinery build.

In practical terms, Hazen lowers execution risk by providing existing U.S.-based processing capacity while Locksley advances its own longer-term infrastructure. This positions Hazen as the commercial bridge between mine restart and future integrated processing operations.

Rice University and DeepSolv™: Proprietary Processing Optionality

In parallel, Locksley is advancing DeepSolv™ with Rice University, a green hydrometallurgical system designed to selectively recover antimony under mild conditions using environmentally benign reagents.

If commercialised, the technology could provide a lower-emission and potentially lower-capex alternative to conventional pyrometallurgical routes, while improving flexibility across multiple feedstocks and supporting ESG-aligned processing credentials. Importantly, DeepSolv™ may hold standalone licensing or partnership value beyond Mojave itself.

Preliminary process parameters, including solvent composition, leach kinetics, reagent recyclability and temperature optimisation, have already been established to support pilot demonstration plant scoping, indicating the programme is moving beyond conceptual research toward practical deployment.

Columbia University: Extending the Platform into Rare Earths

On 17 November 2025, Locksley announced a Sponsored Research Agreement with Columbia University, broadening the platform beyond antimony into rare earth elements and critical metals recovery.

The program is led by Professor Greeshma Gadikota of the Lenfest Center for Sustainable Energy and targets the Clark Mountain District in California, the same geological district hosting Locksley's El Campo REE Prospect. Research focuses on electrochemical and CO_2-assisted leaching systems targeting greater than 80% REE dissolution efficiency, complemented by AI-enabled ore mapping under active DOE and ARPA-E frameworks. Locksley has committed US$150,000 over 12 months to fund joint IP development.

The Columbia program is strategically complementary rather than duplicative: Rice addresses antimony via green hydrometallurgy; Columbia addresses REEs via electrochemical processing. Together they establish a dual-commodity, dual-university U.S. technology platform that positions Locksley to compete for non-dilutive federal funding. Locksley and Columbia are jointly preparing applications under the DOE's US$355 million "Mine of the Future – Proving Ground" initiative, the DoW Defence Production Act Title III, and NSF Critical Minerals and Emerging Technologies programs.

Advanced Materials and Energy Applications

Perhaps the clearest indication that Locksley is progressing beyond explorer status is its expansion into advanced antimony materials through Rice University.

Recent work includes antimony-coated nickel substrates for potential battery anode and semiconductor applications, Sb_2S_3/graphite composite anodes for lithium-ion and sodium-ion batteries, antimony-based flame-retardant additives aimed at improving battery safety, and industrial composite materials with enhanced durability potential.

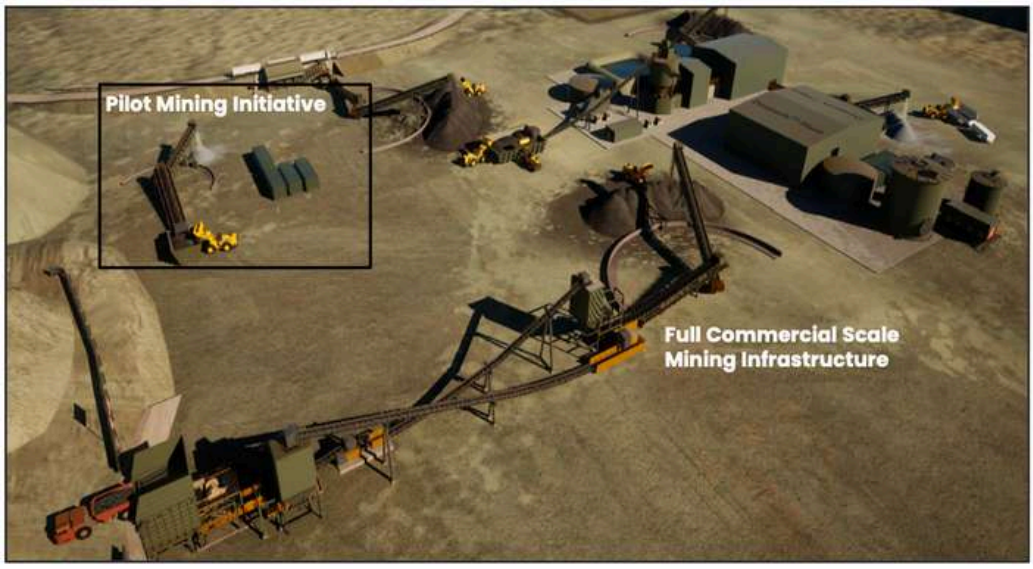
While early stage, these initiatives provide exposure to higher-margin technology markets beyond commodity pricing. If even one pathway reaches commercial relevance, Locksley's valuation framework could broaden from miner to specialty materials participant.

Development Pathway: Pilot Plant and Engineering

In December 2025, Locksley commenced the engineering partner selection process for the Desert Antimony Mine pilot plant, issuing an Expression of Interest to shortlisted Tier 1 U.S. engineering firms for a Scoping Engineering Design. The study is being integrated with ongoing metallurgical optimisation, allowing engineering design, flowsheet refinement and economic studies to progress concurrently. This parallel approach may compress development timelines compared with the traditional sequential model.

Partner selection prioritised U.S.-based capability and familiarity with San Bernardino County permitting, a practical advantage given the importance of local regulatory experience to timely project delivery. A formal RFP for the Pre-Feasibility Study was targeted for mid-Q1 2026, with processing-related contract awards expected by the end of Q1 2026.

Figure 14: Pilot Plant Initiative



Source: Company

Feedstock Strategy Enhances Scale Potential

Locksley has also pursued third-party feedstock through a Heads of Agreement with EV Resources for antimony material supply. By validating DeepSolv™ and refining circuits across multiple ore sources, the Company has the potential to build a broader North American antimony processing business sourcing both internal and external feedstock, widening the long-term strategic opportunity considerably beyond Mojave alone.

Why This Matters for Valuation

Most junior explorers are valued primarily on geology and speculative resource potential. Locksley is attempting to add additional valuation layers:

1. Mining asset value through Mojave production restart
2. Processing value through refining and toll treatment pathways
3. Strategic value as a U.S.-aligned critical minerals supplier
4. Technology value via DeepSolv™
5. Materials value via battery, semiconductor and specialty products

That multi-layered strategy means success does not rely on a single binary exploration outcome. Even modest mine output could become far more valuable if paired with domestic refining margins or downstream specialty products. Refining concentrate domestically instead of selling it offshore shifts the focus from resource tonnage to Locksley's supply chain position. Producing qualified oxide, trisulphide or metal for U.S. end users is typically associated with more advanced producers.

US Government Alignment

EXIM Bank Letter of Interest: US$191 Million

On 3 November 2025, the U.S. Export-Import Bank (EXIM) issued a non-binding Letter of Interest indicating the potential to provide up to US$191 million in project financing support for the Mojave Project. EXIM operates under a Congressional mandate to promote American economic and national security interests; its Supply Chain Resiliency Initiative (SCRI) and China and Transformational Exports Program (CTEP) specifically prioritise critical mineral projects that reduce foreign supply dependence.

The LOI is non-binding and subject to EXIM underwriting criteria, full due diligence (technical, financial, legal), and definitive documentation. Potential financing tenor of 10 years. The final amount, interest rate, and repayment terms are to be determined upon completion of due diligence. Notwithstanding these conditions, an EXIM LOI at this scale for an ASX-listed exploration company is exceptional and signals that the Mojave Project is being assessed within the highest tier of the U.S. critical minerals financing framework.

DOE Critical Materials Innovation Hub: Affiliate Membership

In February 2026, Locksley's U.S. subsidiary Enigma Strategic Minerals LLC was accepted as an Affiliate Member of the Department of Energy's Critical Materials Innovation Hub (CMI). Operated with participation from Oak Ridge National Laboratory and Lawrence Livermore National Laboratory, the CMI Hub provides access to DOE-funded R&D and facilitates collaboration with national laboratories on REE separation and antimony processing. Drill core from the DAM program is being supplied to Rice University and DOE-aligned CMI Hub programs for evaluation of pilot-scale processing.

NATO CAGE Registration and Defence Supply Chain Pathway

Locksley has initiated NATO Commercial and Government Entity (CAGE) registration, a prerequisite to becoming an approved U.S. defence vendor. This process, if completed, would open procurement opportunities with DoD prime contractors and defence-related supply chains for antimony trisulphide, trioxide, and ingot products. This step, in combination with the appointment of Lt. Gen. (Ret.) Schwartz and Stacy Newstead (Lockheed Martin), positions the Company to engage directly with DoD procurement frameworks.

U.S. Executive Order and Policy Environment

The March 2025 U.S. Executive Order on Critical Minerals Development accelerated BLM permitting for Locksley's DAM and El Campo programs with materially shortened timelines. The Order authorises funding under Title III of the Defence Production Act (DPA), including government grants, low-interest loans, and price floor commitments for domestic production, and assigns coordination to the National Energy Dominance Council (NEDC). Locksley has submitted a White Paper funding request under DPA Title III to advance project financing and accelerate first-mover status in restoring domestic U.S. antimony supply.

Relevance of MP Materials' DoD and Apple Partnerships

In July 2025, MP Materials (NYSE: MP) entered a multibillion-dollar public-private partnership with the U.S. Department of Defense: a 10-year NdPr price floor of US$110/kg, a 10-year offtake for 100% of magnets from MP's '10X Facility', US$400M in DoD convertible preferred equity, and US$150M in loans for heavy REE separation at Mountain Pass. MP also announced a US$500M multiyear supply agreement with Apple for domestically produced neodymium magnets. These agreements validate the strategic and commercial value of NdPr mineralisation within the Mountain Pass corridor – in which El Campo sits, 1.4 km from Mountain Pass infrastructure. The precedent established by the DoD-MP partnership is directly relevant to assessing the potential optionality of El Campo for future supply, licensing, or tolling arrangements.

Antimony: Strategic Value Driven by Supply Insecurity

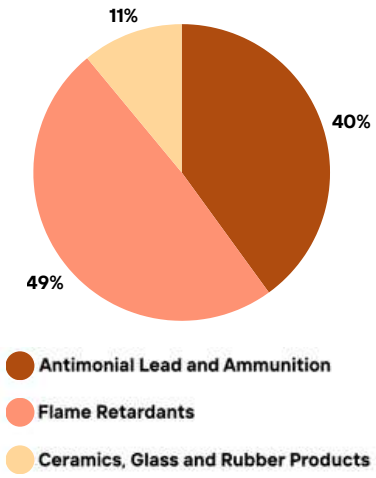
Antimony has re-emerged as a strategically important critical mineral as Western governments seek to secure supply chains for defence, energy storage and advanced manufacturing. Its versatility gives it various applications where antimony compounds are used in flame-retardant systems, lead-acid batteries, metal alloys and catalytic and chemical processes, and the US, EU, Japan, Australia, Canada and the UK all classify antimony as a critical mineral.

Antimony trioxide (Sb_2O_3), the most commercially significant antimony compound, functions as a synergist rather than a primary flame retardant. When combined with halogenated flame retardants, antimony trioxide creates a powerful fire-suppression effect that far exceeds what either component could achieve independently.

In alloys, small additions of antimony harden lead for ammunition and battery grids, improving mechanical strength and durability. Defence and advanced-technology uses extend from bullets, artillery primers and armour-piercing projectiles to antimony-based semiconductors used in night-vision goggles, infrared sensors and specialised electronics. Antimony's role in certain semiconductor and solar technologies further ties it to broader energy security.

The United States currently has no significant domestic antimony mine production and imports essentially all of its supply, much of it from China and other higher-risk jurisdictions, which is why antimony consistently appears near the top of U.S. supply-risk rankings.

Figure 15: U.S. Antimony End Use 2025

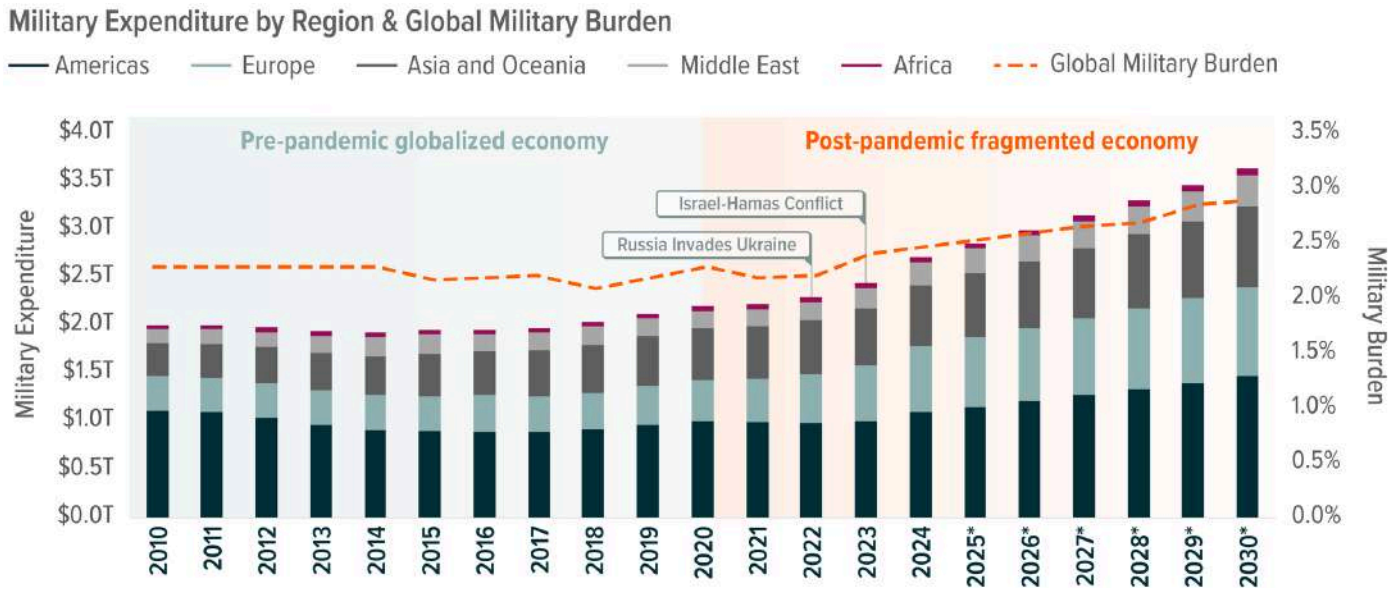


Source: U.S. Geological Survey, 2026[1].

Critical Mineral Shortages: Defence Spending May Create Additional Tailwinds for Antimony

Critical minerals were already under strategic focus well before the latest Middle East tensions. However, rising geopolitical uncertainty has sharpened attention on supply chain vulnerabilities tied to defence manufacturing. Antimony may now be positioned to benefit not only as a critical mineral, but increasingly as a defence-linked commodity.

Figure 16: Global Military Expenditures Grew 9.4% YoY in 2024, the Fastest Growth Rate Since the End of the Cold War



*Forecast

***Note**: Military burden refers to the proportion of GDP allocated to military expenditures.*

Source: Global X ETFs[3]

S&P Global published a report on 4 March 2026, warning that shortages in minerals such as antimony, tungsten, gallium and germanium could constrain the United States' ability to replenish weapons inventories during a prolonged conflict[2]. These materials are essential across ammunition systems, electronics and advanced military hardware, making secure supply increasingly important.

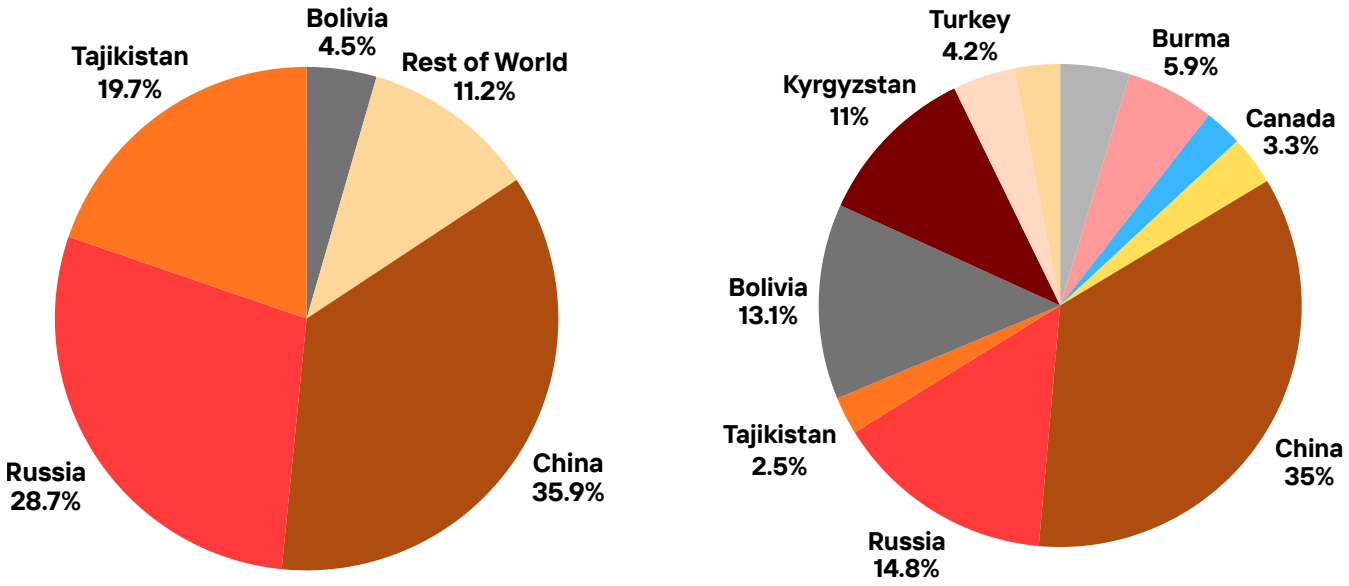
Antimony has particular relevance through its use in ammunition alloys, primers and flame-retardant materials used in defence applications. With global supply heavily concentrated, the metal is emerging as a strategic vulnerability rather than simply an industrial input.

In response, the U.S. Department of Defense announced a US$27 million investment in February 2026 to support domestic extraction, processing and refining of antimony. Also on Feb. 27, the day before launching attacks on Iran, the Pentagon put out a request to miners asking if they can accelerate the development of mines to produce tungsten and 12 additional elements.

As geopolitical risks rise, governments may increasingly look to secure local production, rebuild stockpiles and reduce dependence on foreign-controlled sources. In that environment, antimony's growing role as both a critical mineral and defence mineral could provide medium-term support for prices and strengthen the value of emerging Western producers.

According to the US Geological Survey, around 85% of global antimony production is concentrated in China, Russia and Tajikistan. China's tighter export stance has further exposed Western dependence and contributed to elevated prices and volatility (see **Figure 20**).

Figure 17 (left): 2025 World Antimony Mine Production Figure 18 (right): 2025 World Antimony Reserves



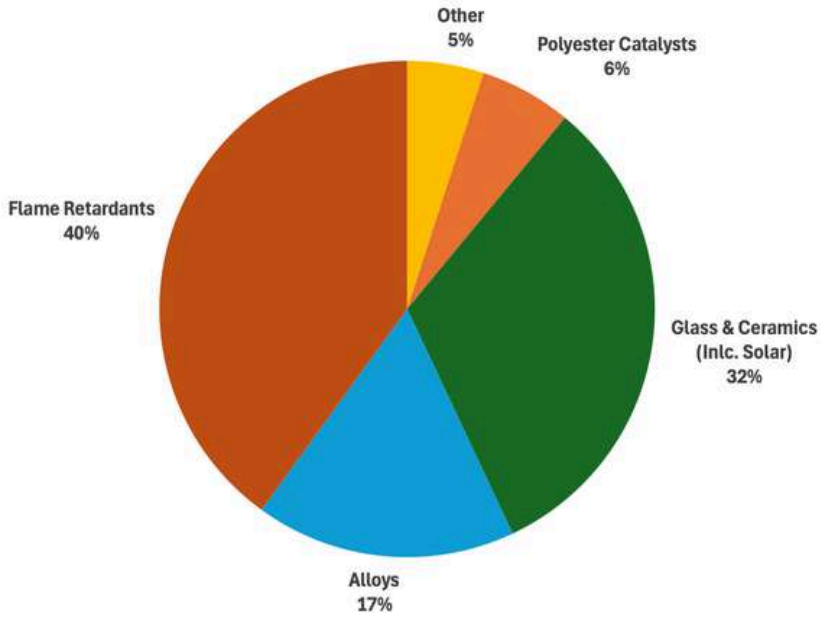
Source: U.S. Geological Survey (2026)[1] Antimony and Peak Asset Management Analysis

Strong Global Demand Drivers Across Multiple Sectors

Antimony plays a critical role in advancing solar technology. It improves light absorption and charge transport, boosting energy conversion efficiency. Antimony compounds also enhance the thermal stability of solar panels, allowing them to operate reliably under extreme conditions.

China Merchants Securities forecasts that demand for antimony from the photovoltaic (PV) sector will rise sharply, increasing from 16,000 tons in 2021 to 68,000 tons in 2026[4]. This would lift the sector's share of total antimony consumption from 11% to 39%. At the same time, the global supply gap is projected to widen from 8,000 tons in 2022 to 21,000 tons by 2026[5]. The rapid buildout of solar energy in China underpins this surge in demand, with the country commissioning as much solar PV capacity in 2023 as the entire world did in 2022[6].

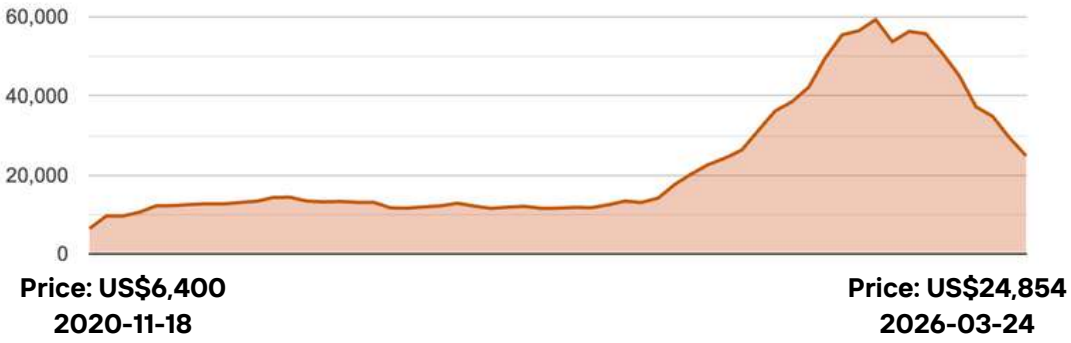
Figure 19: Global Antimony Demand Breakdown, 2026



Source: Fastmarkets, China Merchants Securities, BMO Capital Markets Estimates[7]

On August 14 2024, China introduced new export licensing requirements for antimony ore, metals, oxides, and related compounds, citing "national security." Just months later, on 3 December 2024, China escalated these measures by imposing a full export ban to the United States, triggering severe supply chain disruptions (**Figure 20**). Antimony price surged from US$5,500 per tonne in 2019 all the way to ~US$60,000 per tonne in 2025[8].

Figure 20: Antimony price hit all time high in July 2025, still up ~288.34% at US$24,854



Source: Scrap Monster (n.d.) and Peak Asset Management Analysis[8]

China licensing requirements and a full export ban on Antimony to the United States triggered severe supply chain disruptions and significant price increases

Rare Earths: Supply Constraints and Structural Demand

Rare earth elements (REEs) are a family of 17 metals whose unusual magnetic, optical and catalytic properties make them embedded, irreplaceable inputs in the energy transition and in modern defence and electronics. They underpin the performance of EV traction motors, direct-drive wind turbines, precision-guided munitions, radar and communications systems, as well as smartphones, data-centre hardware and high-end industrial automation. Unlike bulk commodities, REEs are relatively abundant in the Earth's crust but rarely occur in high-grade, economically mineable concentrations. They are widely dispersed, typically found together and require chemically intensive separation, so the supply of each element is governed by co-product chemistry and processing capacity rather than by its own demand profile.

MREO typically consists of the following four primary rare earth oxides:

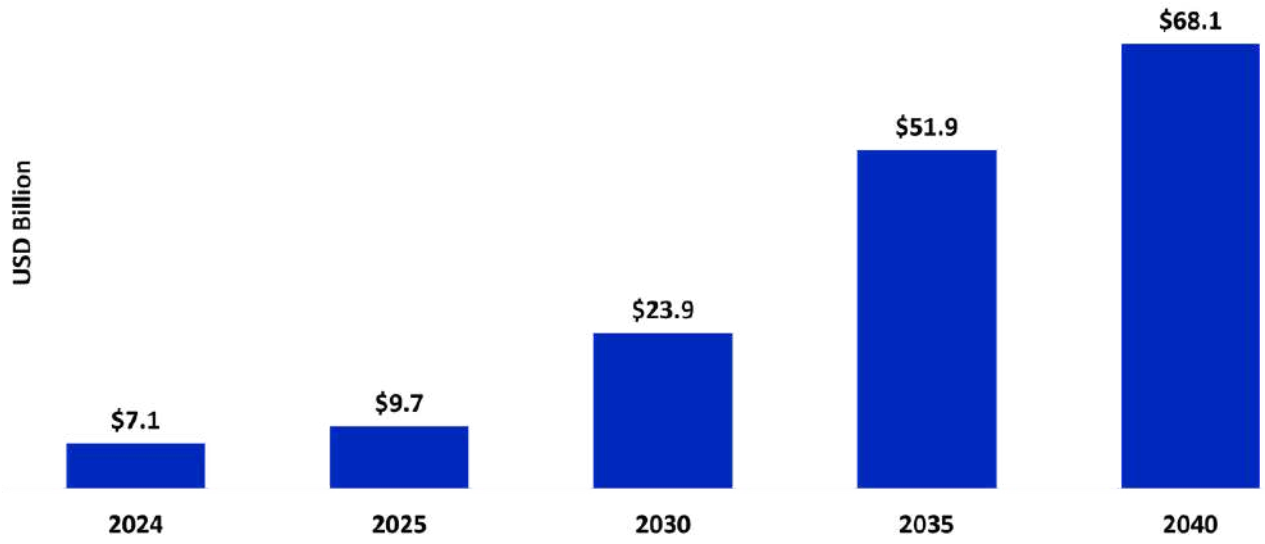
- ***Neodymium Oxide (Nd_2O_3):***
- ***Praseodymium Oxide (Pr_6O_{11}):***
- ***Dysprosium Oxide (Dy_2O_3):***
- ***Terbium Oxide (Tb_4O_7):***

The most important downstream application for rare earths is the neodymium-iron-boron (NdFeB) permanent magnet, which accounts for approximately 45% of total rare earth demand by value and can drive marginal pricing power. These magnets, alongside samarium-cobalt (SmCo) variants, offer exceptional strength-to-weight ratios, thermal stability, and resistance to demagnetisation, enabling the miniaturisation and enhanced performance of electric vehicles, wind turbines, industrial systems, consumer electronics, and advanced defence platforms.

Global EV production is projected to reach approximately 22.9 million units in 2026, with each vehicle requiring 1 to 3 kilograms of NdPr oxide[9]. Offshore wind capacity is growing at approximately 14.3% annually, with large direct-drive turbines requiring 200 to 600 kilograms of NdPr per megawatt of installed capacity[10]. Industrial robotics, precision motors, and consumer electronics provide an additional durable base of demand that partially insulates the market against weakness in any single end-use segment.

With total magnet-related rare earth oxide (MREO) demand forecasted to increase at a CAGR of 8.4% and prices projected to increase at CAGRs of 4.0% to 5.5% over the same period, Adamas Intelligence forecasts that the value of global MREO demand will increase more than seven-fold by 2040, from $9.7 billion in 2025 to $68.1 billion by 2040 (see **Figure 21**)[11].

Figure 21: Value ($USD) of Global Magnet Rare Earth Oxide Demand



Source: Adamas Intelligence[11]

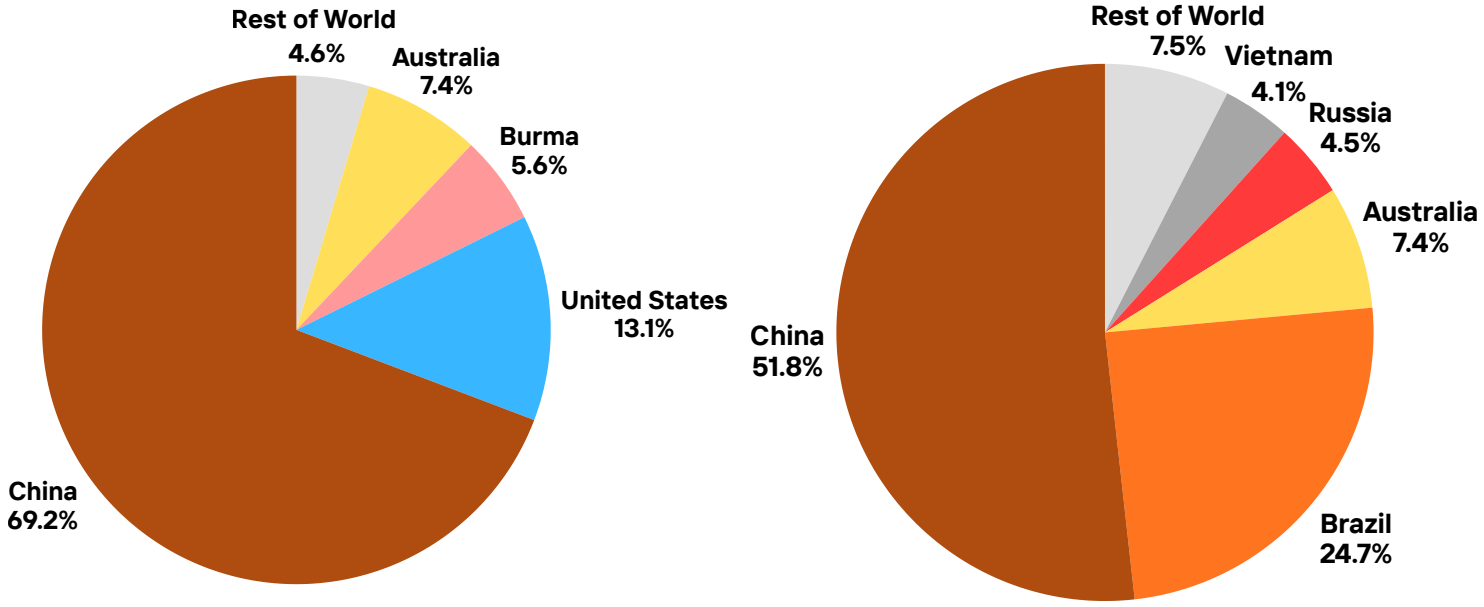
China controls an estimated 85-90% of global rare earth refining and separation capacity and over 90% of NdFeB magnet manufacturing

Global Supply Dynamic: Chinese Value Chain Dominance

China's dominance of the global rare earth supply chain remains overwhelming and structural. It produced about 270,000 tonnes of REO in 2025, roughly 69% of global mine output of 390,000 tonnes, and still controls an estimated 85–90% of global refining and separation capacity and more than 90% of NdFeB magnet manufacturing, giving it effective control from mine to magnet[12]. Between 2021 and 2024, China (including Hong Kong) accounted for 71% of U.S. rare earth compound and metal imports, with Malaysia (13%), Japan (5%) and Estonia (5%) providing most of the balance[13].

U.S. domestic production has increased, with output from Mountain Pass and associated facilities rising to 51,000 tonnes REO in mineral concentrates and about 8,900 tonnes of compounds and metals in 2025, yet the United States still relies on imports for around two-thirds of its rare earth compound and metal consumption[14]. Australia, the third largest producer, produced 29,000 tonnes REO in both 2024 and 2025, Burma/Myanmar (22,000 tonnes), Thailand (4,800 tonnes), while the balance of mined supply came from various countries in smaller outputs[14]. Even though non-Chinese mines now account for roughly 30% of global REO output, the majority of this ex-China material is still exported to China for separation and magnet manufacture. At least for now, the downstream value chain remains overwhelmingly concentrated in China, keeping Western supply chains structurally dependent.

Figure 22 (left): 2025 World Rare Earth Mine Production Figure 23 (right): 2025 World Rare Earth Reserves



Source: U.S. Geological Survey (2026) Rare Earths[15] and Peak Asset Management Analysis

China's Export Restrictions

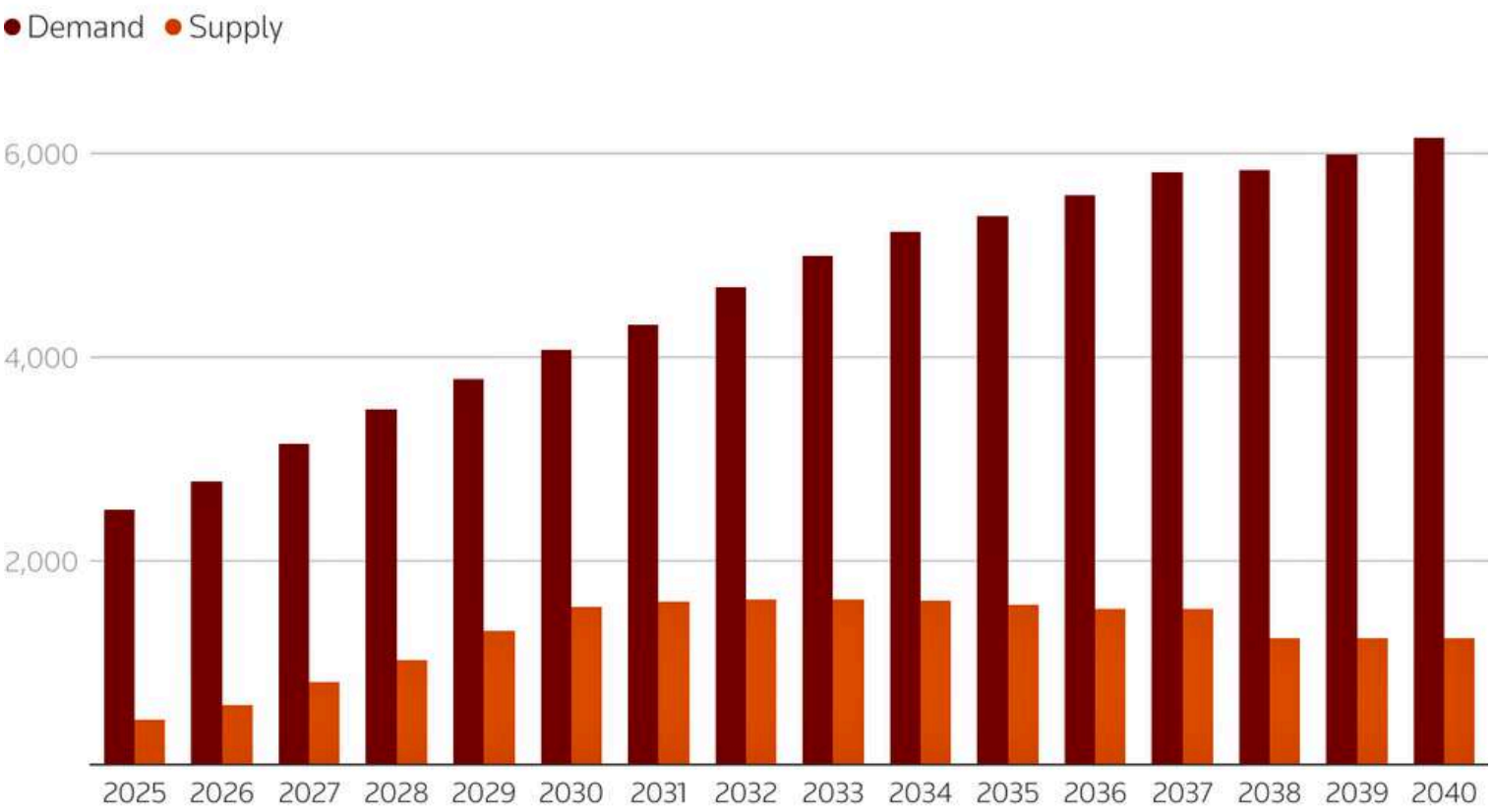
In April 2025, China imposed export licensing controls on seven heavy rare earth elements, immediately disrupting global supply chains and driving sharp price spikes in dysprosium and terbium oxide[16]. A second wave of controls in October 2025 expanded restrictions to cover 12 of the 17 rare earth elements, though parts of the October measures were suspended until November 2026 amid broader trade negotiations[16]. The April regime remains fully in force and consequences have been structural. Western manufacturers and defence contractors are now actively seeking non-Chinese supply, creating a two-tier market where Western-origin material commands a meaningful price premium.

Highlighted in **Figure 22** and **Figure 23,** China maintains near-complete dominance across the entire rare earths value chain. While other countries host significant reserves, seen in **Figure 23**, China's integration of mining, refining, separation, and downstream manufacturing, particularly for high-purity rare earth oxides and permanent magnets, has allowed it to set global price benchmarks and exert considerable geopolitical leverage[17].

Heavy Rare Earth Elements: The Most Critical Vulnerability

While light rare earths such as neodymium and praseodymium dominate magnet demand by volume, heavy rare earth elements (HREEs) are the defining choke-point for Western supply chains. Terbium, dysprosium, holmium, erbium, thulium, ytterbium and lutetium are used in high-strength magnets, industrial and medical lasers, fibre optics, catalysts for petroleum refining and specialised medical and scientific equipment, but are far less abundant in the Earth's crust and are concentrated in a limited number of deposits, particularly ion-adsorption clays in southern China. In 2025 the United States imported an estimated 100 tonnes of heavy rare earth compounds and metals and remained 100% net import reliant, with shipping records indicating that terbium and holmium imports came entirely from China, and erbium, ytterbium and lutetium were sourced predominantly from China with minor volumes routed via Germany, the Netherlands, Chile, Japan and Korea from concentrates produced elsewhere[14].

Figure 24: Supply Gap in Heavy Rare Earths due to Widen Outside of China

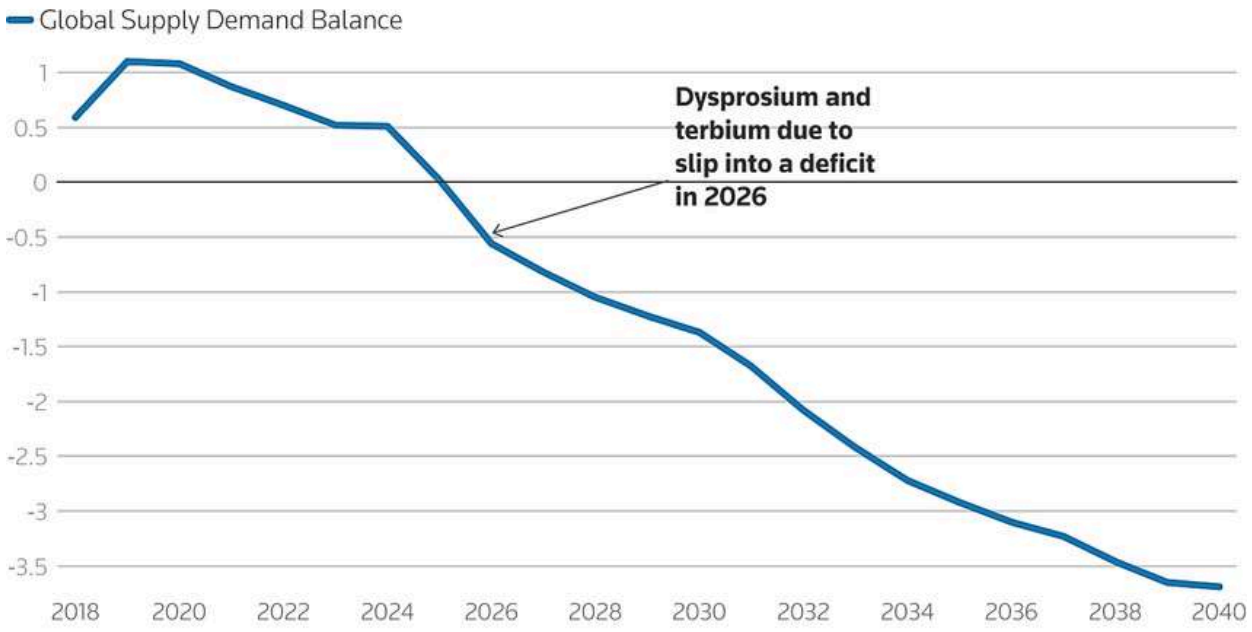


Note: Demand is dysprosium and terbium oxide consumed ex-China in auto production and wind installations in metric tons; supply is mined dysprosium and terbium supply ex-China and ex-Myanmar in tons of oxides

Source: Reuters, CRU[18]

Price data from the USGS underscore both the value and volatility of HREEs: terbium oxide averaged about US$1,010/kg in 2025 (after spiking above US$2,000/kg in 2022), while dysprosium oxide averaged US$239/kg, with holmium, erbium, ytterbium and lutetium oxides[19] also trading at significant premiums to light rare earths . Despite this price signal, USGS notes that, as of 2025, at least five companies were only in the process of developing commercial-scale heavy rare earth processing and refining capacity, and none had yet achieved sustained commercial-scale production, meaning Western demand is still almost entirely met by Chinese refiners.

Figure 24: Global Supply-Demand Balance for Dy and Tb Oxides ('000s of Metric Tonnes)



Source: Reuters, CRU[18]

Western governments are starting to respond. In August 2025 the U.S. Department of Defense provided a US$150 million direct loan to the Mountain Pass operator to construct a heavy-rare-earth separation facility, and in the same year extended US$80 million in loans and US$5.1 million in grants to two U.S. recyclers to recover terbium and dysprosium from end-of-life magnets[20,21,22]. Outside the U.S., an Australian producer announced plans in October 2025 to build a heavy rare earth separation plant in Malaysia, and a Brazilian ionic-clay operation producing concentrates enriched in terbium and dysprosium secured a US$465 million loan from the U.S. International Development Finance Corporation to scale production, highlighting the emerging but still embryonic non-Chinese HREE supply base[23,24].

This USGS data reinforces that light REE supply can, over time, be diversified across multiple deposits and jurisdictions, whereas heavy REEs cannot. For LKY, this context strengthens the strategic argument that any incremental HREE content within Mojave's mineral system could attract substantial interest as Western governments and OEMs move from simply securing NdPr toward locking in reliable terbium and dysprosium streams.

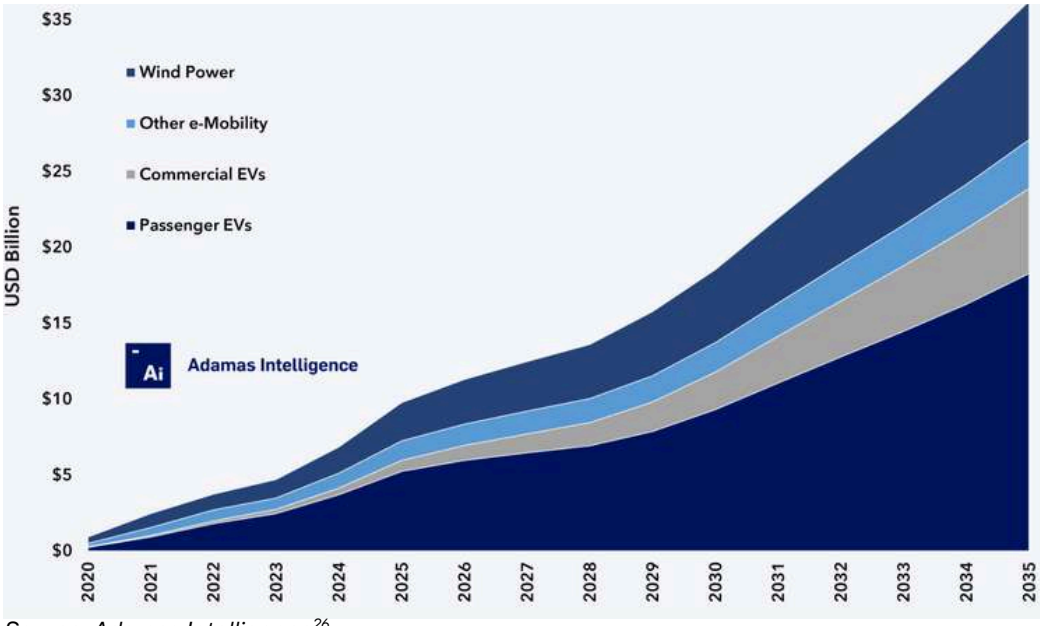
Why Invest in REE Supply Chains?

The strategic imperative for investing in ex-China rare earth supply chains is driven by these three forces: irreplaceable demand growth, geopolitical supply risk and unprecedented government support.

1. Structural demand growth from energy transition and defence modernisation

From 2024 through 2040, forecasts predict global demand for NdFeB magnets will increase at a CAGR of 8.7%, bolstered by double-digit growth for robotics, advanced air mobility and electric vehicle sectors, translating to comparable demand growth for the critical rare earth elements these magnets contain[25]. Defence applications, while smaller in absolute volume, are growing rapidly as Western militaries modernise fighter jets, drones, precision-guided munitions, radar systems and electronic warfare platforms, all of which depend on high-performance rare earth magnets.

Figure 25: Value of global magnet rare earth oxide demand



Source: Adamas Intelligence[26]

2. Geopolitical supply concentration and export-control risk

With China controlling over 90% of global magnet production and over 99% of refined dysprosium and terbium supply, Western economies face structural vulnerability to supply disruption. The 2025 export restrictions demonstrated that China is willing to weaponise rare earth supply for geopolitical leverage, and this risk is not transitory. Allied governments in North America, Europe, Australia and Japan have designated rare earths as "critical minerals" and have been treating supply-chain security as a matter of national security.

3. Unprecedented government de-risking and price support

Western governments are now directly de-risking rare earth investments through a combination of grants, equity stakes, loan guarantees, tax credits and offtake commitments. The July 2025 agreement between the U.S. Department of Defense and MP Materials, which established a 10-year offtake contract with an NdPr floor price of US$110/kg, represents a new benchmark for the ex-China industry.

Rare Earth Comparables

Table 2: REE Comparables

Company	Ticker	Mkt Cap	EV	Cash / Mkt Cap	Deposit Type	Stage	Main Value Marker	Key Project Grade (%)
Locksley Resources Ltd	**ASX:LKY**	**A$65.6M**	**A$48.9M**	**25.5%**	**Hard rock Sb-REE**	**Early exploration**	**High-grade surface / early drill results**	**Up to 12.1% TREO**
MP Materials Corp.	NYSE:MP	US$10.8B A$16.7B	US$9.9B A$15.3B	16.9%	Carbonatite	Production	Operating producer	29.69Mt @ 5.97% TREO
American Rare Earths Ltd	ASX:ARR	A$206.9M	A$182.1M	12.0%	Large-tonnage REE	Resource / study	2.63 Bt JORC resource	Red Mountain: Average of 0.37% TREO up to 1.37% TREO
Dateline Resources Ltd	ASX:DTR	A$945.8M	A$919.2M	2.8%	Hard rock Gold-REE	Advanced exploration	1.1 Moz gold resource + HREE at Music Valley	Music Valley: rock chip sampling of 6.69% - 15.04% TREO
Vital Metals Ltd	ASX:VML	A$36.6M	A$26.0M	28.9%	Carbonatite / alkaline REE	Scoping-study	Nechalacho (Tardiff) large high-grade LREO deposit; PFS in progress	192.7 Mt @ 1.30% TREO
Defense Metals Corp.	TSXV:DEFN	C$85.0M A$96.2M	C$92.9M A$105.3M	0.8%	Carbonatite REE	Pre-feasibility (PFS complete)	29.3 Mt @ 2.27% TREO; PFS NPV US$1.8B	29.3 Mt @ 2.27% TREO
Mont Royal Resources Ltd	ASX:MRZ	A$39.6M	A$27.2M	21.4%	Carbonatite REE (monazite)	Resource / PEA	Ashram: 204 Mt @ ~1.9% TREO (N. America's largest undeveloped REE)	204 Mt @ ~1.9% TREO
Geomega Resources Inc	TSXV:GMA	C$47.8M A$54.2M	C$44.6M A$50.6M	5.6%	Carbonatite REE + recycling tech	Resource / tech development	Montviel (REE-Nb, QC); magnet-recycling demo plant under construction	266 Mt @ 1.45% TREO

Source: Company announcements (most recent release) and Peak Asset Management analysis, as at 27 April 2026

Antimony Analysis

Table 3: Antimony Comparables

Company	Ticker	Mkt Cap	EV	Cash / Mkt Cap	Deposit Type	Stage	Main Value Marker	Key Project Sb Grade (%)
Locksley Resources Ltd	**ASX:LKY**	**A$65.6M**	**A$48.9M**	**25.5%**	**Stibnite vein system**	**Early exploration / maiden drilling**	**Desert Antimony Mine: assays up to 46% Sb; 1.4 km from Mountain Pass**	**Up to 46% Sb**
Nova Minerals Ltd	ASX:NVA	$316.99	$263.9	18.7%	Intrusion-related Au-Sb	Exploration / Early development	Estelle: 9.9 Moz Au resource + Stibium antimony upside / maiden Sb MRE targeted	Surface Samples up to 60.5% Sb & 20 samples > 20% Sb
Perpetua Resources Corp	NASDAQ:PPTA	US$3.64B A$5.46B	US$2.9B A$4.4B	19.6%	Open-pit Au-Sb-Ag	Development / early works construction	Stibnite Gold Project: only U.S. antimony reserve / largest known U.S. antimony resource	Intercepts outside Hangar Flats Pit: Up to 2.14% Sb Scout: Up to 6.0% Sb
United States Antimony Corp.	NYSE:UAMY	US$1.4B A$2.1B	US$1.37B A$2.05B	2.2%	Integrated Sb processor / smelter	Producer / processor	Only significant U.S. antimony smelter; vertically integrated antimony business	Only significant U.S. antimony smelter; vertically integrated antimony business
American Tungsten & Antimony Ltd	ASX:AT4	$114.2M	$101M	11.1%	Hydro-thermal Sb	Advanced exploration / resource drilling	Antimony Canyon target: 6.1–6.9 Mt at 1.4–2.3% Sb on patented fast-track claims	6.1-6.9 Mt @ 1.4% - 2.3% Sb, with grades up to 33.2% Sb
Resolution Minerals Ltd	ASX:RML	$144.7M	$129.5M	10.5%	Sb-Ag vein system	Exploration / early development	Horse Heaven: Idaho antimony platform with FAST-41 backing + Golden Gate gold discovery	Horse Heaven: Recent grab samples returned 31.7–48.7% Sb
Felix Gold Ltd	ASX:FXG	$131.1M	A113.9$M	13.1%	High-grade Near-Surface Sb system	Near-term development / pre-production	Treasure Creek: military-grade antimony from U.S. ore; near-term production pathway	Treasure Creek: Peak values up to 65.4% Sb

Source: Company announcements (most recent release) and Peak Asset Management analysis, as at 27 April 2026

Re-rating Catalysts

We view Locksley Resources as well positioned for a positive re-rating as the Mojave Project progresses from early-stage exploration toward a more clearly defined development pathway. The delivery of key drilling, funding and downstream milestones should provide the following catalysts, which could unlock significant shareholder value and renew market interest in the Project. Several active workstreams are also expected to generate consistent news flow across the near to medium term.

Desert Antimony Mine Drill Assays
Diamond drilling at the Desert Antimony Mine commenced in February 2026, targeting extensions beneath historical workings within an Exploration Target of 772kt–1.38Mt at 2.5–4.9% Sb. Surface sampling has returned up to 16.9% Sb, supporting continuity along strike. Pending assay results represent the key near-term catalyst, where confirmation of grade, thickness and continuity would support progression to a maiden JORC Mineral Resource.

El Campo Drilling
Drilling at El Campo commenced in April 2026, testing ~900 metres of strike with surface grades up to 12.1% TREO including 3.19% NdPr. This is one of the first systematic drill programs of the REE system proximal to Mountain Pass. Subsurface confirmation would validate El Campo as a second mineralised system alongside the Desert Antimony Mine, expanding project scope and strengthening positioning within U.S. rare earth supply chains.

Government Funding
The US$191M EXIM Letter of Interest (November 2025) remains non-binding and subject to full underwriting and approval. Conversion to a binding facility, alongside potential support from DPA Title III and DOE funding pathways, would reduce reliance on equity funding and support a re-rating.

Scoping Study and Commercial Pathway
The Tier-1 U.S. engineering EOI process has progressed to RFP stage, with processing scopes targeted for award. In parallel, the Hazen Research toll-processing MoU provides a pathway to early commercial validation. Delivery of a scoping study, tolling agreement or offtake term sheet would establish an initial economic framework and reduce execution risk.

Downstream Validation
Testwork has delivered a 68.1% Sb concentrate and 99.5% Sb_2O_3, with >99% metallic antimony achieved via the Hazen pyrometallurgical program. The next phase is scaling these results through pilot processing and product qualification with U.S. defence and industrial offtakers. Conversion to commercial agreements would validate product marketability and introduce potential early revenue ahead of mine development.

JORC Resource Conversion
Conversion of drilling success at either DAM or El Campo into a maiden JORC Mineral Resource Estimate would represent a major re-rating catalyst, de-risking the Mojave Project and supporting a clearer road to valuation, funding and development.

Strategic Positioning – Policy and Market Tailwinds
The U.S. remains fully import-dependent for antimony, with annual demand of 25,000–30,000 tonnes and no domestic refining capacity. Federal policy continues to prioritise domestic supply chains, supported by investment in adjacent assets including Mountain Pass. Locksley's positioning within this framework provides a supportive backdrop for valuation as project milestones are delivered.

Key Risks

Although Locksley presents a compelling early-stage U.S. critical minerals opportunity, several material risks could impact the investment case:

Exploration Risk
Locksley has no JORC Mineral Resource at either DAM or El Campo, with the DAM Exploration Target (772kt–1.38Mt at 2.5–4.9% Sb) based on underground LiDAR rather than drilling. Maiden drilling may not confirm the grade, continuity or scale implied by surface and underground sampling. Weaker or inconsistent results would delay resource definition and reduce confidence in the project, impacting valuation.

Commodity Price Risk
Antimony and rare earth markets are opaque, illiquid and heavily influenced by Chinese policy. The November 2025 U.S.–China trade agreement, which suspended export controls, highlights the potential for rapid pricing shifts. A sustained decline in Sb or NdPr prices would weaken project economics and reduce sector multiples.

Regulatory and Political Risk
The investment case is closely tied to U.S. policy support. Any shift in federal priorities could impact EXIM, DPA Title III and DOE funding pathways, reducing access to non-dilutive funding and delaying project advancement.

Financing and Capital Access
The Company held ~A$19.5M cash at 31 December 2025 following a A$17M placement, with quarterly burn of ~A$3.6M. Advancement toward pilot plant development or mine restart will require additional capital. If raised during weaker market conditions or following negative drill results, funding may be dilutive.

Metallurgical Scaling Risk
The US$191M EXIM Letter of Interest is non-binding and subject to full technical, financial and legal approval. For a pre-resource explorer, this requires delivery of a JORC resource, feasibility studies, permitting and offtake. Final size and pricing remain unconfirmed, and failure to convert would increase reliance on equity funding.

EXIM Conversion Risk
The strategy spans mining, processing, refining and downstream sales across multiple partners and technologies. As an early-stage company without operating history, delays or underperformance in any workstream could impact timelines and defer revenue generation.

Project Concentration Risk
The investment case is fully concentrated on the Mojave Project, with no producing assets or diversification. Adverse outcomes at DAM or El Campo would have a disproportionate impact on valuation.

SWOT Analysis

Table 4: Analysis of Locksley's Strengths, Weaknesses, Opportunities and Threats

Strengths	Weaknesses
• Strategic location ~1.4 km from Mountain Pass, with El Campo along strike of the only producing U.S. REE operation • High-grade system demonstrated across assets: up to 46% Sb (DAM), 12.1% TREO with 3.19% NdPr (El Campo), and 99.5% Sb_2O_3 product • Integrated mine-to-market strategy spanning exploration, dual processing (DeepSolv™ and pyrometallurgy), and downstream qualification • Strong federal alignment via EXIM LOI (US$191M), DOE CMI affiliation, and BLM-approved Plan of Operations at DAM and Notice of Intent at El Campo enabling near-term drilling execution • Experienced leadership under CEO Kerrie Matthews, supported by defence, industry and technical expertise • Well-funded with A$16.7 M cash	• Pre-resource exploration stage, with valuation dependent on successful drill results and resource definition • Limited liquidity typical of small caps, partially mitigated by OTCQX listing and ADR program • Reliance on commodity prices, policy support and conversion of non-binding funding into committed capital • No revenue or operating cash flow, with downstream validation still at bench scale • Permitting timelines subject to administrative and regulatory delays
Opportunities	**Threats**
• Strengthening U.S. policy support for critical minerals, with indirect validation from MP Materials' DoD-backed funding • Multiple non-dilutive funding pathways (EXIM, DPA Title III, DOE) advancing in parallel • Expanding downstream capability via Rice, Columbia and Hazen partnerships enabling product qualification • Resource upside across both flagships: a 400% extension of antimony strike length at DAM supported by underground mapping, and thorium anomalies ~700m east of El Campo on a parallel structural trend to Mountain Pass • Increased access to U.S. capital markets via OTCQX listing, ADR structure and institutional participation	• Near-term exploration risk from pending DAM and El Campo drill assays • Commodity price volatility, particularly in antimony and rare earth markets • Permitting and regulatory delays at the federal and state level • Increasing competition for U.S. government funding across critical minerals projects • Scale-up risk from bench to pilot and commercial production prior to offtake validation

Source: Company

Board and Leadership

Table 5: Locksley's Board and Leadership

Name and Title	Profile
Kerrie Matthews *Managing Director and CEO*	**Track Record**: Over 20 years of executive experience in capital-intensive resources projects. Senior leadership roles on BHP's US$3.8 billion South Flank Project and Iluka's A$1.8 billion Eneabba Rare Earths Refinery. Appointed CEO September 2025 and MD on 29th October 2025. **Skill Set Relevance**: Direct rare earths refinery delivery experience is uniquely relevant to Locksley's downstream antimony and REE processing strategy. Track record in major project execution and government program delivery supports pilot-scale antimony production, DPA Title III submission, and DOE Critical Materials Innovation Hub participation.
Bevan Tarratt *Non-Executive Chairman*	**Track Record**: Appointed Non-Executive Chairman in February 2026, having previously served on the Board since December 2024. Background spans corporate governance, capital markets, and company leadership across listed resource entities. **Skill Set Relevance**: Capital markets experience supports execution of the U.S. funding strategy, including EXIM engagement, the BNY Mellon ADR program, and institutional placement activity.
Ian Stockton *Non-Executive Technical Director*	**Track Record:** Over 35 years as a geologist and mining executive across exploration, resource definition, feasibility, mine development, and commissioning. Direct antimony experience through the Costerfield gold-antimony deposit in Victoria, where he helped bring the Brunswick open pit into production. BSc (Geology), University of Canberra. FAIG, RPGEO, MAusIMM. **Skill Set Relevance:** Specialist antimony technical expertise directly applicable to the Desert Antimony Mine and broader Mojave Project. Acts as Competent Person for Locksley's exploration releases, providing in-house JORC governance for the maiden drill program.

Source: Company

Table 6: Locksley's Strategic Advisors

Name and Title	Profile
Lt. Gen. (Ret.) Mark C. Schwartz *Strategic Advisor, U.S. Government Initiatives*	**Track Record:** Over 33 years of U.S. Army service. Senior roles included U.S. Security Coordinator for Israel and the Palestinian Authority, Commander of Special Operations Command Europe, Deputy Commanding General of JSOC, and Deputy Commander of Special Operations Joint Task Force Afghanistan. **Skill Set Relevance**: Supports Locksley's pursuit of DPA Title III, Department of Defense, and Department of Energy funding pathways, and positioning within the National Defense Stockpile framework. National security network supports engagement with prime defence contractors.
Stacy Newstead *Strategic Advisor, Materials Strategy*	**Track Record**: Currently Materials Strategy and Risk Manager at Lockheed Martin, leading domestic sourcing and risk mitigation for critical materials in U.S. defense systems. Over 20 years across U.S. government, defense, and advanced materials, with prior roles at Huntington Ingalls Industries, Textron Systems, and CEO of Evolution Energy Minerals' U.S. subsidiary. **Skill Set Relevance**: Active prime-contractor seat at Lockheed Martin provides line of sight into U.S. defence demand for antimony in munitions and advanced materials, supporting offtake readiness and the DPA Title III submission.
Maj. Gen. (Ret.) Peter J. Lambert *Strategic Advisor*	**Track Record**: Over 30 years in U.S. intelligence, defense, and advanced technology integration. Former Assistant Deputy Chief of Staff for ISR at U.S. Air Force Headquarters. Senior executive at General Dynamics Information Technology. **Skill Set Relevance**: Defence sector network and systems integration experience support engagement with U.S. government and prime contractors. ISR and scenario planning background informs strategic foresight on critical minerals policy and geopolitical risk.

Source: Company

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