



LOTUS
RESOURCES

ABN 38 119 992 175

**Interim Financial Report
for the half-year**

31 December 2025

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CORPORATE DIRECTORY

Directors	Mr Michael Bowen Mr Gregory Bittar Ms Leanne Heywood Mr Simon Hay	Non-Executive Chairman Managing Director Non-Executive Director Non-Executive Director
Company Secretary	Mr Hayden Bartrop	
Registered and Principal Office	Level 4, 225 St Georges Terrace Perth, Western Australia, 6000	
Website Address	www.lotusresources.com.au	
Auditor	RSM Australia Partners Level 32, Exchange Tower 2 The Esplanade Perth, Western Australia, 6000	
Share Registry	Computershare Investor Services Pty Ltd Level 17, 221 St George's Terrace Perth Perth, Western Australia, 6000	
Securities Exchange	Australian Securities Exchange ('ASX') Level 40, Central Park 152-158 St Georges Terrace Perth, Western Australia, 6000 ASX Code: LOT - Ordinary Shares OTCQX® Level 12, 300 Vesey Street New York, NY 10282 OTC Code: LTSRF	

DIRECTORS' REPORT

The Directors of Lotus Resources Limited present their report, together with the financial statements, on the consolidated entity consisting of Lotus Resources Limited (the **Company** or **Lotus**) and the entities it controlled at the end of, or during, the half-year ended 31 December 2025 (**Consolidated Entity** or **Group**).

DIRECTORS

The names of Directors in office during the half-year and until the date of this report are:

Name	Title	Date of appointment
Mr Michael Bowen	Non-Executive Chairman	Appointed 22 February 2021
Mr Gregory Bittar	Chief Executive Officer and Managing Director	Appointed 12 December 2024
Ms Leanne Heywood	Non-Executive Director	Appointed 3 February 2025
Mr Simon Hay	Non-Executive Director	Appointed 3 February 2025

PRINCIPAL ACTIVITIES

The principal activities of the Group during the half-year consisted of mineral exploration, development and mining and processing of uranium ore. Lotus' key assets are the Kayelekera Mine in Malawi and the Letlhakane Project in Botswana.

REVIEW OF ACTIVITIES

Highlights for the Half Year

The significant achievements during the half-year included the following:

- Lotus achieved zero reportable health and safety incidents**
 - No Lost Time Injuries recorded during the half-year
 - On track to achieve two million LTI-free person days during Q1 CY26, a significant milestone that reflects a strong safety culture across the workforce
- First yellowcake production at Kayelekera achieved as planned in Q3 CY2025, within budget**
 - The mine was officially inaugurated by the President of the Republic of Malawi in August 2025
 - Lotus commissioned all process plant circuits and stages at Kayelekera and drummed 105klb U₃O₈¹ during the half
 - Ore for the commissioning was reclaimed from existing ore stockpiles, mined prior to entering care and maintenance
- Processing impacted by sulphuric acid availability and supply chain challenges**
 - During 15 days of continuous operations in November, the plant approached nameplate levels
 - However, lack of sulphuric acid availability disrupted production; production resumed mid-January
 - Sulphuric acid supply contracts are now in place with three parties, and the required transport fleet has been mobilised
- Progress towards steady state production and first shipment of product**
 - While the Company continues to target nameplate production during March 2026, a full month of steady-state uranium production of ~200,000lbs (~2.4Mlbpa) is likely in Q2 CY26
 - Product qualification is progressing with converters. First shipment is forecast to occur in Q2 CY26
- Mining commenced**
 - Mining commenced in Nov 2025; 265kt of waste and 11.9kt of ore mined, as mining focused on establishing mining fronts
 - All mining equipment on site, in-pit grade control system established
 - Explosives supply contract finalised, mobile manufacturing unit for explosives delivery on site
- Balance sheet bolstered to support investments in value enhancing initiatives**
 - Lotus raised ~\$65m (before costs) in an equity placement
 - Proceeds support electricity grid connection, accelerated build of the tailings storage facility (TSF) and mining fleet
 - Lotus also entered a US\$8.5m equipment finance facility with First Capital plc and drew down US\$2.6m during the half.
- Kayelekera Accelerated Restart program continues to progress**
 - Acid plant refurbishment targeting commissioning and production during March 2026; first sulphur delivered to site
 - Grid connection design and procurement advanced and construction teams mobilized, targeting Q4 CY26 completion.
 - TSF lift construction continued
- Letlhakane infill and extensional drilling commenced to upgrade Inferred resources into Measured and Indicated categories**
 - Drill program comprises up to 12,000m reverse circulation (RC) and 1,500m diamond drilling in ~180 drill holes
 - Phase 1 completed, assays pending; phase 2 to be completed after the wet season

¹ The U₃O₈ product is currently going through a process to be qualified for delivery to a uranium converter, which is required to sell the product to customers.

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

9. Letlhakane metallurgical testwork supports a low acid processing opportunity

- Successful metallurgical testwork indicates potential to reduce acid consumption by ~70% compared to previous studies
- Process flow sheet can potentially be simplified by removing solvent extraction

10. Uranium deliveries and contracting strategy

- Term price increased to US\$87/lb at the end of December
- Ongoing focus on power utilities as counterparties, market linked pricing
- In the current uranium pricing environment, Lotus sees strategic value in preserving uncontracted pounds as we build up inventories to maximise exposure to potential price upside

Health, safety and wellbeing

Kayelekera Uranium Project has achieved 4,197 consecutive days without any Lost Time Injury (LTI) with a total of 6,094,980 person hours worked as at 31 December 2025 (4,141,347 hours worked for the six months to 31 December 2024); 1,185,922 person hours for the six-month period ended to 31 December 2025 (287,358 person hours for the six months to 31 December 2024). During the six-month period ended 31 December 2025, there were no reportable health and safety incidents. The 12-month rolling Total Recordable Injury Frequency Rate (TRIFR) was at 5.25, while the Lost Time Injury Frequency Rate (LTIFR) remains at zero.

Letlhakane Uranium Project has achieved 785 consecutive days without any LTI with a total of 100,400 person hours worked as at 31 December 2025 (466,558 person hours worked as at 30 December 2024); 25,969 person hours for the six-month period ended 31 December 2025 (22,874 person hours for the six months ended 30 December 2024). During the six-month period ended 31 December 2025, there were no reportable health and safety incidents. The 12-month rolling TRIFR was at 0.00, while the LTIFR remains at zero.

Site staff at Kayelekera continued to take a pro-active approach in relation to incident/accident prevention through implementation of work permit system, Take-5 risk assessments and daily safety toolbox talks.

Uranium Market Developments

During the half-year, the uranium market exhibited continued growth, supported by strong investor activity, increasing global demand for nuclear energy, and supply constraints. Uranium term contract prices continued their upward trend, finishing at US\$87/lb (TradeTech) in Dec 2025, up from US\$80/lb at the end of June 2025. The volume of term contracts again declined y-o-y to ~104Mlb (CY2024: 116Mlb), far below utilisation rates.

Life extensions to operating plants were announced in several countries during the half year, including the US, the UK and Romania, and a new start occurred in China (Unit 2 at Zhangzhou). While South Korea terminated the operation of Kori Unit 4 at its originally designated 40-year lifespan, it is considering extending its operation by 10 years.

China pledged to triple nuclear power capacity by 2050², reinforcing a long-term commitment to nuclear energy, which is expected to increase global uranium demand. The U.S. Government entered into a strategic partnership with Westinghouse, Cameco, and Brookfield³, committing US\$80 billion in the construction of new nuclear reactors. This partnership significantly boosts demand for uranium in the U.S. over the next decade.

Hyperscalers continued to invest in nuclear power, including Google who partnered with NextEra Energy to restart the Duane Arnold Energy Center in Iowa⁴, providing carbon-free energy for its cloud and AI infrastructure. Amazon led a US\$500 million investment round in X-Energy⁵, which is focused on advancing small modular reactors (SMRs).

On the supply side, the two largest producers announced production downgrades⁶. Kazatomprom indicated it expects to lower 2026 production by roughly 10% compared with earlier targets, equating to a drop of around 8 mlb U₃O₈, or about 5% of global supply. Cameco announced that development delays in transitioning the McArthur River Mine to new mining areas are expected to defer the extraction of pounds planned in 2025, now anticipated to produce 14-15 mlb U₃O₈ (100% basis) in 2025, down from the previous forecast of 18 mlb U₃O₈ (100% basis). Up to 1 mlb U₃O₈ (100% basis) can potentially be offset from Cigar Lake.

The World Nuclear Association (WNA) issued a revised supply and demand forecast, an exercise undertaken every 2 years, showing deficits from 2028 onwards⁷ driven by the growing demand for nuclear energy and delays in the ramp-up of production. This projection suggests a tightening market in the near term, which could result in higher uranium prices. The Reference Scenario from the WNA projects global nuclear capacity to reach 686 GWe by 2040, consuming about 390Mlb of uranium annually, while the Upper Scenario suggests growth to 966 GWe, requiring 530Mlb of uranium per year. This demand growth, coupled with potential supply deficits presents a favourable pricing outlook for uranium producers.

² <https://www.elysee.fr/en/emmanuel-macron/2025/12/05/joint-declaration-on-further-cooperation-in-the-peaceful-uses-of-nuclear-energy-between-the-peoples-republic-of-china-and-the-french-republic>

³ <https://www.cameco.com/media/news/cameco-and-brookfield-establish-transformational-partnership-with-united-states>

⁴ <https://newsroom.nexteraenergy.com/NextEra-Energy-and-Google-Announce-New-Collaboration-to-Accelerate-Nuclear-Energy-Deployment-in-the-U-S?l=12>

⁵ <https://www.aboutamazon.com/news/sustainability/amazon-nuclear-small-modular-reactor-net-carbon-zero>

⁶ NAC Kazatomprom JSC, "1H2025 Results and 2026 Production Strategy", 22 Aug 2025; Cameco Corporation, "Production update", 28 Aug 2025

⁷ <https://world-nuclear.org/our-association/publications/global-trends-reports/world-nuclear-fuel-report-2025>

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

The uranium spot price ranged between US\$70.50/lb and US\$84.00/lb during the half, closing near the upper end of the range (2HCY24: US\$69.85-86/lb). Spot transaction volumes totalled 23.5Mlb during the half (2HCY24: 23Mlb). Spot demand was supported by major players like Sprott Physical Uranium Trust (SPUT), which purchased ~7Mlb during the half-year.

In the current uranium pricing environment, Lotus sees strategic value in preserving uncontracted pounds as we build up inventories to maximise exposure to potential price upside.

Kayelekera Project Overview - Malawi

The Kayelekera Uranium Mine is located in northern Malawi, southern Africa, 52 kilometres west by road from the town of Karonga (see **Figure 1**). Kayelekera hosts a current Mineral Resource Estimate of 51.1 million pounds¹ (Mlbs) U₃O₈ including the resource at Livingstonia and historically produced approximately 11Mlbs U₃O₈ equivalent over a five-year period from 2009-2014, before ceasing production in 2014 and entering into care and maintenance due to low uranium prices.

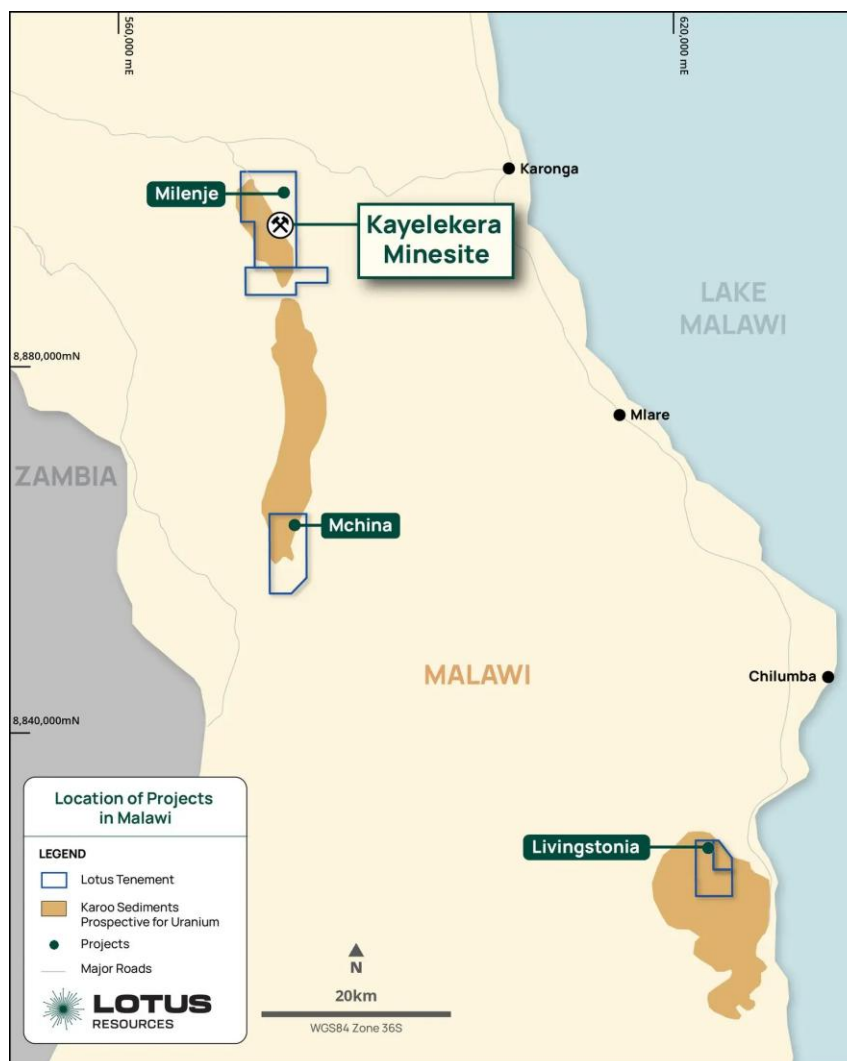


Figure 1: Location of the Kayelekera Uranium Mine and Livingstonia Uranium Tenements

Kayelekera Officially Inaugurated by the President of Malawi

On 12 August 2025, His Excellency, Dr Lazarus McCarthy Chakwera, President of the Republic of Malawi along with Minister of Mining, The Honourable Dr Kenneth Zikhale Ng'oma, other Cabinet Ministers, Royal Highness Paramount Chief Kyungu and traditional leaders of Karonga and Chitipa, and many other distinguished guests attended Kayelekera to officially inaugurate the restart of the mine.

¹ Refer to Table 2 in page 13 for a breakdown of classification of the Kayelekera Mineral Resource

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

Production

First yellowcake was drummed at Kayelekera in late August 2025, marking a key step in Lotus' transition to becoming a global uranium producer, with the Kayelekera restart achieved on schedule and within budget. It marked the first yellowcake at Kayelekera since the asset was put on care and maintenance by its previous owner in 2014. The plant was initially commissioned on lower grade ore to avoid potential recovery losses during commissioning. As part of ramp-up, the plant built up a level of uranium inventory in circuit.

During the half-year, Kayelekera produced 105 klb of U₃O₈ (in drums)³.

Table 1 - Kayelekera production

	Unit	HY Dec 2025
Mining		
Ore Mined	kt	11.9
Waste Mined	'000bcm	117
Waste Mined	kt	265.0
Mined Grade	ppm	612
Processing		
Ore Milled	kt	188.5
Head Grade	ppm	1,117
Recovery	%	72.8
Uranium Produced ³	klb	105.0

Mining

Mining activities are now well underway, with the first ore successfully delivered from the Kayelekera mining pit to the Run-of-Mine (ROM) pad following the commencement of production blasting in November 2025⁴. Four production blasts were completed during the period, and ore quality to date is meeting expectations, providing confidence in the near-term mining profile.

Total material movement for the half-year was 276.9 kt. Mined ore was 11.9 kt at a mined grade of 612 ppm, in line with expectations for the current mining area. Mining during the half-year focused on establishing mining fronts, hence the strip ratio during the half-year was in excess of the projected life-of-mine strip ratio of ~1.8. At the end of period, ore stockpiles were approximately 1.4 Mt at an average grade of 695 ppm, with 156 kt of high grade material (at an average grade of 917 ppm) immediately available to the plant.

Lotus now has all required mining equipment on site and pit access ramps have been completed to provide access to the first two mining stages. An in-pit grade control system has been established to ensure accurate ore delineation and consistent mining quality. Other mining activities included ramp access and road preparation, preparation of the ROM pad, and construction activities related to the TSF.

The explosives supply contract has been finalised, with a mobile manufacturing unit (MMU) now operational on site. This capability is a key enabler for maintaining consistent blasting activities, including through the wet season, and materially reduces operational risk going forward.

Wet season preparation

In Kayelekera's first wet season since the restart of operations, early performance indicates that water management systems are functioning as designed. Significant focus was placed on preparing the operation for the wet season, including:

- Surface water drainage infrastructure is fully in place and operational;
- Ongoing road maintenance continues to ensure haul roads remain serviceable; and
- Final road sheeting using G5 material is scheduled to commence once the waste crusher is commissioned in Q1 CY26.

³ The U₃O₈ product is currently going through a process to be qualified for delivery to a uranium converter, which is required to sell the product to customers.

⁴ See ASX announcement dated 21 November 2025

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

Processing

Total ore processed during the half-year was 188.5kt at a mill head grade of 1,117 ppm. As part of ramp-up, the plant built up a level of uranium in circuit during the first two months of operation, which is not accounted for in production. Recovery of uranium was 72.8% on average over the half, with December quarter recoveries of 82.1% a significant improvement on early commissioning recoveries. Further improvement is expected as ramp-up progresses and operations stabilise.

Processing in November and December was constrained by acid availability, impacting plant availability⁵. Sulphuric acid supply issues have arisen due to production challenges in Zambia, which was the primary source of supply, with South Africa as a secondary source of supply. The Group has actively increased the number of suppliers and additional supplies are now being sourced out of South Africa, in addition to Zambia⁶. The Group now has three suppliers with the necessary permits in place to import sulphuric acid and is working closely with these suppliers to increase and improve the delivery reliability of acid volumes.

In addition to these measures, Lotus' acid plant rebuild project will address acid supply constraints. The acid plant rebuild remains on schedule, with commissioning and production expected to commence in Q1 CY26, with an initial inventory of sulphur already on site. The acid plant will enable the production of sulphuric acid from sulphur, which is more reliably supplied (as it is transported more easily and more broadly available) with significantly lower tonnage and volumes required, therefore reducing corresponding truck movements. The Group expects the acid plant to commence operating in Q1 CY26.

During a 15-day period of continuous operations in November, the plant performed well and approached nameplate levels. In that period, the processing plant achieved 18.2 hours per day of uptime, milling throughput rate averaged 138 tonnes per hour with a maximum hourly throughput of 172 tonnes per hour, equating to 70% and 88% of nameplate milling throughput, respectively. Preliminary recovery for the month averaged approximately 83%⁷, which is close to targeted steady state recovery of 86.7%.

As acid supplies ramp up and volumes start arriving on site, the Group continues to undertake plant works, repairs and improvements, to ensure the long-term reliability and performance of the Kayelekera processing plant. While acid supply and plant works have limited production for the month of January 2026, mill throughput of 113 tonnes per hour (~57% of nameplate throughput level) has been achieved consistently since the mid-January restart, with mill run times of 22 hours a day. While the Group continues to target achieving steady state operational production rates (~2.4Mlbs per annum) during March 2026, the Group now considers it more likely that this will occur in Q2 CY2026 (Q4 FY2026) when it anticipates its acid plant to be fully operational.

Product qualification is progressing with converters. Product qualification with at least one converter is required to start the permitting process for the first shipment of product, with first shipment now forecast to occur in Q2 CY26.

Accelerated Restart Activities

The Group continues to execute on the indicative schedule below.

Kayelekera's Environmental and Social Impact Assessment (ESIA) was re-approved following extensive environmental and social studies – groundwater, surface water, air quality, radiation, visual, aquatic ecology, social impact assessment, and stakeholder engagement. Malawi's Environment Protection Authority (MEPA) approved the ESIA in May 2025⁸ and Lotus received the ESIA Certificate providing "Notice of Approval to Proceed with the Project" during the half.

⁵ See ASX announcement dated 4 December 2025

⁶ See ASX announcement 23 December 2025

⁷ Information is preliminary only with final recovery still to be reconciled

⁸ See ASX announcement 5 June 2025

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

The TSF embankment raises are planned across six phases over the life of mine. Phase 1 has been sub-divided into Phase 1A and Phase 1B. Phase 1A involves a top hat raise of the north embankment, profiling of the west embankment and lining the downstream perimeter of the TSF. Phase 1B involves the widening of the north embankment to its full life of mine footprint to support the subsequent future lifts in Phases 2 to 6.

The design is in compliance with Australian National Committee on Large Dams – Guidelines on Tailings Dams (ANCOLD 2019) and aligns with the Global Industry Standard on Tailings Management (GISTM 2020).

TSF works for Phases 1A and 1B involving the initial embankment raise, lining and widening are well underway.

The Figure below shows the indicative schedule, highlighting key milestones:

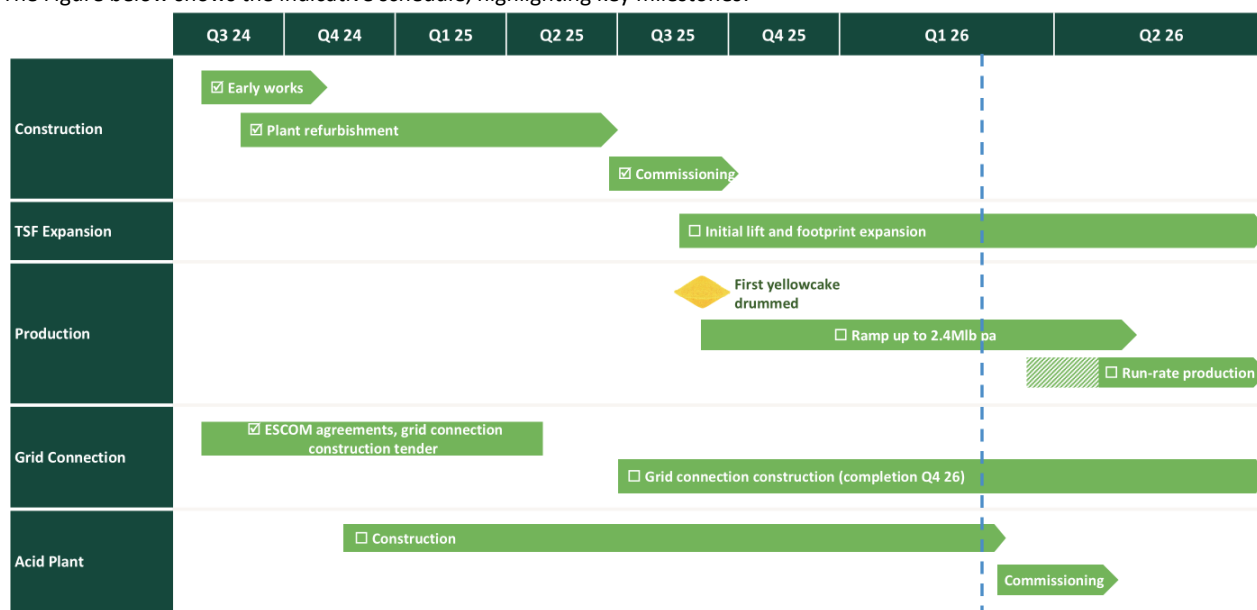


Figure 2: Indicative schedule – Kayelekera Accelerated Restart

Lotus Africa entered into a debt financing agreement with First Capital Bank PLC for a total of US\$8.5 million

Lotus Resources Limited’s Malawian subsidiary Lotus Africa Limited finalised binding documentation for the equipment finance facility of US\$8.5m with First Capital Bank PLC. This facility will be used to fund the mobile equipment and mining equipment, with the lender providing 70% of the cost of mobile equipment and 80% of light vehicles and buses. The lender will have security over the equipment financed; the facility will have a term of 5 years with repayments over 54 months in equal instalments (there is no repayment of principal or interest in the first 6 months). Interest will be either at a fixed rate (being less than 10% per annum) or a floating rate of SOFR plus a premium (currently less than 10% per annum), as elected by the Group on drawdown.

Post the end of the half year, the total amount drawn by the Group was US\$7.4 million to fund mobile and mining equipment.

Lotus also continues to consider other debt facilities including potential inventory financing structures for its product.

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

Letlhakane Project Overview – Botswana

The Letlhakane Uranium Project in Botswana is one of the world's largest undeveloped uranium deposits, with a significant JORC 2012 compliant Mineral Resource Estimate of 113.7Mlbs (142.2Mt at 362ppm U₃O₈)⁹. The mining license has been in place since 2016 and provisional surface rights have been granted as well as water extraction rights. The asset is located close to high quality infrastructure with a sealed highway, rail line and power line running past the mining license boundary and is located within 90 kilometres of Francistown, a major population centre in Botswana (see **Figure 3**).

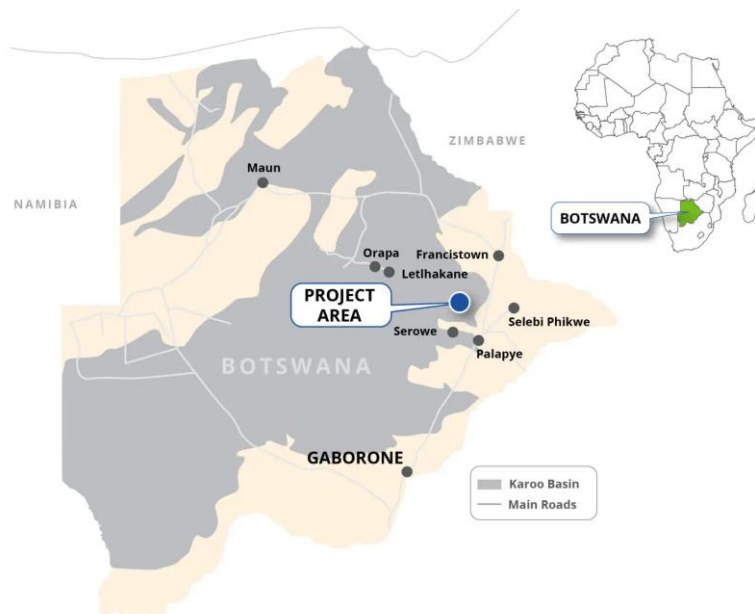


Figure 3: Location of the Letlhakane Uranium Project

Botswana is a mining friendly jurisdiction, consistently ranking highly in the Fraser Institute Perceptions Index (for the latest report for 2024 it was rated the top mining jurisdiction in Africa and the 14th globally (Policy Perceptions Index)).

Phase 1 of Infill drill program completed

During the half, Lotus embarked on an infill and extensional drill program to upgrade Inferred Mineral Resources currently contained within the Mineral Resource Estimate (~50% of total resource) to Indicated and Measured status. The bulk of the Inferred Mineral Resources lie within the Gorgon and Serule West areas and represent the main targets for the current drill program.

The ~180-hole, 13,500m drill program was designed to be completed in two phases, with the first phase completed in late 2025 and a pause during the seasonal rains. Completion of phase 2 of the program is expected in early 2026. Once the full 13,500m drill program has been completed, results will be incorporated into an updated Mineral Resource Estimate to be prepared around mid-2026.

The first phase of drilling focused on Serule West with 63 RC holes and eight diamond core holes completed for a total of 4,423m with an average hole depth of 62m. The assay results from the first phase of drilling are still to be received.

New Metallurgical Testwork supports 70% reduction in acid consumption

Letlhakane's processing flowsheet developed by previous owner A-Cap Energy Limited¹² (formerly A-Cap Resources Limited) (A-Cap) was based on a high acidity leach (~100 g/l H₂SO₄), which resulted in high acid consumption (average of ~40 kg/t of ore). Lotus aims to optimise the process flowsheet based on reducing acid consumption by applying a two-stage leaching process where high acidity is only used in the second stage. To define the two-stage leach flowsheet and to refine the uranium extraction and acid consumption expectations, the Group undertook the following additional metallurgical testwork:

- Column Leaching - two pilot columns in series with the intermediate leach solution (ILS) from one column used to irrigate the first stage of a second column
- Ion Exchange - collection of pregnant leach solution (PLS) from the second column for use as process liquor for ion exchange resin screening and loading/elution condition definition.

⁹ See ASX announcement dated 6 December 2024. Refer to page 2 of this announcement for a breakdown of classification of the Letlhakane Mineral Resource

¹² Refer to ACB ASX Announcement dated 11 September 2015 for previous owner's technical study

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

The additional metallurgical testwork was undertaken by Australian Nuclear Science and Technology Organisation (ANSTO) at its facilities in Lucas Heights, Sydney.

The low acidity application resulted in an approximate 70% reduction in acid consumption compared to what would be expected from the 2015 A-Cap Energy flowsheet, at the cost of 6-8% reduction in uranium extraction¹³. The resulting PLS from Test 4 was sufficiently low in acid (<15 g/L H₂SO₄) for it to be successfully purified and concentrated with ion exchange technology at ANSTO, which was then precipitated to make an acceptable uranium concentrate product.

Based on the metallurgical testwork by ANSTO, Lotus is confident an alternative flowsheet can be applied that is more efficient in acid use to maintain an optimal balance between acid consumption and uranium extraction. The new flowsheet also simplifies the PLS processing facility by removing solvent extraction and therefore is simpler and more aligned with traditional uranium processing flowsheets.

Study work

Results from the ANSTO column testing program have been provided to CM Solutions (Johannesburg) to construct a dynamic model of the heap leaching system so that it can be scaled up and generate a process balance that will be used as the basis for a new process design. The outputs of the model can be used to fast track the project progression to the next study phase in the absence of larger scale testwork, and to guide larger scale testwork design.

Optimisation of the mining schedule and mining costs has been identified as a critical area of improvement for the project. Orelogy has been engaged to review the mining costs and mine scheduling with the intent of balancing the mining costs and strip ratio against processing costs and heap leach head grade. Key outcomes of this will be the optimisation of the scale of the project and investigation of potential mining scale staging.

Sustainability

Sustainability at Lotus is governed directly by the Board, with the ESG Committee assisting in fulfilling the Board's responsibilities concerning environmental, social, and governance matters. The Committee also reviews and assesses the effectiveness of the Group's governance program to ensure compliance with relevant regulatory and legal requirements.

During the reporting period, Lotus issued its 5th Annual Sustainability Report, which highlights the Group's ESG activities and progress at the Kayelekera and Letlhakane projects. The report adheres to the 2021 Global Reporting Initiative (GRI) Sustainability Reporting Standards and details Lotus' alignment with Sustainable Development Goals (SDGs). It also outlines the Group's efforts to comply with the Australian Sustainability Reporting Standards (ASRS), now mandatory under the Treasury Laws Amendment (Financial Market Infrastructure and Other Measures) Act 2024, passed in September 2024. These standards closely align with the Taskforce on Climate-related Financial Disclosures (TCFD) framework, which Lotus has been preparing for since FY22 and is now well-positioned to meet ASRS requirements.

Community Engagement and Social Responsibility

During the half-year, Lotus Chairman Michael Bowen, Managing Director Greg Bittar, and the Kayelekera uranium mine management visited the Kayelekera village to engage with the local community. The visit, which took place at the Kayelekera Public School, was attended by the Group Village Chief, Village Chiefs, and a large number of residents and school children. Discussions covered key topics including employment opportunities, supporting local businesses, training and development, and initiatives to enhance education and healthcare services.

Furthering its commitment to community safety, Lotus engaged with the Karonga District Council Emergency Response Team to enhance preparedness for potential Tailings Storage Facility (TSF) failures. This collaborative effort focused on identifying strategic muster points along the Rukuru River catchment area that could be impacted by such incidents. These muster points will serve as initial evacuation sites, ensuring safe and efficient relocation of affected communities.

¹³ Refer to ASX announcement 21 October 2025.

DIRECTORS' REPORT

REVIEW OF ACTIVITIES (continued)

Capacity Building and Community Engagement

Lotus participated in a Capacity Building Workshop hosted by the Malawi Chamber of Mines and Energy, aimed at strengthening the ability of Community Radio Broadcasters to engage effectively with mining companies. The Environment and Social Superintendent represented Lotus, delivering a presentation on the Group's Environmental Management practices and Corporate Social Responsibility (CSR) initiatives.

The Group continued its support for local communities, particularly those surrounding the Kayelekera and Letlhakane uranium projects. Educational initiatives remained a key focus, with Lotus donating backpacks, water bottles, and stationery to students at 13 schools in northern Malawi to support access to essential learning materials.

In November 2025, Lotus contributed MWK 8 million to the Karonga–Chitipa Heritage Cultural Festival and established a booth to share information about the Group's projects and community engagement activities.

Educational Support and Fundraising Initiatives

Lotus also supported schools within the Wiliro Education Zone, closest to the Kayelekera Mine, by funding the printing of approximately 60,000 examination pages. This support, provided to eight primary schools and one Community Day Secondary School, ensured that these schools could conduct assessments effectively.

Additionally, in November 2025, the Lotus Marula Giants—a team of Botswana-based employees and contractors—participated in a fundraising football tournament organized by the Gojwane Old Stars Social Club. The event raised funds to purchase essential hygiene items for Bonwatlou Junior Secondary School in Serule. Lotus' involvement in the tournament highlighted its commitment to community engagement, with all proceeds from food sales directed towards supporting students' access to basic necessities. The Lotus Marula Giants team was also successful in winning their fixtures.

DIRECTORS' REPORT

ORE RESERVES AND MINERAL RESOURCES

Kayelekera Mineral Resources Estimate

The information in this document that relates to Mineral Resources for Kayelekera at the project was reported by the Group in announcements to the ASX dated 15 February 2022 (Kayelekera) and 9 June 2022 (Livingstonia). The Group confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 2 - Kayelekera Mineral Resource Inventory - December 2025¹⁴

Project	Category	Mt	Grade	U ₃ O ₈	U ₃ O ₈
			(U ₃ O ₈ ppm)	(M kg)	(M lbs)
Kayelekera	Measured	0.9	830	0.7	1.6
Kayelekera	Measured - RoM Stockpile ¹⁵	1.6	760	1.2	2.6
Kayelekera	Indicated	29.3	510	15.1	33.2
Kayelekera	Inferred	8.3	410	3.4	7.4
Kayelekera	Total	40.1	510	20.4	44.8
Kayelekera	Inferred - LG Stockpiles ¹⁶	2.4	290	0.7	1.5
Kayelekera	Total All Materials	42.5	500	21.1	46.3
Livingstonia	Inferred	6.9	320	2.2	4.8
Total		49.4	475	23.3	51.1

Kayelekera Ore Reserves

The Ore Reserve estimate has been developed using the 9 June 2022 Mineral Resource Estimate for Kayelekera only (i.e. excluding the Livingstonia Resource Estimate) and is based on the optimised mine plan and production schedule prepared as part of the Restart Definitive Feasibility Study reported in ASX announcement dated 11 August 2022 and the Accelerated Restart Plan reported in the ASX announcement dated 8 October 2024.

The Group confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, except as it relates to ramp-up progress as stated in the December 2025 Quarterly Activities Report released on the ASX on 30 January 2026; and in the case of estimates of Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Group confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Table 3 - Kayelekera Ore Reserve Inventory - December 2025¹⁷

Project	Category	Mt	Grade	U3O8	U3O8
			(U3O8 ppm)	(M kg)	(M lbs)
Kayelekera	Open Pit - Proved	0.6	902	0.5	1.2
Kayelekera	Open Pit - Probable	13.7	637	8.7	19.2
Kayelekera	RoM Stockpile - Proved	1.6	760	1.2	2.6
Kayelekera	Total - Kayelekera	15.9	660	10.4	23.0

¹⁴ See ASX announcements dated 15 February 2022 and 9 June 2022 for information on the Kayelekera Project and Livingstonia Deposit Mineral Resource Estimates. Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 15 February 2022 and 9 June 2022 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in that announcement continue to apply and have not materially changed. The Kayelekera Project Mineral Resource Estimates are reported inclusive of the Kayelekera Project Ore Reserve Estimates Mineral Resources are based on a 100% ownership basis of which Lotus has an 85% interest.

¹⁵ RoM stockpile has been mined and is located near mill facility.

¹⁶ Low-grade stockpiles have been mined and placed on the medium-grade stockpile and are considered potentially feasible for blending or beneficiation, with studies planned to further assess this optionality.

¹⁷ Ore Reserves are reported based on a dry basis. Proved Ore Reserves are inclusive of RoM stockpiles and are based on a 200ppm cut-off grade for arkose and a 390ppm cut-off grade for mudstone. Ore Reserves are based on a 100% ownership basis of which Lotus has an 85% interest. Except for information included in the Accelerated Restart Plan announced on the ASX on 8 October 2024 and the ramp-up progress stated in its December 2025 Quarterly Activities Report released on the ASX on 30 January 2026, Lotus confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 11 August 2022 and that all material assumptions and technical parameters underpinning the Ore Reserve Estimate in that announcement continue to apply and have not materially changed.

DIRECTORS' REPORT

ORE RESERVES AND MINERAL RESOURCES (continued)

Letlhakane Mineral Resources Estimate

Lotus and independent mineral resource estimation specialist Snowden Optiro prepared a revised MRE for the Letlhakane deposit that incorporated results of the recently completed 164-hole (12,108m) infill drill program. The revised MRE was reported as Mineral Resources that have "reasonable prospects of eventual economic extraction", or RPEEE, and lie within pit shells defined by cost of mining and processing, as well as other criteria, including losses in mining and metallurgical recoveries¹⁸. Targeted exploration at Marotobolo on the western border of the ML has added 4.4Mlbs of new RPEEE-constrained Inferred Mineral Resources¹⁹.

Table 4 - Letlhakane Optimised MRE reported above a 200ppm cut-off at US\$100/lb - December 2025

Material type	Deposit	Indicated			Inferred			Total		
		Mt	U ₃ O ₈ ppm	U ₃ O ₈ Mlb	Mt	U ₃ O ₈ ppm	U ₃ O ₈ Mlb	Mt	U ₃ O ₈ ppm	U ₃ O ₈ Mlb
Secondary	Mokobaesi	2.1	344	1.6	-	-	-	2.1	344	1.6
	Total Secondary	2.1	344	1.6	-	-	-	2.1	344	1.6
Oxide	Gorgon	8.6	353	6.7	7.0	303	4.7	15.6	330	11.4
	Mokobaesi	3.1	323	2.2	-	-	-	3.1	323	2.2
	Kraken	3.1	307	2.1	0.5	237	0.3	3.6	297	2.4
	Serule East	-	-	-	0.8	239	0.4	0.8	239	0.4
	Serule West	0.9	349	0.7	2.8	371	2.3	3.7	366	3.0
	Total Oxide	15.7	337	11.7	11.1	313	7.7	26.8	327	19.4
Primary	Gorgon	42.8	355	33.4	33.2	321	23.5	76.0	340	56.9
	Mokobaesi	0.3	316	0.2	-	-	-	0.3	316	0.2
	Kraken	5.3	384	4.5	0.5	289	0.3	5.8	376	4.8
	Serule West	5.4	449	5.4	21.8	439	21.1	27.2	441	26.5
	Marotobolo	-	-	-	4.0	495	4.4	4.0	495	4.4
	Total Primary	53.8	367	43.5	59.5	376	49.3	113.3	372	92.8
Total		71.6	360	56.8	70.6	366	56.9	142.2	363	113.7

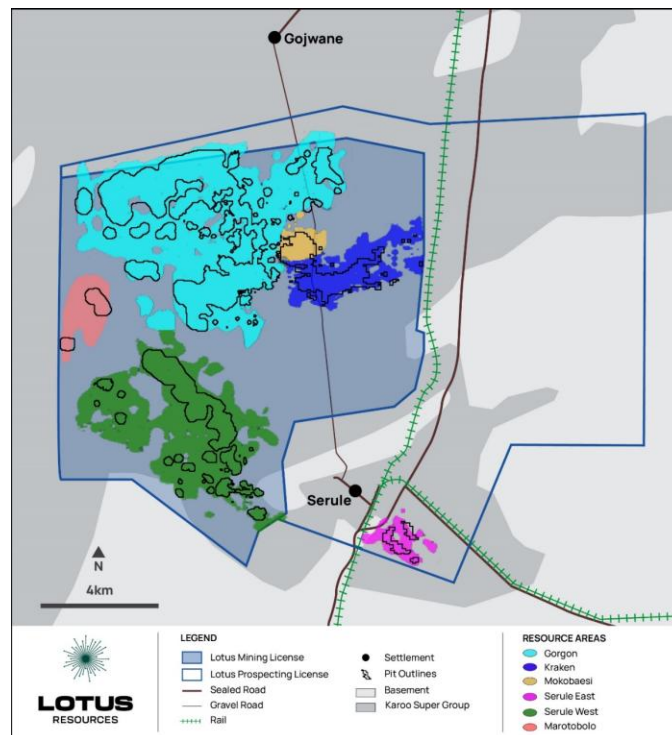


Figure 1: Letlhakane resource areas

¹⁸ See ASX announcement 6 December 2024 for details and Competent Person Statement. Lotus confirms that it is not aware of any new information or data that materially affects the information included in the respective Mineral Resource announcements of 6 December 2024 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimates in those announcements continue to apply and have not materially changed. Lotus confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from those market announcements

¹⁹ Refer to Table 4 above for a breakdown of the classification and deposits of the Letlhakane Mineral Resource.cement continue to apply and have not materially changed.

DIRECTORS' REPORT

RESULTS

The Consolidated entity made a loss of A\$34,460,540 after tax for the half-year ended 31 December 2025 (31 December 2024: loss of A\$10,322,428).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

During the half-year ended 31 December 2025, the Group issued 342,105,264 fully paid ordinary shares through an equity placement to institutional and sophisticated investors, raising total gross proceeds of A\$65 million (before costs). The shares were issued at a price of A\$0.19 per share. Directors also participated by acquiring 1,210,524 fully paid ordinary shares, following shareholder approval.

There were no other significant changes in the state of affairs of the Consolidated Entity during the half-year ended 31 December 2025.

EVENTS AFTER THE REPORTING PERIOD

On 16 January 2026, the Group announced the results of its Extraordinary General Meeting, at which shareholders approved the following resolutions:

- The repeal of the Group's existing Constitution and its replacement with a new Constitution; and
- The consolidation of capital, whereby every 11.5 shares were consolidated into 1 share. All options and performance rights were also consolidated in accordance with the applicable listing rules.

A separate announcement confirming the completion of the share consolidation was released on 22 January 2026.

On 29 January 2026, the Group announced the commencement of a substantial schedule of sulphuric acid deliveries, which is expected to alleviate acid supply constraints and support the ramp-up of the Kayelekera Uranium Mine in Malawi to steady-state production in the coming months.

On 5 February 2026, the Group announced the completion of its bookbuild for a non-underwritten placement to raise A\$76 million (US\$53 million²⁰) (before costs) at A\$2.15 per share (**Placement**) to provide additional working capital to support ramp up to steady state production. In addition to the Placement, Lotus will conduct a non-underwritten Share Placement Plan (**SPP**)²¹ to raise up to A\$5 million (US\$3 million). Funds raised from the Placement and the SPP will deliver enhanced balance sheet flexibility, with pro-forma unaudited cash of A\$145 million²² supporting:

- Execution and completion of the acid plant and grid connection projects, which will optimise operating costs
- Typical ~5-6-month uranium working capital cycle, with potential for additional liquidity available via inventory pre-payment facilities which are under negotiation (if required).

REFERENCE TO PREVIOUS ASX ANNOUNCEMENTS

The information in this announcement that relates to the Mineral Resource Estimate at Kayelekera was announced on 9 June 2022 and 15 February 2022. The information in this announcement that relates to the Mineral Resource Estimate at Letlhakane was announced on 6 December 2024. The Group confirms that it is not aware of any new information or data that materially affects the information included in the announcements of 9 June 2022 and 15 February 2022 and that all material assumptions and technical parameters underpinning the Mineral Resource Estimate in that announcement continue to apply and have not materially changed.

The information in this announcement that relates to the Ore Reserve Estimate at Kayelekera was announced on 11 August 2022. Except for information in the Accelerated Restart Plan announced on the ASX on 8 October 2024 and the ramp-up progress stated in its December 2025 Quarterly Activities Report released on the ASX on 30 January 2026, the Group confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 11 August 2022 and that all material assumptions and technical parameters underpinning the Ore Reserve Estimate in that announcement continue to apply and have not materially changed.

In relation to the exploration results included in this announcement, the dates of which are referenced, the Group confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

²⁰ Assuming an AUD:USD of 0.70

²¹ A waiver from ASX will be applied for, to conduct an SPP at a discount greater than 20% of the 5-day VWAP. If not granted the SPP will be conditional on shareholder approval.

²² Closing cash of A\$56.2 million as at 31 December 2025, A\$7.2 million in equipment finance facility drawn post quarter end, A\$76 million gross proceeds from the equity raise plus A\$5 million from the SPP.

DIRECTORS' REPORT

FORWARD LOOKING STATEMENTS AND DISCLAIMER

This Directors Report includes “forward-looking statements” within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Lotus Resource Limited’s control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this announcement, including, without limitation, those regarding Lotus Resource Limited’s future expectations. Readers can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “risk,” “should,” “will” or “would” and other similar expressions. Risks, uncertainties and other factors may cause Lotus Resource Limited’s actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the timeframe and within estimated costs currently planned; variations in global demand and price for uranium; fluctuations in exchange rates between the U.S. Dollar and the Australian Dollar; uncertainty in the estimation of mineral resources and mineral reserves; the failure of Lotus Resource Limited’s suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; the inherent risks and dangers of mining exploration and operations in general; environmental risks; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in government regulations, policies or legislation; foreign investment risks in Malawi; breach of any of the contracts through which the Company holds property rights; defects in or challenges to the Company’s property interests; uninsured hazards; industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; reliance on key personnel and the retention of key employees; the impact of the outbreak of disease on the Company’s business and operations; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the Board of Directors of Lotus Resource Limited. The ability of the Company to achieve any targets will be largely determined by the Company’s ability to secure adequate funding, implement mining plans, resolve logistical issues associated with mining and enter into any necessary offtake arrangements with reputable third parties. Although Lotus Resource Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward-looking statements.

This Directors’ Report has been prepared by the Company based on information from its own and third-party sources and is not a disclosure document. It does not purport to contain all the information that a prospective investor may require in connection with any potential investment in the Company. It should be read in conjunction with, and full review made of, the Company’s disclosures and releases lodged with the Australian Securities Exchange (**ASX**) and available at www.asx.com.au under the Company’s ticker code (**ASX: LOT**). Each recipient must make its own independent assessment of the Company and should seek professional advice before acquiring any shares in the Company.

Except for any liability that cannot be excluded by law, the Company and its related bodies corporate, directors, officers, employees, advisers and agents (each a **Lotus Party**) disclaim and accept no responsibility for, or makes any representation or warranty, express or implied, with respect to the accuracy, reliability or completeness of the information contained in this presentation and none of those parties have or assume any obligation to provide any additional information or to update this presentation. Whilst care has been exercised in preparing this announcement, to the fullest extent permitted by law, the Company and each Lotus Party:

- make no representation, warranty or undertaking, express or implied, as to the adequacy, accuracy, currency, completeness, reliability or reasonableness of this announcement; and
- expressly disclaims all responsibility and liability for any expenses, losses, damages or costs (whether direct, indirect or contingent) arising in respect of your reliance on this presentation including, without limitation, the information contained in or provided in connection with it, any errors or omissions from it however caused, lack of accuracy, completeness, currency or reliability or you or any other person placing any reliance on this presentation, its accuracy, completeness, currency or reliability.

DIRECTORS' REPORT

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

Section 307C of the Corporations Act 2001 requires our auditor, RSM Australia Partners, to provide the Directors of the Group with an Independence Declaration in relation to the review of the interim financial report. This Independence Declaration is set out on page 17 and forms part of this Directors' report for the six months ended 31 December 2025.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to section 306(3)(a) of the Corporations Act 2001.



Greg Bittar
Managing Director

Dated at Perth, Western Australia, this 5th day of March 2026

RSM Australia Partners

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AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Lotus Resources Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

A handwritten signature in blue ink that reads 'RSM'.

RSM AUSTRALIA

A handwritten signature in blue ink that reads 'MATTHEW BEEVERS'.

MATTHEW BEEVERS
Partner

Perth, WA
Dated: 5 March 2026

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RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Note	Consolidated 31 December 2025 \$	Consolidated 31 December 2024 \$
Other income		3,450,192	4,201,280
Pre-production costs	3	(23,284,429)	-
Corporate and administrative expenses	3	(11,839,099)	(3,392,907)
Finance costs - accretion of interest		(1,570,869)	(710,025)
Share-based payments expense	15	(836,856)	(2,937,023)
Finance costs - others		(322,480)	-
Depreciation charges		(56,999)	(5,298)
Care and maintenance costs		-	(3,290,692)
Exploration and evaluation expenses		-	(4,032,371)
Impairment charges - plant and equipment		-	(99,147)
Loss before tax		(34,460,540)	(10,266,183)
Tax expense		-	(56,245)
Loss for the half-year		(34,460,540)	(10,322,428)
Other comprehensive (loss)/income			
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Foreign exchange differences on translating foreign operations		(3,528,642)	6,452,123
Total other comprehensive (loss)/income		(3,528,642)	6,452,123
Total comprehensive loss for the half-year		(37,989,182)	(3,870,305)
Loss attributable to:			
Non-controlling interests		(6,131,391)	(481,901)
Members of the parent		(28,329,149)	(9,840,527)
		(34,460,540)	(10,322,428)
Total comprehensive loss attributable to:			
Non-controlling interests		(6,660,687)	(369,339)
Members of the parent		(31,328,495)	(3,500,966)
		(37,989,182)	(3,870,305)
Loss per share:			
Basic and diluted loss per ordinary share (cents)		(1.10)	(0.50)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

	Note	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
CURRENT ASSETS			
Cash and cash equivalents	4	56,163,665	54,092,246
Other current assets	5	1,355,792	22,749,059
Inventories	6	10,026,509	4,841,074
Total Current Assets		67,545,966	81,682,379
NON-CURRENT ASSETS			
Right-of-use asset	7	403,193	466,258
Plant and equipment	8	81,735,054	41,952,519
Exploration and evaluation assets	9	85,234,380	124,039,288
Mine properties	10	40,396,707	-
Other financial assets		14,995,966	15,310,489
Other non-current asset		16,823,760	15,984,092
Total Non-Current Assets		239,589,060	197,752,646
TOTAL ASSETS		307,135,026	279,435,025
CURRENT LIABILITIES			
Trade and other payables	11	2,019,075	4,230,989
Lease liabilities	7	144,821	103,457
Provisions	12	543,290	242,965
Total Current Liabilities		2,707,186	4,577,411
NON-CURRENT LIABILITIES			
Lease liabilities	7	254,982	352,000
Provisions	12	40,564,171	38,977,452
Borrowings	13	3,977,807	-
Total Non-Current Liabilities		44,796,960	39,329,452
TOTAL LIABILITIES		47,504,146	43,906,863
NET ASSETS		259,630,880	235,528,162
EQUITY			
Contributed equity	14	453,701,886	391,398,796
Reserves	15	(38,958,290)	(35,747,754)
Accumulated losses	16	(146,664,007)	(118,334,858)
Equity attributable to owners of the Group		268,079,589	237,316,184
Non-controlling interests	15	(8,448,709)	(1,788,022)
TOTAL EQUITY		259,630,880	235,528,162

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



Consolidated 2025	Contributed equity \$	Share-based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Capital reserves \$	Non-controlling interest \$	Total equity \$
At 1 July 2025	391,398,796	5,095,946	(5,897,740)	(118,334,858)	(34,945,960)	(1,788,022)	235,528,162
Loss for the half-year	-	-	-	(28,329,149)	-	(6,131,391)	(34,460,540)
Other comprehensive income	-	-	(2,999,346)	-	-	(529,296)	(3,528,642)
Total comprehensive loss for the half-year	-	-	(2,999,346)	(28,329,149)	-	(6,660,687)	(37,989,182)
Transactions with equity holders in their capacity as equity holders							
Shares issued on capital raisings (note 14)	65,229,998	-	-	-	-	-	65,229,998
Share issue costs (note 14)	(3,974,954)	-	-	-	-	-	(3,974,954)
Share-based payments (note 15)	-	836,856	-	-	-	-	836,856
Exercise of options (note 14)	1,048,046	(1,048,046)	-	-	-	-	-
At 31 December 2025	453,701,886	4,884,756	(8,897,086)	(146,664,007)	(34,945,960)	(8,448,709)	259,630,880

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



Consolidated 2024	Contributed equity \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Capital reserves \$	Non-controlling interest \$	Total equity \$
At 1 July 2024	263,785,659	3,175,819	(911,542)	(101,296,301)	(34,945,960)	(2,412,797)	127,394,878
Loss for the half-year	-	-	-	(9,840,527)	-	(481,901)	(10,322,428)
Other comprehensive loss	-	-	6,339,561	-	-	112,562	6,452,123
Total comprehensive income/(loss) for the half-year	-	-	6,339,561	(9,840,527)	-	(369,339)	(3,870,305)
Transactions with equity holders in their capacity as equity holders							
Shares issued on capital raisings (note 14)	132,266,000	-	-	-	-	-	132,266,000
Share issue costs (note 14)	(7,202,414)	-	-	-	-	-	(7,202,414)
Share-based payments (note 15)	-	2,937,023	-	-	-	-	2,937,023
Share issued to employees (note 14)	124,044	(124,044)	-	-	-	-	-
Exercise of options (note 14)	476,055	(476,055)	-	-	-	-	-
Expiry of employee share scheme options (note 14)	-	(133,130)	-	133,130	-	-	-
At 31 December 2024	389,449,344	5,379,613	5,428,019	(111,003,698)	(34,945,960)	(2,782,136)	251,525,182

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**



	Consolidated 31 December 2025 \$	Consolidated 31 December 2024 \$
Cash flows from operating activities		
Interest received	1,439,689	1,188,354
Other income received	67,102	-
Payments to suppliers and employees	(34,831,496)	(3,753,099)
Payments for care and maintenance	-	(3,649,911)
Payments for exploration and evaluation activities	-	(5,492,376)
Finance costs paid	(217,359)	-
Income tax paid	-	(56,245)
Net cash used in operating activities	<u>(33,542,064)</u>	<u>(11,763,277)</u>
Cash flows from investing activities		
Purchases of plant and equipment	(48,451,679)	(15,428,558)
Payments for exploration	(1,591,799)	(3,926,871)
Payments of lease liability	(80,713)	(3,880)
Proceeds of matured short-term investments	21,841,538	-
Net cash used in investing activities	<u>(28,282,653)</u>	<u>(19,359,309)</u>
Cash flows from financing activities		
Proceeds from issue of shares	65,229,998	132,266,000
Proceeds from loan facility	3,963,551	-
Share issue transaction costs	(3,974,954)	(7,202,414)
Net cash from financing activities	<u>65,218,595</u>	<u>125,063,586</u>
Net increase in cash and cash equivalents	<u>3,393,878</u>	<u>93,941,000</u>
Cash and cash equivalents at the beginning of the period	54,092,246	34,125,776
Effects of exchange rate changes on cash and cash equivalents	(1,322,459)	4,773,689
Cash and cash equivalents at the end of the period	<u>56,163,665</u>	<u>132,840,465</u>

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

1. MATERIAL ACCOUNTING POLICIES

Basis of Preparation

These general-purpose financial statements for the half-year ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 '*Interim Financial Reporting*' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard, IAS 34 *Interim Financial Reporting*.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. In addition, any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Mine properties

Mine properties represent the costs incurred in preparing mines for production and operating costs incurred before production commences. These costs are capitalised to the extent they are expected to be recouped through the successful exploitation of the related mining leases. Once production commences, these costs are depreciated and amortised using the units-of-production method based on the estimated ore mined included in the life of mine plan to which they relate or are written off if the mine property is abandoned. Any proceeds from sales in the pre-production phase are recognised in the statement of comprehensive income.

Capitalised mine properties costs include expenditures incurred to develop new ore bodies to define further mineralisation in existing ore bodies, to expand the capacity of a mine and to maintain production. Mine properties also includes costs transferred from exploration and evaluation phase once production commences in the area of interest.

Amortisation of mine properties is computed by the units of production basis over the estimated proved and probable reserves. Proved and probable mineral reserves reflect estimated quantities of economically recoverable reserves which can be recovered in the future from known mineral deposits. These reserves are amortised from the date on which production commences. The amortisation is calculated from recoverable proven and probable reserves and a predetermined percentage of the recoverable measured, indicated and inferred resource. This percentage is reviewed annually.

Restoration costs expected to be incurred are provided for as part of development phase that give rise to the need for restoration.

Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

2. SEGMENT REPORTING

During the half-year ended 31 December 2025, the Consolidated entity operated in three (31 December 2024: four business segments, including nickel-cobalt exploration, evaluation and development in Australia) business segments and two geographical locations (31 December 2024: two), being the exploration, evaluation and development of Uranium assets in Africa (comprising the geographical locations Malawi and Botswana) and Corporate activities in Australia.

These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers) in assessing performance and in determining the allocation of resources.

An operating segment is a component of the Consolidated entity that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Consolidated entity's components.

Consolidated 31 December 2025	Operating Loss \$	Total Assets \$	Total Liabilities \$
Uranium - Malawi	(26,907,838)	206,376,423	(46,445,075)
Uranium - Botswana	(2,383,468)	46,599,816	(120,183)
Corporate	(5,169,234)	54,158,787	(938,888)
	(34,460,540)	307,135,026	(47,504,146)

Consolidated 31 December 2024	Operating Loss \$	Total Assets \$	Total Liabilities \$
Uranium - Malawi	(3,212,675)	79,796,968	(44,962,025)
Uranium - Botswana	(1,063)	80,879,039	(293,154)
Nickel - Cobalt - Australia	(39,801)	-	-
Corporate	(7,068,889)	137,285,032	(1,180,678)
	(10,322,428)	297,961,039	(46,435,857)

3. SIGNIFICANT EXPENSES

	Consolidated 31 December 2025 \$	Consolidated 31 December 2024 \$
Pre-production costs*	23,284,429	-
<i>Corporate and administrative expenses</i>		
Personnel costs - Corporate	2,084,008	1,153,043
Personnel costs - African subsidiaries	7,561,101	-
Director's fees	480,823	373,852
Investor relations costs	431,110	490,477
Compliance, listing and commercial costs	418,050	229,103
Sales and marketing costs	306,250	64,004
Finance and accounting costs	158,198	276,704
Other administrative expenses	399,559	805,724
	11,839,099	3,392,907

*These are the expenditures during the pre-commercial production that are not directly attributed to the commissioning of the Kayelekera plant.

4. CASH AND CASH EQUIVALENTS

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Cash at banks and on hand	56,163,665	17,657,561
Term deposits	-	36,434,685
	56,163,665	54,092,246

NOTES TO THE FINANCIAL STATEMENTS
5. OTHER CURRENT ASSETS

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Short-term investments	-	21,841,538
GST receivables	888,585	348,243
Security deposits	80,907	154,820
Accrued interest receivables	386,300	404,458
	<u>1,355,792</u>	<u>22,749,059</u>

6. INVENTORIES

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Spare parts, supplies and consumables	<u>10,026,509</u>	<u>4,841,074</u>

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost method. There are no items which are identified as obsolete during the half - year.

7. LEASES

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Right of use assets:		
At the beginning of the year	466,258	-
Additions	7,789	492,928
Depreciation charge for the year	(70,854)	(26,670)
	<u>403,193</u>	<u>466,258</u>
Lease Liability:		
At the beginning of the year	455,457	-
Additions	7,790	492,928
Accretion of interest	17,269	7,821
Payments	(80,713)	(45,292)
	<u>399,803</u>	<u>455,457</u>
Current	144,821	103,457
Non-current	254,982	352,000
Total Lease Liability	<u>399,803</u>	<u>455,457</u>

NOTES TO THE FINANCIAL STATEMENTS

8. PLANT AND EQUIPMENT

	Furniture and Fixtures \$	IT and Computer Equipment \$	Mine Plant and Equipment \$	Motor Vehicles \$	WIP Assets (i) \$	Total \$
At 31 December 2025						
Cost	8,650,126	438,014	546,228,036	8,137,605	43,453,716	606,907,497
Accumulated depreciation and impairment	(7,869,884)	(34,352)	(512,324,016)	(4,944,191)	-	(525,172,443)
Net carrying amount	780,242	403,662	33,904,020	3,193,414	43,453,716	81,735,054
Period ended 31 December 2025						
At 1 July 2025, net of accumulated depreciation	790,832	-	33,940,582	3,296,663	3,924,442	41,952,519
Additions	-	-	-	-	39,939,002	39,939,002
Reclassifications	(10,391)	438,014	(17,895)	-	(409,728)	-
Depreciation charge for the period	(199)	(34,352)	(18,667)	(103,249)	-	(156,467)
At 31 December 2025, net of accumulated depreciation	780,242	403,662	33,904,020	3,193,414	43,453,716	81,735,054
At 30 June 2025						
Cost	8,660,517	-	546,245,931	8,137,605	3,924,442	566,968,495
Accumulated depreciation and impairment	(7,869,685)	-	(512,305,349)	(4,840,942)	-	(525,015,976)
Net carrying amount	790,832	-	33,940,582	3,296,663	3,924,442	41,952,519
Year ended 30 June 2025						
At 1 July 2024, net of accumulated depreciation	24,372	-	44,151	95,957	-	164,480
Additions	880,202	-	34,040,482	3,508,990	3,924,442	42,354,116
Depreciation charge for the financial year	(49,271)	-	(148,218)	(279,519)	-	(477,008)
Depreciation capitalised to exploration and evaluation assets	(84)	-	(42,185)	(28,765)	-	(71,034)
Impairment charge for the financial year	(64,387)	-	-	-	-	(64,387)
Foreign exchange movements	-	-	46,352	-	-	46,352
At 30 June 2025, net of accumulated depreciation	790,832	-	33,940,582	3,296,663	3,924,442	41,952,519

(i) Work-in-progress assets as at 31 December 2025 primarily comprise of plant and equipment and other associated construction costs in relation to the Kayelekera mining operations.

NOTES TO THE FINANCIAL STATEMENTS

9. EXPLORATION AND EVALUATION ASSETS

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Exploration and evaluation expenditure carried forward in respect of areas of interest (net of amounts written off)	<u>85,234,380</u>	<u>124,039,288</u>
Reconciliation		
Carrying amount - 1 July	124,039,288	118,178,228
Exploration and evaluation expenditures	2,240,274	3,655,442
Transfer to mine properties (Note 10)	(40,396,707)	-
Provision for impairment	-	(36,073)
Change in estimates provision for rehabilitation and closure costs	-	(42,784)
Movement in exchange rates	(648,475)	2,284,475
Carrying amount - 31 December / 30 June	<u>85,234,380</u>	<u>124,039,288</u>

10. MINE PROPERTIES

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Transfer from exploration and evaluation assets	<u>40,396,707</u>	<u>-</u>

During the half-year, the Group achieved technical feasibility and commercial viability of the Kayelekera project in Malawi, as evidenced by the completion of feasibility studies and receipt of all required regulatory approvals. These milestones mark the point at which the recognition criteria under AASB 6: *Exploration for and Evaluation of Mineral Resources* ceased to apply. Accordingly, the related Exploration and Evaluation (E&E) assets were reclassified to Mine Properties.

11. TRADE AND OTHER PAYABLES

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Trade payables	193,551	704,278
Other payables and accruals	1,825,524	3,526,711
	<u>2,019,075</u>	<u>4,230,989</u>

12. PROVISIONS

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Current:		
Annual leave provision	<u>543,290</u>	<u>242,965</u>
Non-current:		
Rehabilitation and closure provision	40,486,174	38,915,305
Long-service leave	77,997	62,147
	<u>40,564,171</u>	<u>38,977,452</u>
Reconciliation - Rehabilitation and closure provision:		
Opening balance - 1 July	38,915,305	38,167,789
Decrease in provision for closure cost	-	(42,784)
Accretion of interest	1,570,869	-
Foreign currency movements	-	790,300
Closing balance - 31 December/ 30 June	<u>40,486,174</u>	<u>38,915,305</u>

NOTES TO THE FINANCIAL STATEMENTS
13. BORROWINGS

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Loan facility	<u>3,977,807</u>	<u>-</u>

During the half-year, the Group entered into a facility agreement with First Capital Bank for a total borrowing facility of US\$8.5 million to finance the acquisition of various mining assets and equipment. During the period a total of US\$2,652,585 (A\$3,977,807 equivalent) of the facility was drawn down which includes US\$2,594,648 in loan principal and US\$57,937 in interest. Interest is paid monthly in arrears at a rate of 8.83% per annum. As at the reporting date, the remaining undrawn facility available for borrowing amounted to US\$5,905,353.

Loan covenants

The loan facility is subject to certain covenants. The loan facility will be repayable immediately if the covenants are breached. The Consolidated entity is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

14. CONTRIBUTED EQUITY

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Fully paid ordinary shares	<u>453,701,886</u>	<u>391,398,796</u>

	Consolidated 31 December 2025 Number of Shares	Consolidated 30 June 2025 Number of Shares	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Movements during the period/year:				
At beginning of period/year	2,369,857,008	1,831,216,106	391,398,796	263,785,659
Issue of shares - capital raising	343,315,788	529,064,000	65,229,998	132,266,000
Shares issued to employees upon exercise of options	4,177,297	8,971,809	1,048,046	2,437,700
Shares issued as employees' bonus	-	605,093	-	124,043
Share issue costs	-	-	(3,974,954)	(7,214,606)
At end of period/year	<u>2,717,350,093</u>	<u>2,369,857,008</u>	<u>453,701,886</u>	<u>391,398,796</u>

15. RESERVES AND NON-CONTROLLING INTEREST

	Consolidated 31 December 2025 \$	Consolidated 30 June 2025 \$
Share-based payment reserve	4,884,756	5,095,946
Capital reserve	(34,945,960)	(34,945,960)
Foreign currency reserve	(8,897,086)	(5,897,740)
	<u>(38,958,290)</u>	<u>(35,747,754)</u>

Movement in reserves:
Share based payment reserve

Opening balance – 1 July	5,095,946	3,175,819
Share-based payment expense	836,856	4,490,957
Transferred to share capital from exercise of options	(1,048,046)	(2,437,700)
Transferred to accumulated losses upon expiry of options	-	(133,130)
Closing balance – 30 June/31 December	<u>4,884,756</u>	<u>5,095,946</u>

Capital reserve

Opening and closing balance	<u>(34,945,960)</u>	<u>(34,945,960)</u>
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Foreign exchange reserve

Opening balance – 1 July	(5,897,740)	(911,542)
Foreign exchange differences on translation of foreign operations	(2,999,346)	(4,986,198)
Closing balance – 30 June/31 December	<u>(8,897,086)</u>	<u>(5,897,740)</u>

NOTES TO THE FINANCIAL STATEMENTS

15. RESERVES AND NON-CONTROLLING INTEREST (continued)

	Consolidated 31 December 2025	Consolidated 30 June 2025
Non-controlling interest		
Opening balance – 1 July	(1,788,022)	(2,412,797)
Loss after income tax and other comprehensive loss	(6,660,687)	(2,786,742)
Reclassification of historical allocation of NCI and accumulated losses	-	3,411,517
Closing balance – 30 June/31 December	<u>(8,448,709)</u>	<u>(1,788,022)</u>

16. ACCUMULATED LOSSES

	Consolidated 31 December 2025	Consolidated 30 June 2025
Balance - 1 July	\$ (118,334,858)	\$ (101,296,301)
Loss for the financial year	(28,329,149)	(13,760,170)
Reclassification of historical allocation of NCI and accumulated losses	-	(3,411,517)
Transfer from share-based payments reserve – expiry of options	-	133,130
Closing balance – 30 June / 31 December	<u>(146,664,007)</u>	<u>(118,334,858)</u>

17. SHARE-BASED PAYMENTS

	Consolidated 31 December 2025	Consolidated 30 June 2025
Movement in options:	Number	Number
At beginning of period/year	34,876,533	31,107,999
Granted	24,875,165	18,409,647
Vested and exercised	(4,177,297)	(8,971,810)
Cancelled or expired	(3,120,779)	(5,669,303)
Closing balance – 30 June /31 December	<u>52,453,622</u>	<u>34,876,533</u>
Weighted average exercise price of outstanding options (Cents)	4.58	6.88
Weighted average remaining life of outstanding options (Years)	<u>2.26</u>	<u>2.27</u>

Details of the 24,875,165 options granted during the half-year ended 31 December 2025 are set out below (including the assumptions used in fair value estimation).

Below are listed options granted during the period with a non-market related vesting conditions. The spot price at the grant date reflects the share price prior to the share consolidation.

Number of Options	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
400,000	19/11/2025	30/09/2027	\$0.00 each	\$0.17 each	Nil	Nil	\$0.17 each
1,388,549	19/11/2025	30/06/2027	\$0.00 each	\$0.17 each	Nil	Nil	\$0.17 each
8,695,209	10/12/2025	30/06/2028	\$0.00 each	\$0.17 each	Nil	Nil	\$0.17 each
16,746	18/12/2025	30/09/2027	\$0.00 each	\$0.16 each	Nil	Nil	\$0.16 each

Below are the options granted during the period that are subject to both non-market conditions and market conditions, being absolute share price performance and share price performance against a peer group. In accordance with AASB 2, the fair value of these options was determined at grant date using Hoadley's Hybrid ESO model, with the market condition incorporated into the valuation. The spot price at grant date reflects the share price prior to the share consolidation.

Number of Options	Grant date	Expiry date	Exercise Price	Spot Price at Grant Date	Dividend Yield	Risk-free Interest Rate	Fair Value at Grant Date
958,310	19/11/2025	30/06/2029	\$0.00 each	\$0.16 each	Nil	3.66%	\$0.12 each
958,309	19/11/2025	30/06/2029	\$0.00 each	\$0.16 each	Nil	3.66%	\$0.06 each
6,229,021	10/12/2025	30/06/2030	\$0.00 each	\$0.17 each	Nil	4.21%	\$0.12 each
6,229,021	10/12/2025	30/06/2030	\$0.00 each	\$0.17 each	Nil	4.21%	\$0.11 each

NOTES TO THE FINANCIAL STATEMENTS

18. DIVIDENDS

No dividends were declared or paid during the half-year ended 31 December 2025 (2024: Nil).

19. COMMITMENTS

Exploration Project commitments

Commitments for tenement rentals and expenditure commitments due within one year amounted to \$18,832,000 (30 June 2025: \$7,588,000). The expenditure commitments as at 31 December 2025 predominately comprise purchase orders issued for the Kayelekera Project accelerated restart plan workstreams and minimum tenement expenditures at both Kayelekera and Letlhakane.

20. CONTINGENT LIABILITIES AND ASSETS

Kayelekera Uranium Project

As at 31 December 2025, the Group had three agreements providing royalty payments to local government and former owners for production from the Kayelekera Uranium Project. Royalties payable on production comprises an uncapped royalty on revenue to the Malawi Government of 5%, a 3.5% royalty on revenue capped at \$5,000,000 to Paladin Energy Limited, and an uncapped 0.75% royalty on revenue to Power Resources Inc, a subsidiary of Cameco Corporation. Liability to make royalty payments only arises upon the sale of production from Kayelekera. The Group also has in place a US\$10,000,000 cash backed environmental performance bond of A\$14,995,966 (June 2025: A\$15,310,489). The bond is restricted cash to cover closure and rehabilitation costs of the project. The bond is the minimum amount required to be maintained in accordance with the terms of the Mine Development Agreement for the Kayelekera Uranium Project and relevant local regulations. During the previous year Lotus (Africa) Limited, an 85% owned subsidiary of Lotus Resources Limited, signed a CDA with the qualified communities which was ratified by the GoM as required under the Mines and Minerals Act of Malawi. The CDA establishes a Community Development Fund of no less than 0.45% of annual gross sales revenue generated from production sourced from the Kayelekera mining licence, overseen by a Steering Committee, which are to be used for projects which deliver the objectives of the CDA.

Letlhakane Uranium Project

As required under the Mines and Minerals Act of Botswana to enable the grant of a mining licence, Lotus Marula Pty Ltd (or referred to as "Lotus Marula" and formerly A-Cap Energy Limited) provided a parent company guarantee for wholly owned subsidiary Lotus Marula Botswana Proprietary Limited (formerly A-Cap Resources Botswana Pty Ltd) (**A-Cap Botswana**), the holder of the Letlhakane Uranium Project, for the performance of A-Cap Botswana's obligations under the mining licence and Mines and Minerals Act of Botswana. The guarantee was provided on 14 August 2015 and will remain in place for the duration of the mining licence.

21. EVENTS SUBSEQUENT TO REPORTING DATE

On 16 January 2026, the Group announced the results of its Extraordinary General Meeting, at which shareholders approved the following resolutions:

- The repeal of the Group's existing Constitution and its replacement with a new Constitution; and
- The consolidation of capital, whereby every 11.5 shares were consolidated into 1 share. All options and performance rights were also consolidated in accordance with the applicable listing rules.

A separate announcement confirming the completion of the share consolidation was released on 22 January 2026.

On 29 January 2026, the Group announced the commencement of a substantial schedule of sulphuric acid deliveries, which is expected to alleviate acid supply constraints and support the ramp-up of the Kayelekera Uranium Mine in Malawi to steady-state production in the coming months.

On 5 February 2026, the Group announced the completion of its bookbuild for a non-underwritten placement to raise ~A\$76 million/US\$53 million (before costs) at A\$2.15 per share (**Placement**) to provide additional working capital to support ramp up to steady state production. In addition to the Placement, Lotus will conduct a non-underwritten SPP to raise up to A\$5 million/US\$3 million. Funds raised from the Placement and the SPP will deliver enhanced balance sheet flexibility, with pro-forma unaudited cash of A\$145 million supporting:

- Execution and completion of the acid plant and grid connection projects, which will optimise operating costs
- Typical ~5-6-month uranium working capital cycle, with potential for additional liquidity available via inventory pre-payment facilities which are under negotiation (if required).

Other than the above there have been no further significant post-balance date events.

DIRECTORS' DECLARATION

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Consolidated entity's financial position as at 31 December 2025 and of its performance for the six months ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors



Greg Bittar
Managing Director

Dated at Perth, Western Australia this 5th day of March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF LOTUS RESOURCES LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Lotus Resources Limited (the Company) and its subsidiaries (the consolidated entity) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Lotus Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Directors' Responsibility for the Half-Year Financial Report

The directors of Lotus Resources Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in blue ink, appearing to read 'RSM'.

RSM AUSTRALIA

A handwritten signature in blue ink, appearing to read 'MATTHEW BEEVERS'.

MATTHEW BEEVERS
Partner

Perth, WA
Dated: 5 March 2026

