



South Harz Potash Ltd

ABN 64 153 414 852

Half-Year Financial Report – 31 December 2025

Corporate directory

Directors	Leonard Jubber <i>Executive Chairman</i>
	Rory Luff <i>Non-Executive Director</i>
	Richard Pearce <i>Non-Executive Director</i>
	Christian Barbier <i>Non-Executive Director</i>
Company secretary	Graeme Smith
Registered office	Unit 15, 6-10 Douro Place West Perth WA 6005 Australia. +61 408 447 493
Principal place of business	Unit 15, 6-10 Douro Place West Perth WA 6005 Australia. +61 408 447 493
Auditors	BDO Audit Pty Ltd Level 19, 30 Pirie Street, Adelaide SA 5000 Australia.
Solicitors	Steinepreis Paganin 16 Milligan Street, Perth WA 6000, Australia.
Bankers	National Australia Bank (Australia) Commerzbank (Germany)
Securities exchange	Australian Securities Exchange (ASX code: SHP) Frankfurt Stock Exchange (Code: A2DWXX) Berlin Stock Exchange (Code: A41DHD) Stuttgart Stock Exchange (Code: A3CPT9)
Share registry	Automic Registry Services Pty Ltd Level 2, 267 St Georges Terrace Perth WA 6000 +61 8 9324 2099
Website address	www.southharzpotash.com
Corporate Governance Statement	https://southharzpotash.com/about/corporate-governance/

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Directors' Report

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the "consolidated entity") consisting of South Harz Potash Ltd (referred to hereafter as the "Company" or "parent entity") and the entities it controlled for the half-year ended 31 December 2025.

DIRECTORS

The names of directors who held office during the financial period and up to the date of this report are shown in the following table:

Name	Title
Leonard Jubber	Executive Chairman
Rory Luff	Non-Independent Non-Executive Director
Richard Pearce	Non-Independent Non-Executive Director
Christian Barbier	Independent Non-Executive Director (appointed 13 January 2026)
Dr. Reinout Koopmans	Independent Non-Executive Director (resigned 13 January 2026)

COMPANY SECRETARY

Graeme Smith

PRINCIPAL ACTIVITIES

The principal activity of the Group throughout the half-year remained the exploration and evaluation of mineral projects.

REVIEW OF ACTIVITIES

The total comprehensive loss for the half-year ended 31 December 2025 was A\$1,366,786 (half-year ended 31 December 2024: A\$1,645,387).

Total expenditure for the half-year was A\$1,352,028 (half-year ended 31 December 2024: A\$1,672,513). The reduction in the level of expenditure for the half-year reflects the consolidated entity entering a low-cost optimisation phase following the release of its Ohmgebirge Pre-Feasibility Study in May 2024, including the closure of its UK corporate office and reduction of staff numbers and relocation of its office in Germany.

Cash as at 31 December 2025 was A\$432,097.

Key activities and highlights during the six-month period to 31 December 2025 included:

Capital raising

In June 2025, the Company announced an equity raising of up to A\$3,115,636 comprising a two-tranche placement (June Placement) of A\$1,832,572 (610,857,302 shares at an issue price of A\$0.003 per share) and a 1-for-3 pro-rata non-renounceable entitlement offer to raise up to A\$1,283,062 at the same issue price (June Entitlement Offer). New shares issued under the June Placement or the June Entitlement Offer included one free attaching option for every two new shares, exercisable at A\$0.006 and expiring two years from issue.

Tranche 1 of the June Placement raised A\$541,000 in gross new equity from 180,333,336 new shares that were issued on 27 June 2025. Tranche 2 of the June Placement, secured commitments for A\$1,291,571 in gross new equity, which was subject to, and received shareholder approval at the Company's general meeting on 15 August 2025. It included A\$620,522 of shares to be issued to service providers in lieu of cash, including a creditor offset arrangement with K-Utec (see details below). Directors Len Jubber, Rory Luff and Reinout Koopmans also provided firm commitments to subscribe (either themselves or through their director-related entities) for A\$294,000 in Tranche 2.

In July 2025, the Company announced the results of the June Entitlement Offer. Of the 427,688,078 shares offered, 188,661,286 new shares were issued to eligible shareholders (including applications for additional shares) on 31 July 2025 representing gross new equity of A\$565,984. Directors Len Jubber, Rory Luff and Reinout Koopmans supported the offer through subscriptions under their (or their director-related entities') entitlements.

The completion of the June Entitlement Offer left a shortfall of 239,026,792 shares (August Shortfall Shares), following which the Company undertook efforts to place these shares (August Shortfall Offer). On 18 August 2025, the Company closed the August Shortfall Offer with commitments of A\$180,000 for 60,000,000 new shares from a combination of new and existing investors and Directors. Director participation included additional commitments totaling A\$70,000 from Len Jubber and newly appointed Non-Executive Director Richard Pearce, which were approved by shareholders approval at the Company's Annual General Meeting held on 26 November 2025. All August Shortfall Shares were issued on the same terms as the June Entitlement Offer (share issue price of A\$0.003 with attaching options on a 1-for-2 basis with exercise price of A\$0.006 and two-year expiry from issue).

Aggregating the June Placement, the June Entitlement Offer, the August Shortfall Offer and Director subscriptions approved at the 2025 AGM, the Company secured approximately A\$2,578,556 in gross new equity before costs, comprised of A\$541,000 in cash equity received in the year ended 30 June 2025 and A\$2,037,556 in gross equity (comprised of A\$1,417,034 of gross cash equity received and A\$620,522 of gross equity issued in lieu of services provided) in the current half-year, representing approximately 83% of the A\$3,115,636 target announced in June 2025.

Consolidation of securities

On 25 August 2025 the Board implemented its previously announced 1-for-15 share consolidation, which had received shareholder approval at the general meeting held on 15 August 2025. The issue of shares in relation to commitments from the capital raising activities which took place after the consolidation were accordingly reduced by a factor of 15.

Multi-asset strategy

During the previous financial year, the Board announced its intention to transition to a multi-asset strategy.

The Board undertook a comprehensive review of prospective mineral opportunities to complement the Group's potash assets under its recently adopted multi-asset strategy, with major focus on projects located in Europe and the United Kingdom.

With potash prices depressed, the Group continued a strategy of "strategic patience" regarding its German potash assets while reducing in-country costs including consolidating its German offices.

Sweden copper-gold opportunities: Glava-Klinten Project and Torsby West Project

On 28 November 2025 the Company executed an option agreement with McKnight Resources AB (McKnight) over the Glava 100 copper-gold exploration licence in south-west Sweden.

The option agreement gives the Company an exclusive option to acquire 100% of the Glava 100 exploration licence in Sweden, alongside facilitating additional new permit applications. The Company is funding a defined work programme of up to A\$304,000 through to 31 March 2026, covering geological mapping, sampling, ground magnetics, GIS database establishment and associated technical reporting. The Company may exercise the option any time up to 30 days after completion of the work programme, with consideration of A\$150,000 payable in shares at the 20-day VWAP, subject to transfer of clean title. The agreement also establishes a joint technical committee, a planned technical services agreement, a 1.5% net smelter royalty in favour of McKnight, and remains subject to any required shareholder and regulatory approvals.

The Company also applied for adjoining and nearby exploration licences (Glava 200, Glava 300 and Klinten 100) to consolidate a district-scale copper-gold project. These licence applications were submitted in December 2025 (by McKnight on trust for the Company) and approved in January and February 2026, bringing the total package for the Glava-Klinten Project to approximately 74 km².

In December 2025 the Company further broadened its Swedish footprint by lodging exploration licence applications (by McKnight on trust for the Company) covering the Torsby West copper-gold corridor. The applications (Mangens 100, Bockgruvan 100 and Kyrkskogen 100) extend for ~25 km along strike and were granted in the March 2026 quarter, providing exposure to historic copper mines and drill intersections. Together with the Glava-Klinten Project, these licences position the Company for district-scale copper-gold exploration in Sweden.

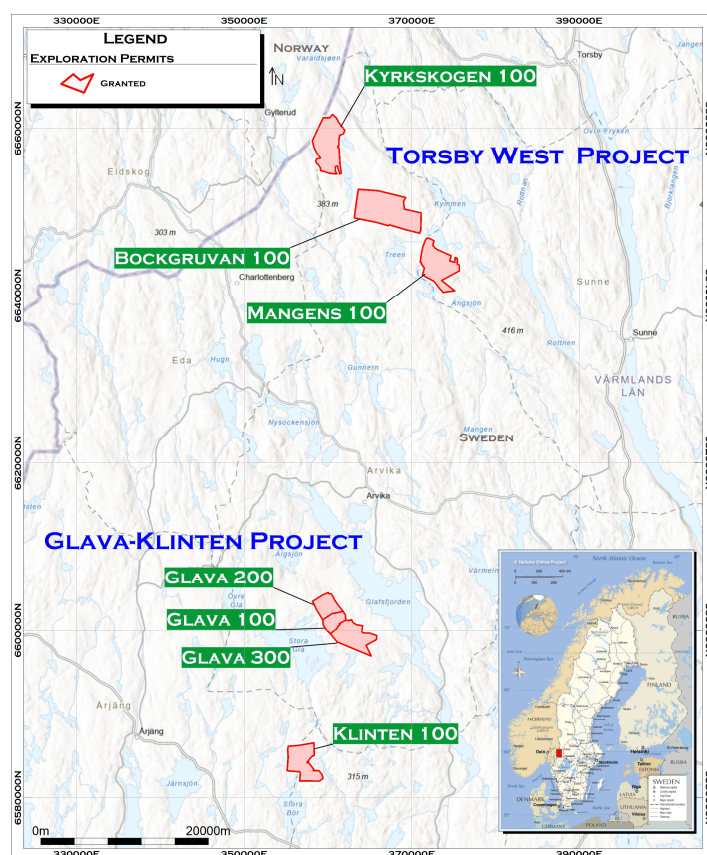


Figure 1. Sweden Project Location Map

Potash project activities

The Group continued to preserve the long-term option value of its South Harz Project. During the half-year, activities were limited to maintaining site infrastructure, advancing its German R&D tax rebate application and continuing to engage with potential strategic partners and funding agencies. The potash project benefits from perpetual tenure and remains permitted through the Spatial Planning Assessment completed in 2024.

Administrative and corporate costs were reduced during the period. The Group consolidated its German offices in Erfurt and Eichsfeld into an office at Bernterode.. Regional Director Dr Babette Winter left the Company at the end of October 2025 as part of these cost reductions.

The Company continued negotiations with Deusa International GmbH (Deusa) to acquire the neighbouring Sollstedt mining licence and to expand the footprint of the Ohmgebirge Project. During the half-year, the exclusivity date agreed with Deusa for the conduct of these negotiations was extended to 30 September 2026.

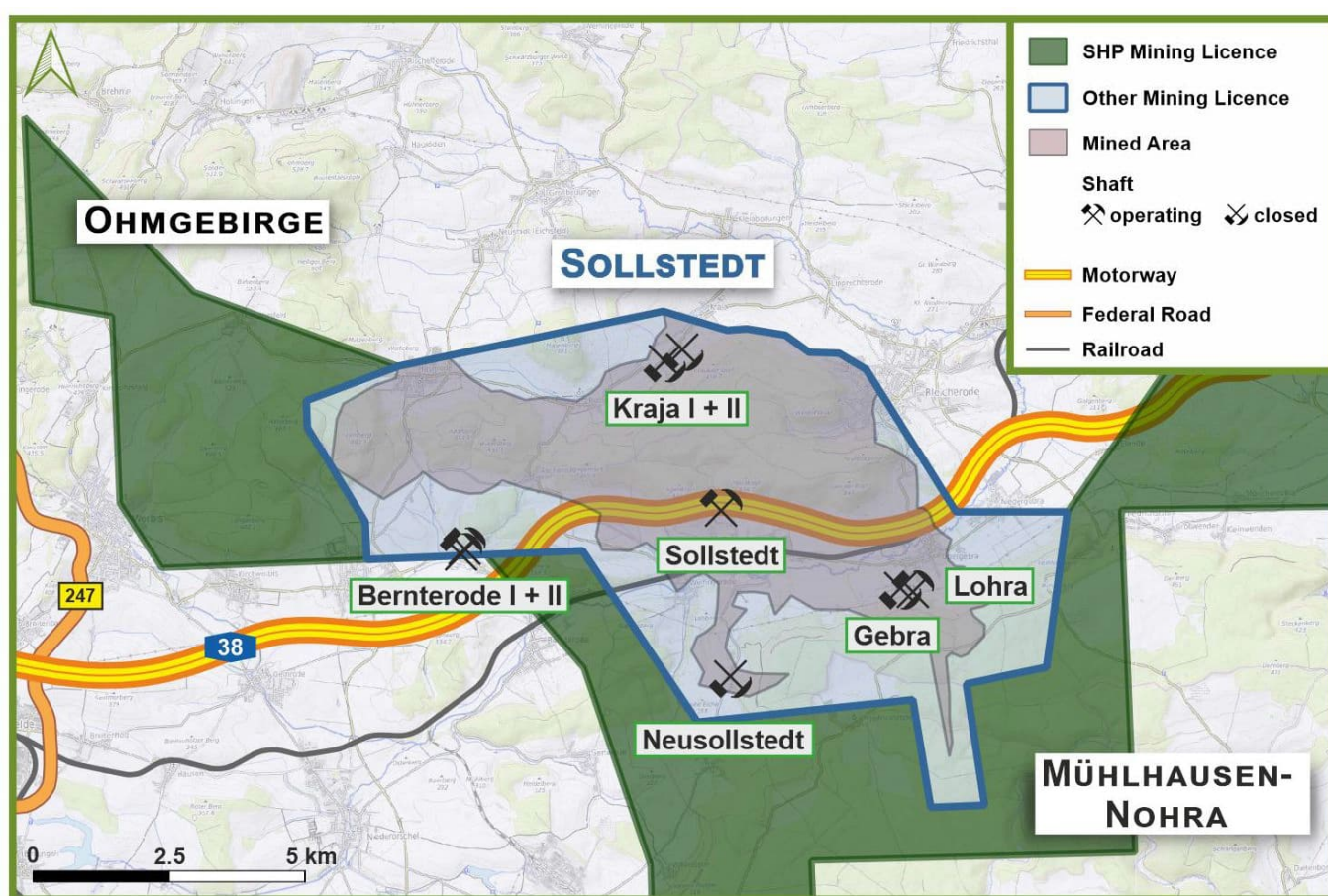


Figure 2. Plan view of the Ohmgebirge and Muhlhausen-Nohra Perpetual Mining Licences plus the contiguous Sollstedt property inclusive of substantial existing shaft infrastructure and existing backfill areas.

Creditor Balances

As at 30 June 2025, trade payables balances included amounts owing to two creditors of the Company's wholly-owned German subsidiary, Südharz Kali GmbH (SHK) totalling A\$1,406,704 (€784,772). The outstanding invoices related to engineering services provided to SHK for the Ohmgebirge Pre-Feasibility Study by K-Utec AG Salt Technologies (K-Utec) totalling €309,861, and ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau GmbH (Ercosplan) totalling €474,911. SHK has paid interest to these creditors at 5% per annum on the amount owed on a monthly basis, which will continue to be made to each creditor until their respective debt has been repaid.

On 20 August 2025, pursuant to an agreement reached in the June 2025 quarter, the Company issued K-Utec with 152,327,000 new shares and 76,163,500 attaching options in the Company as part of Tranche 2 of its share placement announced on 30 June 2025. The amount of A\$456,981 owing by K-Utec on this subscription (representing €260,381 owed) was partially offset against the outstanding balance of €309,861 owed to K-Utec by the Company upon the issue of shares, with the residual balance of €49,480 paid in cash by the Company to K-Utec on 27 August 2025 in full settlement of the debt owing to K-Utec.

In July 2025 the company and Ercosplan signed binding agreements to defer the repayment of the total amount owing until 31 December 2026 on the basis that the Company continues to pay interest monthly at a rate of 5% per annum on the balance owed, and the grant by the Company of a first ranking mortgage over its interest in the Ebeleben mining lease in Thuringia, Germany, as security for the amount owed. As at 31 December 2025, the trade payable balance owing to Ercosplan totalled A\$836,111 (€474,911).

Annual General Meeting

The Company's AGM was held on 26 November 2025 in the Perth offices of its auditors, BDO. All resolutions put to shareholders were passed on a poll, by the requisite majorities. Full details pertaining to the AGM results were released in the ASX announcement dated 26 November 2025, Results of Meeting.

Issue of shares under employee incentive plan

On 6 November 2025, the Company issued 906,737 shares to key management personnel as part of the company's short term incentive plan, pursuant to the Employee Incentive Securities Plan approved by shareholders at the 2024 annual general meeting.

Expiry of performance rights and options

On 5 November 2025, the Company cancelled 350,000 project-related performance rights which had been issued to Len Jubber following expiry of their vesting period (as the vesting conditions had not been met).

On 23 November 2025, a tranche of 224,444 options held by a third party expired, unexercised.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

The following material events occurred subsequent to 31 December 2025 and up to the date of this report:

Board changes

On 13 January 2026 the Company appointed Mr Christian Barbier, an executive with over three decades' experience in the resources sector and a strong track record in critical minerals, as an independent non-executive director. Mr Barbier has held board directorships with unlisted companies and senior management positions across Europe, Australia and Asia. His core expertise is in critical and industrial mineral supply chains covering strategy, technical marketing and business turnarounds, with focus on both growth and restructuring situations.

Mr Barbier currently manages CRB Resources, an advisory and consultancy firm he founded in 2015 that focuses on strategy, risk management, market approach and partnerships in the critical minerals sector, especially in the lithium and battery supply chain industry.

Until 2024, Mr Barbier was Chief Sales & Marketing Officer on the Executive team of Allkem Limited (now part of Rio Tinto (ASX: RIO)), a lithium miner and chemical producer. During his tenure, he led the company's sales and marketing strategy and played a key role in its expansion into one of the world's top five lithium producers. Under his leadership, Allkem was on track to triple capacity by 2026, prior to its merger with Livent into Arcadium Lithium in early 2026.

Prior to that, Mr Barbier spent almost five years with Iluka Resources (ASX: ILU), the world's leading zircon and rutile producer and an emerging player in rare earth minerals supply, including as Head of Sales & Marketing and an Executive Committee member reporting to the Chief Executive Officer and Board.

Dr Reinout Koopmans concurrently resigned from the Board on the same date after a seven year period as an independent non-executive director, whose commitment and strategic thinking have helped establish a platform to transition the Company from a single asset company to a diversified company, with a multi-asset critical minerals portfolio and a globally significant potash project, all in first world jurisdictions.

Initial field-work results at Glava

On 20 January 2026 the Company announced that reconnaissance sampling and a ground magnetic survey at Glava 100 had identified a new mineralised zone approximately 300 m south of historic workings. Rock-chip samples returned standout assays of 9.88 g/t gold and 2.88 % copper, with strong correlation between gold and copper grades. Rare earth element (REE) sampling returned 9,513 ppm total REE with ~30 % comprised of Nd+Pr, highlighting REE potential. These results validate historical data and support the Group's conceptual geological model. Follow-up field work and a maiden drill programme are planned for mid 2026.

Historic drill core from the Torsby West project was inspected and re-logged, with assays from re-sampling expected in March 2026.

Exploration licence approvals in Sweden

On 29 January 2026 the Company announced that Swedish authorities approved three of the Group's six exploration licence applications (Glava 200, Klinten 100 and Mangens 100) following the Option Agreement signed with McKnight Resources AB. These approvals were granted within six weeks, underscoring Sweden's attractive mining jurisdiction.

The Glava 300 exploration licence and the remaining Torsby West licence applications (Bockgruvan 100 and Kyrskogen 100) were subsequently approved during the March 2026 quarter, further consolidating the Company's footprint.

Exploration licences expired in Germany

The Küllstedt and Gräfentonna exploration licences held by the Company's subsidiary in Germany expired in January 2026. The licences were originally issued in January 2015 and each have been renewed on two previous occasions. An application for a further renewal was declined by the relevant authority. The Company has exercised its right of appeal in relation to the Küllstedt licence.

Proposed change of name to Turnstone Resources Ltd

On 10 February 2026, the Company announced that it resolved to seek shareholder approval to change the name of the company to Turnstone Resources Ltd to reflect the expansion from a single-asset potash company to a multi-asset critical minerals developer. The proposal emphasises that the Company now beneficially holds seven granted copper-gold exploration licences in Sweden. The Board envisages a maiden drilling programme commencing in mid-2026 and believes the new name better reflects the Company's strategy and aspirations. A general meeting of shareholders to consider the name change is scheduled for 16 March 2026.

Change of Registered Address

On 10 February 2026 the Company advised that it had changed its registered office address to: Unit 15, 6-10 Douro Place, West Perth WA 6005, Australia.

Loans from Director-related entity to the Company

On 2 March 2026, the Company (as borrower) executed an unsecured loan facility agreement with Mr Leonard Stanley Jubber & Mrs Alexandra Maidment Jubber as Trustees for the Jubber Super Fund, a director-related entity of Len Jubber (Mr Jubber is the trustee and a beneficiary of the Jubber Super Fund).

The loan facility agreement allowed the Company to draw down funds of up to A\$50,000, on which interest of 5% per annum accrues. The repayment date of the facility is 30 June 2026. A drawdown by the Company for A\$50,000 was made on 5 March 2026. It is the present intention of the Company to repay this loan during the month of March 2026.

Capital Raising

On 9 March 2026, the Company advised that it had successfully completed a two-tranche equity placement to sophisticated and professional investors of 41,666,667 shares at A\$0.03 per share to raise \$1,250,000 (March Placement). The funds raised will provide funding to advance exploration activity including the maiden drilling programme at the Company's Glava-Klinten and Torsby West copper-gold projects in Sweden.

Tranche 1 will comprise the issue of 31,333,334 shares for gross equity of A\$940,000 under the Company's placement capacity. Tranche 2 will comprise the issue of 10,333,333 shares for gross equity of A\$310,000 which is subject to shareholder approval at a general meeting of shareholders expected to be held around 24 April 2026.

The Tranche 2 placement includes commitments by Directors for gross equity of A\$175,000 for the issue of 5,833,333 shares as follows:

- A\$25,000 for 833,333 shares to Christian Barbier (or his director related entities),
- A\$50,000 for 1,666,667 shares to Len Jubber (or his director related entities), and
- A\$100,000 for 3,333,333 shares to Rory Luff (or his director related entities).

TARGETED DEVELOPMENTS

The Company's focus for the second half of the financial year will be to:

- Finalise the assembly of the Glava-Klinten Project and Torsby West Project licences by exercising its option with McKnight to acquire Glava 100 licence and satisfy any related licence conditions
- Complete the transfer of the new licence applications from McKnight to the Company
- Undertake follow-up exploration at the Glava-Klinten and Torsby West projects
- Continue negotiations with Deusa International GmbH in relation to binding agreements for the acquisition of the Sollstedt mining licence and evaluate synergies with the Ohmgebirge development in Germany
- Seek strategic partners and funding to progress the Ohmgebirge project to a Feasibility Study and further permitting stages. Efforts will also continue to secure non-dilutive funding such as German R&D rebates and other government programmes where applicable
- Pending shareholder approval, implement the rebranding associated with the proposed name change to Turnstone Resources Ltd, and
- Continue assessing critical-mineral opportunities with the aim of further expanding the portfolio

GOING CONCERN

The financial report has been prepared on a going-concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the ordinary course of business.

The ability of the Company to continue as a going concern is principally dependent upon the ability of the Company to secure funds by raising capital from equity markets and managing cash flow in line with available funds.

The directors are satisfied that the going concern basis of preparation is appropriate based on the cash-flow forecasts, and subject to the completion of the current and potential future capital raises, as mentioned above.

ESG AND RISK

In 2022, South Harz adopted the roadmap developed with the assistance of WSP/Golder consultants. Based on this report and roadmap, South Harz updated its ESG policy in 2023.

An action plan for the implementation of an appropriate Standards and Measurement System (ESMS) was developed based on the legal reporting requirements for companies and milestones based on the applicable guidelines in the European Economic Area. An important milestone is the establishment of an ESG reporting system according to European guidelines, primarily the EU CSRD Directive including the European Sustainability Reporting Standards (ESRS), published on 31 July 2023. These regulations are expected to apply to the Company's projects during their operational phases. Independent assessments against international standards GRI and CDPA will be undertaken following the eventual commencement of the Feasibility Study for the Ohmgebirge project, and will also address health and safety issues, labour standards and environmental legislation compliance considerations, including carbon footprint and climate change impacts. The Board's emphasis is on good governance, the safety of the Company's staff, local communities and the protection of the environment.

Key risks

There are a range of potential economic, funding, engineering, development, operational, environmental, regulatory, social and other risks to the Company and its projects and opportunities. The future performance of the Company and the value of its securities may be influenced by a range of factors, many of which are largely beyond the control of the Company and the directors.

The key risks associated with the Company's business, the industry in which it operates and general risks applicable to all investments in listed securities and financial markets generally are set out in the Company's recent ASX announcement dated 30 June 2025, *Entitlement Issue Prospectus* ("Prospectus").

The risks factors set out in the Prospectus, or other risk factors not specifically referred to, may have a materially adverse impact on the performance of the Company and the value of its securities, and is not intended to provide an exhaustive list of the risk factors to which the Company is exposed.

Corporate Governance

The Company has in place Corporate Governance procedures and policies in line with the latest ASX Corporate Governance Principles and Recommendations – 4th Edition. All members of the Board believe strongly in the importance of good corporate governance to assist in achieving objectives and in accountability to stakeholders. The Board meets every two months and has the following sub committees which meet as necessary: Nomination & Remuneration, Audit & Risk and Technical. The Company has developed a board skills matrix, which is reviewed by the Board at an appropriate frequency, to help assess its key competencies and any skills gaps that may exist. The Chair also undertakes annual assessments of individual Board members to evaluate overall Board performance.

The Company also maintains a Risk Register which is reviewed regularly by the Audit Committee and is an interactive tool to recognise, mitigate and manage key risks.

AUDIT INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration in relation to the review for the half-year ended 31 December 2025 is provided with this report.

This report is made in accordance with a resolution of the directors, pursuant to section 307(c) of the Corporations Act 2001.

On behalf of the directors:

A handwritten signature in black ink, appearing to read 'Len Jubber', with a long horizontal flourish extending to the right.

Len Jubber – Executive Chairman
13 March 2026

DECLARATION OF INDEPENDENCE
BY PAUL GOSNOLD
TO THE DIRECTORS OF SOUTH HARZ POTASH LTD

As lead auditor for the review of South Harz Potash Ltd 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 South Harz Potash Ltd and the entities it controlled during the period.



Paul Gosnold
Director

BDO Audit Pty Ltd

Adelaide, 13 March 2026

Financial report

General information

The financial report covers South Harz Potash Ltd as a consolidated entity consisting of South Harz Potash Ltd and the entities it controlled. The financial report is presented in Australian dollars, which is South Harz Potash Ltd's functional and presentation currency.

The financial report consists of financial statements, notes to the financial statements and the Directors' Declaration.

South Harz Potash Ltd is a listed public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

Unit 15
6-10 Douro Place
West Perth WA 6005
Australia

A description of the nature of the consolidated entity's operations and its principal activities are included in the Directors' Report, which is not part of the financial report.

Statement of profit or loss and other comprehensive income for the half-year ended 31 December 2025

	Note	Consolidated Dec 2025 A\$	Dec 2024 A\$
Revenue from continuing operations			
Interest income	4	1,733	1,224
Expenses			
Exploration and development costs		(306,093)	(265,379)
Administration expenses		(226,198)	(300,089)
Corporate expenses		(181,541)	(280,740)
Director fees and key management costs		(319,770)	(369,727)
Depreciation and amortisation expense		(9,337)	(12,810)
Interest expense		(25,254)	(53,892)
Foreign exchange (loss)/gain		40	-
Consulting expenses		(119,182)	(273,842)
Share-based payments		(164,693)	(116,034)
Loss before income tax expense		(1,350,295)	(1,671,289)
Income tax expense		-	-
Loss after income tax expense		(1,350,295)	(1,671,289)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation reserve		(16,491)	25,902
Other comprehensive income for the half-year net of tax		(16,491)	25,902
Total comprehensive income for the half-year		(1,366,786)	(1,645,387)
		Consolidated Dec 2025 A\$	Dec 2024 A\$
Earnings per share for loss attributable to the owners of South Harz Potash Ltd			
Basic loss per share	1	(1.14)	(2.70)
Diluted loss per share	1	(1.14)	(2.70)

The financial statements should be read in conjunction with the accompanying notes.

Statement of financial position as at 31 December 2025

	Note	Consolidated Dec 2025	Jun 2025
		A\$	A\$
Assets			
Current assets			
Cash and cash equivalents	5	432,097	546,735
VAT other receivables	6	72,571	85,050
Total current assets		504,668	631,785
Non-current assets			
Property, plant and equipment		35,170	56,374
Exploration and evaluation	7	2,185,281	2,224,922
Total non-current assets		2,220,451	2,281,296
Total assets		2,725,119	2,913,081
Liabilities			
Current liabilities			
Trade and other payables	8	1,158,693	2,130,962
Total current liabilities		1,158,693	2,130,962
Total liabilities		1,158,693	2,130,962
Net assets		1,566,426	782,119
Equity			
Issued capital	9	44,401,191	42,414,791
Reserves	10	2,998,143	2,849,941
Accumulated losses		(45,832,908)	(44,482,613)
Total equity		1,566,426	782,119

The financial statements should be read in conjunction with the accompanying notes.

Statement of changes in equity for the half-year ended 31 December 2025

	Contributed Equity	Performance Rights Reserve	Option Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	A\$	A\$	A\$	A\$	A\$	A\$
Balance as 1 July 2025	42,414,791	94,425	2,500,669	254,847	(44,482,613)	782,119
Loss after income tax expenses for the half-year	-	-	-	-	(1,350,295)	(1,350,295)
Other comprehensive income for the half-year, net of tax	-	-	-	(16,491)	-	(16,491)
Total comprehensive income/(loss) for the half- year	-	-	-	(16,491)	(1,350,295)	(1,366,786)
Transactions with owners in their capacity as owners: Contributions of equity, net of transaction costs	1,986,400	-	-	-	-	1,986,400
Share-based payments	-	65,312	99,381	-	-	164,693
Balance at 31 December 2025	44,401,191	159,737	2,600,050	238,356	(45,832,908)	1,566,426

	Contributed Equity	Performance Rights Reserve	Option Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	A\$	A\$	A\$	A\$	A\$	A\$
Balance as 1 July 2024	39,385,937	-	2,262,245	196,327	(41,358,693)	485,816
Loss after income tax expenses for the half-year	-	-	-	-	(1,671,289)	(1,671,289)
Other comprehensive income for the half-year, net of tax	-	-	-	25,902	-	25,902
Total comprehensive income/(loss) for the half- year	-	-	-	25,902	(1,671,289)	(1,645,387)
Transactions with owners in their capacity as owners: Contributions of equity, net of transaction costs	2,094,021	-	-	-	-	2,094,021
Share-based payments	-	14,819	101,215	-	-	116,034
Balance at 31 December 2024	41,479,958	14,819	2,363,460	222,229	(43,029,982)	1,050,484

The financial statements should be read in conjunction with the accompanying notes.

Statement of cash flows for the half-year ended 31 December 2025

	Note	Dec 2025 A\$	Dec 2024 A\$
Cash flows from operating activities			
Interest received		1,733	1,224
Interest expense		(25,254)	(53,892)
Exploration & Development costs		(501,691)	(265,379)
Payments to suppliers and employees		(848,114)	(1,256,606)
Net cash used in operating activities		(1,373,326)	(1,574,653)
Cash flows from investing activities			
Payments for property, plant and equipment		-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Proceeds from issue of shares		1,417,035	1,936,656
Proceeds from borrowings		-	100,000
Capital raising costs		(155,315)	(149,886)
Net cash from financing activities		1,261,720	1,886,770
(Decrease)/ increase in cash and cash equivalents		(111,606)	312,117
Cash and cash equivalents at beginning of year		546,735	253,632
Effects of foreign exchange cash movements		(3,032)	1,059
Cash and cash equivalents at end of the year	5	432,097	566,808

The financial statements should be read in conjunction with the accompanying notes.

Notes to the financial statements 31 December 2025

Note 1. Material accounting policy information

Basis of preparation and accounting policies

These general-purpose financial statements for the interim half-year reporting period 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 company 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.

Consolidation of securities

On 25 August 2025 the Board implemented its previously announced 1-for-15 share consolidation, which had received shareholder approval at the general meeting held on 15 August 2025. Accordingly the number of securities on issue as at 25 August 2025 were reduced by a factor of 15 upon this event, as shown in the notes to the financial statements.

Additionally, a number of disclosures in the report have been restated to reflect the impact of the consolidation. These include earnings per share prior year comparatives (refer Statement of profit or loss and other comprehensive income) and the exercise price and fair values of options and performance rights on issue (refer notes 11 and 12).

Exploration and evaluation assets

It is the Company's policy to capitalise the cost of acquiring rights to explore areas of interest. All other exploration and development expenditure is charged against earnings as incurred and included as part of cash flows from operating activities.

The costs of acquisition are carried forward as an asset provided one of the following conditions is met:

- a. Such costs are expected to be recouped through the successful development and exploitation of the area of interest, or alternatively, by its sale; or
- b. Exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing. When the technical feasibility and commercial viability of extracting a mineral resource have been demonstrated then any capitalised exploration and evaluation expenditure is reclassified as capitalised mine development. Prior to reclassification, capitalised exploration and evaluation expenditure is assessed for impairment.

Exploration for and evaluation of mineral resources is the search for mineral resources after the entity has obtained legal rights to explore in a specific area, as well as the determination of the technical feasibility and commercial viability of extracting the mineral resource.

Accounting for exploration and evaluation expenditures is assessed separately for each 'area of interest' to determine whether expenditure is expensed as incurred or capitalised as an asset. An 'area of interest' is an individual geological area which is considered to constitute a favourable environment for the presence of a mineral deposit or has been proved to contain such a deposit.

Pre-production costs are deferred as development costs until such time as the asset is capable of being operated in a manner intended by management. Capitalised expenses then become an active asset and are depreciated. Post-production costs are recognised as a cost of production.

Any development expenditure incurred once a mine property is in production is immediately expensed to the Statement of Profit and Other Comprehensive Income except where it is probable that future economic benefits will flow to the entity, in which case it is capitalized as property, plant and equipment.

Information used in the review process is rigorously tested to externally available information as appropriate.

New or amended accounting standards and interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

For the half-year ended 31 December 2025, the Company incurred a total comprehensive loss of \$1,366,786 (half-year ended 31 December 2024: loss of \$1,645,387) and incurred cash outflows from operations of \$1,373,326 (half-year ended 31 December 2024: outflow of \$1,574,653).

Directors are aware that additional capital would be required to meet operational costs and to advance its projects. Having carefully assessed the uncertainties relating to the likelihood of securing additional funding and the consolidated entity's ability to effectively manage its operations and working capital requirements, the directors believe that the consolidated entity will continue to operate as a going concern and that it is appropriate to prepare the financial statements on a going concern basis which assumes the extinguishment of liabilities in the normal course of business.

The ability of the Company to continue as a going concern is principally dependent upon its ability to secure funds by raising capital from equity markets and managing cash flow in line with available funds.

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Company to continue as a going concern and therefore the entity may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments that may be necessary if the consolidated entity is unable to continue as a going concern.

Based on the cash-flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate, given the following:

- The Company has the ability to defer discretionary costs as and when required.
- In particular, given the Company's history of raising capital to date, the directors are confident of the Company's ability to raise additional funds as and when they are required.

Note 2. Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1:

Name of entity	Country of incorporation	Equity Holding	
		Dec-2025	Jun-2025
South Harz Potash (Australia) Pty Ltd	Australia	100%	100%
Südharz Kali GmbH	Germany	100%	100%

Note 3. Segment reporting

Identification of reportable operating segments.

The consolidated entity is organised into one operating segment, being mining and exploration operations. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ("CODM")) in assessing performance and in determining the allocation of resources.

Geographical information

	Sales to external customers		Non-current assets	
	Dec-2025	Dec-2024	Dec-2025	Jun-2025
	\$	\$	\$	\$
Australia	-	-	-	-
Germany	-	-	2,220,451	2,281,296
Sweden	-	-	-	-
	-	-	2,220,451	2,281,296

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 4. Income

	Consolidated	
	Dec-2025	Dec-2024
	\$	\$
Interest income	1,733	1,224

Note 5. Current assets - cash and cash equivalents

	Consolidated	
	Dec-2025	Jun-2025
	\$	\$
Cash at bank	432,097	546,735
	432,097	546,735

Note 6. VAT and other receivables

	Consolidated	
	Dec-2025	Jun-2025
	\$	\$
Deposits & other receivables	39,569	58,385
VAT & GST refunds	33,002	26,665
	<u>72,571</u>	<u>85,050</u>

Note 7. Non-current assets - exploration and evaluation

	Consolidated	
	Dec-2025	Jun-2025
	\$	\$
Exploration and evaluation - at cost ¹	2,185,281	2,224,922
	<u>2,185,281</u>	<u>2,224,922</u>

Reconciliations at the beginning and end of the current and previous financial year are set out below:

	Exploration
	\$
Consolidated	
Balance at 1 July 2025	2,224,922
Additions	-
Exchange difference on opening balance	(39,641)
Balance at 31 December 2025	<u>2,185,281</u>

Balance at 1 January 2025	2,076,936
Additions	-
Exchange difference on opening balance	147,986
Balance at 30 Jun 2025	<u>2,224,922</u>

¹ Exploration and evaluation non-current assets relate to the acquisition costs of the three perpetual mining licences namely Ohmgebirge, Mühlhausen-Nohra and Ebeleben in Thuringia Germany. In July 2025 the Company granted a first ranking mortgage over its interest in the Ebeleben mining lease to Ercosplan as security for amounts owed to Ercosplan, as detailed in Note 8.

Note 8. Current trade and other payables

	Consolidated	
	Dec-2025	Jun-2025
	\$	\$
Trade payables ¹	1,023,147	1,768,467
Other payables	135,546	362,495
	<u>1,158,693</u>	<u>2,130,962</u>

¹ Trade payables balances were owing to a creditor of the Company's wholly-owned German subsidiary, Südharz Kali GmbH (SHK) totalling €474,911 (approximately A\$836,111) as at 31 December 2025. The outstanding amounts relate to engineering services provided to SHK for the Ohmgebirge Pre-Feasibility Study by ERCOSPLAN Ingenieurgesellschaft Geotechnik und Bergbau GmbH (Ercosplan). SHK has paid interest to Ercosplan at 5% per annum on the total amount owed on a monthly basis, which will continue until the balance has been repaid. In July 2025 the Company and Ercosplan signed binding agreements to defer the repayment of the total amount owing until 31 December 2026 on the basis that the Company continues to pay interest monthly at a rate of 5% per annum on the balance owed, and the grant by the Company of a first ranking mortgage over its interest in the Ebeleben mining lease in Thuringia, Germany, as security for the amount owed.

Note 9. Equity – Issued Capital

	Consolidated		Consolidated	
	Dec-2025	Jun-2025	Dec-2025	Jun-2025
	No.	No.	\$	\$
Ordinary shares - fully paid	131,723,242	1,283,062,044	44,401,191	42,414,791
Ordinary share capital				
Details	Date	No of shares	Issue Price	\$
Balance	01-Jul-25	1,283,062,044		42,414,791
Entitlement Issue	31-Jul-25	152,873,504	\$0.0030	458,621
Entitlement Issue (Directors)	31-Jul-25	35,787,782	\$0.0030	107,363
Placement - Tranche 2	20-Aug-25	6,666,966	\$0.0030	20,001
Placement - Tranche 2 (Directors)	20-Aug-25	27,000,000	\$0.0030	81,000
Placement - Tranche 2 (in lieu of services) ¹	20-Aug-25	206,840,334	\$0.0030	620,521
Entitlement Issue Shortfall	20-Aug-25	33,333,334	\$0.0030	100,000
Placement - Tranche 2	22-Aug-25	101,666,666	\$0.0030	305,000
Placement - Tranche 2 (Directors)	22-Aug-25	71,000,000	\$0.0030	213,000
Consolidation	25-Aug-25	(1,790,348,569)	\$0.0000	-
Entitlement Issue Shortfall	22-Oct-25	222,222	\$0.0450	10,000
Shares issued to employee (under Employee Incentive Plan) ²	6-Nov-25	906,737	\$0.0450	40,795
Placement - Tranche 2	14-Nov-25	1,156,667	\$0.0450	52,050
Placement to Directors	01-Dec-25	1,555,555	\$0.0450	70,000
Capital raising costs				(91,951)
Closing Balance	31-Dec-25	131,723,242		44,401,191

¹ Placement – Tranche 2 shares (in lieu of services) were issued to a number of service providers of the Company who agreed to be issued shares as full consideration for the payment of services provided to the Company.

² Shares were issued to an employee under the Company's Employee Incentive Plan. These were previously accrued as employee remuneration expense in the financial year ended 30 June 2025.

Note 10. Equity - reserves

	Consolidated	
	Dec-2025	Jun-2025
	\$	\$
Foreign currency translation reserve	238,356	254,847
Performance rights reserve	159,737	94,425
Option right reserves	2,600,050	2,500,669
	2,998,143	2,849,941

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Performance rights reserve

The reserve is used to recognise the fair value of performance rights issued to directors, employees and brokers.

Option rights reserve

The reserve is used to recognise the fair value of options issued to directors, employees and brokers.

Note 11. Equity - Options

Grant date	Expiry date	Exercise price [C]	Fair value [C]	Balance at the start of the period	Issued in period	Consolidation adjustment [C]	Expired in the period	Balance at reporting date	Exercisable at reporting date	Note
27-May-21	27-May-26	\$3.04500	\$0.70350	4,606,605	-	(4,299,498)	-	307,107	307,107	[3][4]
05-Aug-21	05-Aug-26	\$2.26650	\$0.31937	192,069	-	(179,264)	-	12,805	12,805	[4]
30-Mar-22	30-Mar-27	\$2.40900	\$2.55660	2,382,000	-	(2,223,201)	-	158,799	158,799	[3][4]
30-Sep-22	30-Sep-27	\$1.80000	\$0.49320	2,618,000	-	(2,443,467)	-	174,533	-	[4][M]
17-Oct-22	17-Oct-26	\$1.84500	\$0.43455	1,000,000	-	(933,333)	-	66,667	-	[3][M]
02-Nov-22	31-Oct-27	\$0.82500	\$0.56850	2,000,000	-	(1,866,667)	-	133,333	133,333	[3]
02-Nov-22	31-Oct-27	\$1.23000	\$0.52350	2,000,000	-	(1,866,667)	-	133,333	133,333	[3]
02-Nov-22	31-Oct-27	\$1.63500	\$0.48900	2,000,000	-	(1,866,667)	-	133,333	133,333	[3]
02-Nov-22	31-Oct-27	\$2.04000	\$0.46050	2,000,000	-	(1,866,667)	-	133,333	133,333	[3]
10-Nov-22	10-Nov-27	\$2.25000	\$0.42840	4,623,000	-	(4,314,799)	-	308,201	-	[3] [M][S]
24-Nov-22	23-Nov-25	\$1.35000	\$0.37200	3,366,667	-	(3,142,223)	(224,444)	-	-	[2]
10-Feb-23	30-Sep-27	\$1.80000	\$0.36690	200,000	-	(186,667)	-	13,333	-	[4][M]
23-Feb-23	01-Jan-28	\$0.99000	\$0.35220	3,000,000	-	(2,800,000)	-	200,000	200,000	[4]
23-Feb-23	01-Jan-28	\$1.32000	\$0.31650	3,000,000	-	(2,800,000)	-	200,000	200,000	[4]
10-Aug-23	10-Aug-26	\$1.20000	Nil	20,123,480	-	(18,781,910)	-	1,341,570	1,341,570	[1]
10-Aug-23	10-Aug-26	\$1.20000	\$0.17907	5,478,790	-	(5,113,537)	-	365,253	365,253	[2]
21-Aug-23	21-Aug-27	\$0.96000	\$0.26504	1,000,000	-	(933,333)	-	66,667	66,667	[3]
26-Sep-23	31-Oct-28	\$0.84000	\$0.31824	9,134,000	-	(8,525,067)	-	608,933	-	[4] [M][S]
26-Oct-23	31-Oct-28	\$0.84000	\$0.26780	19,181,000	-	(17,902,265)	-	1,278,735	-	[3] [M][S]
24-Nov-23	24-Nov-26	\$1.20000	Nil	1,375,000	-	(1,283,333)	-	91,667	91,667	[1][3]
19-Dec-23	19-Dec-26	\$1.20000	Nil	8,249,937	-	(7,699,927)	-	550,010	550,010	[1]
22-Dec-23	21-Dec-26	\$1.20000	\$0.10722	3,500,000	-	(3,266,667)	-	233,333	233,333	[2]
19-Jun-25	19-Jun-29	\$0.09000	\$0.02837	5,000,000	-	(4,666,667)	-	333,333	-	[3] [M][S]
31-Jul-25	31-Jul-27	\$0.09000	Nil	-	17,839,968	(16,650,637)	-	1,189,331	1,189,331	[1][3]
31-Jul-25	31-Jul-27	\$0.09000	Nil	-	76,490,724	(71,391,339)	-	5,099,385	5,099,385	[1]
20-Aug-25	31-Jul-27	\$0.09000	Nil	-	16,666,668	(15,555,557)	-	1,111,111	1,111,111	[1]
22-Oct-25	31-Jul-27	\$0.09000	Nil	-	111,111	-	-	111,111	111,111	[1]
14-Nov-25	31-Jul-27	\$0.09000	Nil	-	578,333	-	-	578,333	578,333	[1]
20-Aug-25	20-Aug-27	\$0.09000	Nil	-	13,500,000	(12,600,000)	-	900,000	900,000	[1][3]
22-Aug-25	20-Aug-27	\$0.09000	Nil	-	35,500,000	(33,133,333)	-	2,366,667	2,366,667	[1][3]
20-Aug-25	20-Aug-27	\$0.09000	\$0.02245	-	15,000,000	(14,000,000)	-	1,000,000	1,000,000	[2]
20-Aug-25	20-Aug-27	\$0.09000	Nil	-	196,920,320	(183,792,302)	-	13,128,018	13,128,018	[1]
22-Aug-25	20-Aug-27	\$0.09000	Nil	-	50,833,334	(47,444,446)	-	3,388,888	3,388,888	[1]
01-Dec-25	01-Dec-27	\$0.09000	Nil	-	777,778	-	-	777,778	777,778	[1][3]
				106,030,548	424,218,236	(493,529,440)	(224,444)	36,494,900	33,711,165	

[1] Free attaching options since they were issued with issue of shares. No value was attached on initial recognition.

[2] Options issued to broker as consideration for broking services

[3] Options issued to Directors

[4] Options issued to employees and KMPs

[M] Market based vesting conditions (share price levels) apply to these options

[S] Service-based vesting conditions apply to some or all of the Director/employee holders of these options

[C] A consolidation of securities on a 1-for-15 basis took place on 25 August 2025. As a result, the Exercise Price and Fair Value per share have been restated (upwards) by a factor of 15x

Valuation of Share Based Payments

A summary of the key assumptions used in applying the Option Valuation Models to the share-based payments recognised is as follows:

August 2025:

	Black-Scholes option valuation	
Variable	Input for broker options issued on 20-Aug-25 with expiry 20-Aug-27	
Basis ¹	Pre-Consolidation Basis	Post-Consolidation Basis
Number of Options	15,000,000	1,000,000
Spot price	\$0.003	\$0.045
Exercise price	\$0.006	\$0.09
Life	2.0 years	2.0 years
Volatility	125%	125%
Dividend yield	Nil	Nil
Risk free rate	3.41%	3.41%
Call option value	\$0.001497	\$0.02245

¹ The broker options were issued on 20 August 2025 on the "Pre-Consolidation Basis", which was prior to the consolidation of securities that took place on 25 August 2025. The "Post Consolidation Basis" represents the equivalent basis of the valuation of these options following the consolidation of securities.

Expected volatility is based on historic volatility of the Company's shares over recent trading periods, aligned to the expected life of the options.

Note 12. Equity - Performance Rights

Grant date	Expiry date	Exercise price [C]	Fair value [C]	Balance at the start of the period	Issued in period	Consolidation adjustment [C]	Expired in the period	Balance at reporting date	Exercisable at reporting date	Note
28-Nov-24	30-Nov-29	Nil	\$0.16500	8,000,000	-	(7,466,666)	-	533,334	533,334	[5] [SE]
28-Nov-24	01-Jul-27	Nil	\$0.16500	5,250,000	-	(4,900,000)	(350,000)	-	-	[5] [PX][S]
28-Nov-24	01-Jan-30	Nil	\$0.16500	8,750,000	-	(8,166,667)	-	583,333	-	[5] [P][S]
28-Nov-24	01-Jan-29	Nil	\$0.16500	5,250,000	-	(4,900,000)	-	350,000	-	[5] [P][S]
28-Nov-24	01-Jul-29	Nil	\$0.11400	12,250,000	-	(11,433,333)	-	816,667	-	[5] [M][S]
28-Nov-24	01-Jul-29	Nil	\$0.11400	9,000,000	-	(8,400,000)	-	600,000	-	[6] [M]
				48,500,000	-	(45,266,666)	(350,000)	2,883,334	533,334	

[5] Performance rights issued to Directors

[6] Performance rights issued to KMP

[P] Project performance based vesting conditions apply to these performance rights

[PX] Project performance based vesting conditions apply to these performance rights. These were not met and as a result these performance rights were cancelled

[M] Market based vesting conditions (share price levels) apply to these performance rights

[S] Service-based vesting conditions apply to some or all of the Director/employee holders of these performance rights

[SE] Service-based vesting conditions applied to the director holders of these performance rights, which had been met by the reporting date. These performance rights were exercised and converted to shares by the directors on 30 January 2026

[C] A consolidation of securities on a 1-for-15 basis took place on 25 August 2025. As a result, the Exercise Price and Fair Value per share have been restated (upwards) by a factor of 15x

Note 13. Subsequent events

The following material events occurred subsequent to 31 December 2025 and up to the date of this report:

Board changes

On 13 January 2026 the Company appointed Mr Christian Barbier, an executive with over three decades' experience in the resources sector and a strong track record in critical minerals, as an independent non-executive director. Mr Barbier has held board directorships with unlisted companies and senior management positions across Europe, Australia and Asia. His core expertise is in critical and industrial mineral supply chains covering strategy, technical marketing and business turnarounds, with focus on both growth and restructuring situations.

Mr Barbier currently manages CRB Resources, an advisory and consultancy firm he founded in 2015 that focuses on strategy, risk management, market approach and partnerships in the critical minerals sector, especially in the lithium and battery supply chain industry.

Until 2024, Mr Barbier was Chief Sales & Marketing Officer on the Executive team of Allkem Limited (now part of Rio Tinto (ASX: RIO)), a lithium miner and chemical producer. During his tenure, he led the company's sales and marketing strategy and played a key role in its expansion into one of the world's top five lithium producers. Under his leadership, Allkem was on track to triple capacity by 2026, prior to its merger with Livent into Arcadium Lithium in early 2026.

Prior to that, Mr Barbier spent almost five years with Iluka Resources (ASX: ILU), the world's leading zircon and rutile producer and an emerging player in rare earth minerals supply, including as Head of Sales & Marketing and an Executive Committee member reporting to the Chief Executive Officer and Board.

Dr Reinout Koopmans concurrently resigned from the Board on the same date after a seven year period as an independent non-executive director, whose commitment and strategic thinking have helped establish a platform to transition the Company from a single asset company to a diversified company, with a multi-asset critical minerals portfolio and a globally significant potash project, all in first world jurisdictions.

Initial field-work results at Glava

On 20 January 2026 the Company announced that reconnaissance sampling and a ground magnetic survey at Glava 100 had identified a new mineralised zone approximately 300 m south of historic workings. Rock-chip samples returned standout assays of 9.88 g/t gold and 2.88 % copper, with strong correlation between gold and copper grades. Rare earth element (REE) sampling returned 9,513 ppm total REE with ~30 % comprised of Nd+Pr, highlighting REE potential. These results validate historical data and support the Group's conceptual geological model. Follow-up field work and a maiden drill programme are planned for mid 2026.

Historic drill core from the Torsby West project was inspected and re-logged, with assays from re-sampling expected in March 2026.

Exploration licence approvals in Sweden

On 29 January 2026 the Company announced that Swedish authorities approved three of the Group's six exploration licence applications (Glava 200, Klinten 100 and Mangens 100) following the Option Agreement signed with McKnight Resources AB. These approvals were granted within six weeks, underscoring Sweden's attractive mining jurisdiction.

The Glava 300 exploration licence and the remaining Torsby West licence applications (Bockgruvan 100 and Kyrskogen 100) were subsequently approved during the March 2026 quarter, further consolidating the Company's footprint.

Exploration licences expired in Germany

The Küllstedt and Gräfentonna exploration licences held by the Company's subsidiary in Germany expired in January 2026. The licences were originally issued in January 2015 and each have been renewed on two previous occasions. An application for a further renewal was declined by the relevant authority. The Company has exercised its right of appeal in relation to the Küllstedt licence.

Proposed change of name to Turnstone Resources Ltd

On 10 February 2026, the Company announced that it resolved to seek shareholder approval to change the name of the company to Turnstone Resources Ltd to reflect the expansion from a single-asset potash company to a multi-asset critical minerals developer. The proposal emphasises that the Company now beneficially holds seven granted copper–gold exploration licences in Sweden. The Board envisages a maiden drilling programme commencing in mid-2026 and believes the new name better reflects the Company's strategy and aspirations. A general meeting of shareholders to consider the name change is scheduled for 16 March 2026.

Change of Registered Address

On 10 February 2026 the Company advised that it had changed its registered office address to: Unit 15, 6-10 Douro Place, West Perth WA 6005, Australia.

Loans from Director-related entity to the Company

On 2 March 2026, the Company (as borrower) executed an unsecured loan facility agreement with Mr Leonard Stanley Jubber & Mrs Alexandra Maidment Jubber as Trustees for the Jubber Super Fund, a director-related entity of Len Jubber (Mr Jubber is the trustee and a beneficiary of the Jubber Super Fund).

The loan facility agreement allowed the Company to draw down funds of up to A\$50,000, on which interest of 5% per annum accrues. The repayment date of the facility is 30 June 2026. A drawdown by the Company for A\$50,000 was made on 5 March 2026. It is the present intention of the Company to repay this loan during the month of March 2026.

Capital Raising

On 9 March 2026, the Company advised that it had successfully completed a two-tranche equity placement to sophisticated and professional investors of 41,666,667 shares at A\$0.03 per share to raise \$1,250,000 (March Placement). The funds raised will provide funding to advance exploration activity including the maiden drilling programme at the Company's Glava-Klinten and Torsby West copper-gold projects in Sweden.

Tranche 1 will comprise the issue of 31,333,334 shares for gross equity of A\$940,000 under the Company's placement capacity. Tranche 2 will comprise the issue of 10,333,333 shares for gross equity of A\$310,000 which is subject to shareholder approval at a general meeting of shareholders expected to be held around 24 April 2026.

The Tranche 2 placement includes commitments by Directors for gross equity of A\$175,000 for the issue of 5,833,333 shares as follows:

- A\$25,000 for 833,333 shares to Christian Barbier (or his director related entities),
- A\$50,000 for 1,666,667 shares to Len Jubber (or his director related entities), and
- A\$100,000 for 3,333,333 shares to Rory Luff (or his director related entities).

Note 14. Contingent assets and liabilities

A contingent asset existed as at the reporting date in relation to the Company's applications for German R&D tax incentive rebates in April 2025. These applications encompass select technical work and expenditure conducted in the European Union over 2021-2024. In the June 2025 quarter, the Company received certification from the Germany authority (BSFZ) which verified that its applications for tax-deductible research funding constitute "research and development" within the meaning of the Research Allowance Act in Germany.

With this certification, the Company has progressed to the second stage of the R&D tax rebate process with its submission of an application to the relevant tax office to receive the R&D rebate as part of its tax return process. The tax office is currently conducting a review to scrutinise the relevant expenditure incurred by the Company, which has been certified by BSFZ. The second stage determination is anticipated to be completed during the March 2026 quarter with South Harz's potential cash refund ranging up to A\$650,000. No asset has been recognised in the half-year financial report for this contingent asset as its quantum and timing cannot be reliably measured at the reporting date.

There were no contingent liabilities as at the reporting date.

Directors' Declaration

1. In the directors' opinion:

- the attached financial statements and notes thereto 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 thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- subject to the completion of the current and potential future capital raises, 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) of the Corporations Act 2001.

On behalf of the directors



Len Jubber – Executive Chairman
13 March 2026
Perth

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SOUTH HARZ POTASH LTD

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of South Harz Potash Ltd (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 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 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.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.



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 is true and fair 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 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 stylized blue ink signature of the BDO firm, consisting of the letters 'BDO' in a cursive, handwritten style.

BDO Audit Pty Ltd

A blue ink handwritten signature of Paul Gosnold, written in a cursive style.

Paul Gosnold
Director

Adelaide, 13 March 2026