

Kalimetals

Limited

ACN 653 279 371

AND ITS CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT

For the period ended

31 DECEMBER 2025

CONTENTS

CORPORATE DIRECTORY	2
DIRECTORS' REPORT	3
AUDITOR'S INDEPENDENCE DECLARATION	13
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2025	14
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025	15
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2025	16
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025	17
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025	18
DIRECTORS' DECLARATION	26
INDEPENDENT AUDITOR'S REVIEW REPORT	27

CORPORATE DIRECTORY

DIRECTORS

Luke Reinehr	Non-Executive Chairman
Paul Adams	Managing Director
Graeme Sloan	Non-Executive Director
Simon Coyle	Non-Executive Director

CFO & COMPANY SECRETARY

Silfia Morton

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

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5 Spring Street
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LEGAL

Hamilton Locke
Level 48, 152-158 St Georges Terrace,
Perth, WA 6000

SHARE REGISTER

Automic Share Registry Services
Level 5, 191 St Georges Terrace
Perth WA 6000

SECURITIES EXCHANGE LISTING

The Company is listed on the Australian Securities Exchange Ltd (ASX) and the Frankfurt Stock Exchange (FSE).

ASX Code: KM1

FSE Code: 6OB

DIRECTORS' REPORT

The Directors of Kali Metals Limited (“**Kali**” or “the **Company**” or “the **Group**”) present their report on the consolidated entity consisting of the Company and the entity it controlled at the end of, or during, the half-year ended 31 December 2025.

DIRECTORS

The names of Directors who held office during or since the end of the half year and until the date of this report are noted below. Directors were in office for this entire period unless otherwise stated.

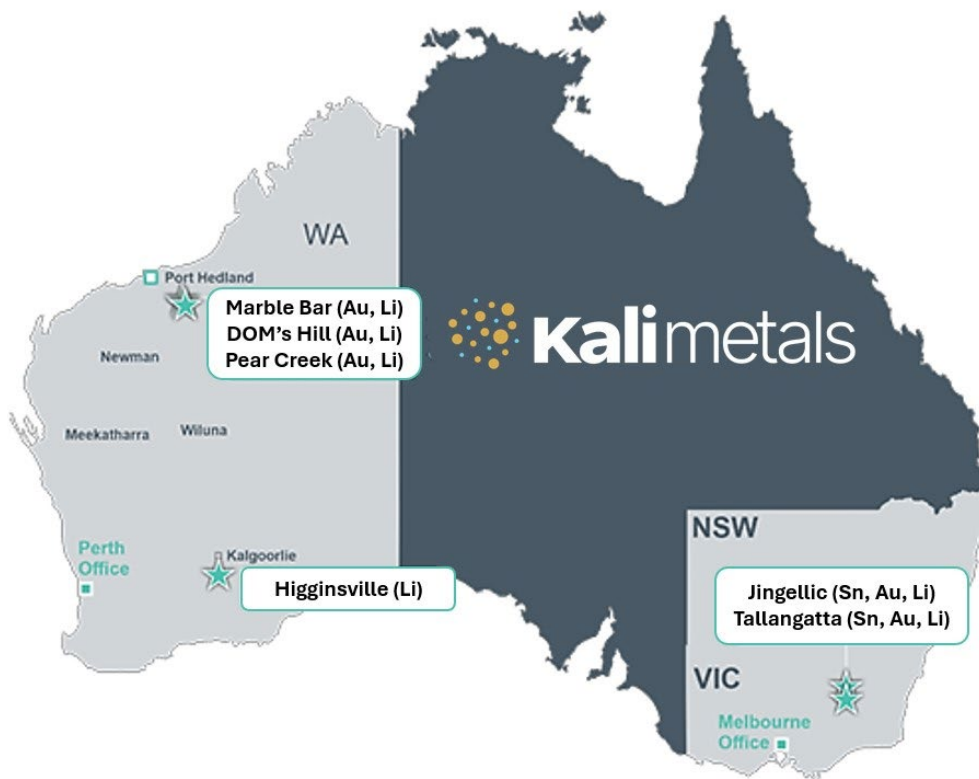
- Luke Reinehr
- Paul Adams
- Graeme Sloan
- Simon Coyle

REVIEW OF OPERATIONS

Kali is a minerals exploration Group with a focus on gold, lithium, tin and critical minerals. The Company maintains a portfolio of assets that represent one of the largest and most prospective exploration packages across the Marble Bar Gold Project in the Pilbara in Western Australia, the Higginsville Lithium District and the Southern Lachlan Fold Belt in New South Wales and Victoria.

The Company’s portfolio of assets includes:

1. Pilbara Projects
 - DOM’s Hill Project
 - Marble Bar Project
 - Pear Creek Project
2. Higginsville Lithium District
3. Southern Lachlan Fold Belt Projects
 - Jingellic Project
 - Tallangatta Project



Map of Kali's Portfolio

Marble Bar Gold Project

The Marble Bar Gold Project, covering ~96km² is located in the eastern region of the Pilbara, approximately 10km east of the Marble Bar town and its historic gold mining centre, and >10km north of the operating Klondyke Gold Project (Refer Figure 1).

During the reporting period, Kali advanced exploration at its Marble Bar Gold Project, identifying multiple high-grade gold prospects and completing its maiden drilling program.

Key Activities:

- Identification of Churchill Gold Prospect
- Expansion of Tiger and Sherman Prospects
- Completion of reconnaissance and heritage clearances
- Completion of maiden RC drilling program (77 holes, 1,086m)
- Post-reporting period, results were received from the maiden drilling program

Churchill Prospect Identified

The Churchill Prospect was identified by a high-resolution drone magnetic survey over ~4km² across the Tiger and Sherman Gold Prospects, completed in June 2025, complemented by 87 additional rock-chip samples. Rock-chip samples from this prospect, returned results of up to 28.4 g/t Au.

Tiger and Sherman Prospects expanded

Rock-chip results increased the Tiger Gold Prospect to ~1.8km in length and filled in the gaps in the previous sampling. Rock-chip results were up to 19.2 g/t Au and averaged 2.2 g/t Au.

- The Sherman Gold Prospect expanded to over ~700m length, with rock chip results including a standout 87.9 g/t Au. Other rock-chip results from Sherman included: 8.2 g/t Au, 8.1 g/t Au, 7.0 g/t Au, 6.2 g/t Au, 5.9 g/t Au, 5.2 g/t Au and 5.0 g/t Au.

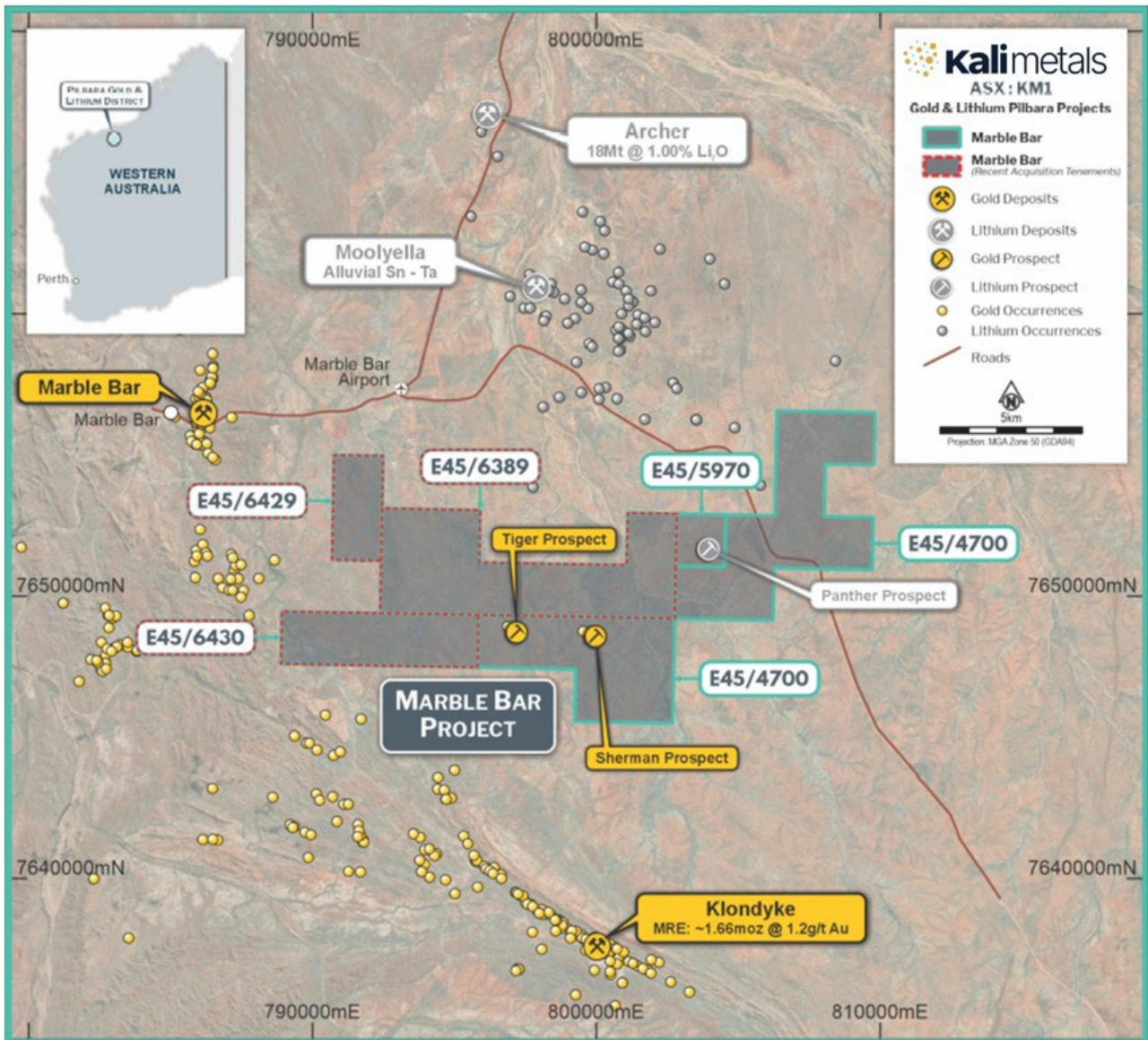


Figure 1 - Marble Bar location map

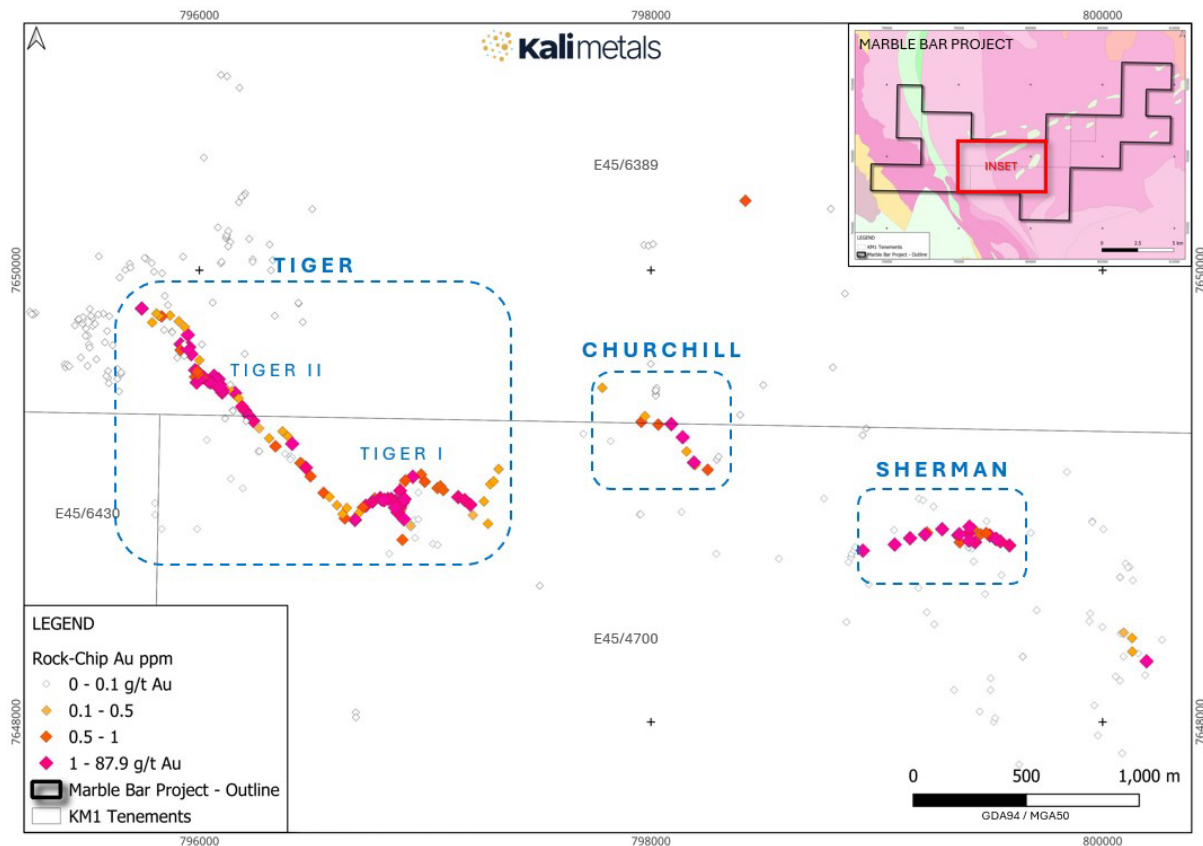


Figure 2 - Marble Bar Prospects for priority drilling

Maiden Drill Program

Kali completed its maiden drill program at Marble Bar Gold Project in December 2025. The program comprised of 77 reverse circulation (RC) drill holes for a total of 1,086m and were designed to test shallow, flat-lying gold mineralisation and assess down-dip potential across the Tiger, Churchill and Sherman Prospects, which have a cumulative strike length of 3km of mineralized outcrop.

Maiden AC Drilling Results

Post reporting period, Kali reported assays from the maiden RC drilling program at the Marble Bar Gold Project, confirming the discovery of a shallow, laterally extensive gold system extending over a cumulative strike length of approximately 3km across the Sherman, Churchill, Tiger and Tiger 2 Prospects.

Significant intersections across the four priority targets – Sherman, Churchill, Tiger and Tiger 2 included:

- 5m @ 2.3 g/t Au from surface (MBRC001)
- 4m @ 3.2 g/t Au from surface (MBRC003)
- 4m @ 2.4 g/t Au from surface (MBRC057)
- 3m @ 2.4 g/t Au from surface (MBRC060)
- 2m @ 4.1 g/t Au from 17m (MBRC077)
- 2m @ 4.0 g/t Au from 9m (MBRC070)
- 1m @ 6.0 g/t Au from surface (MBRC008)
- 1m @ 4.6 g/t Au from 15m (MBRC036)

Several higher-grade assays, peaking at 6.21g/t Au at 18m depth, demonstrated encouraging down-dip continuity and supported the potential for system growth. In total, 46 holes (approximately 60%) intersected at least 1m of gold mineralisation.

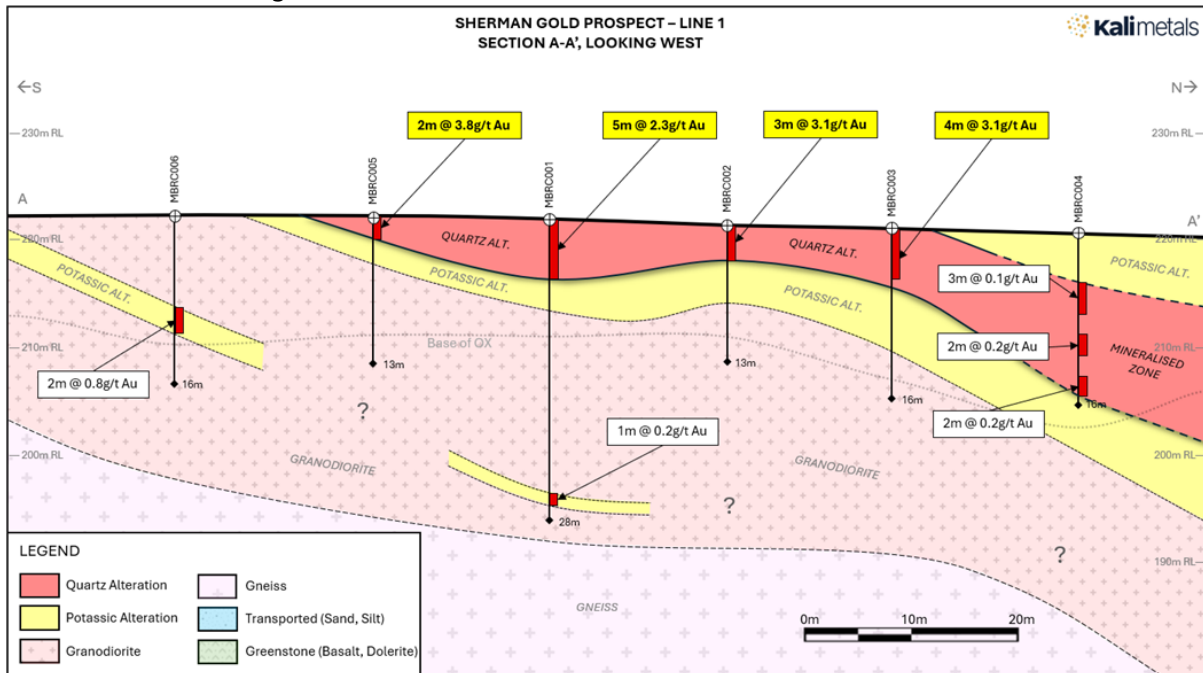


Figure 3 - Cross-section A-A' at Sherman, demonstrating surface and down dip mineralisation within potassic altered granodiorite

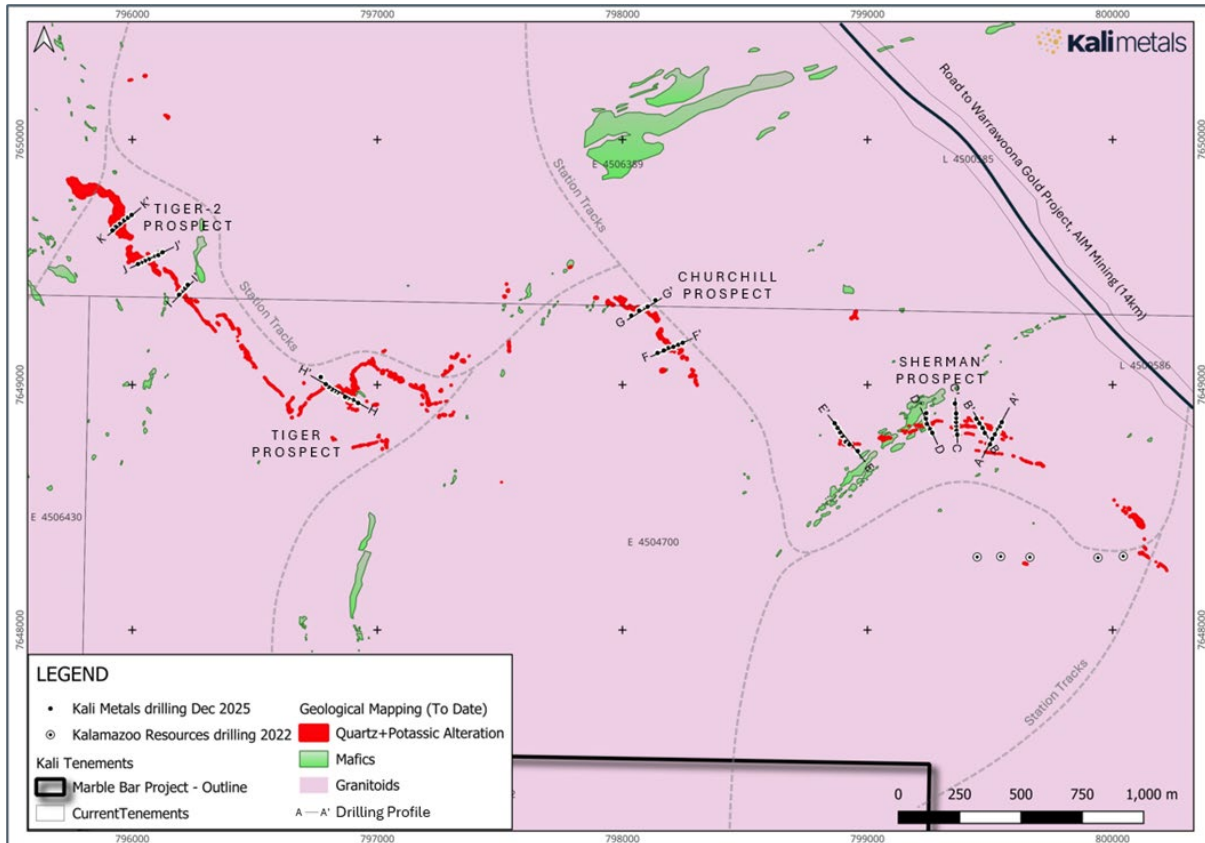


Figure 4 - Plan of mapped outcropping Quartz vein (red) and section lines from the Phase I program

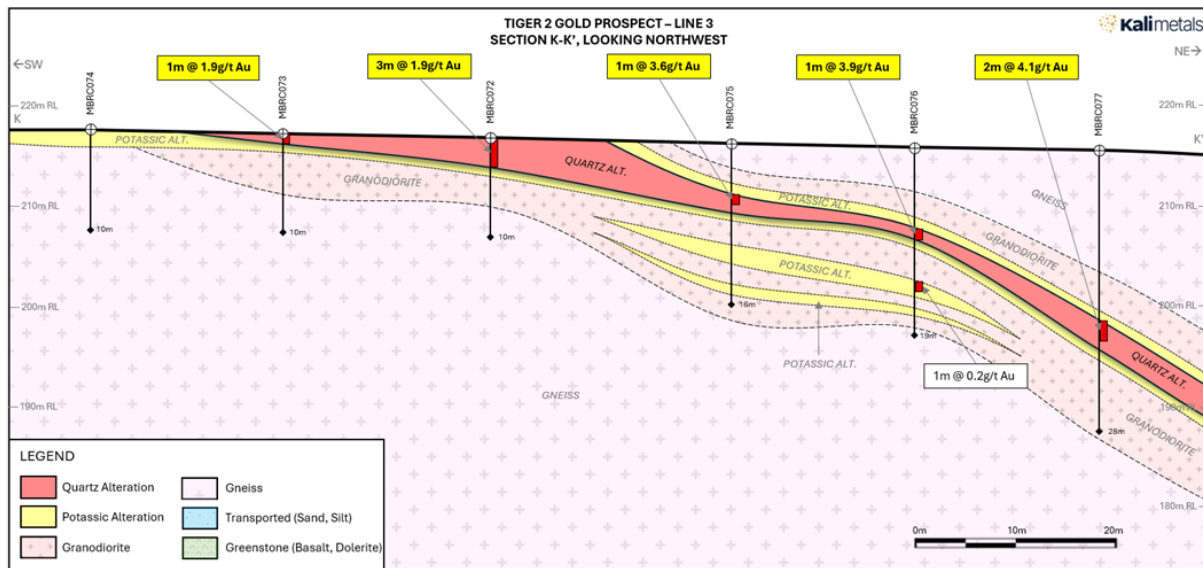


Figure 5 - Section K-K' (Tiger 2) showing high grade down dip potential, open to the NE

Future Activity

Based on the results received from the maiden drilling program, the Company has commenced planning for a Phase II drilling program targeting strike extensions, infill drilling and down-dip expansion.

Higginsville Lithium Project

The Higginsville Lithium Project is in a region well-endowed with LCT pegmatites, with two lithium mine at Mt Marion and Bald Hill (on Care and Maintenance) and three advanced prospects in Manna, Buldania and Dome North.

Key Activities:

- Recommencement and expansion of soil sampling
- Completion of 13,326 soil samples
- Integration of geophysics, geochemistry, and 3D modelling
- Target generation and interpretation

During the half-year, Kali advanced exploration at the Higginsville Lithium Project through a large-scale, systematic soil sampling program aimed at generating new drill-ready lithium targets across approximately 150km². The program recommenced in the September Quarter 2025 and was designed to collect more than 10,000 samples at 200m x 100m spacing, supported by integrated geophysical, geochemical and in-house 3D geological modelling.

Field activities were completed during the December Quarter 2025, with the program expanded to highly prospective LCT pegmatite areas and a total of 13,326 samples collected. Sampling targeted multiple priority areas, including Higginsville Central, Chalice, Golden Lake, and Buldania. All samples are currently being compiled and interpreted, with the pending results to assist in refining future drilling targets.

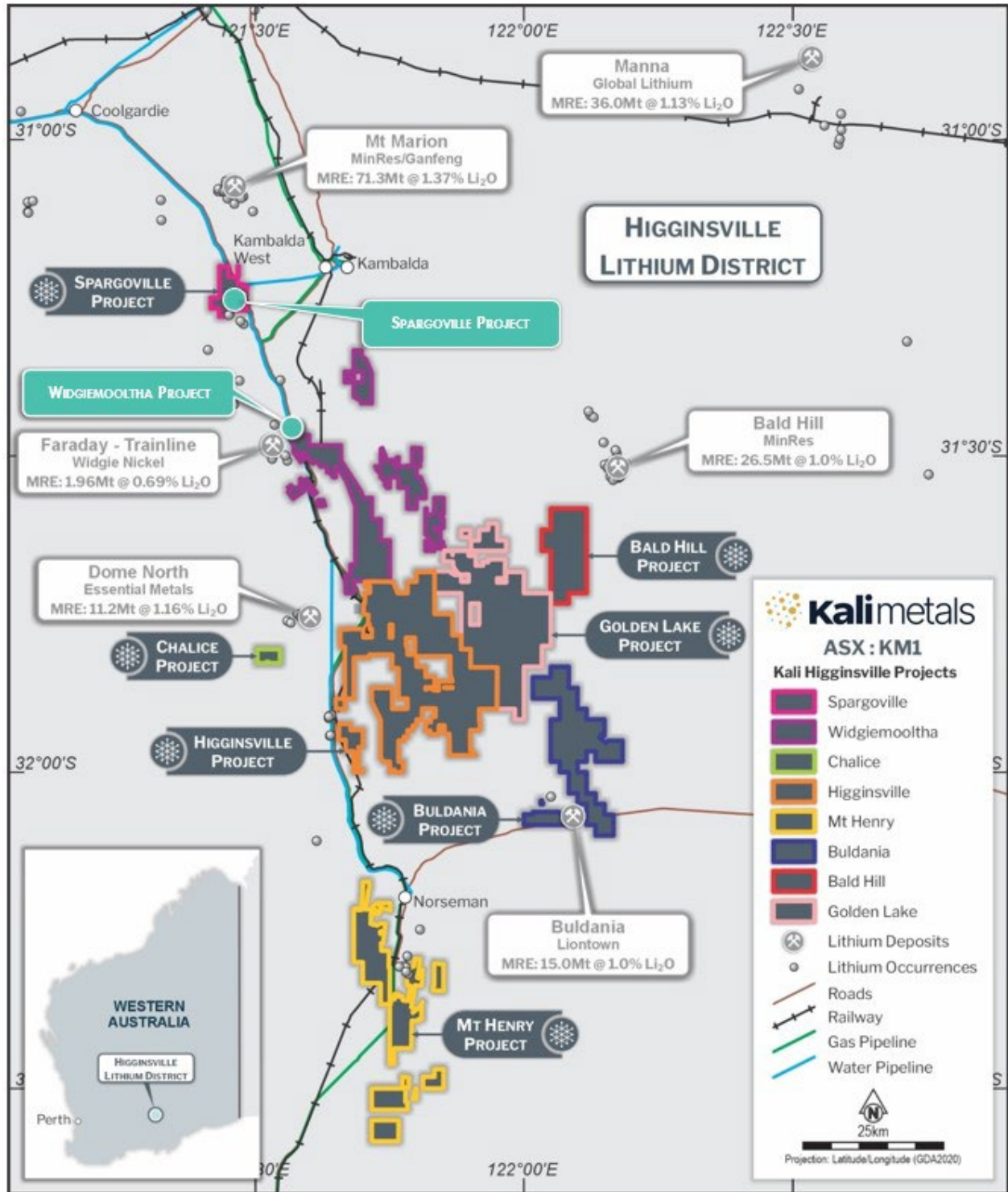


Figure 6 - Higginsville Tenement Map

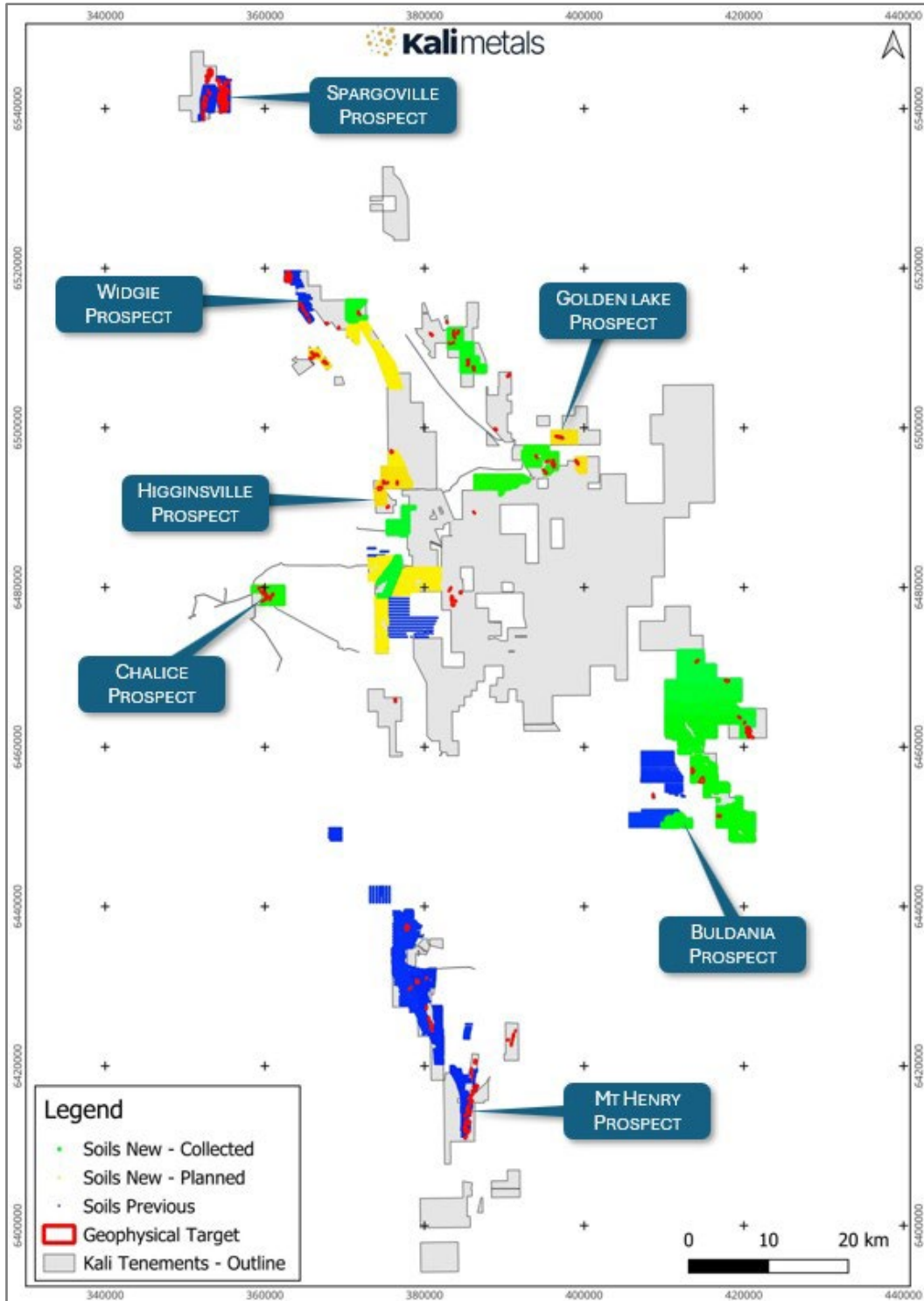


Figure 7 - Higginsville Soils Program map

Competent Person Statement

The information in this report that relates to Data and Exploration Results is based on and fairly represents information and supporting documentation compiled and reviewed by Mr Mladen Stevanovic a Competent Person who is a Member of the AusIMM (membership number 333579) and Exploration Manager at Kali Metals. Mr Stevanovic has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Stevanovic consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Statements

This report may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Kali's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Kali 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.

Previously Reported Results

The information in this announcement that relates to previously reported Exploration Results was previously announced in Kali's ASX announcements. Kali confirms that it is not aware of any new information or data that materially affects the information included in the original announcements.

CORPORATE ACTIVITIES

Mrs Silfia Morton, the current Chief Financial Officer of Kali Metals, was appointed as Company Secretary, replacing Mr Madders effective from 1 August 2025.

In August, Kali completed a A\$1.2 million Placement, having received firm commitments from existing and new institutional, and sophisticated investors for a capital raising, for the issue of 8,660,000 new fully paid ordinary shares in Kali ("New Shares") at A\$0.14 per New Share (the "Placement"). Funds raised through the Placement will be used to progress ongoing exploration programs at the Marble Bar Gold Project and Higginsville Project, and for general working capital purposes.

Annual General Meeting

Kali held its Annual General Meeting on 12 November 2025, with all resolutions passed.

Investor Engagement

Kali Metals attended the Diggers and Dealers Mining Forum in Kalgoorlie in August 2025 and conducted a number of one-on-one meetings with current and potential investors.

OPERATING RESULT

The Group's loss for the half-year ended 31 December 2025 after providing for income tax amounted to \$1,560,369 (31 December 2024, loss of \$1,653,283).

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

On 17 February 2026 the Company raised \$7,020,000 before costs through the issue of 39,000,000 new shares at \$0.18 per share. Institutional and sophisticated investors accounted for \$6,925,000 for 38,472,222 new shares and the Directors contributed \$95,000 for 527,778 new shares.

On 25 February 2026, Kali entered into an agreement with SQM pursuant to which SQM agreed to sell its 30% interest in the DOM's Hill and Pear Creek tenements.

The consideration payable on settlement comprises:

- \$60,000 in cash;
- \$140,000 worth of Kali shares to be issued on the settlement date, at an issue price per share equal to the 10-day VWAP of Kali shares prior to and including the execution date; and
- a 1.5% net smelter return royalty, as constituted under the Royalty Deed.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under s307C of the Corporations Act 2001 is set out immediately after this Directors' Report.

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



Paul Adams

Managing Director

9 March 2026

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF KALI METALS LIMITED

As lead auditor for the review of Kali Metals Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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



Glyn O'Brien
Director

BDO Audit Pty Ltd

Perth

9 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

		Half-year ended 31 Dec 2025	Half-year ended 31 Dec 2024
	Notes	\$	\$
Revenue			
Other income		40,874	35,073
Interest Income		76,711	182,498
Gain on loan forgiven		320	-
Expenses			
Employee benefits expense		(355,019)	(461,846)
Share based payments	10	(651,902)	(748,109)
Compliance costs		(205,510)	(309,330)
Legal costs		(101,414)	(43,192)
Marketing and investor relation expenses		(8,137)	(25,352)
Travel costs		(3,494)	(37,431)
Exploration evaluation expenditures		-	(981)
Exploration asset impairment	7	(126,416)	-
Depreciation expenses		(84,533)	(79,974)
Other expenses	3	(141,849)	(164,639)
Profit / (Loss) from continuing operations before income tax		(1,560,369)	(1,653,283)
Income expense			-
Profit/(Loss) after income tax attributable to the owners of Kali Metals Limited		(1,560,369)	(1,653,283)
Other comprehensive income/(loss)			
<i>Items that will not be reclassified to profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive profit/(loss) for the period attributable to the owners of Kali Metals Limited		(1,560,369)	(1,653,283)
Profit/(Loss) per share from continuing operations attributable to the ordinary equity holders of Kali Metals Limited:			
Basic and diluted profit/(loss) per share (cents)	11	(1.00)	(1.14)

The 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

	Notes	31 Dec 2025 \$	30 Jun 2025 \$
CURRENT ASSETS			
Cash and cash equivalents	4	2,958,091	4,838,125
Trade and other receivables	5	171,392	223,741
Other current assets	6	100,654	40,640
TOTAL CURRENT ASSETS		3,230,137	5,102,506
NON-CURRENT ASSETS			
Other receivables	5	115,155	115,155
Property, Plant and Equipment		117,543	134,807
Right of Use Asset		122,933	169,033
Exploration and evaluation assets	7	18,391,372	16,075,697
TOTAL NON-CURRENT ASSETS		18,747,003	16,494,692
TOTAL ASSETS		21,977,140	21,597,198
CURRENT LIABILITIES			
Trade and other payables	8	544,510	358,076
Provision		74,935	59,693
Lease liability		98,562	93,641
TOTAL CURRENT LIABILITIES		718,007	511,410
NON-CURRENT LIABILITIES			
Lease liability		34,573	85,302
TOTAL NON-CURRENT LIABILITIES		34,573	85,302
TOTAL LIABILITIES		752,580	596,712
NET ASSETS		21,224,560	21,000,486
EQUITY			
Contributed equity	9	24,680,404	23,547,863
Reserves	10	3,002,109	2,350,207
Accumulated losses		(6,457,953)	(4,897,584)
TOTAL EQUITY		21,224,560	21,000,486

The 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

	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2024	22,867,439	1,174,845	(2,145,595)	21,896,689
Total comprehensive profit for the period	-	-	(1,653,283)	(1,653,283)
Other comprehensive profit	-	-	-	-
Total comprehensive profit for the period net of tax	-	-	(1,653,283)	(1,653,283)
Transactions with owners in their capacity as owners				
Contributions of equity, net of transaction costs	-	-	-	-
Issue of shares for tenement acquisition (Note 7)	114,099	-	-	114,099
Share based payment (Note 10)	-	748,109	-	748,109
Balance at 31 December 2024	22,981,538	1,922,954	(3,798,878)	21,105,614
Balance at 1 July 2025	23,547,863	2,350,206	(4,897,584)	21,000,485
Total comprehensive loss for the period	-	-	(1,560,369)	(1,560,369)
Other comprehensive loss	-	-	-	-
Total comprehensive loss for the period net of tax	-	-	(1,560,369)	(1,560,369)
Transactions with owners in their capacity as owners				
Issue of shares for tenement acquisition (Note 7)	1,132,541	-	-	1,132,541
Share based payment (Note 10)	-	651,903	-	651,903
Balance at 31 December 2025	24,680,404	3,002,109	(6,457,953)	21,224,560

The 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

	Notes	Half-year ended 31 Dec 2025 \$	Half-year ended 31 Dec 2024 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,101,857)	(1,287,222)
Other revenue		-	35,073
Interest received		90,771	227,837
Net GST received/(paid)		(122,240)	162,061
		(1,133,326)	(862,251)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration and evaluation assets		(1,812,272)	(1,566,370)
Payment for property, plant, and equipment		(21,169)	(2,923)
		(1,833,441)	(1,569,293)
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES			
Proceeds from issue of shares (net of transaction costs)		1,132,541	-
Lease payments		(45,808)	(41,141)
		(1,086,733)	(41,141)
Net increase/(decrease) in cash and cash equivalents		(1,880,034)	(2,472,685)
Cash at the beginning of the period		4,953,280	9,511,924
CASH AT THE END OF THE PERIOD	4	3,073,246	7,039,239

The Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

1. BASIS OF PREPARATION

The financial report is a general-purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and the Corporation Act 2001.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. The financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standard Board (IASB). Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

This interim financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 30 June 2025. All accounting policies are consistent with those applied for the year ended 30 June 2025.

The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Kali Metals Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

All amounts are presented in Australian dollars.

2. STATEMENT OF MATERIAL ACCOUNTING POLICIES

Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kali Metals Limited as at 31 December 2025 and the results of all subsidiaries for the period then ended. Kali Metals Limited and its subsidiary together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

New accounting standards and interpretations

In the half-year ended 31 December 2025, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2025.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

The adoption of the new and revised Standards and Interpretations have not had a material impact on this half-year financial report.

Critical accounting estimates and judgements

The preparation of financial reports requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Significant accounting judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Capitalisation of exploration and evaluation expenditure

The Group has capitalised exploration and evaluation expenditure on the basis either that this is expected to be recouped through future successful development (or alternatively sale) of the Areas of Interest concerned or on the basis that it is not yet possible to assess whether it will be recouped.

Significant accounting estimates and assumptions

The carrying amount of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period are:

Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale. Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, costs of drilling and production, production rates, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using the Black Scholes model or Trinomial model. Should the assumptions used in these calculations differ, the amounts recognised could significantly change.

Asset Acquisition

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. The acquisition of an entity that meets the concentration test (AASB 2018-6) would be accounted for as an asset acquisition not a business combination.

No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Assets acquired during the period were exploration expenditure. Estimates and judgement are required by the Group, taking into consideration all available information at the acquisition date, to assess the fair value of assets acquired, liabilities and contingent liabilities assumed.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

3. OTHER EXPENSES

	2025	2024
	\$	\$
Bank and interest expenses	(8,134)	(11,023)
Computer expenses	(31,483)	(39,213)
Office expenses	(13,319)	(37,960)
Subscription fees	(16,500)	(8,094)
Insurance	(40,957)	(27,746)
Rent and parking expenses	(31,456)	(40,603)
Total other expenses	(141,849)	(164,639)

4. CASH AND CASH EQUIVALENTS

	31 Dec 2025	30 Jun 2025
	\$	\$
Current: Cash at bank and on hand	1,108,091	838,125
Current: Term deposit less than 90 days	1,850,000	4,000,000
Non-Current: Security for credit card and office lease	115,155	115,155
	3,073,246	4,953,280

5. TRADE AND OTHER RECEIVABLES

	31 Dec 2025	30 Jun 2025
	\$	\$
Accounts receivable	6,987	147,715
Interest receivable	8,692	22,752
GST receivable	155,712	33,472
Government grants receivable	-	19,802
	171,392	223,741

There are no balances within trade and other receivables that contain balances that are past due. It is expected these balances will be received when due within 30 days terms.

6. OTHER CURRENT ASSETS

	31 Dec 2025	30 Jun 2025
	\$	\$
Prepayments	100,654	40,640
	100,654	40,640

Prepayments for the period include annual insurance premiums and technical software licences.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

7. EXPLORATION AND EVALUATION ASSETS

	31 Dec 2025	30 Jun 2025
	\$	\$
Exploration and evaluation assets	18,391,372	16,075,697
Capitalised cost at the beginning of the period	16,075,697	13,137,803
Tenements assets acquisition	-	855,857
Exploration expenditure incurred during the period	2,442,091	2,082,037
Impairment of exploration and evaluation assets	(126,416)	-
Capitalised cost at end of the period	18,391,372	16,075,697

Pursuant to Australian Accounting Standard AASB 6: *Exploration for and Evaluation of Mineral Resources* the Group has elected to capitalise its exploration expenditures as incurred. The Group reviews its capitalised expenditure by area of interest on an ongoing basis to assess whether there are any impairment indicators that may suggest that the carrying amount exceeds the recoverable amount.

The Group entered into various acquisition agreements during the period, comprising the following:

During the period the Group recognised an impairment loss of \$126,416 (2025: \$nil) in respect of exploration tenements located in the Pilbara and Lachlan Fold Belt projects. The impairment was recognised due to the relinquishment and expiry of tenure and the impairment loss is recognised in profit or loss as Exploration asset impairment.

8. TRADE AND OTHER PAYABLES

	31 Dec 2025	30 Jun 2025
	\$	\$
Trade creditors	448,209	217,286
Other payables and accruals	96,301	140,790
	544,510	358,076

These amounts represent liabilities for goods and services provided to the Group prior to the end of the period and which are unpaid. Trade creditors are unsecured, non-interest bearing and are normally settled on 30-day terms. Due to the short-term nature of these payables, their carrying value is assumed to approximate their fair value.

9. ISSUED CAPITAL

	31 Dec 2025	No.	30 Jun 2025	No.
	\$		\$	
(a) Issued capital				
Ordinary shares – fully paid	24,680,404	159,311,706	23,547,863	150,651,706

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

(b) Movement Reconciliation

	No. of Shares	\$
Opening Balance at 1 July 2025	150,651,706	23,547,863
Issue of shares: capital raising 26 August 2025	8,660,000	1,212,400
Share issue costs	-	(79,859)
Closing Balance at 31 December 2025	159,311,706	24,680,404

10. RESERVES

	31 Dec 2025 \$	No.	30 Jun 2025 \$	No.
(a) Reserve				
Options reserve	671,397	3,990,321	671,397	8,740,321
Performance rights reserve	2,330,712	11,476,162	1,678,809	13,164,915
	3,002,109		2,350,206	

(b) Options Movement Reconciliation

	No. of Options	\$
Opening Balance at 1 July 2025	8,740,321	671,397
Closing Balance at 31 December 2025	8,740,321	671,397

(c) Performance Rights Movement Reconciliation

	No. of Performance Rights	\$
Opening Balance at 1 July 2025	13,164,915	1,678,809
29 August 2025 - Issue of performance rights to employees	2,256,592	61,738
12 November 2025 - Grant of performance rights to Board	5,831,316	58,145
Share based payments	-	532,019
Closing Balance at 31 December 2025	21,252,823	2,330,712

The fair value of the Performance Rights issued to employees has been calculated using the share price at valuation date for tranches A, B and C. Tranche D has been calculated using the Hoadley Trinomial Calculator. The performance rights issued to employees during the period and the key inputs used for the valuations are detailed below:

	Tranche A	Tranche B	Tranche C	Tranche D
Number of performance rights	338,489	564,150	676,977	676,976
Underlying share price at grant date	\$0.16	\$0.16	\$0.16	\$0.16
Grant date	29 Aug 2025	29 Aug 2025	29 Aug 2025	29 Aug 2025
Value per right	\$0.16	\$0.16	\$0.16	\$0.14
Volatility	-	-	-	109%
Total Fair Value	\$54,158	\$90,264	\$108,316	\$97,395

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

The fair value of the Performance Rights issued to employees has been calculated using the share price at valuation date for tranches A, B and C. Tranche D has been calculated using the Hoadley Trinomial Calculator. The performance rights issued to the Managing Director during the period and the key inputs used for the valuations are detailed below:

	Tranche A	Tranche B	Tranche C	Tranche D
Number of performance rights	132,197	220,329	264,395	264,395
Underlying share price at grant date	\$0.19	\$0.19	\$0.19	\$0.19
Grant date	12 Nov 2025	12 Nov 2025	12 Nov 2025	12 Nov 2025
Value per right	\$0.19	\$0.19	\$0.19	\$0.18
Volatility	-	-	-	105%
Total Fair Value	\$25,117	\$41,863	\$50,235	\$46,281

The performance rights issued to employees and the Managing Director have the following vesting conditions:

Tranche A: Within 24 months of issue date:

- a) Any Gold Project – Drill intercept into a new economic grade mineralised intercept of at least 2m at 1.0 g/t gold using a cut-off grade of 0.5 g/t ; or
- b) Identification and discovery of other metals (excluding lithium), for example tin (Sn), rare earth elements (REE), volcanogenic massive sulphide (VMS), nickel (Ni)/copper (Cu)/platinum (PGE) sulphide. The discovery is considered significant enough to warrant an announcement on the Australian Securities Exchange (ASX) and has led to an increase in the Company's share price by 25% based on a 5-day Volume-Weighted Average Price (VWAP) calculation from the date of the ASX release.

Tranche B: Within 24 months of issue date:

- a) JORC Resource estimate of >50,000 ozs at a cut-off grade of >0.5g/t; or
- b) JORC estimated Resource of >50,000 ozs equivalent in any other metal

Tranche C: Within 36 months of issue date:

- a) JORC estimated resource of >150,000 ozs gold at a cut-off grade >0.5g/t; or
- b) JORC estimated Resource of >150,000 ozs equivalent in any other metal

Tranche D: The Company achieving a share price of 20-day VWAP of 35 cents per share or more within 36 months of issue date.

The fair value of the Performance Rights issued to the Board has been calculated using the Hoadley Trinomial Calculator for tranches 1, 2 and 3. The performance rights issued to the Board during the period and the key inputs used for the valuations are detailed in the following table.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025**

	Tranche A	Tranche B	Tranche C
Number of performance rights	1,500,000	1,500,000	1,950,000
Underlying share price at grant date	\$0.19	\$0.19	\$0.19
Grant date	12 Nov 2025	12 Nov 2025	12 Nov 2025
Value per right	\$0.18	\$0.18	\$0.16
Interest rate	3.64%	3.69%	3.69%
Volatility	105%	105%	105%
Total Fair Value	\$270,170	\$262,568	\$317,983

The performance rights issued to the Board have the following vesting conditions:

Tranche A: Within 24 months of issue date the Company achieves a 10-day volume weighted average price (VWAP) of \$0.25 per Share.

Tranche B: Within 24 months of issue date the Company achieves a 10-day volume weighted average price (VWAP) of \$0.35 per Share.

Tranche C: Within 24 months of issue date the Company achieves a 10-day volume weighted average price (VWAP) of \$0.50 per Share.

(d) Recognised share-based payment expense

	31 Dec 2025
	\$
Expense arising from performance rights settled share-based payment transactions	651,902

11. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period. The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	31 December 2025	31 December 2024
	\$	\$
Basic and diluted profit/(loss) per share		
Basic and diluted profit/(loss) per share from continuing operations (cents per share)	(1.00)	(1.14)
Profit/(Loss)		
Profit/(loss) used in the calculation of basic and diluted earnings per share is as follows:		
Profit/(Loss) for the period from continuing operations	(1,560,369)	(1,653,283)
Weighted average number of ordinary shares		
Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS	156,708,974	144,607,996

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

12. DIVIDENDS

No dividends have been declared or paid during the half-year period.

13. RELATED PARTY DISCLOSURE

During the period, the Company issued unlisted incentive performance rights to Directors following shareholder approval at the Company's annual general meeting held in November 2025. Details of these incentive options and performance rights are disclosed in Note 9.

There are no related party transactions noted during the period.

14. COMMITMENTS AND CONTINGENCIES

As at the reporting date, there has been no other material change in the commitments and contingencies since 30 June 2025.

15. EVENTS SUBSEQUENT TO THE REPORTING DATE

On 17 February 2026 the Company raised \$7,020,000 before costs through the issue of 39,000,000 new shares at \$0.18 per share. Institutional and sophisticated investors accounted for \$6,925,000 for 38,472,222 new shares and the Directors contributed \$95,000 for 527,778 new shares.

On 25 February 2026, Kali entered into an agreement with SQM pursuant to which SQM agreed to sell its 30% interest in the DOM's Hill and Pear Creek tenements.

The consideration payable on settlement comprises:

- \$60,000 in cash;
- \$140,000 worth of Kali shares to be issued on the settlement date, at an issue price per share equal to the 10-day VWAP of Kali shares prior to and including the execution date; and
- a 1.5% net smelter return royalty, as constituted under the Royalty Deed.

No other matter or circumstance has arisen since 31 December 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial periods.

16. SEGMENT INFORMATION

Operating Segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis. Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics.

The Group operates within one segment which is mineral exploration within Australia. The Group is domiciled in Australia.

DIRECTORS' DECLARATION

In the opinion of the directors of Kali Metals Limited:

- 1) the financial statements and notes of Kali Metals Limited are in accordance with the *Corporations Act 2001*, including:
 - a) giving a true and fair view of its financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
 - b) comply with Accounting Standard AASB 134 *Interim Financial Reporting*; and
- 2) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Paul Adams
Managing Director
9 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Kali Metals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Kali Metals Limited (the Company) and its subsidiaries (the Group), 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, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting and the 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the 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 the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company 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 gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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 Group's financial position as at 31 December 2025 and its financial 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.

BDO Audit Pty Ltd

A handwritten signature in black ink, appearing to read 'Glyn O'Brien', with a long horizontal stroke extending to the right.

Glyn O'Brien

Director

Perth, 9 March 2026