Monday, September 22, 2025

HALLGARTEN + COMPANY

Coverage Update

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Guardian Metal Resources

(AIM: GMET | OTCQB: GMTLF)

Strategy: LONG

Key Metrics	
Price (GBP)	£0.875
12-Month Target Price (GBP)	£1.32
Upside to Target	51%
12mth hi-low (GBP)	£0.21 - £0.97
Market Cap (GBP mn)	£146.58
Shares Outstanding (mns)	167.518
Fully diluted (mns)	184.099

Monday, September 22, 2025

Guardian Metal Resources

Bulking Up & DoD Backing

- + Guardian Metal Resources now has two onshore-US past producing assets, Pilot Mountain & Tempiute, both in Nevada
- + The DoD´s revived interest in securing onshore Tungsten has resulted in the award of $6.2mn to the Pilot Mountain project to move it through to pre-feasibility and permitting
- + The company is strongly cashed up with the grant and a recent raise leaving at least $20mn in bank
- + GMET is morphing from an advanced-stage exploration company to a Tungsten mine developer with the addition in early 2025 of the Tempiute project which comes with substantial above- and below-ground infrastructure
- + At Pilot Mountain, the company holds what is believed to be the largest undeveloped Tungsten deposit in the U.S., where there is currently no production and has not been any for many decades
- + The Tungsten price (i.e. APT) has firmed up strongly in the last year and has now breached US$600 per MTU, which represents a new all-time high
- + A US listing, and financing, are in the works for 1H26
- × Chinese sabre-rattling on the dual-use aspect of Tungsten has created a supply squeeze in the ROW
- × The pricing of Tungsten (APT) is somewhat febrile at the moment
- × A number of Tungsten developers are moving near to production thus potentially adding to Western output and the risk of slowing price growth
- × Raising money for Tungsten projects is still no easy task with many other projects in similarly ignored metals competing for investors' attention

Tungsten – The Hot Topic of Conversation

It is interesting to note that when formulating our bullets points for this update most of the negatives are in fact positives for the players in the Tungsten space.

The traditional industrial usages of Tungsten have almost become a footnote now to the long-ignored military applications. This about turn has resulted in Tungsten being highlighted by the EU, Canada and the USA as a strategic mineral.

It is Tungsten's status as the prime military metal that has spurred sharply renewed interest in restocking supplies and reestablishing non-Chinese supply-lines in this critical metal for Western defense and industry.

The other important thing to note is that pure explorers in the Tungsten space are rare birds indeed,

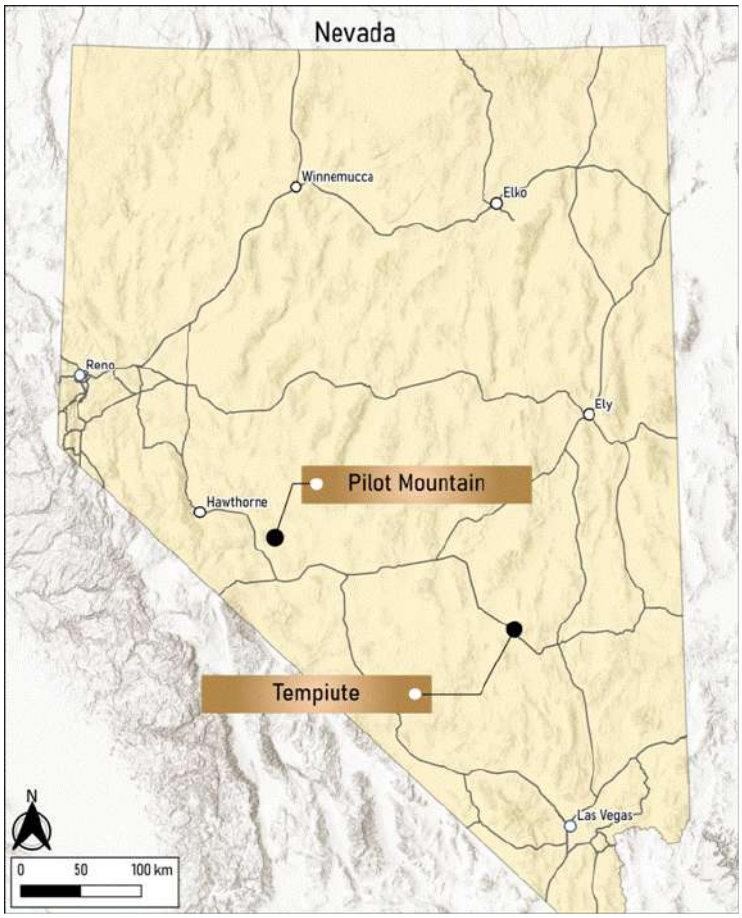
where previous Tungsten upwellings have proliferated the number of greenfield players and drillers, this time it is developers and producers that are being sought out. The priority of governments (and their militaries) is now “production, production, production”. The number of brownfield projects means that greenfield projects remain stuck on the starting blocks, prisoners of excessive capex, pharaonic capex spends or lengthy permitting processes.

Now as owner of two major Tungsten projects located in the United States´ most mining friendly jurisdiction, Guardian Metals is well-positioned to be a key North American supplier of this very important industrial and military metal.

In this Coverage Update, we shall review the projects that Guardian is advancing and where it is on the continuum towards production at this point.

The GMET Approach

In 2021, Guardian Metal Resources took a counter-cyclical view in starting the pursuit of the long-depressed Tungsten space, before any indications of a recovery in demand or prices. There were only a few survivors of the Tungsten slump that had ravaged the subsector since the start of the decade.



GMET’s assets are located in the mining-friendly state of Nevada.

The DoD Swings behind Pilot Mountain

On the 22nd of July 2025 the Department of Defense (DoD) of the US announced a US$6.2mn award to GMET via Title III of the Defense Production Act (DPA). The award is to enable the delivery of a pre-feasibility study (PFS) for the Pilot Mountain project, located southeast of Hawthorne, Nevada. This investment, which utilizes funds from the Additional Ukraine Supplemental Appropriations Act of 2022, supports the March 20, 2025, Executive Order 14241 on Immediate Measures to Increase American Mineral Production's goal to facilitate domestic mineral production.

Management will apply the DPA Title III funds to complete necessary metallurgical test work, engineering studies, environmental assessments, and related technical investigations to deliver a PFS, the results of which will determine the overall feasibility of extracting Tungsten minerals at Pilot Mountain and advance development to production.

This is one of three awards for sourcing Tungsten that the DPA Purchases office has made since 2024, and the only grant for a Tungsten project in the US.

Joining the Right Club(s)

Following upon GMET's anointing as a favoured developer in the Tungsten space by the DPA the company announced that it had become a member of the Defense Industrial Base Consortium (DIBC) and the Cornerstone Program.

The Defense Industrial Base Consortium has a primary goal to enhance the resilience and responsiveness of the U.S. Defense industrial base. DIBC focuses on identifying, developing, and testing cutting-edge capabilities, while also addressing supply chain issues, critical mineral extraction, and scaling emerging technologies. The consortium provides opportunities for its members to access funding programs, potential partners, and industry collaborations.

The Cornerstone Program is a public-private partnership initiative, managed by the U.S. Army that aims to strengthen the U.S. industrial base and improve its competitiveness in support of the DOD. The program focuses on developing prototype projects and capabilities to address specific needs within the defence-related industrial base, such as improving artillery systems or enhancing the supply chain for critical materials. This is aimed at benefiting the US armed forces by providing them with advanced equipment and solutions that improve their effectiveness and safety.

The Tempiute Project

In early 2025, GMET officially added a second major Tungsten project to its portfolio. This project is located in south-central Nevada, 237 km north of Las Vegas and only 290 km by road from Pilot Mountain. The asset was formerly called the Emerson Mine (and sometimes the Black Dog Mine).

In October of 2024, GMET entered into a binding letter of intent with Hinkinite Resources LLC to acquire an option for the acquisition of the Tempiute Tungsten Mine & Mill.

The majority of the known mineralisation is located within 10 patented claims, which provide exclusive

ownership of the land, minerals, and all resources. The project also comprises six unpatented Bureau of Land Management millsite claims, four BLM lode claims and two BLM placer claims. There are significant permitting advantages associated with patented mining claims.

Interestingly, GMET has designated Tempiute as a co-flagship asset and as such it will be advanced and derisked towards production in parallel with Pilot Mountain, Nevada.

The Deal

In October of 2024, GMET entered into a binding letter of intent with Hinkinite Resources LLC to acquire an option for the acquisition of the Tempiute Tungsten Mine & Mill. The vendor is a privately-owned and operated Utah-based company focused on the prospecting and development of precious, base metal and industrial material deposits.

Initially, GMET paid US$5,000 to secure an option while it undertook due diligence on the Tempiute asset. Then it made a cash payment of US$50,000 to the optionor along with the issue of 150,000 ordinary shares of GMET.

Following execution of the Definitive Agreement and until such time as the option is exercised or the Definitive Agreement is terminated, Guardian Metal will pay the optionor a cash payment of US$25,000 at the end of each six-month period following the date of the Definitive Agreement.

In order to exercise the option, Guardian Metal will be required to:

(i) within three years of the date of the Definitive Agreement, to establish on the property a "mineral resource" of Tungsten trioxide (WO_3) with a minimum cut-off grade of 0.4%, prepared in accordance with either the CIM Definition Standards on Mineral Resources and Mineral Reserves adopted by CIM Council, as amended, or the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves

(ii) within five business days of the announcement of the Maiden Resource to pay the Optionor a bonus of US$100,000 for each 3,100 tons WO3 of such Maiden Resource (the "Bonus Payment"), equal to US$1,000,000 for a 31,000-ton WO_3 Maiden Resource, up to a maximum Bonus Payment of US$2,000,000.

(iii) Guardian Metal may, in its sole discretion, satisfy up to 50% of the Bonus Payment by issuing to the Optionor Guardian Shares at a deemed price per share equal to the volume weighted average trading price of the Guardian Shares on the London Stock Exchange for the last ten (10) trading days ("10-day VWAP") calculated as of the date of the announcement of the Maiden Resource, converted from pounds sterling to United States dollars using the Bank of England daily spot exchange rate as of the date of the announcement. In the event that Guardian Metal does not establish a Maiden Resource and make the Bonus Payment within three (3) years of the date of the Definitive Agreement, the Definitive Agreement will terminate and Optionor will retain a 100% interest in the Property.

Upon GMET Metal having established a Maiden MRE and the payment of the Bonus Payment, it will be deemed to have acquired a 100% interest in the Project.

Royalty/NSR

The vendor has been issued an NSR royalty equal to 1.5% of the net smelter returns from all mineral production from the project. GMET may, at any time, repurchase 50% of the NSR Royalty for a one-time payment of US$1mn, payable at the option of GMET in cash or in its shares at a deemed price per share equal to the 10-Day VWAP.

Some Back History

As noted previously, the Tempiute asset was formerly called the Emerson Mine (and sometimes the Black Dog Mine) with the district being called the Tem Piute district. The project has been explored and mined for Tungsten, Silver and Zinc intermittently over the last century. The first serious mining was in the late 1930s and most recently the mine was in operation under the major, Union Carbide, from 1977 to 1987, ceasing operations due to the crash in Tungsten prices precipitated by Chinese predatory pricing across many strategic metals in the 1980s.

The Emerson Tungsten Mine was first discovered in 1916 and has since played a significant role in the region's mining activities. Presently, the mine is not operational. The mine primarily operated underground, utilizing various underground features such as 1 shaft, 13 adits (horizontal access tunnels), and 1 incline (an inclined tunnel or slope). The subsurface depth of the mine goes as deep as 380 meters (1,247 feet), with an impressive extension of 75,000 meters (246,063 feet).

Shrinkage methods were employed as the mining technique at the Emerson Tungsten Mine. In 1981, the mine had a capacity of processing 726 metric tons of ore per day, with a production unit cost of $28.41 per metric ton of ore. At the time of data collection in 1983, there were two known tabular-shaped ore bodies in the mine. One of these ore bodies stretched for approximately 2,000 meters (6,561 feet) in length, 500 meters (1,640 feet) in width, and had a thickness of 15 meters (49 feet).

At the right can be seen a view into the underground workings with the ladder under the arch giving a size perspective.

Historical mining at the Tempiute Mine targeted the widest zones of skarn mineralisation using underground stoping. Some stopes can be viewed via glory holes at surface.

Previous work delineated skarn zones up to 30 m thick to be uniformly mineralised over vertical ranges of at least

400 m based on historical mine plans. Reported principal ore minerals include scheelite, sphalerite, molybdenite, chalcopyrite and galena[1]. Despite the historical mining activity, many zones of skarn mineralisation remain outcropping at surface, ranging from < 1 m to circa 20 m thick in outcrop, all along contact zones with the two quartz monzonite stocks.

Geologically, the area surrounding the mine is characterized by the Great Basin, which is a distinctive feature of the Intermontane Plateaus. The Great Basin is a vast region with unique geomorphology covering parts of Nevada, Utah, Idaho, Oregon, and California.

Tailings & Stockpiles

The two placer claims cover the historic tailings located less than 1.5km from the Project. The tailings measure approximately 300m x 300m and are believed to be circa 15-25m thick. Considering the metals that were extracted during the previous production period, it is believed that multiple recoverable metals may still exist within the tailings which could allow for near term reprocessing if sampling results prove promising.

Six high-grade stockpiles exist within the project area and have been extensively sampled. As the mine abruptly ceased operations in the 1980s due to the Chinese predations in the Tungsten market, and the subsequently decrease in metal pricing, the operator at the time left ore stockpiled by the mill site and around the numerous mine portals. The majority of the stockpiles are easily accessible by the existing roads and therefore deemed "truck-ready" for transport to a processing facility.

The majority of the stockpiles comprise banded red-green garnet skarn and coarse garnet skarn. At least one stockpile is of massive sulphide and gossanous material.

The aforementioned price collapse in the 1980s combined with the lack of technology available to efficiently process sulphide rich material resulted in these not being exploited. There is currently technology available to efficiently process this type of material.

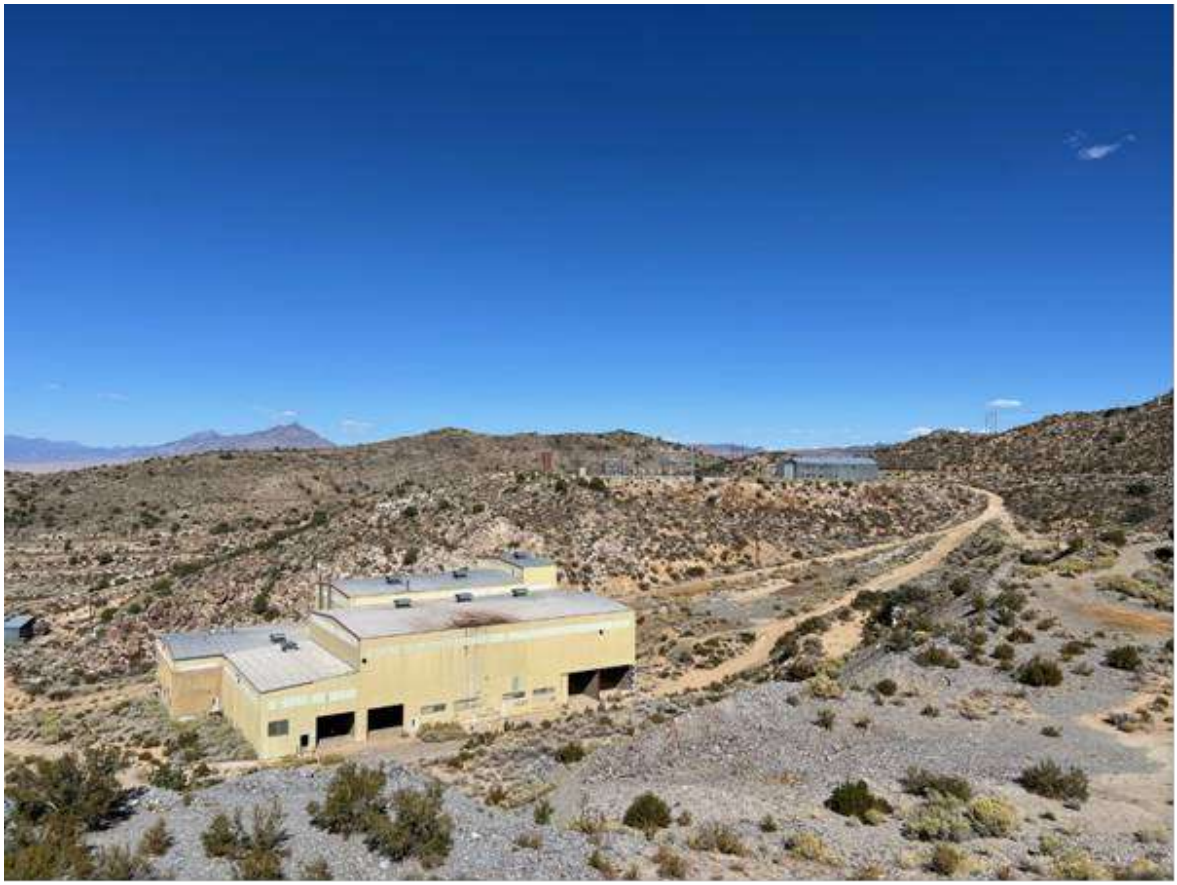
Detailed grid sampling of the project's tailings facility was commissioned and

commenced in Spring 2025 to determine the suitability of the material for reprocessing. The goal of this was to lay out the potential options to process this material in the shortest timeframe possible, given that it would represent the only domestic primary source of Tungsten in the USA.

The company feels that there is potential here alone to justify the expense of reestablishing the milling/processing circuit in advance of the open-pit being considered.

Structures & Infrastructure

Tempiute came with robust in-place usable infrastructure in place. The existing facility includes ore-loading facilities, mill & concentrate buildings (shown below), foundations, load-out bays, and water pipes/pumps. Merely the preexisting nature of such facilities (and not in a bombed-out state) gives the company a headstart with permitting, while reducing substantially capital costs and build times.



Further Infrastructure Details:

There is significant in-place infrastructure that is currently located within the Tempiute project that could be utilised for future development, including:

- A large-scale clean metal mill building with concrete foundations, previously used for milling

- An adjoining high-ceiling metal building, previously for flotation, cleaned for the potential installation of power, water, and control systems for flotation cells on the cement plinths
- Coarse ore loading wall and infrastructure with concrete footwork for the potential reinstallation of conveyors to load ore into the mill building
- A 3,000 Kwh electric substation, currently working and energised, which provides power to the nearby town of Rachel, Nevada
- A mine office building that can refurbished for use
- Roads that are well maintained and in good condition for access to the site along the 8,200 feet (2,500m) of the strike of the known deposit
- A water pipeline from the valley reported to connect to the mine
- Two water wells, that were the original water source for operations in the 1980's, are located on a nearby property.

Clearly Guardian Metals did a great deal here as a summary appraisal for "internal planning and mortgage financing purposes" of the in-place infrastructure at Tempiute was completed in 2003 on behalf of the previous owners. That appraisal determined the infrastructure to have an indicated market value of US$17.9mn.

Resources

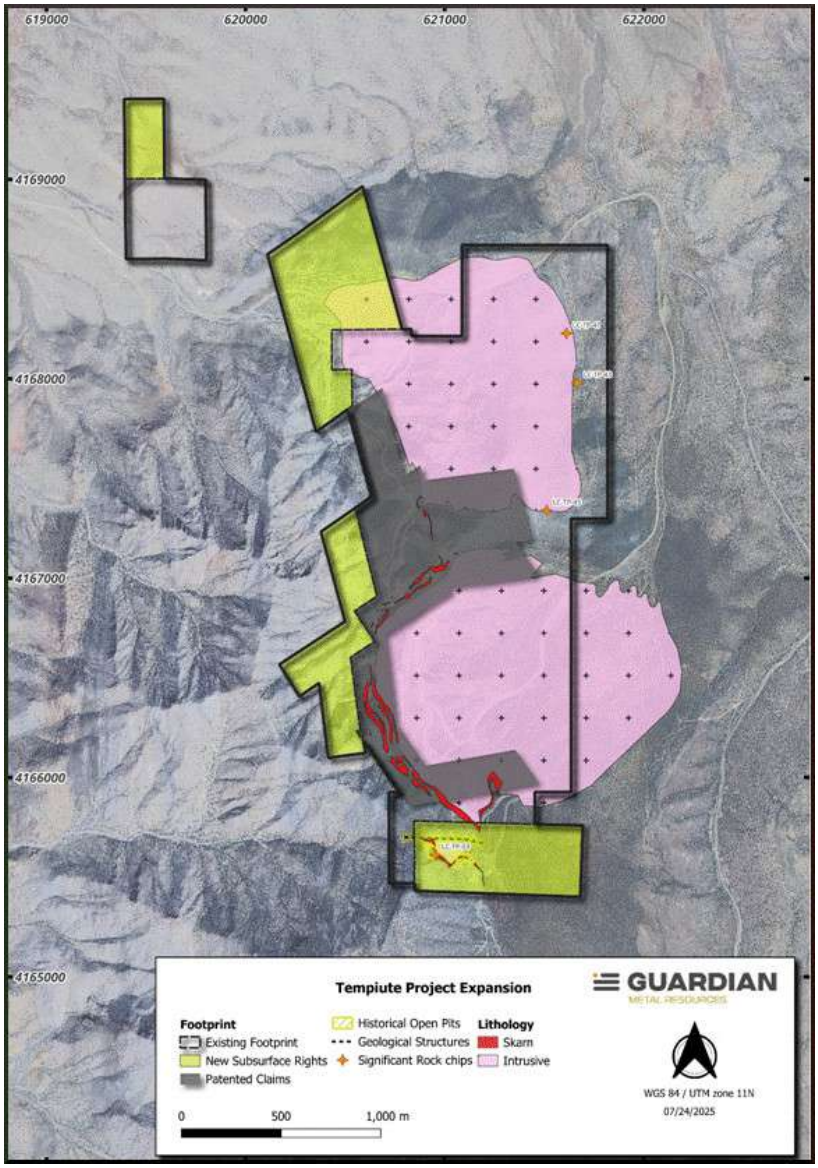
Multiple historical resource estimates have been reported on the project. Currently the documentation pertaining to these estimates has not been located by GMET, however, an internal report by a previous

owner outlined a combined Measured, Indicated and Inferred estimate of 8,000,000 tons grading 0.43% WO_3.

Further work will be required to confirm these estimates but the bonus payment outlined in the agreement is based on the above estimate.

The company is currently undertaking drilling for a starter open pit. The pit is expected to justify the modest capex to reopen the mill/processing plant. The operation would then proceed to the underground. Management believes that there is likely enough near-surface material to provide the 1-2mn tonnes that would sustain 3-6 years of open-pit production.

The payback on an open-pit could be only a few months. Additionally, the company has unused TSF capacity obviating the need to invest further in TSF as the open-pit advanced. The short-term goal is an open-pittable resource. Any production would, of course, be music to the ears of the DoD.



Further Territorial Bolt-Ons at Tempiute

Then in late July of 2025, GMET completed the acquisition of further adjacent mineralised zones via a direct purchase agreement covering 18 Bureau of Land Management (BLM) unpatented Lode Mining Claims, one BLM Placer Claim, and three BLM Mill Site Claims. Notably, the lode claims cover the historical Schofield open-pit mine.

The agreement included 100% ownership of all the claims and these are now directly held by Guardian Metal's wholly-owned US subsidiary. The total purchase price for the claims was US$40,000. There are no royalties payable on these claims.

The territory acquired covers

the historical open-pit Schofield Mine. Management believes that there is potential to define near-surface resources at the Schofield Mine, where production happened during WW2.

The back history to this target is that the North Tem Piute Mining and Development Co was organised in 1937 by the Schofield brothers, who had located claims in the district in 1928. An old USGS that we uncovered stated that, in 1943, "concentrate containing 32 units of WO_3 was made".

The property was leased in 1946 to the Atolia Mining Co. The U.S. Bureau of Mines explored the deposits in 1942 and in 1944. In 1942, trenches were dug across the ore zones at intervals of 100 feet or less, samples were cut and assayed, and five diamond drill holes were completed. In 1944 eight holes were drilled.

Further mineralisation beneath the mine was confirmed by Union Carbide Corporation in the late 1970s.

The new ground added covers additional mineralised exposure around the North Stock, where recent exploration discoveries indicate that the eastern edge of the North Stock contains high-grade Tungsten-bearing skarn mineralisation.

This acquisition added additional exploration targets and strategic land for drilling down-dip extensions of surface-exposed tungsten-bearing skarn mineralisation. Sampling on the newly acquired claims began straight away.

Project Geology

Scheelite is the only mineral found in commercial amounts in the contact deposits. Although small amounts of gold and silver were formerly produced from veins and replacement deposits farther south in the range, neither of these metals is known to occur near the Tungsten mineralization. There are showings of Gallium, a critical metal that has been a subject of tensions also of late.

The bulk of the scheelite occurs in garnet-tactite, but some rich deposits have been found in small masses of calcite-fluorite-sphalerite rock formed in marble remnants adjoining tactite bodies.

Although the tactite masses around the south stock are very extensive and contain in the aggregate a large amount of tungsten, they are of low grade and had not been extensively exploited up to 1948. Most of the production was from the richer calcite-fluorite-sphalerite rock found in the relatively small Moody ore shoot of the Lincoln mine. Small amounts of fluorite and sphalerite, and possibly bismuth, are potential by-products from this type of ore.

Exploration

In the wake of the original option agreement, GMET visited the project and took a total of 17 due diligence samples from various high-grade stockpiles and exposed surface showings as well as from the tailings.

The plans for an extensive geological mapping program over the North Stock focusing on contacts with the calcareous host rocks which are often metasomatically mineralised to create tungsten-bearing

skarns.

Additionally, multiple geophysical programs were also completed, which include a high-resolution drone magnetics survey, as well as a high-resolution IP survey that will contain multiple cross-sections over fertile intrusive and projected tungsten skarn-zones. These results are pending.

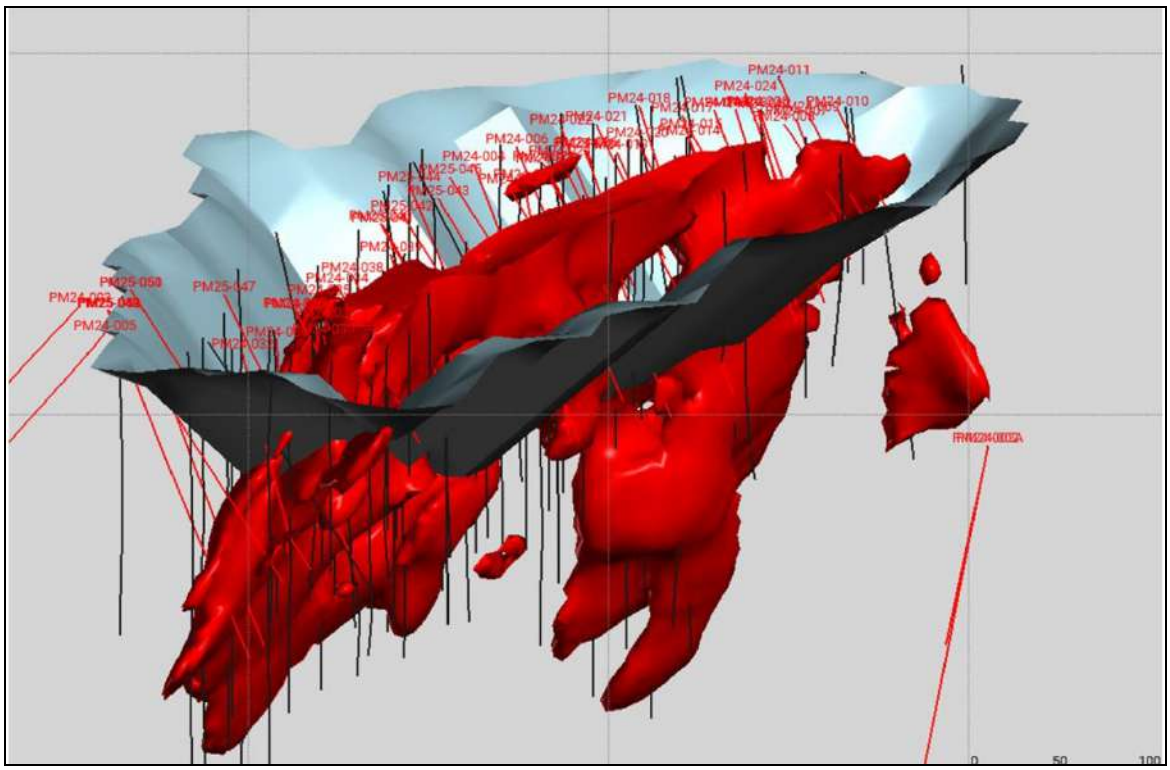
At Tempiute, the team will has staked a drilling program targeting open pit resources to support a Pre-Feasibility Study utilising existing infrastructure with initial results now pending.

The Pilot Mountain Project

There is somewhat of a competition now set up between the new Tempiute project and the cornerstone Pilot Mountain project, as to which will make it into development first. The Pilot Mountain project is situated 200km southeast of Reno with the main resource hosted within the Desert Scheelite deposit. There are several other areas within the project which have potential, in management´s opinion, to be brought into the broader mine plan – including Gunmetal, Garnet and Goodhope as well as the newly acquired Pilot North.

Resource

The most recently published Pilot Mountain Mineral Resource Estimate (considered to be “historic”) dates from December of 2018 and showed a 55% increase in the Tungsten resource over the previous MRE from 2017. This included a maiden resource estimate for the Garnet prospect, and an increase in the resource estimate at Desert Scheelite.



The upgraded and increased 2018 MRE for the Desert Scheelite component was comprised of 10.7 million tonnes at 0.26% WO_3, 19.38 g/t Silver (Ag), 0.15% Copper (Cu) and 0.38% Zinc (Zn).

Pilot Mountain - Updated Resource

			WO3		Silver		Copper	
	Category	Tonnes mns	Grade %	Contained Metals (tns)	Grade g/t	Contained Metals (ozs)	Grade %	Contained Metal (tns)
Desert Scheelite	Indicated	9.01	0.26	23,400	20.73	6,012,050	0.15	13,200
	Inferred	1.69	0.25	4,300	12.24	675,150	0.16	2,800
Garnet	Indicated	-	-	-				
	Inferred	1.83	0.36	6,590				
Summary	Indicated	9.01	0.26	23,400				
	Inferred	3.53	0.31	10,890				

The Garnet Inferred resource is comprised of 1.83 million tonnes @ 0.36% WO_3 and was announced on 22 May 2017.

Most Recent Exploration

There is an ongoing drilling campaign underway at the Pilot Mountain tungsten project with a flow of assay results having been announced over the summer months.

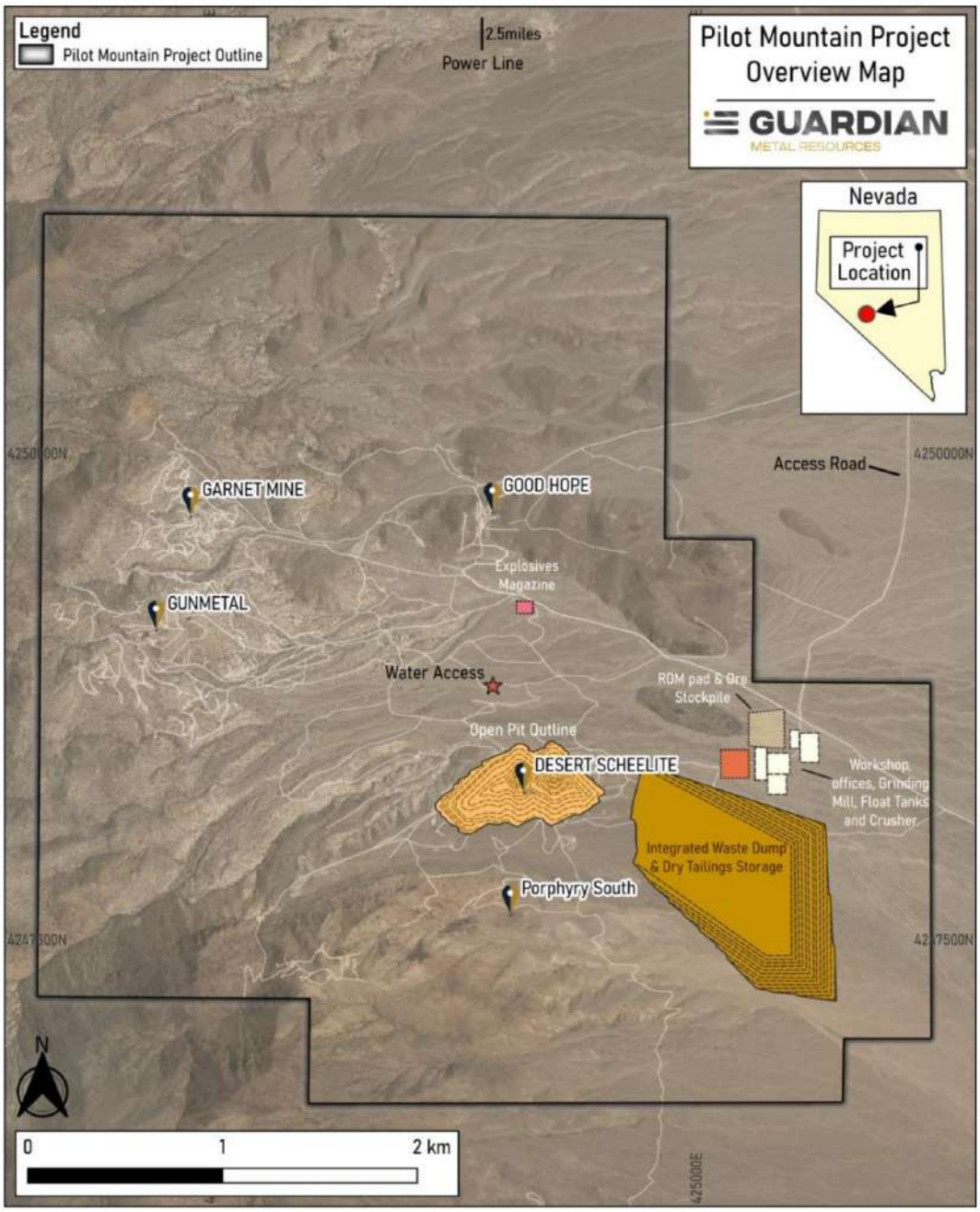
Laboratory assay results from drill core samples have been received from the final batch of drillholes at the Desert Scheelite zone covering PM25-41 to PM25-052 with results confirming further significant high-grade tungsten mineralisation over significant widths.

To date, a total of 82 drillholes have completed, with 61 drillholes at Desert Scheelite, including 49 resource holes, 7 geotechnical holes and 5 metallurgical holes. At the Garnet Zone all 20 planned resource drillholes have previously been completed and at Porphyry South a single drillhole has been completed to date.

GMET's management highlighted the significance, within this particular batch of results, as being the mineralised widths (>0.10% WO_3) encountered throughout several holes as well as the intersection of multiple broad mineralised intervals. These included:

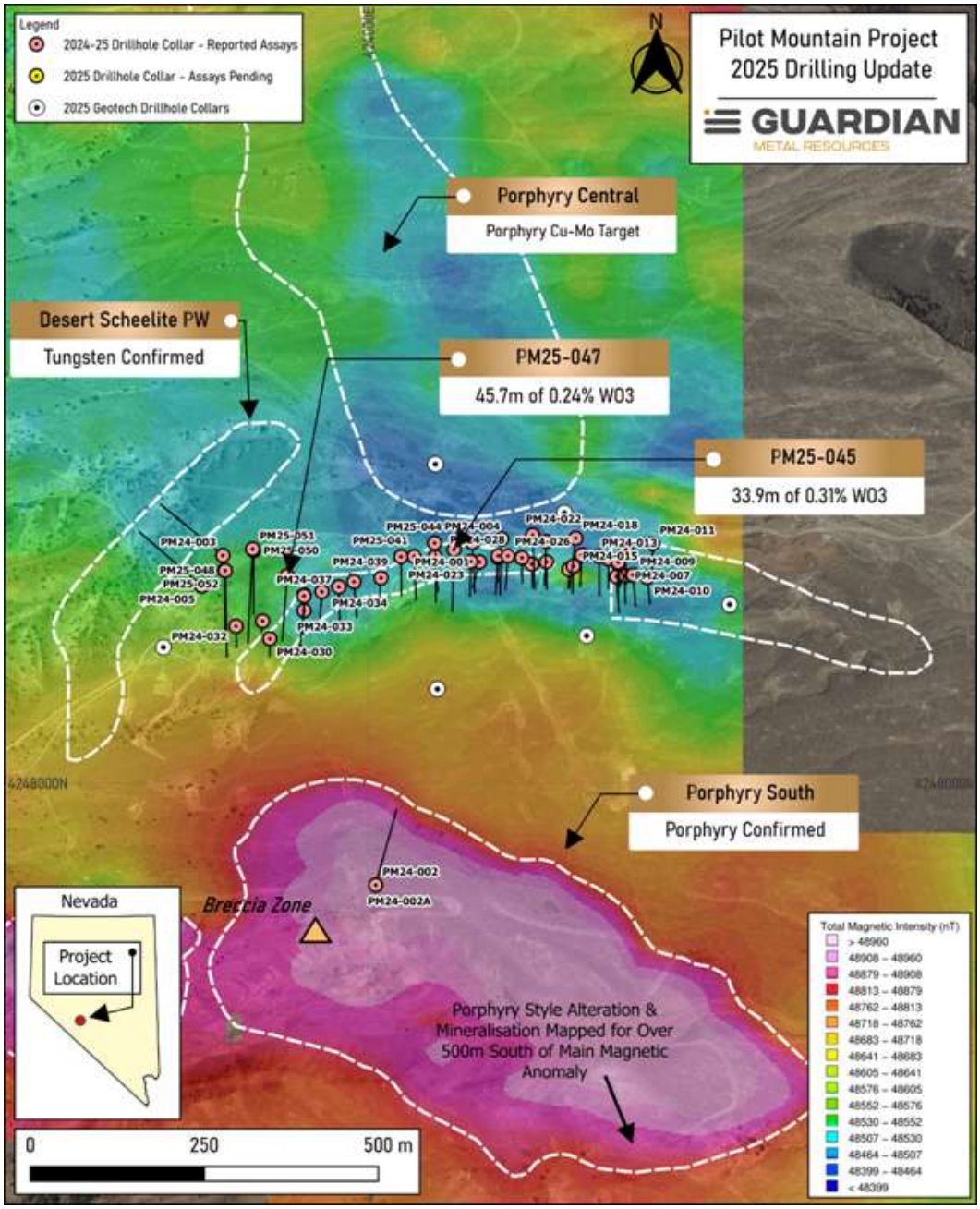
- a 21.6 m interval in PM25-043
- a 33.9 m interval in PM25-045
- a 45.7 m interval in PM25-047
- a 24.4 m interval in PM25-051

There were also multiple other intersections reported throughout the holes. It is worth noting that the intersections in holes PM25-042, PM25-043 and PM25-045 could be significantly wider accounting for four sample intervals with no core recovery.



High-grade individual assay results up to 1.09% WO_3, 9.98% zinc (Zn), 337ppm silver (Ag), and 1.3% copper (Cu) with select highlight interval of 8.23m of 1.23 % WO_3Eq or 4.26 % CuEq from PM25-045 nested within a broader 33.9m continuously mineralised interval from that drillhole.

Initial analytical results from drilling in the Garnet Zone are expected imminently, with inaugural results shortly to be released to the market.



The presence of Silver and Copper in Pilot Mountain's results enhances the economics of the project, particularly as some of the Silver grades are notable. In calculating the metal equivalents: Copper Equivalent (CuEq) and $W0_3$ Equivalent used a Tungsten price of US$485 per MTU, a Zinc price of US$1.241 per lb, a copper price of US$4.34 per lb and a silver price of US$37.39 per oz.

Noteworthy results from recent drilling include:

Drillhole PM25-041 highlight downhole intersections:

- 10.4 m @ 0.28% WO_3 from 50.9 m - 61.3 m (10.4 m @ 0.30 % WO_3Eq or 1.03 % CuEq), including
    - 3 m @ 0.43% WO_3 from 50.9 m - 53.9 m, and
    - 1.3 m @ 0.57% WO_3 from 60.0 m - 61.3 m

Drillhole PM25-042 highlight downhole intersections:

- 6.1 m @ 0.29% WO_3 from 57.0 m - 63.1 m (6.1 m @ 0.30 % WO_3Eq or 1.04 % CuEq), including
    - 1.5 m @ 0.43% WO_3 from 58.5 m - 60.0 m
- 11.9m @ 0.27% WO_3, 0.32 % Zn, 4.35 g/t Ag & 628 ppm Cu from 69.1 m - 81.0 m (11.9 m @ 0.33 % WO_3Eq or 1.15 % CuEq), including
    - 1.5 m @ 0.41% WO_3 from 75.0 m - 76.5 m

Drillhole PM25-043 highlight downhole intersections:

- 21.6 m @ 0.20% WO_3, 1.82% Zn, 5.19 g/t Au & 2016 ppm Cu from 44.5 m - 66.1 m (21.6 m @ 0.43 % WO_3Eq or 1.49 % CuEq), including:
    - 4.3 m @ 0.32% WO_3 from 47.6 m - 51.8 m;
    - 1.8 m @ 0.29% WO_3 from 54.8 m - 56.6 m
- 8.8 m @ 0.29% WO_3, 0.69% Zn, 10.60 g/t Ag & 796 ppm Cu from 74.1 m - 82.9 m (8.8 m @ 0.41 % WO_3Eq or 1.41 % CuEq)

Drillhole PM25-044 highlight downhole intersections:

- 7.2 m @ 0.42% WO_3 from 84.4 m - 91.6 m (7.16 m @ 0.43 % WO_3Eq or 1.47 % CuEq)
- 14.1 m @ 0.34% WO_3, 0.48% Zn, 5.61 g/t Ag & 1671 ppm Cu from 104.9 m - 119.0 m (14.12 m @ 0.45 % WO_3Eq or 1.54 % CuEq)

Drillhole PM25-045 highlight downhole intersections:

- 5.8m @ 0.23% WO3, 2.18% Zn, 14.15 g/t Ag & 1686 ppm Cu from 63.1 m - 68.9 m (5.79 m @ 0.51 % WO_3Eq or 1.78 % CuEq)
- 33.9 m @ 0.31% WO3, 1.31% Zn, 28.16 g/t Ag & 1572 ppm Cu from 72.2 m - 106.2 (33.93 m @ 0.57 % WO3Eq or 1.96 % CuEq) including:
    - 8.2m @ 0.60% WO3, 3.02% Zn, 67.72 g/t Ag & 4643 ppm Cu from 72.2m - 80.5m (8.23m @ 1.23 % WO_3Eq or 4.26 % CuEq)

Drillhole PM25-046 highlight downhole intersections:

- 13.1 m @ 0.14% WO_3, 0.56% Zn, 6.37g/t Ag & 1334 ppm Cu from 55.2 m - 68.3 m (13.11m @ 0.25 % WO_3Eq or 0.86 % CuEq), including:
    - 4.7 m @ 0.24% WO_3, 0.87% Zn, 9.53g/t Ag & 1910 ppm Cu from 55.2 m - 59.9 m (4.73 m @ 0.40 % WO_3Eq or 1.39 % CuEq)

Drillhole PM25-047 highlight downhole intersections:

- 45.7m @ 0.24% WO_3 & 15.30 g/t Ag from 74.5 m - 121.5 m (45.65m @ 0.31 % WO_3Eq or 1.07 % CuEq)

Drillhole PM25-048 highlight downhole intersections:

- 10.7 m @ 0.35% WO_3, 1.20% Zn & 21.49 g/t Ag from 180.4 m - 191.1 m (12.19m @ 0.73 % WO_3Eq or 2.53 % CuEq)
- 1.5 m @ 0.74% WO_3 & 337.0 g/t Ag from 157.6 m - 159.1 m (1.5m @ 2.03 % WO_3Eq or 6.98 % CuEq)

Drillhole PM25-050 highlight downhole intersections:

- 7.7 m @ 0.28% WO_3 from 167.0 m - 174.7 m (7.65 m @ 0.30 % WO_3Eq or 1.04 % CuEq)
- 5.9 m @ 0.26% WO_3 from 188.1 m - 194.0 m (5.94 m @ 0.29 % WO_3Eq or 1.00 % CuEq)

Drillhole PM25-051 highlight downhole intersections:

- 24.4 m @ 0.19% WO_3 and 2.88g/t Ag from 127.1 m - 151.5 m (24.39 m @ 0.20 % WO_3Eq or 0.69 % CuEq)

Pilot North Tungsten Project

It is worth differentiating this project from the existing historical target areas at Pilot Mountain. This “new” target is likewise located in the Walker Lane Mineral Belt, approximately 15km northwest of the Pilot Mountain project.

The geological consultant, Dr Lawrence Carter, was on site over early summer undertaking detailed geological mapping and sampling across this target and developing strategies to advance exploration as a satellite to the Pilot Mountain project.

This target was added to the portfolio by direct claim staking of Pilot North, which was announced in early July of 2025. Since then, an additional 42 Bureau of Land Management Lode Claims have now been staked, significantly expanding the overall footprint of the project and bringing the total number of BLM mining claims to 101, covering an area of ~2,086 acres.

The claim staking was spurred by what management deemed to be “highly encouraging” rock sample

assay results from a 22-sample reconnaissance program.

Above can be seen the Pilot North project (note the truck at left for scale). Red/brown areas represent areas with strong skarn-type mineralisation and alteration.

Subsequently, the GMET has recently completed a further detailed follow-on rock sampling and geological mapping program, with the ALS Laboratory assay results pending.

The project was generated by the ongoing regional exploration program and now encompasses four Tungsten mines that operated during World War II.

Geology & Exploration

Reconnaissance rock samples have returned high-grade copper, zinc, silver, tungsten and bismuth results. Assay results of up to; 5.71%, 5.09%, 3.41%, 3.34%, 2.02% and 1.23% copper (Cu); 619g/t and 344g/t silver (Ag); 3.45% Zn; 940 ppm tungsten (W) equivalent to 1,185ppm Tungsten trioxide (WO_3); 2,840ppm bismuth (Bi); and 3,220ppm antimony (Sb).

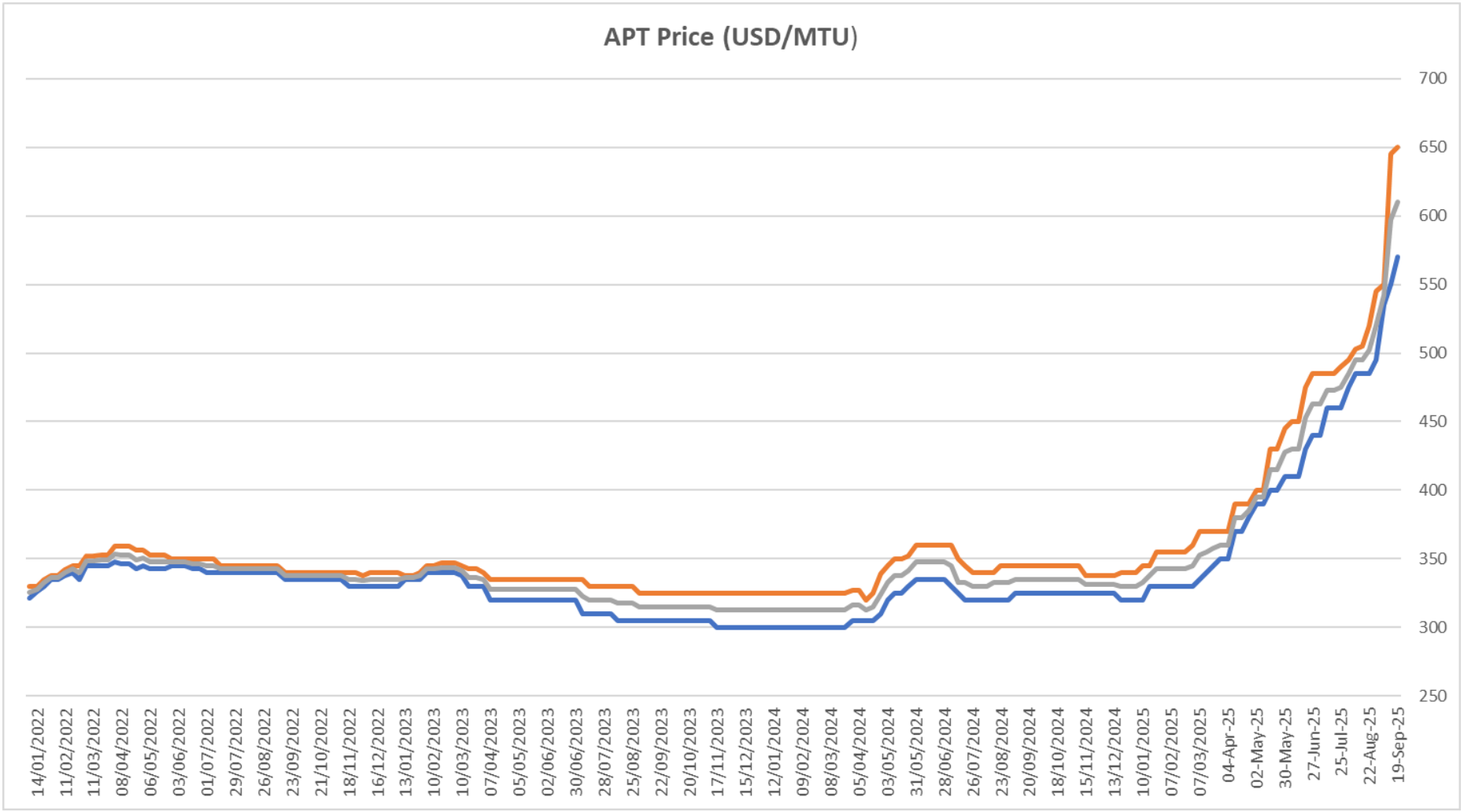
The reconnaissance sampling results greatly exceeded original expectations. The rock samples were collected during the staking of the original mining claims in order to provide an indication of the type of mineralisation and alteration present across the newly acquired claims.

A detailed geological mapping and sampling program has now been completed with further assay results expected and highly anticipated. Many of the samples displayed visual signs of mineralisation.

The broader regional exploration program is directed towards generating Tungsten-Copper skarn targets for further exploration.

Pricing

Tungsten is one of those metals where the wild ride in pricing since 2008 made it particularly difficult to plan a company's long-term trajectory.



Source: Fastmarkets/Almonty Industries

Increased Tungsten usage by military and industrial users should lead to increased competition for Tungsten concentrates in the global market between Chinese and non-Chinese processors and consequently result in an improving price structure for Tungsten and its products in the future.

The price per MTU of Ammonium Paratungstate has finally broken through, definitively, the levels achieved early last decade. At that time wild gyrations pushed APT prices to levels which fired up the promoters, however it was those movements which ultimately ended most of the players in the space.

Our latest projections are shown on the table at the right. As the preceding price chart indicated APT prices have risen by $100 per MTU in mere months, when previously this might have taken a decade. The price of Tungsten (APT) breached $600 per MTU in some trades recently. Though one should be wary of the spike & dump phenomenon in the specialty metals space, historically.

Tungsten APT Pricing

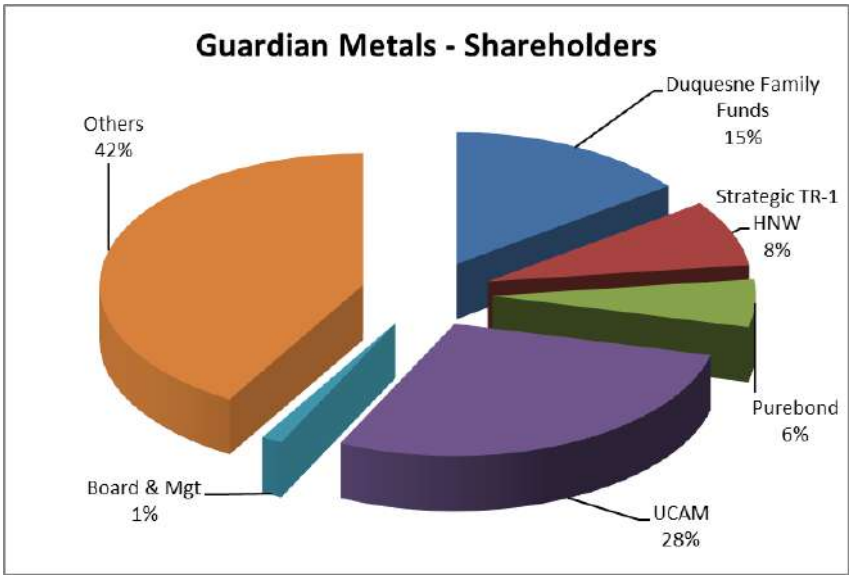
Year end	MTU (US$)
2023	$312
2024	$330
2025e	$610
2026e	$650

This may seem ambitious but utilizing an inflation rate calculator the rise of 42.9% (in the US) between 2011 and now would signal a price in real terms of $672 per MTU.

Shareholders & Financing

In late July, on the back of the DoD award, the company raised ~£15.6mn (approximately US$21mn) via the issue of 25,945,000 new ordinary shares of at a price per share of £0.60 per share.

The raising was led by GMET's largest shareholder, UCAM Limited, and included other existing shareholders and other institutional investors. UCAM subscribed for 16,666,666 shares, for proceeds of ~£10mn (~US$13.5mn) taking UCAM's interest to approximately 28.7% of the issued share capital.



Around the time of the financing some directors, and other warrant holders, exercised warrants over a total of 2,094,996 new ordinary shares. Some 991,276 of the warrants were exercised at a price of 10.75p and 1,103,720 at an exercise price of 17p, thus raising a

total of £294,195.

There has been a consistent flow of warrant exercises over the last year, with a concomitant flow of funds into the company. These exercises have dramatically thinned the number of warrants still outstanding. The total number of shares on issue is 167,478,967.

In another development, in mid-August of 2025, it was announced that Power Metals, GMET´s foundation shareholder, had agreed to sell its remaining 24,699,825 ordinary shares in for £13,584,904 (i.e. 55p per share) to an investment fund managed by Duquesne Family Office LLC. This means that Duquesne (which is the family office of Stanley Druckenmiller) now holds a 14.75% interest in the issued share capital of GMET.

The company has also signaled, this week, that it intends to undertake an offering for ordinary shares (or ADRs) in the United States and complete a listing on a US securities exchange. The offering and listing are expected to be completed during 1H26.

Risks

The risks for the Tungsten space in general are (or might be):

- A reduction in global geopolitical instability
- A reversal in the Tungsten price trend
- Weakened global industrial demand (particularly in tools) that would soften price & volumes
- China manipulating the market in some way to again create distortions in price and trade patterns
- A tough financing market for junior explorer/developers

Most of these risks are different sides of the same price prism, with the exception of the market's perception/disinterest in Tungsten.

Global conflicts (both actual and potential) have played a significant role in spurring Tungsten demand (and perception change) in recent times.

Can Tungsten prices go down? Absolutely, it has happened before and might happen again, but to what extent the price might retreat and for how long are interesting subjects to consider.

China is not alone in creating scenarios in which prices will move higher (or lower). US tariffs are being used to make non-Chinese production of Tungsten more attractive. After having imposed restrictions on so-called dual-use exports of Tungsten for strategic reasons as they did with Antimony, Rare Earths,

Gallium and Germanium, the Chinese have managed to “juice up” the markets for these more or less not mainstream and in some cases obscure minerals/metals. What has been done can be undone at will. To some extent, the Ga/Ge bans have been somewhat elective with “leakage” of products having damped down expected price surges in these elements. One should not be surprised to see selective easing or nuancing of the dual-use bans as a negotiating token in trade talks with the US.

Likewise, price-signalling could be employed in the larger volume metals, Antimony & Tungsten, to place prices lower, much as be seen over the last 15 years where the Chinese have played the REE space like a fly-fisherman attempting to delude the trout or salmon into submission.

Until recently, financing was difficult and dilutive but has improved dramatically as Tungsten has “returned to front pages”. The best way to harvest the most attractive price on a financing is to be in production or development and the only way to do that is to finance mine-builds/reactivations. The ease with which Almonty Industries (TSX: AII) and Guardian Metal Resources (AIM: GMET) have been able to raise funds in the last year (contrasting strongly with the tough times for even producers gleaning funds pre-2024) shows the market´s receptiveness to production stories.

Royalties also exist as a means to fund stories that have production in prospect as evidenced by two recent deals by EQ Resources (ASX: EQR).

Investment Theses

With the slow steady recovery in the price since mid-2017 there now exists a window of opportunity for Tungsten development/production plays in the western world as end users look to secure alternative and more reliable sources of supply than China. The mantra now is Production, Production, Production. Having projects that are on the drawing board, and unlikely to leave it, does not charm funding out of the military in ANY country. This sets up a scenario where the non-serious will hopefully be relegated to a distant second place in the attentions of the markets.

The broader economic recovery should lead eventually to increased competition for Tungsten concentrates in the global market between Chinese and non-Chinese processors and consequently result in an increasing price structure for tungsten and its products in the future. A rise in prices of APT to over $600 in 2025 is not unthinkable and indeed likely if China maintains or tightens restrictions on Tungsten exports.

Fortunately, Tungsten offtakers are proactive participants in the development of producing assets in this metal in a way that is not evident in other specialty metals.

Price/Target Rationale

The importance of potentially being the only US-domiciled source of essential primary Tungsten concentrate production in a world of increased geo-political tensions and a strong interest in re-shoring critical elements cannot be underestimated.

In light of the attractive, and most probably lasting, confluence of events in the Tungsten space, Guardian Metals finds itself in the right metal, in the right place at the right time, a rare occurrence.

The Pentagon has recognized the advantage of having onshore Tungsten projects and we would not expect the recent award to be the last. This factor combined with the prospect of a US listing in the first half of 2026 should give the stock impetus to the upside and we would not be surprised to see it above £1 in the next 12 months.

We reiterate our **LONG** rating on Guardian Metal Resources with a raised 12-month target price of GBP£1.32.

Source: Financial Times

APPENDIX I:
The US Policy Pivot

The US – Back into the Fray

The sad state of the Tungsten space in the US is evidenced by the fact that the metal has not been mined commercially in the United States since 2015.

According to the USGS's latest publication on Tungsten, approximately six U.S. companies had the capability to convert Tungsten concentrates, ammonium paratungstate (APT), Tungsten oxide, and (or) scrap to Tungsten metal powder, Tungsten carbide powder, and (or) Tungsten chemicals.

As for applications, an estimated 60% of the Tungsten consumed in the United States was used in cemented carbide parts for cutting and wear-resistant applications, primarily in the construction, metalworking, mining, and oil- and gas-drilling industries. The remainder was used to make various alloys and specialty steels; electrodes, filaments, wires, and other components for electrical, electronic, heating, lighting, and welding applications; and chemicals for various applications. The percentage of those two categories that ultimately end up in military-linked applications was not revealed.

The worm has turned though and the Department of Defense (DoD) in the US has seen the error of its ways in allowing its suppliers to become China-dependent in their sourcing. The war in the Ukraine and Chinese sabre-rattling over Taiwan and the South China Sea have accentuated the concern.

Chinese tightening of the noose has led the US to become dependent upon non-traditional supplier with Tungsten from Vietnam accounting for 22% of U.S. imports in 2024 (and 8% of European imports) according to the minerals consultancy, Project Blue.

This dependency upon the "comfort of strangers" has been a long-term (unrecognized) issue for the US but has finally prompted a funding program for the development of onshore Tungsten sources.

Tungsten Returns to its Place in the Sun

Tungsten is recognized as the military metal *par excellence* for its usage in shells and in armour-plating to resist said shells. Tungsten's essential industrial and military place has been well-known since the 1940's.

What makes Tungsten, the key military and industrial metal?

- It is used in making bulletproof vehicles, armored tanks, and other kinds of protective equipment designed to withstand the high-speed impact of bullets. This is due to the hardness of Tungsten which can be further enhanced through alloying to yield stronger composite materials.
- It is used in making armor-piercing rounds. These are designed to pierce through protective armor and vehicles designed to be bulletproof. Tungsten can tolerate high levels of shock and does not easily shatter.
- It is used in making high-speed cutting tools. These tools are usually made of high-speed steel, and they cut much quicker than ordinary carbon steel. Tungsten's ability to withstand high temperatures makes it indispensable in fabricating these tools and when cutting at such high speeds.
- Tungsten is also used in the manufacturing of rocket and aircraft parts. It is instrumental in manufacturing parts like engines because of the high temperatures they must withstand. Tungsten has a high thermal resistance and can withstand high temperatures without defect.

China & Tungsten

Tungsten, in theory, should be a bellwether of industrial activity, more than virtually any other metal, as it is directly levered into machine-tool manufacturing as the swing factor in its demand (the relatively non-variable part being lighting uses). However, the "spoiler" here is China which has long-distorted the Tungsten market, much as it has distorted the pricing mechanisms in so many other metals.

Now we have a situation where military and industrial demand is recovering making it harder for China to maintain low prices (to maintain its dominance). Moreover, China's attempts to overrun the machine tool sector through its Tungsten dominance have put Western manufacturers of this equipment on notice that they need guaranteed non-Chinese supplies to evade predatory Chinese manouevres. New protection measures such as tariffs and import restrictions by the U.S. should help protect domestic production.

Chinese exports of a range of Tungsten products have fallen sharply thus far in 2025. According to Chinese customs data, exports were 17% lower in July versus January.

Riding the Washington Express

Developers in the specialty and critical metals spaces (and even in some base metals) now talk more of Washington D.C. as a source of financing than they do of Perth and Vancouver. One of the most propitious sources of funding these days is not the likes of private equity funds in mining, but rather the DPA III program of the U.S. DoD (Department of Defense) which is developing a policy of supporting worthy critical minerals projects.

The problem for pure promoters though is that the DoD is careful, technical and diligent. They see through a pure promoter with night-vision goggles.

Guardian's Pilot Mountain hosts one of the few Tungsten projects in North America that has their interest, therefore is well positioned. This was then evidenced in the issuing of an award to advance the feasibility plans at the project.

The DoD Strikes Back

From the start of January 2027, the Department of Defense (DoD) will implement a final rule under Section 844 of the FY 2021 National Defense Authorization Act (NDAA) and Section 854 of the FY 2024 NDAA. This rule expands existing restrictions on sourcing critical materials like tungsten, tantalum, and certain magnets from "covered countries," including Iran, Russia, North Korea and China. These restrictions will prohibit not only the melting and production of such materials in covered countries but also their mining, refining, and separation at any stage of the supply chain. This marks a significant shift, aligning with US efforts to bolster the domestic industrial base for critical minerals and reduce dependency on adversarial nations.

The rule also tightens exemptions for commercially available off-the-shelf items, reducing flexibility for the private sector in sourcing these critical materials.

Adding to these challenges, the United States announced mid-September 2024 the finalized Section 301 tariff increases on imports from China, further complicating the supply chain landscape for critical materials.

The Awards Program

The award to GMET was one of eight awards made by the DPA Purchases Office totaling US$314.9mn since the beginning of fiscal year 2025. These investments are complemented by US$83.4mnin total recipient cost shares since the beginning of FY 2025. The DPA Purchases Office is overseen by the MCEIP directorate.

"Tungsten is an essential alloying metal for aerospace, ground vehicles, munitions, and many other defense systems," said Dr. Vic Ramdass, Acting Assistant Secretary of Defense for Industrial Base Policy. "Developing a domestic source for tungsten is one of our top critical and strategic mineral priorities."

"This investment will put the Nation on a path to achieve production capability for commercial-scale levels of tungsten, a key metal for numerous DoD systems," added Mr. William "Greg" Davis, Acting Director of the Manufacturing Capability Expansion and Investment Prioritization (MCEIP) directorate. The United States has not mined tungsten in nearly a decade. A domestic source of this essential metal will add much needed resiliency to both commercial and defense supply chains.

Important disclosures

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