



ASX ANNOUNCEMENT | FOR PERIOD ENDED 31 DECEMBER 2025

HALF YEAR FINANCIAL REPORT

ASKARI METALS LIMITED
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CORPORATE INFORMATION

Directors & Officers

Mr. Robert Downey
Mr. Gino D'Anna
Mr. Tim Morrison
Mr. Martin Holland
Mr. Stuart Usher (CFO and Company Secretary)

Bankers

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Perth WA 6000

Registered Office

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Perth WA 6000

Share Registry

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Perth WA 6000
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Auditors

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Stock Exchange

Australian Securities Exchange Limited (ASX)

ASX Code

AS2

Australian Company Number

ACN 646 034 460

Australian Business Number

ABN 39 646 034 460

Website

www.askarimetals.com

Solicitors

Steinepreis Paganin Lawyers & Consultants
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Domicile and Country of Incorporation

Australia

ASKARI METALS LIMITED
DIRECTORS' REPORT
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

The directors present their report, together with the consolidated financial statements, on Askari Metals Limited (the "Company", "Askari" or "parent entity") and the consolidated entity (referred to hereafter as the 'consolidated entity' or 'group') consisting of Askari Metals Limited and the entities it controlled at the end of, or during, the half-year ended 31 December 2025.

Directors

The following persons were directors of Askari Metals Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Mr. Robert Downey	Non-Executive Chairman
Mr. Gino D'Anna	Executive Director
Mr. Tim Morrison	Non-Executive Director
Mr. Martin Holland	Non-Executive Director appointed 5 December 2025

Company Secretary

Stuart Usher – CFO and Company Secretary

Principal activities

The principal activity of the Group during the financial year was exploration for gold, copper, and critical metals.

Financial results

The financial results of the Group are:

	31 Dec 2025	30 June 2025
	\$	\$
Cash and cash equivalents	2,037,592	24,664
Net assets	8,334,498	6,165,998
	Half year ended	Half year ended
	31 Dec 2025	31 Dec 2024
	\$	\$
Net loss after tax	(2,328,533)	(4,234,619)

The company successfully raised \$2,787,433 before costs during the half year ended 31 December 2025.



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OPERATIONS REPORT

HALF YEAR REVIEW OF OPERATIONS: HIGHLIGHTS

INVESTOR SUMMARY

- **District-Scale Gold and Copper Exposure:** Askari controls the 1,174km² district-scale Nejo Gold and Copper Project in Central Western Ethiopia, located within the Arabian-Nubian Shield, a globally recognised gold-copper province. The project surrounds the 1.7Moz Tulu Kapi Gold Mine and lies along strike from the 3.4Moz Kurmuk Mine.
- **Defined, Drill-Ready Pipeline:** Multiple drill-ready targets have been identified across two major gold-copper corridors – the Guliso Trend (~10km) and Guji-Gudeya Trend (~9km). A Maiden drilling program of up to 5,000m is planned for Q1 2026 as part of a broader phased program exceeding 20,000m.
- **Clear Pathway Toward Maiden Resource:** Planned drilling is designed to validate historical high-grade intersections and advance priority targets toward a **maiden JORC (2012) Mineral Resource Estimate**.
- **Exposure to Gold, Copper and Critical Metals:** In addition to gold, exploration at Nejo will assess copper, antimony and silver potential. The Uis Project in Namibia provides additional exposure to high-grade tin and tantalum mineralisation, with lithium and rubidium upside, located directly along strike from the operating Uis Tin Mine.
- **Fully Funded Near-Term Exploration:** During the half year period ended 31 December 2025, the **Company raised A\$2.78 million** (before costs) through an oversubscribed Rights Issue and a Private Placement. Proceeds will fund planned exploration programs in Ethiopia and Namibia
- **Simplified, Debt-Free Balance and Capital Structure:** Subsequent to the half year period ended 31 December 2025, Askari repaid all outstanding convertible and redeemable notes, resulting in a clean financial position with no debt or security overhang (*See ASX announcement, 7 January 2026*).
- **Portfolio Rationalisation Completed:** The divestment of the Company's Australian subsidiary, First Western Gold Pty Ltd, further aligns Askari's strategy toward its African gold, copper and critical metals portfolio.
- **Operational Readiness and Government Engagement:** Field programs are supported by strong in-country relationships with Ethiopian federal and regional authorities, positioning the Company to progress exploration activities efficiently.
- **Near-Term News Flow:** Upcoming drilling, trenching and geochemical programs across Ethiopia and Namibia are expected to deliver consistent exploration updates over the coming quarters.

OPERATIONAL ACTIVITIES

ETHIOPIAN GOLD STRATEGY

During the half year period ended 31 December 2025, Askari Metals Limited (“**Askari**” or the “**Company**”) completed the acquisition of the Nejo Gold and Copper Project, a district-scale landholding covering 1,174km² in Central-Western Ethiopia. The Project is strategically located along the Tulu Dimtu Shear Belt within the Arabian-Nubian Shield – a globally significant and underexplored gold-copper province.

Nejo surrounds the 1.7Moz Tulu Kapi Mine and lies on the same greenstone belt as the 3.4Moz Kurmuk Mine, positioning Askari within a Tier-1 geological corridor known to host multiple large-scale deposits. The project covers more than 60 kilometres of prospective strike length, supported by extensive historical datasets including trenching, drilling, and geochemical surveys confirming high-grade gold and copper mineralisation. Despite this strong foundation, the area remains largely underexplored using modern exploration techniques, presenting a compelling opportunity for systematic, data-driven fieldwork to unlock substantial value.

Exploration Program and Strategy

Askari’s exploration strategy builds on this robust historical data to identify and advance high-priority targets. The Company’s maiden regional exploration program, focused on the Guji-Gudeya and Guliso Gold Trends and covering a cumulative strike length of more than ~19km, commenced in the December quarter and is expected to recommence during Q1 2026. An expanded exploration program aggregating valuable information on historic drilling and other exploration work is ongoing as the Company continues to validate historical exploration works and digitise important geological and technical information which will provide further direction on planned exploration activities.

The dual-approach exploration program, focused on the high-grade copper mineralised zones at the Katta Target, is expected to recommence in Q1 2026. This program aims to confirm the nature of the mineralisation and validate previous exploration, including diamond drilling completed by the UNDP which identified significant high-grade shallow copper mineralisation and outcropping copper gossans that remain unexplored, demonstrating potential VMS-style mineralisation and deposit geology.

The Katta copper target remains a significant opportunity for the Company, particularly during times of record high copper prices, and represents an immediate drilling target to follow up and expand upon historic drilling completed by the UNDP.

The Guliso Trend features high-priority targets at Soyoma, Dina, Chago and South Chago, which form a continuous ~10km NE-SW strike remaining open along strike in both directions. While these targets have undergone limited historical exploration including drilling and trenching, no systematic follow-up has been

conducted. Previous work revealed high grades of gold mineralisation near surface and presents an immediate target for follow-up exploration.

The Guji-Gudeya Trend includes drill-ready targets of Guji, Komto 1 and Komto 2, forming a continuous ~9km NE-SW strike parallel to the Tulu Kapi Trend, remaining open along strike in both directions. Previous trenching and drilling identified high-grade gold mineralisation with minimal follow-up exploration. The Company plans to commence an initial drilling program at Guji, Komto 1 and Komto 2 as soon as field conditions allow.

The acquisition of the Nejo Project complements Askari's existing Adola Gold Projects in Southern Ethiopia, which collectively span approximately 460km² of highly prospective ground. These projects are located along trend from known multi-million-ounce gold deposits, including Lega Dembi and Sakaro, Ethiopia's only modern gold mines, which have produced more than three million ounces to date. The Adola Greenstone Belt remains one of the most underexplored but geologically fertile regions of the Arabian-Nubian Shield. Initial reconnaissance programs focusing on soil and rock sampling, geological mapping, and structural interpretation will commence once the drilling program at Nejo is underway. The underlying geology of the Adola projects mirrors that of nearby world-class deposits, underscoring the significant exploration potential within Askari's broader Ethiopian portfolio.

Key Stakeholder Meetings

During the half year period ended 31 December 2025, Executive Director, Mr Gino D'Anna, presented to key stakeholders in Ethiopia and met with officials from Federal and Regional Government offices, the Political and Capacity Building Government Whip, Ministry of Mines and Petroleum, Oromia Mineral Development Authority (OMDA), Oromia Mining Group, key advisors for the House of Peoples Representatives (Ethiopia) and Ministry of Industry.

These meetings, designed to introduce the Askari Metals 'Exploration Vision' for the Nejo Project, have been extremely successful in ensuring the Company is appropriately supported at all levels, both operationally and administratively, across Regional (Oromia) and Federal Government. The Company also shared its experiences in operating across Africa, particularly in Namibia, and discussed future areas of collaboration and strategic partnership.

As part of Askari's exploration mandate and the development of the Nejo Project, the Company will be implementing modern technology to advance target generation across the district-scale landholding. This technology will be shared with the Oromia Government as opportunities are evaluated by the Oromia Government and associated stakeholders as the region's natural resources continue to grow in importance.

The importance of the strategic partnership between the Company and Shining Star has also been discussed, particularly given the recent commissioning of the first commercial-scale production copper mine and facility in Angola, which was funded, constructed and commissioned by Shining Star. This level of technical capability and operational capability is important for Ethiopia as the country continues to

develop and implement its major “green-energy” transition. Ethiopia’s green initiatives are driven by its natural resources and are being translated into concrete contributions to development and sustainability in Eastern Africa.

Askari has been openly welcomed in Ethiopia. These meetings make clear that the metals and mining sector in Ethiopia continues to secure significant support from the Ethiopian Government, with major global investment in new mines and associated infrastructure being rolled out.

The economic reforms being pursued in Ethiopia are paving the way for significant investment in both upstream and downstream mining and infrastructure projects. The timing for Askari to commence exploration and development activities at the Nejo Project is well aligned, and the Company is appropriately positioned to leverage its knowledge, skills and experience as exploration activities ramp up, including drilling, trenching, geophysics and other exploration initiatives.

Critical Mineral Potential at the Nejo Project

During the half year period ended 31 December 2025, the Company completed a detailed review of the analytical results from a significant regional geochemical survey (stream sediment survey) which covered more than 9,100 km² over the period from January 2008 to June 2010 including the area currently known as the Nejo Project. A total of thirty-two (32) anomalies were identified with more than forty-two (42) elements detected including antimony (Sb), platinum (Pt), Palladium (Pd), REE (including magnet rare-earths – Nd), nickel, copper and gold.

Based on the study, a total of eighty-one (81) mineral occurrences and/or mineralised targets (including placer Au and non-metallic mineral occurrences) were confirmed through geological and mineral traverse survey, among them 16 primary Au (Cu) (mineralised) occurrences and approximately 10 Ni (Co, Cr) (mineralised) occurrences were discovered.

Based on metallogenic and geological setting reconstruction and regional prospecting indicators, four (4) prospecting targets including Daleti, Kata-Adere, Bushane Aleltu and Gida Maryam were outlined for further survey. The historic small-scale Yubdo Pt mine is also located on the Nejo Project licences, which warrants further investigation and detailed exploration.

At the Yubdo-Ursa target in the south-west of the Nejo Project southern licence, a significant platinum (Pt) anomaly measuring >5km strike length x 0.5km width was identified with results ranging from 0.1g/t Pt to 2.25g/t Pt in soils. There is also an increase in chromium anomalism in this area. Previous exploration work across the Yubdo target has also identified significant intersections of gold mineralisation in drilling and trenching across a zone measuring in excess of 6km.

Phase I Drilling Program – Gold Focused, Shallow Mineralisation

A preliminary drill design has been completed for the maiden drilling campaign at the Nejo Project, focused on the high-priority gold targets at the Guji, Komto 1 and Komto 2 targets forming a continuous strike of ~9km NE-SW parallel to the Tulu Kapi Trend remaining open along strike in both directions. A sub-sample of the drilling results from historic exploration drilling undertaken at the Guji, Komto 1 and Komto 2 targets is illustrated in Figure 1. Initial drilling will be focused on validating and expanding these known zones of mineralisation, testing not just for gold mineralisation, but other metals including copper, antimony and silver.

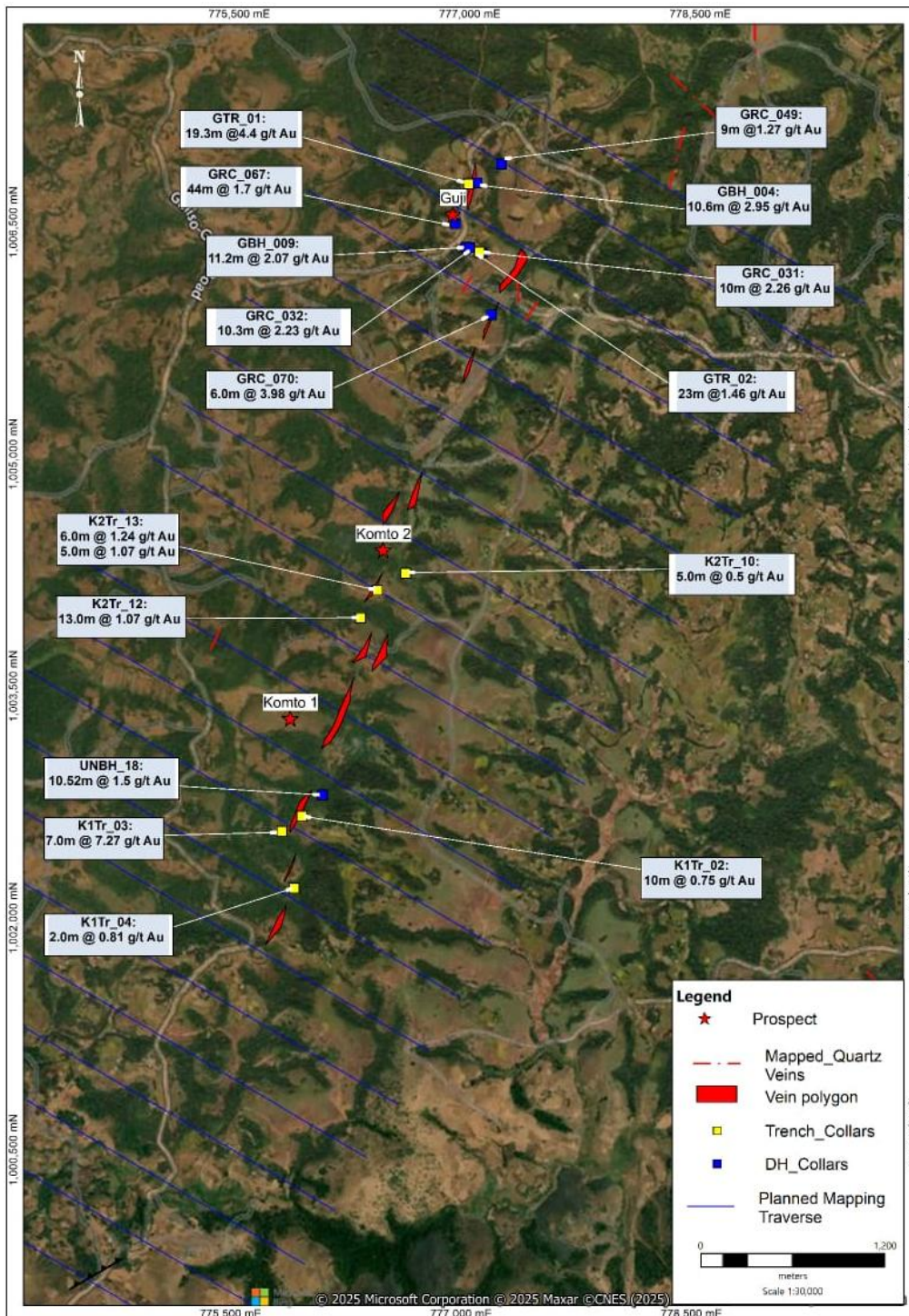


Figure 1: Exploration drill holes and trench collar locations and results from the Guji, Komto 1 and Komto 2 targets within the Nejo Project, Ethiopia (Askari - 100%)

Previous drilling and trenching at these targets demonstrated significant high-grade and shallow gold mineralisation that was not followed up or systematically explored further. This first phase drilling campaign will validate historic drilling intersections and provide the Company with a more detailed understanding of the potential mineralised envelope around these targets as the Company progresses towards a maiden JORC (2012) mineral resource estimate.

The Company is well funded to commence its maiden phase I drilling program of up to 5,000 metres at the advanced-stage, brownfield Nejo Project, initially focused on the Guji, Komto 1 and Komto 2 high-priority gold targets. This initial drilling program is part of a broader exploration strategy which will see the Company drill more than 20,000 metres in a phased approach, whilst also concurrently mobilising equipment for infill and extension trenching, geophysics and ground-based mapping and sampling at other targets across the district-scale 1,200km² landholding.

Nejo Project: Forward Work Program

A preliminary drill design has been completed for Askari's maiden drilling campaign at the advanced-stage Nejo Project, one of the Company's key value drivers.

The initial drilling will target near-surface, high-grade gold mineralisation at the Guji, Komto 1 and Komto 2 targets, which collectively define a ~9km NE-SW mineralised corridor that remains open along strike. Parallel to the Tulu Kapi Trend, historical drilling and trenching at these targets returned strong, shallow gold intersections that were never systematically followed up.

Initial drilling will be focused on validating and expanding these known zones of mineralisation, testing not just for gold mineralisation, but also for copper, antimony and silver.

The upcoming drilling campaign is designed to:

- Confirm and extend historical high-grade mineralisation;
- Define the geometry and continuity of mineralised zones; and
- Advance the project toward a maiden **JORC (2012) Mineral Resource Estimate**.

Beyond gold, drilling and follow-up exploration will also assess copper, antimony and silver potential, enhancing the project's polymetallic upside.

The Company intends to progress Nejo through a disciplined, phased drilling approach, with more than 20,000 metres planned over time, supported by concurrent trenching, geophysics, mapping and sampling across the broader 1,200km² district-scale landholding.

NAMIBIAN CRITICAL METALS STRATEGY

UIS PROJECT

Askari completed an advanced in-house remote sensing hyperspectral study on the Uis project, utilising re-processed high-resolution satellite imagery and a newly optimized hyperspectral technique. By integrating Sentinel-2 multispectral data with Maxar WorldView-3 hyperspectral data, the study has produced high-resolution multispectral, hyperspectral and orthoimagery maps, significantly enhancing the precision of geological and regolith mapping.

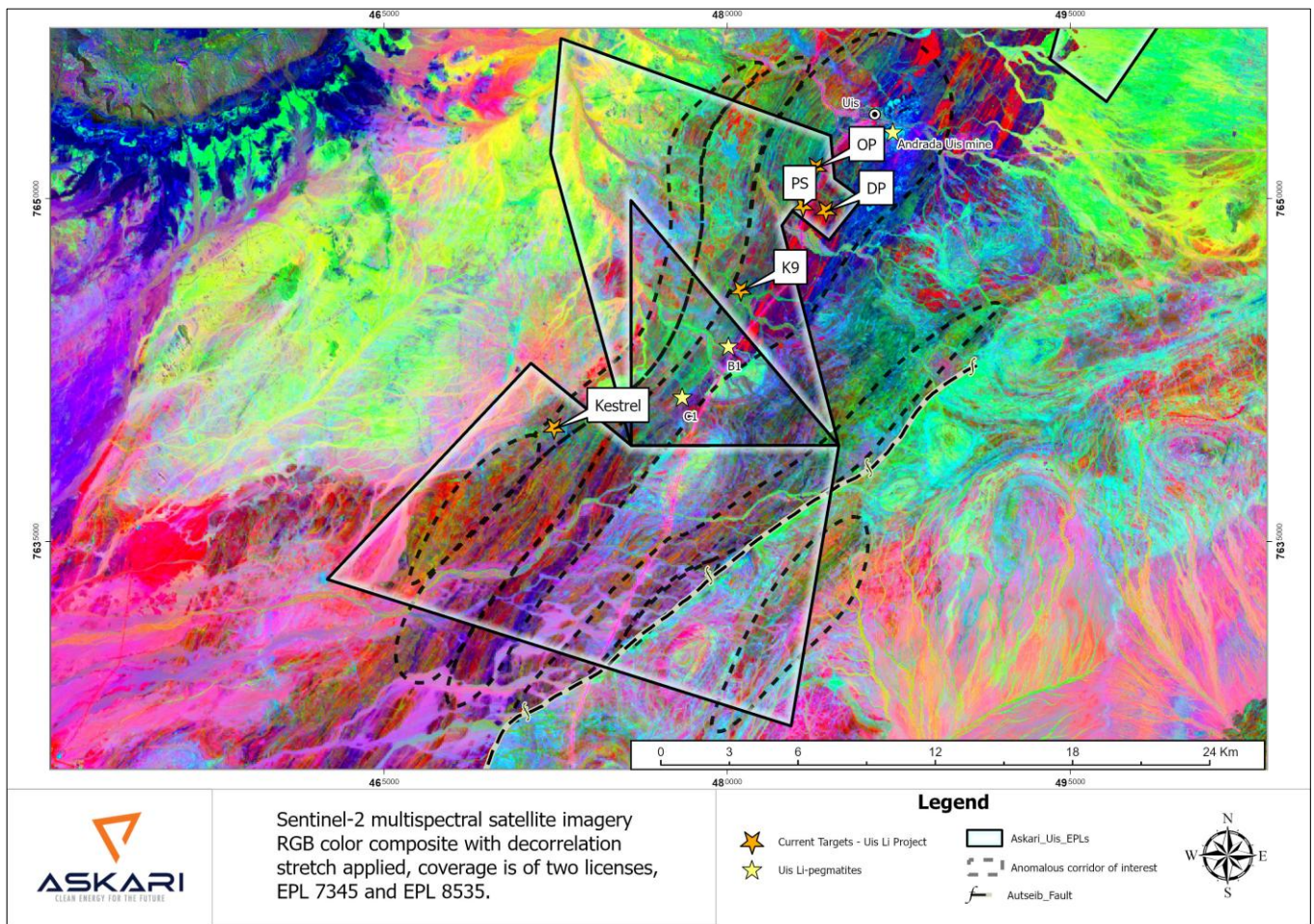


Figure 2: Sentinel-2 multispectral satellite imagery RGB colour composite of selected SWIR and VNIR bands with an applied decorrelation stretch to enhance colour contrast between lithological and regolith types on the ground.

Sentinel-2 multispectral satellite imagery is particularly effective in the visible and shortwave infrared (SWIR) bands for distinguishing rock types, geological units, and surface mineralogy. This capability supports detailed and cost-effective geological mapping, soil analysis, geomorphological studies, and mineral exploration.

Maxar WorldView-3 is a commercial Earth observation satellite that provides high resolution spatial and a broad spectral range, making it a valuable tool for geological and regolith mapping. Its high spatial resolution and diverse spectral capabilities assist in identifying geological and mineralogical features. In

regolith mapping, WorldView-3’s imagery distinguishes various soil and sediment types, aiding in the detection of geomorphological features and providing insights into surface processes and landscape dynamics.

The initial technique encompasses the generation of false-colour RGB composites to identify geological structures and delineate pegmatites from their host pelitic schist and granitic bodies.

The second approach involves the application of a decorrelation stretch to the RGB composite satellite image. This technique heightens the colour contrast, thereby aiding in the differentiation between rock types, vegetation categories, and urbanised regions.

Additionally, other techniques like Minimum Noise Fraction (MNF) and Principal Component Analysis (PCA) inversions are often integrated into remote sensing workflows to further enhance image interpretation. MNF is used to segregate noise from the signal in hyperspectral data, improving the quality of the subsequent analysis.

PCA reduces the dimensionality of the data by transforming it into a set of uncorrelated principal components, highlighting the most significant features and variations in the data. Both MNF and PCA help in isolating meaningful spectral information and reducing noise, thereby enhancing the overall interpretability of the images.

Askari’s optimised in-house hyperspectral study has identified and delivered a pipeline of seven new prospective pegmatite targets at Uis. These comprise four new targets on EPL 7345 which include Eve, GP, MW and K10 as well as three new targets on EPL 8535 which are Tawny, Martial and Zebedeus-1. These targets all fall within the “Corridor of Interest” previously delineated and which defines a zone prospective for fertile, LCT-type, mineralised pegmatites.

These new targets are shown in **Figure 3** and **Table 1** lists their estimated prospective strike lengths.

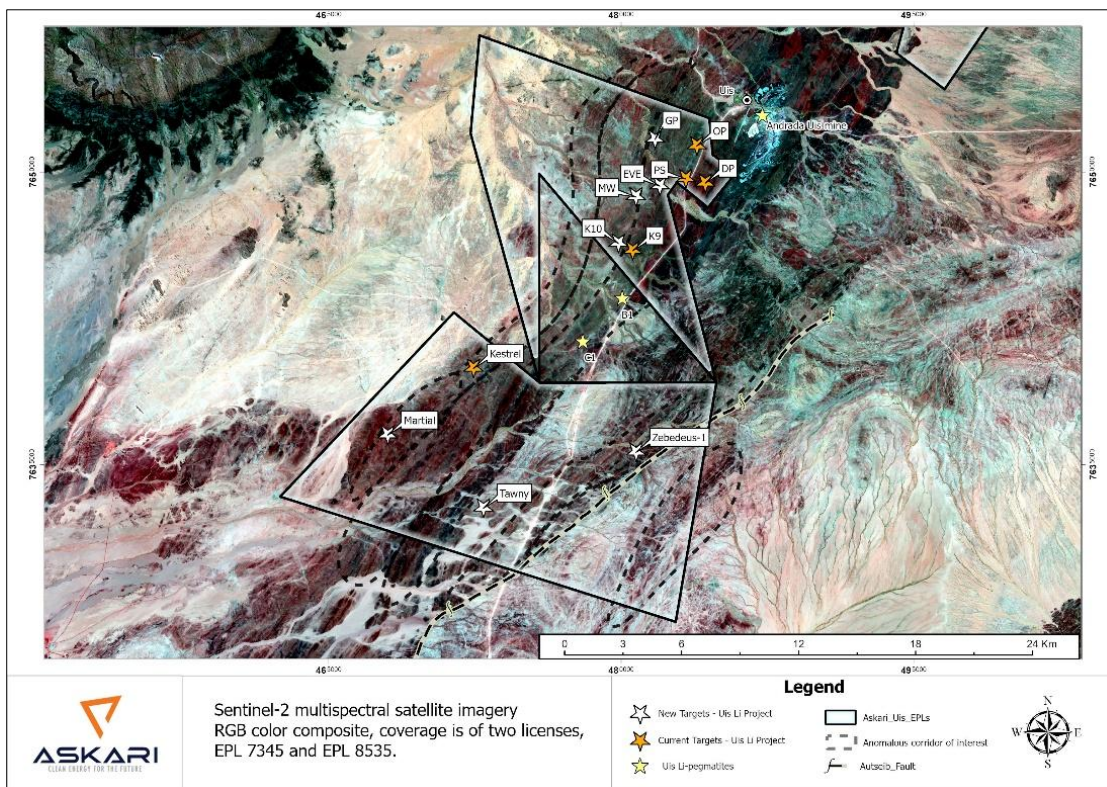


Figure 3: Pegmatite target map at the Uis Project

Table 1: Askari's new prospective pegmatite targets generated by the hyperspectral study

Target	EPL	Total strike (km)
EVE	EPL 7345	1.7
GP	EPL 7345	2.4
MW	EPL 7345	0.9
K10	EPL 7345	3.1
Zebedeus-1	EPL 8535	1.4
Tawny	EPL 8535	2.2
Martial	EPL 8535	1.7

Exploration Activities Update

During the half year period ended 31 December 2025, the Company received assay results from the trenching program completed at EPL 7345 and progressed planning for the rock, soils and stream sediment sampling campaign to be undertaken at EPL 7626. These results for the Uis Project focused on expanding the tin, tantalum and rubidium mineralisation identified at EPL 8535, EPL 7345 and EPL 7626.

A comprehensive technical review of historical exploration data has enabled the Company to re-interpret the geological information focused on delineating and demonstrating the extensive tin and tantalum mineralisation identified through previous exploration.

The re-interpretation of the data supports the Company's view that the Uis Project offers a strategic polymetallic project opportunity, offering tin, tantalum, rubidium and lithium mineralisation. The location of the Uis Project is also strategically located given it adjoins the operating Uis Tin Mine, owned by Andrada Mining Ltd (LSE: ATM).

Results from previous trenching programs have been received and are being compiled for release, providing near-term news flow as exploration ramps up.

A summary of the recent exploration work completed at the Uis Project is outlined below:

EPL 7345

- Historical exploration comprising 1,163 rock chip samples has highlighted exceptionally high-grade tin, tantalum and rubidium mineralisation with assay results including 4.05% SnO₂, 1,121ppm Ta₂O₅ and 0.83% Rb₂O.
- The OP Pegmatite Target, which is up to 26m wide and has a mapped strike length of more than 2km, displays high grade mineralisation with values up to 1.64% SnO₂, 392ppm Ta₂O₅ and 0.22% Rb₂O.
- Mapping and rock chip sampling at the PS Pegmatite Target has demonstrated high grade mineralisation with values up to 1.63% SnO₂, 639ppm Ta₂O₅ and 0.27% Rb₂O.

- Fieldwork at the DP Pegmatite Target has also revealed high grade mineralisation with values up to 0.89% SnO₂, 635ppm Ta₂O₅ and 0.29% Rb₂O with proximal pegmatites returning higher grades reaching up to 4.05% SnO₂, 1,121ppm Ta₂O₅ and 0.44% Rb₂O.
- The K9 Pegmatite Target also displays high grade mineralisation with values up to 0.27% SnO₂, 216ppm Ta₂O₅ and 0.49% Rb₂O.
- Historical drilling returned high-grade intercepts including 4m @ 0.16% SnO₂ (incl. 1m @ 0.26%), 4m @ 314 ppm Ta₂O₅ (incl. 1m @ 695 ppm), and 2m @ 0.30% Rb (incl. 1m @ 0.38%).

EPL 8535

- Historical exploration has highlighted exceptionally high-grade tin, tantalum and rubidium mineralisation with assay results including 3.17% SnO₂, 5,226ppm Ta₂O₅ and 0.87% Rb₂O.
- Mapping and rock chip sampling at the Kestrel Pegmatite Target has demonstrated high grade mineralisation with values up to 0.38% SnO₂ and 672ppm Ta₂O₅.
- Kestrel pegmatite has a strike length of approximately 3.0km and is up to 30m wide.
- Database includes 492 rock chip samples with assay results including tin oxide (SnO₂) up to 3.17% and tantalum oxide (Ta₂O₅) peaking at 5,226ppm.
- Historical drilling, which has never been followed up on, demonstrated high-grade mineralisation including 1m @ 0.13% SnO₂, 1m @ 173ppm Ta₂O₅ and 0.31% SnO₂, 1m @ 212ppm Ta₂O₅, 1m @ 199ppm Ta₂O₅, 1m @ 0.17% SnO₂, 1m @ 227ppm Ta₂O₅ and 0.25% SnO₂.

EPL 7626

- Phase I field programs have been planned for the Company's wholly owned EPL 7626 licence, part of the Uis Project in Namibia prospective for polymetallic mineralisation including tin, tantalum, rubidium and lithium.
- EPL 7626 is highly prospective and strategically located contiguous to the operating Uis Tin Mine, owned by Andrada Mining (LSE: ATM) hosting a JORC (2012) MRE of 77.51Mt @ 0.79% Li₂O, 0.15% SnO₂ and 82 ppm Ta.
- The planned field programs include mapping, rock chip sampling as well as a licence-wide soil geochemical sampling campaign.
- Soil sampling aimed at testing for buried LCT pegmatites across EPL 7626 is a preferred method of effective low-cost, high-impact exploration which will then be expanded through systematic trenching of the high priority targets.
- A previous in-house remote sensing study carried out over EPL 7626 identified lithological zones with spectral signatures matching Sn-Ta pegmatite-hosting mica schists mapped on EPL7345.
- The same Sn-Ta pegmatite-hosting mica schist units are interpreted to trend north eastwards from EPL 7345 and the Uis Tin Mine onto EPL 7626, albeit under cover.

For further information, refer to the ASX announcements dated 15 April 2025, 6 May 2025, 16 May 2025 and 27 May 2025 (collectively, the **"Announcements"**). The Company confirms that the information contained in the Announcements remains accurate and reliable. No further information or data is available.

Uis Project: Forward Work Program

Askari will recommence exploration at the Uis Project in Namibia, which provides leveraged exposure to high-grade tin and tantalum mineralisation, with additional lithium and rubidium upside.

The project is strategically located directly on strike with the operating Uis Tin Mine, within the same geological setting. Planned programs include:

- Soil and stream sediment sampling at EPL 7626;
- Phase I trenching across known pegmatite targets at EPL 8535;
- Phase II trenching across the untested pegmatite targets at EPL 7345; and
- Planned RC and diamond drilling at the PS, DP, OP and K9 pegmatite targets (EPL 7345).

Commenting on the operational activities of the Company, Executive Director Mr Gino D'Anna stated:

"The half year period ended 31 December 2025 marked a transformational period for Askari with the completion of the acquisition of the Nejo Gold and Copper Project in Ethiopia, which is now the Company's flagship asset. Nejo provides district-scale exposure in a proven gold and copper province, supported by extensive historical datasets and multiple drill-ready targets located adjacent to multi-million-ounce deposits.

During the half year period ended 31 December 2025, the Company strengthened its financial position through successful capital raisings and completed the divestment of its Australian assets, allowing Askari to sharpen its strategic focus on its African gold, copper and critical metals portfolio. Subsequent to end of the half year period, the Company achieved a fully debt-free capital structure.

Askari is now well funded and operationally positioned to commence its maiden drilling campaign at Nejo in Q1 2026, with the objective of validating historical high-grade mineralisation and advancing priority targets toward a maiden JORC (2012) Mineral Resource. In parallel, the Company is preparing to recommence exploration at the Uis Project in Namibia, which provides additional exposure to high-grade tin and tantalum mineralisation.

With a clear strategy, a simplified portfolio and multiple near-term exploration catalysts, we are well positioned as we enter an active period of growth."

CORPORATE

- During the half year period ended 31 December 2025, the Company closed its non-renounceable entitlement offer (**Rights Issue**) oversubscribed after raising A\$1.63 million (before costs).
 - Funds raised will support ongoing exploration at the Company's projects and strengthen the Company's balance sheet.
 - Funds will also be directed towards exploration at the Company's Nejo Gold and Copper Project in Ethiopia, where historic exploration has identified significant high-grade gold and copper mineralisation that has not yet been systematically explored using modern techniques.
 - Funds will also be allocated towards the recommencement of exploration activities at the Company's Uis Project in Namibia.
- Cost reduction initiatives have been implemented to enable continued focus on delivering its African focused exploration strategy and maximise funding for low-cost, high-impact exploration.
- During the half year period ended 31 December 2025, the Company completed the divestment of 100% of the issued capital of First Western Gold Pty Ltd (**First Western**), a wholly owned subsidiary of the Company, and the holder of the Burracoppin Gold Project.
 - **Consideration:** Total consideration received by Askari is A\$250,000 in cash and the issue of 2,223,321 un-escrowed and tradable shares in Forrestania Resources Limited (ASX: FRS).
 - **Unequivocal Focus:** Sale of the Australian asset portfolio positions Askari to focus on the exploration and development of its gold, copper and rare metal projects in Ethiopia and Namibia.
 - **Use of Funds:** Proceeds from the sale of First Western will be applied to the ongoing exploration at the Company's flagship Nejo Gold and Copper Project in Ethiopia as well as exploration at the Uis Project in Namibia.
- During the half year period ended 31 December 2025, the Company announced that it had completed a private placement of \$1.15 million (before costs) with CPS Capital Group acting as Lead Manager with funds underwriting the Company's maiden drilling program.
- During the half year period ended 31 December 2025, accomplished and highly regarded Mining Executive and African resources industry professional Martin Holland appointed to the Board of Askari Metals as Non-Executive Director.
- Subsequent to the end of the half year period ended 31 December 2025, the Company announced that it had repaid in full its Convertible Note Facility with Lawson Mining Pty Ltd and the outstanding Series B Redeemable Notes, resulting in a clean capital structure with no debt or security overhang (see ASX *announcement, 7 January 2026*).

CAUTION REGARDING FORWARD-LOOKING INFORMATION

This document contains forward-looking statements concerning Askari Metals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward-looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals Limited as of the dates the forward-looking statements are made, and no obligation is assumed to update forward-looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

CAUTIONARY STATEMENT

Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations.

COMPETENT PERSONS STATEMENTS

The information in this report that relates to exploration results and potential for the Uis Project are based on information compiled by Clifford Fitzhenry, a Competent Person who is a Registered Professional Natural Scientist with the South African Council for Natural Scientific Professions (SACNASP) as well as a Member of the Geological Society of South Africa (GSSA) and a Member of the Society of Economic Geologists (SEG). Mr. Fitzhenry was previously a Technical Consultant for Askari Metals Limited, who has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The information in this announcement that relates to Exploration Results at the Nejo Gold and Copper Project is based on and fairly represents information compiled by Mr Lachlan Reynolds, a Competent Person who is a member of both the Australian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists.

Mr. Reynolds is the principal of Sianora Pty Ltd and is employed as a technical consultant by Askari Metals Limited. Mr Reynolds has sufficient experience that is relevant to the style of mineralisation and types of deposits under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Reynolds consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to Mineral Resources for the Burracoppin Gold Project is based on information compiled by Mr Liqing (Victor) Zhao, who is a Member of The Professional Geoscientist of Ontario (No. 21 50). Mr Zhao is a consultant of JP Geoconsulting Services and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Zhao consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Mr Zhao has more than 30 years of experience in mineral exploration, mineral property evaluation and mineral resource estimation in Canada, China and other areas.

Information on the gold JORC Mineral Resources presented, together with JORC Table 1 information, is contained in the ASX announcement released on 4 July 2024. The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant market announcements, and that the form and context in which the Competent Persons findings are presented have not been materially modified from the original announcements.

Where the Company refers to Mineral Resources in this announcement, it confirms that it is not aware of any new information or data that materially affects the information included in that announcement and all material assumptions and technical parameters underpinning the Mineral Resource estimate and Exploration Target with that announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons findings are presented have not materially changed from the original announcement.

Historical Exploration Results

The Announcement contained historical exploration results in Figure 1 which were first disclosed under Mining FAQ 36 in the announcement dated 8 July 2025 with a further supplementary announcement dated 25 July 2025. The Company confirms that this information remains accurate and that there is no further information in the possession of the Company which would cause the accuracy of the information to be incorrect.

The results outlined in Figure 1 were first announced by the Company on 8 July 2025 pursuant to Mining FAQ 36. A subsequent announcement was also provided by the Company on 25 July 2025 outlining further details of the exploration results as a supplementary information release. The Company confirms it is not in possession of any new information or data relating to the historical exploration results that materially impacts

on the Company's ability to verify the exploration results in accordance with the JORC Code. The Company confirms that the supporting information provided in the ASX announcements dated 8 July 2025 and 25 July 2025 continue to apply and has not materially changed.

In relation to the historical exploration results, the Company notes the following:

- the Exploration Results have not been reported in accordance with the JORC Code 2012;
- a Competent Person has not done sufficient work to disclose the Exploration Results in accordance with the JORC Code 2012;
- it is possible that following further evaluation and/or exploration work that the confidence in the prior reported Exploration Results may be reduced when reported under the JORC Code 2012;
- that nothing has come to the attention of the acquirer that causes it to question the accuracy or reliability of the former owner's Exploration Results; and
- the Company has not independently validated the former owner's Exploration Results and therefore is not to be regarded as reporting, adopting or endorsing those results.

Previous drilling and trenching at these targets demonstrated significant high-grade and shallow gold mineralisation that was not followed up or systematically explored further. This first phase drilling campaign will validate the historic drilling intersections and importantly provide the Company with a more detailed understanding of the potential mineralised envelope that exists around these targets as the Company progresses towards a maiden JORC (2012) mineral resource estimate.

The Company is well funded to commence its maiden drilling program of up to 5,000 metres at the advanced-stage Nejo Project, initially focused on the Guji, Komto 1 and Komto 2 high-priority gold targets. This initial drilling program is part of a broader exploration strategy which will see the Company drill more than 20,000 metres in a phased approach, whilst also concurrently mobilising equipment for infill and extension trenching, geophysics and ground-based mapping and sampling at other targets across the district-scale 1,200km² landholding.

ASX ANNOUNCEMENT REFERENCES

In preparing the half year report for the period ended 31 December 2025, the Company relied on the following ASX announcements:

15 April 2025	Extensive High-Grade Tin and Tantalum Mineralisation at Uis
6 May 2025	Uis Project Delivers More High-Grade Tin and Tantalum
27 May 2025	Tin and Tantalum Exploration Program to Commence at Uis
8 July 2025	Askari Metals Acquires Advanced Brownfields Gold Project
18 July 2025	High-Grade Copper Mineralisation in Drilling at Katta Target
25 July 2025	Replacement Announcement - High-Grade Copper at Katta
25 July 2025	Supplementary Announcement to 8 July 2025 Release
31 July 2025	Nejo Gold and Copper Project - Regional Exploration Program
5 August 2025	Askari Completes Technical Due Diligence at Nejo Project
12 August 2025	Acquisition Update - Nejo Gold and Copper Project, Ethiopia
26 August 2025	Askari Metals Corporate Objectives and Activities Update
12 September 2025	Sale of Burracoppin Gold Project to Fund African Exploration
3 October 2025	Askari to Undertake Rights Issue to Fund Exploration at Nejo
17 October 2025	Burracoppin Project Sale to Forrester Resources Completed
12 November 2025	Exploration Program Commences at Nejo Gold & Copper Project
24 November 2025	Askari Entitlement Offer Closed Oversubscribed
26 November 2025	Askari Completes Acquisition of Brownfield Nejo Project
5 December 2025	Strategic funding secured locking in maiden drilling at Nejo
5 December 2025	Appointment of experienced mining executive to Board
12 December 2025	Nejo Gold and Copper Project Activities Exploration Update
29 December 2025	Amended ASX Announcement - 12 December 2025
7 January 2026	Askari Starts 2026 Debt Free and Focused on Exploration

The Company confirms that it is not aware of any new information or data that materially affects those announcements previously made, or that would materially affect the Company from relying on those announcements for the purpose of this announcement.

TENEMENT SUMMARY AT 31 DECEMBER 2025

As at 31 December 2025, the Company had an interest in the following tenements:

TENEMENT ID	LOCATION	STATUS	HOLDER	AREA (km ²)	AS2 INTEREST
EL9217	New South Wales	Active	Springdale Gold Pty Ltd	217	100%
EPL 7345	Namibia	Active – Under Renewal	Kokerboom Mineral Processing (Pty) Ltd	108	100%
EPL 8535	Namibia	Active – Under Renewal	Earth Dimensions Consulting (Pty) Ltd	200	80%
EPL 7626	Namibia	Active – Under Renewal	Green Lithium Exploration (Pty) Ltd	68	100%
Adola Greenstone Belt Gold Projects - Ethiopia	Ethiopia	Pending	Askari Metals Limited – Ethiopia	460	100%
MOM\EL\00004\2022	Ethiopia	Active	Hong Kong Xingxu Mining International Investment Co, Ltd.	382	100%
MOM\EL\00005\2022	Ethiopia	Active	Hong Kong Xingxu Mining International Investment Co, Ltd.	393	100%
MOM\EL\00006\2022	Ethiopia	Active	Hong Kong Xingxu Mining International Investment Co, Ltd.	400	100%

Significant changes in state of affairs

On 16 October 2025, 100% of the fully paid ordinary shares in First Western Gold Pty Ltd, a wholly owned subsidiary of the Company, were sold to Forrestania Resources Limited. Total consideration was \$250,000 in cash and the issue of 2,223,321 unescrowed and tradeable shares in Forrestania Resources Limited valued at \$600,297. As part of the transaction, the Company also issued Forrestania Resources Limited with 15 million listed options exercisable at 2.2 cents expiring 31 December 2028 and a further 30 million unlisted options exercisable at 6 cents expiring three years from the date of issue. See Note 15.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C 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, pursuant to section 306(3)(a) of the Corporations Act 2021.

Caution Regarding Forward-Looking Information

This document contains forward-looking statements concerning Askari Metals. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes.

Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of Askari Metals as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

On behalf of the directors



Gino D'Anna
Director
16 March 2026

AUDITOR'S INDEPENDENCE DECLARATION

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

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

Perth, Western Australia
16 March 2026



N G Neill
Partner

hlb.com.au

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

	Notes	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue			
Interest		-	25
Gain on sale of subsidiary	15	268,368	-
Fair value gain on investments at FVTPL		56,818	-
		325,186	25
Expenses			
Administration expenses		(304,740)	(480,829)
Share-based payments	14	(903,618)	(744,079)
Depreciation expense		(5,436)	(30,541)
Finance expense		(125,559)	(416,007)
Exploration and evaluation expenses	6	(1,200,803)	(785,966)
Exploration written off	9	(57,199)	(1,777,222)
Loss on sale of shares	8	(28,000)	-
Other expenses		(28,364)	-
Loss from continuing operations before income tax		(2,328,533)	(4,234,619)
Income tax expense		-	-
Loss from continuing operations after income tax		(2,328,533)	(4,234,619)
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss:			
Translation of foreign operations		164,017	139,573
Total other comprehensive loss for the period		(2,164,516)	(4,095,046)
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic and diluted loss (cents per share)		(0.53)	(3.87)

The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

ASKARI METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Notes	31 Dec 2025	30 June 2025
		\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents		2,037,592	24,664
Trade and other receivables	7	115,858	170,774
Financial assets	8	483,679	-
Total Current Assets		2,637,129	195,438
Non-Current Assets			
Exploration and evaluation assets	9	7,953,750	7,527,790
Property, plant and equipment		43,771	49,207
Security deposits		8,500	18,500
Total Non-Current Assets		8,006,021	7,595,497
TOTAL ASSETS		10,643,150	7,790,935
LIABILITIES			
Current Liabilities			
Trade and other payables	10	1,673,570	805,002
Financial liabilities	11	635,082	819,935
Total Current Liabilities		2,308,652	1,624,937
TOTAL LIABILITIES		2,308,652	1,624,937
NET ASSETS		8,334,498	6,165,998
EQUITY			
Share capital	12	27,990,386	24,449,011
Reserves	13	3,453,273	2,497,615
Accumulated losses		(23,109,161)	(20,780,628)
TOTAL EQUITY		8,334,498	6,165,998

The Condensed Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

ASKARI METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

	Share Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2025	24,449,011	2,497,615	(20,780,628)	6,165,998
Loss for half year	-	-	(2,328,533)	(2,328,533)
Foreign exchange difference on translation of foreign operations	-	164,017	-	164,017
Total comprehensive loss for the half year	-	164,017	(2,328,533)	(2,164,516)
Transactions with owners in their capacity as owners:				
Issue of shares for previous capital raise	25,500	-	-	25,500
Issue of shares for borrowing costs	90,000	-	-	90,000
Issue of options for borrowing costs	-	15,000	-	15,000
Issue of capital raising shares	2,787,433	-	-	2,787,433
Issue of shares in lieu of cash	391,006	-	-	391,006
Costs of capital raising	(152,564)	-	-	(152,564)
Issue shares for acquisition of project (see Note 16)	400,000	-	-	400,000
Issue options to lead manager	-	56,793	-	56,793
Issue options for sale of project (see Note 15)	-	204,448	-	204,448
Issue options for acquisition of project (see Note 16)	-	87,647	-	87,647
Issue options to Directors	-	390,405	-	390,405
Amortisation of performance rights	-	37,348	-	37,348
At 31 December 2025	27,990,386	3,453,273	(23,109,161)	8,334,498

ASKARI METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

	Share Capital \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance at 1 July 2024	21,461,698	1,299,615	(13,635,975)	9,125,338
Loss for half year	-	-	(4,234,619)	(4,234,619)
Foreign exchange difference on translation of foreign operations	-	139,573	-	139,573
Total comprehensive loss for the half year	-	139,573	(4,234,619)	(4,095,046)
Transactions with owners in their capacity as owners:				
Issue of shares to repay borrowings	180,000	-	-	180,000
Issue of shares for borrowing costs	7,500	-	-	7,500
Issue of options for borrowing costs	-	11,529	-	11,529
Issued of capital raising shares	1,011,000	-	-	1,011,000
Issue of shares in lieu of cash	626,749	-	-	626,749
Costs of capital raising	(434,987)	394,337	-	(40,650)
Accelerate vesting of performance rights	-	410,764	-	410,764
At 31 December 2024	22,851,960	2,255,818	(17,870,594)	7,237,184

The Condensed Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

ASKARI METALS LIMITED
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

	31 Dec 2025	31 Dec 2024
	\$	\$
Cash flows from operating activities		
Payment to suppliers and employees (including GST)	(371,033)	(1,293,858)
Net cash outflows from operating activities	(371,033)	(1,293,858)
Cash flows from investing activities		
Purchase of project (see Note 16)	(200,000)	-
Proceeds from sale of shares (see Note 8)	161,000	-
Proceeds from sale of project (see Note 15)	250,000	60,500
Purchase of shares	(30,000)	-
Payments for exploration and evaluation expenditure	(650,030)	(491,935)
Net cash outflows from investing activities	(469,030)	(431,435)
Cash flows from financing activities		
Issue of convertible notes	-	920,000
Proceeds from redeemable notes	-	1,130,000
Repayment of convertible notes	(145,885)	-
Repayment of redeemable notes	(50,500)	(1,275,000)
Loan from Director (see Note 19)	420,000	-
Interest income	-	25
Net proceeds from capital raising	2,629,376	970,350
Net cash inflows from financing activities	2,852,991	1,745,375
Net increase in cash and cash equivalents	2,012,928	20,082
Cash and cash equivalents at beginning of financial period	24,664	221,845
Cash and cash equivalents at the end of the financial period	2,037,592	241,927

The Condensed Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 1: REPORTING ENTITY

Askari Metals Limited (the “Company” or “Askari”) is a Company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange Limited (“ASX”). The address of its registered office and principal place of business are disclosed in the Corporate Directory at the beginning of the Report.

The financial statements were authorised for issue by the Board of Directors on 16 March 2026.

The nature of the operations and principal activities of the Group are described in the Directors’ Report.

NOTE 2: STATEMENT OF MATERIAL ACCOUNTING POLICIES

These condensed general purpose interim financial statements for the 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 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 and methods of computation adopted are consistent with those of the previous financial year, unless otherwise stated.

NOTE 3: GOING CONCERN

For the half year ended 31 December 2025 the Group has incurred a net loss of \$2,328,533 (31 December 2024 net loss of \$4,234,619), experienced net operating cash outflows of \$371,033 (31 December 2024 outflows of \$1,293,858), investing cash outflows of \$469,030 (31 December 2024 outflows of \$431,435) and net cash inflows from financing activities of \$2,852,991 (31 December 2024 inflows of \$1,745,375). As at 31 December 2025 the cash balance was \$2,037,592 (31 December 2024 \$241,927).

The Company has recently repaid all of its debt liabilities and also completed a combined capital raising of A\$2.78 million (before costs) in December 2025. The Directors have a proven track record in raising capital for exploration and development assets in Southern Africa and has significant operational experience for managing assets of this nature. The Company’s assets in Namibia and Ethiopia are advanced-stage exploration assets with a lower level of geological risk. As a result, the Directors are confident that further capital will be raised to continue exploration and development of its assets in Namibia and Ethiopia, and as a result, have prepared the financial report on a going concern basis.

Should the Company be unable to obtain sufficient future funding, there is a material uncertainty which may cause significant doubt as to whether the Company will be able to continue as a going concern and whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial statements.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 3: GOING CONCERN (CONTINUED)

The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

NOTE 4: NEW OR AMENDED ACCOUNTING STANDARDS AND INTERPRETATIONS ADOPTED

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. No material impact was noted on application of new or amended accounting standards and interpretations.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not considered to have a material impact on the entity.

NOTE 5: SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Board of Directors that are used to make strategic decisions. The Company operates in 2 geographical areas, Australia and Africa and in the mineral exploration sector. The breakdown of assets by geographical location is as follows:

	31 Dec 2025	30 June 2025
	\$	\$
Current Assets		
Australia	2,607,269	192,835
Africa	29,860	2,603
	<u>2,637,129</u>	<u>195,438</u>
Non-Current Assets		
Australia	69,100	1,026,983
Africa	7,936,921	6,568,514
	<u>8,006,021</u>	<u>7,595,497</u>
Current Liabilities		
Australia	1,775,145	1,476,371
Africa	533,507	148,566
	<u>2,308,652</u>	<u>1,624,937</u>
Profit and Loss after tax		
Australia	(1,304,229)	(6,080,252)
Africa	(1,024,304)	(1,064,400)
	<u>(2,328,533)</u>	<u>(7,144,652)</u>

The Company has exploration projects in the geographical locations of Australia and Africa.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 6: EXPLORATION AND EVALUATION EXPENSES

	31 Dec 2025	31 Dec 2024
	\$	\$
Exploration and evaluation expenses		
Exploration and application on pending tenements at Yarrie	-	2,517
Exploration and application for Talga East	-	212
Exploration - Callawa	-	291
Exploration Ethiopia various projects	958,950	-
Exploration Namibia various projects	8,155	513,103
Exploration Australia various projects	252,932	-
Exploration – projects surrendered	-	2,825
Consultants and applications for Tanzanian projects	(19,234)	267,018
Total exploration and evaluation expenses	1,200,803	785,966

NOTE 7: TRADE AND OTHER RECEIVABLES

	31 Dec 2025	30 June 2025
	\$	\$
GST receivable	37,937	25,733
Receivable from Forresteria SPP over subscribe	17,845	-
Prepayments insurance	8,523	145,041
Prepayments broker fees	18,251	-
Prepayments ASX listing fees	9,419	-
Prepayments consultant	23,883	-
Total trade and other receivables	115,858	170,774

NOTE 8: FINANCIAL ASSETS

	Half year ended	Year ended
	31 Dec 2025	30 June 2025
	\$	\$
Shares received through sale of First Western Gold (see Note 15)	600,297	-
Purchase of shares	15,565	-
Sale of shares	(161,000)	-
Loss on sale of shares	(28,000)	-
Fair value gain	56,817	-
Total financial assets	483,679	-

The Company's Financial Assets are carried at Fair Value through to Profit or Loss (FVTPL).

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 9: EXPLORATION AND EVALUATION ASSETS

	31 Dec 2025	30 June 2025
	\$	\$
Exploration and evaluation assets	7,953,750	7,527,790
	7,953,750	7,527,790
Reconciliation:	Half year ended	Year ended
	\$	\$
Opening balance	7,527,790	10,801,936
Exploration expenditure	61,877	404,216
Sale of Callawa tenement	-	(125,000)
Sale of First Western Gold (see Note 15)	(535,000)	-
Purchase of Nejo project (see Note 16)	787,647	-
Write off of Namibian assets under licence renewal	(57,199)	(3,553,362)
Currency movement	168,635	-
Closing balance	7,953,750	7,527,790

Exploration costs are only carried forward to the extent that they are expected to be recouped through the successful development or sale of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves and rights to tenure are current.

NOTE 10: TRADE AND OTHER PAYABLES

	31 Dec 2025	30 June 2025
	\$	\$
Trade and other payables	1,112,256	747,502
Accrued expenses (see Note 17)	561,314	57,500
	1,673,570	805,002

NOTE 11: FINANCIAL LIABILITIES

	31 Dec 2025	30 June 2025
	\$	\$
Current		
Redeemable notes ¹	285,748	368,250
Convertible notes ²	349,334	451,685
	635,082	819,935

¹On 10 May 2024, the Company entered into a Redeemable Note Agreement comprising of an initial investment of \$200,000 with interest of \$30,000 payable on maturity (31/12/24). On 2 January 2025, an extension agreement was signed comprising an extension fee of \$15,000 payable in shares, additional interest of \$30,000 and a new maturity date of 30 April 2025. On 12 August 2025 a variation agreement was signed agreeing to an outstanding balance of \$264,000, repayment schedule and an extension term. The balance owing at 31 December 2025 is \$179,000.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 11: FINANCIAL LIABILITIES CONTINUED

On 15 July 2024, the Company entered into Redeemable Note Agreements comprising of an initial investment of \$180,000 with interest of \$21,600 due on maturity (15/11/24). On 10 December 2024, an extension agreement was signed for a portion (\$50,000) of the Redeemable Notes comprising additional interest of \$7,500, an extension fee of \$7,500 paid in shares and a new maturity of 15 April 2025. The balance owing at 31 December 2025 is \$106,748.

² On 8 November 2024 the Company issued 920,000 convertible notes with a face value of \$1 per note. The conversion feature includes a derivative liability which management has assessed as immaterial at the reporting date. The convertible notes have a maturity date which is 24 months from the date of issue. Interest is 12% per annum and the first year has been prepaid. The loan is secured against collateral shares.

The lender can sell the collateral shares at any time on market to extinguish debt. The lender may elect to convert all or part of the principal and interest into shares of the Company. The conversion will be at the lower of \$0.065 per ordinary share; and a 15% discount to the 5- day volume weight average price. Where a conversion would result in a conversion price less than \$0.01, the conversion price will be \$0.01.

The notes are unsecured.

NOTE 12: ISSUED CAPITAL

	31 Dec 2025		30 June 2025	
	\$	Number of shares	\$	Number of shares
Issued capital	30,050,748	769,060,489	26,356,808	404,170,686
Cost of shares issued	(2,060,362)	-	(1,907,797)	-
Fully paid ordinary shares	27,990,386	769,060,489	24,449,011	404,170,686

Movements in Ordinary Shares

Date	Half-year ended 31 December 2025		
	Details	\$	Number of shares
	Balance at 1 July 2025	24,449,011	404,170,686
06/08/25	Shares issued to repay borrowing fees	15,000	1,500,000
25/08/25	Shares issued to repay borrowings	75,000	7,400,000
26/08/25	Shares issued in lieu of cash for services	22,500	2,250,000
26/08/25	Shares issued in lieu of cash for acquisition of project	40,000	3,999,999
26/08/25	Shares issued for acquisition of project (see Note 16)	200,000	24,999,999
26/08/25	Shares issued in lieu of cash for services	54,000	4,909,091
13/11/25	Shares issued in lieu of cash for services	20,000	2,000,000
13/11/25	Shares issued for previous year capital raise	25,500	3,187,500
18/11/25	Shares issued in lieu of cash for services	200,000	14,285,714
27/11/25	Shares issued for entitlement issue	100,000	10,000,000

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 12: ISSUED CAPITAL CONTINUED

Half-year ended 31 December 2025			
Date	Details	\$	Number of shares
28/11/25	Shares issued in lieu of cash for services	21,000	2,100,000
03/12/25	Shares issued in lieu of cash for services	35,000	2,500,000
03/12/25	Shares issued for entitlement issue	1,154,515	115,451,472
04/12/25	Shares issued in lieu of cash for services	145,142	14,514,200
04/12/25	Shares issued in lieu of cash for services	25,000	2,500,000
11/12/25	Shares issued for entitlement issue	332,918	33,291,828
11/12/25	Shares issued for capital raise	1,200,000	120,000,000
	Adjustment for fair value of shares issued	28,364	-
	Cost of shares issued	(152,564)	-
31/12/25	Balance at end of period	27,990,386	769,060,489

Capital risk management

When managing capital, management's objective is to ensure the Company continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. This is achieved through the monitoring of historical and forecast performance and cash flows.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment.

NOTE 13: RESERVES

	31 Dec 2025		30 June 2025	
	\$	Number of securities	\$	Number of securities
Option reserve	2,362,377	479,627,571	1,608,084	193,043,915
Performance rights reserve	777,252	80,000,000	739,904	-
FX revaluation reserve	313,644	-	149,627	-
Total reserves	3,453,273	559,627,571	2,497,615	193,043,915

Performance rights reserve

The reserve is used to recognise increments and decrements in performance rights issued, forfeited or converted.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 13: RESERVES CONTINUED

Option reserve

The reserve is used to recognise increments and decrements in options issued, forfeited or converted, either through premiums paid for options, or share based payments.

FX Revaluation reserve

The reserve is used to recognise increments and decrements resulting from movements in foreign currency rates.

NOTE 14: SHARE BASED PAYMENTS

Movements in options reserve

Movements in options reserve during the half year to 31 December 2025 are set out below:

Date	Details	Year ended 31 December 2025	
		\$	Number of options
	Balance 1 July 2025	1,608,084	193,043,915
26/08/25	Issue of options for redeemable note variation	15,000	5,000,000
22/10/25	May 2025 placement options	-	90,000,000
22/10/25	Issue options to Directors	107,805	15,000,000
13/11/25	Issue of options to Directors	45,000	15,000,000
22/10/25	Adjustment to issue of options to lead manager	(5,491)	10,000,000
18/11/25	Issue of options to acquire project (see Note 16)	87,647	20,000,000
03/12/25	Free attaching options	-	10,000,000
03/12/25	Free attaching options	-	10,000,000
04/12/25	Issue of options with sale of subsidiary	144,448	30,000,000
04/12/25	Issue of options with sale of subsidiary	60,000	15,000,000
05/12/25	*Issue of options to Director	237,600	-
16/12/25	Free attaching options	-	33,291,828
16/12/25	Free attaching options	-	33,291,828
31/12/25	*Issue of options to lead manager	62,284	-
31/12/25	Balance at end of period	2,362,377	479,627,571

* Accrued at 31/12/25

Performance rights on issue

All performance rights on issue relate to share-based payments to directors, employees and consultants for services provided.

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 14: SHARE BASED PAYMENTS CONTINUED

Half-year ended 31 December 2025

Class	Grant date	Balance at	Issued	Exercised	Cancelled	Balance at
		01 Jul 2025	during the	during the	or Expired	31 Dec 2025
		Number	Number	Number	Number	Number
Class A	22 October 2025	-	20,000,000	-	-	20,000,000
Class B	22 October 2025	-	20,000,000	-	-	20,000,000
Class C	22 October 2025	-	20,000,000	-	-	20,000,000
Class D	22 October 2025	-	20,000,000	-	-	20,000,000
Total		-	80,000,000	-	-	80,000,000

The Performance Rights have the following milestones attached to them:

Class A: the Class A Performance Rights will convert into the equivalent number of shares upon achieving a Share price of \$0.02 per Share for 10 consecutive trading days within 1 year from the date of issue.

Class B: the Class B Performance Rights will convert into the equivalent number of shares upon achieving a Share price of \$0.05 per Share for 10 consecutive trading days within 2 years from the date of issue.

Class C: the Class C Performance Rights will convert into the equivalent number of shares upon the achieving a Share price of \$0.07 per Share for 10 consecutive trading days within 3 years from the date of issue.

Class D: the Class D Performance Rights will convert into the equivalent number of shares upon achieving a Share price of \$0.10 per Share for 10 consecutive trading days within 4 years from the date of issue.

Movements in performance rights reserve during the half year to 31 December 2025 are set out below:

Date	Details	Year ended 31 December 2025	
		\$	Number of performance rights
	Balance 1 July 2025	739,904	-
22/10/25	Issue of performance rights Class A	-	15,000,000
22/10/25	Issue of performance rights Class B	-	15,000,000
22/10/25	Issue of performance rights Class C	-	15,000,000
22/10/25	Issue of performance rights Class D	-	15,000,000
31/12/25	*Issue of performance rights Class A	-	5,000,000
31/12/25	*Issue of performance rights Class B	-	5,000,000
31/12/25	*Issue of performance rights Class C	-	5,000,000
31/12/25	*Issue of performance rights Class D	-	5,000,000
31/12/25	Amortisation of performance right Class A	19,591	-
31/12/25	Amortisation of performance right Class B	7,622	-

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 14: SHARE BASED PAYMENTS CONTINUED

31/12/25	Amortisation of performance right Class C	5,647	-
31/12/25	Amortisation of performance right Class D	4,488	-
31/12/25	Balance at end of period	777,252	80,000,000

*Accrued at 31/12/25

Valuations of performance rights issued

Type of performance right:	Class A	Class B	Class C	Class D
Number of rights issued	15,000,000	15,000,000	15,000,000	15,000,000
Exercise price (\$)	0.014	0.014	0.014	0.014
Barrier price (\$)	0.020	0.020	0.020	0.020
Parisian Barrier Price (\$)	0.026	0.026	0.026	0.026
Volatility factor	100%	100%	100%	100%
Number of years to expiry	1	2	3	4
Fair value per right	0.0098	0.0076	0.0085	0.0090
Valuation (\$)	19,591	7,622	5,647	4,488

Options on issue

Half-year ended 31 December 2025

All options on issue relate to share-based payments to directors or employees, brokers and consultants for services provided. All options have fully vested. The following options are on issue at 31 December 2025:

Grant Date	Expiry Date	Exercise Price	Balance at 01 Jul 2025	Issued during the 6 months	Exercised during the 6 months	Cancelled or Expired during the 6 months	Balance at 31 Dec 2025
			Number	Number	Number	Number	Number
15 May 2023	15 May 2026	\$0.80	2,500,000	-	-	-	2,500,000
21 Dec 2023	21 Dec 2026	\$0.28	1,500,000	-	-	-	1,500,000
02 Jan 2024	02 Jan 2027	\$0.30	1,200,000	-	-	-	1,200,000
05 Apr 2024	10 Jan 2028	\$0.065	5,600,000	-	-	-	5,600,000
25 Oct 2024	31 Dec 2028	\$0.022	4,600,000	-	-	-	4,600,000
29 Nov 2024	31 Dec 2028	\$0.022	30,000,000	-	-	-	30,000,000
15 Jan 2025	31 Dec 2028	\$0.022	10,000,000	-	-	-	10,000,000
12 Jan 2025	31 Dec 2027	\$0.065	900,000	-	-	-	900,000
26 Aug 2025	31 Dec 2028	\$0.022	-	5,000,000	-	-	5,000,000
22 Oct 2025	31 Dec 2028	\$0.022	-	15,000,000	-	-	15,000,000
22 Oct 2025	13 Nov 2028	\$0.015	-	15,000,000	-	-	15,000,000
22 Oct 2025	18 Nov 2028	\$0.06	-	20,000,000	-	-	20,000,000
28 Nov 2025	04 Dec 2028	\$0.06	-	30,000,000	-	-	30,000,000
28 Nov 2025	31 Dec 2028	\$0.022	-	15,000,000	-	-	15,000,000
			56,300,000	100,000,000	-	-	156,300,000

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 14: SHARE BASED PAYMENTS CONTINUED

Weighted average remaining contracted life of options (years)	2.89 years
Weighted average exercise price	\$0.42

Valuations of options issued

There were 104,000,000 unlisted options issued during the period ended 31 December 2025. For unlisted options, the fair value at grant date was determined using the Black-Scholes valuation method that takes into account the valuation date, the spot price, the exercise price, the vesting date, the term of the option, and expected price volatility of the underlying share, and the risk-free interest rate for the term of the option. The fair value of the unlisted options issued during the current year were based on the following:

Valuations of unlisted options issued

Type of Options:	2025 Options issued to Directors	2025 Options issued for purchase of project	2025 Options issued for sale of project	2025 Options issued to broker in connection with capital raising	2025 Options issued to Director
Number of options issued	15,000,000	20,000,000	30,000,000	11,500,000	27,500,000
Exercise price (\$)	0.015	0.060	0.060	0.060	0.015
Spot price at grant date (\$)	0.014	0.014	0.015	0.010	0.010
Risk free rate	3.34%	3.34%	3.87%	4.02%	4.02%
Volatility factor	100%	100%	100%	100%	100%
Number of years to expiry	3	3	3	3	3
Fair value per option	0.0072	0.0044	0.0048	0.0054	0.0066
Valuation (\$)	107,805	87,647	144,448	62,284	182,600

Valuations of listed options issued

There were 62,500,000 listed options issued during the period ended 31 December 2025. For listed options, the fair value at grant date was determined using the trade spot price.

Type of Options:	2025 Options issued to redeemable note holder	2025 Options issued to Directors	2025 Options issued for sale of project	2025 Options issued to Director
Number of options issued	5,000,000	15,000,000	15,000,000	27,500,000
Exercise price (\$)	0.022	0.022	0.022	0.022
Option price at grant date (\$)	0.003	0.003	0.004	0.002
Valuation (\$)	15,000	45,000	60,000	55,000

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 15: PROFIT ON SALE OF SUBSIDIARY

In September 2025, the Company signed a Share Sale Agreement to sell 100% of the fully paid shares in First Western Gold Pty Ltd, a wholly owned subsidiary of the Company, to Forrestania resources Limited (“Forrestania”). This sale does not constitute a discontinuation of the Australian segments as the Australian assets remain.

Consideration for the sale comprised \$350,000 cash and 2,223,321 fully paid shares in Forrestania. As part of the transaction, the company was required to issue Forrestania 15,000,000 listed options exercisable at \$0.022 by 31 December 2028 (valued at the listed option price of \$0.004 totalling \$60,000) and 30,000,000 unlisted options exercisable at \$0.06 by 4 December 2028 valued at \$144,448 using a Hoadley valuation model with the following inputs:

Exercise price (\$)	0.060
Spot price at grant date (\$)	0.015
Risk free rate	3.87%
Volatility factor	100%
Number of years to expiry	3
Fair value per option	0.0048

Sale of First Western Gold Pty Ltd	\$
Cash received	250,000
Shares in Forrestania (2,223,321 shares @ \$0.27)	600,297
	<u>850,297</u>
Carrying value of subsidiary (i)	(377,481)
Value of options in Forrestania	(204,448)
	<u>268,368</u>
Gain on sale	
(i) Comprises:	
Exploration and evaluation assets	535,000
Liabilities	(157,519)
	<u>377,481</u>

NOTE 16: ACQUISITIONS

In May 2025, the Company entered into a Share Purchase Agreement to acquire 100% of the issued capital of Xingxu Mining International Investment Co Ltd, the owner of the Nejo Gold Project in Ethiopia. The acquisition was finalised on 22 October 2025.

Consideration	\$
Cash	200,000
Issue of options	87,647
Issue of shares	200,000
Deferred consideration payable in 12 months	300,000
	<u>787,647</u>

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 16: ACQUISITIONS CONTINUED

In April 2025, the Company entered into a Share Purchase Agreement to acquire 100% of the issued capital of Rift Valley Resources Pty Ltd, the owner of applications for certain exploration licences in the Adola Greenstone belt of Ethiopia. The acquisition was finalised on 26 August 2025.

Consideration	\$
Issue of shares	240,000
Accrued cash consideration payable	30,000
Cash consideration due in 12 months of signing	150,000
	<u>420,000</u>

This amount has been put through to the profit and loss as the tenements that comprise the Adola Gold Project still remain under application. For the year ended 30 June 2025, an additional amount of \$120,000 cash was paid for the acquisition of the Adola Gold Project.

NOTE 17: ACCRUED EXPENSES

	\$
Nejo project deferred consideration payable in 12 months (see Note 16)	300,000
Adola project cash consideration due in 12 months of signing (see Note 16)	150,000
Other	111,314
	<u>561,314</u>

NOTE 18: FAIR VALUES

The fair value of financial assets and financial liabilities measured on a non-recurring fair value basis approximates their carrying amount at balance date.

NOTE 19: CONTINGENT LIABILITIES

Contingent Consideration

Uis Lithium-Tantalum-Tin Project (EPL 7345) (10%)

Under the terms of the agreement to acquire 10% of the Uis Lithium-Tantalum-Tin Project (EPL 7345), the following deferred consideration exists:

- (i) \$45,000 worth of Shares (Milestone One Shares), subject to the completion of a reverse circulation (RC) drilling program(s) at the Licence of not less than 4,000m, where at least ten (10) RC drill holes intersects a mineralised interval containing a minimum lithium-oxide (Li₂O) grade of 10 percent (Li₂O equivalent)/ metre across not less than ten (10) individual drill holes anywhere over the Licence within 12 months of execution of this Agreement (Milestone One). For example, if +0.5% Li₂O eq. over 20m is attained across at least ten (10) individual drill holes anywhere over the Licence, Milestone Two is satisfied. The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the results of the relevant successful RC drilling program are announced to ASX by the Purchaser;
- (ii) \$75,000 worth of Shares (Milestone Two Shares), subject to the Purchaser announcing to ASX a JORC (2012) compliant resource of >5,000,000 tonnes @ 1.0% Li₂O on the Licence within 24 months of execution of this Agreement (Milestone Two Resource). The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 19: CONTINGENT LIABILITIES CONTINUED

- price equal to the 10-day VWAP prior to the day on which the relevant resource is announced to ASX by the Purchaser (together the Milestone Consideration);
- (iii) with effect on and from Settlement, to grant the Vendor a royalty of 1.5% of the net smelter return on all minerals produced from the Licence by the Purchaser or its successors in title (Royalty), which shall otherwise be granted on customary (AMPLA) terms; and
 - (iv) In the event that Milestone One is not achieved, but the Purchaser continues with exploration and declares a Milestone Two Resource, 100% of the Milestone One Shares will be issued to the Vendor upon the issue of Milestone Two Shares on the same terms as they would have been issued pursuant to (i).

Uis Lithium-Tantalum-Tin Project (EPL 7345) (90%)

Under the terms of the agreement to acquire 90% of the Uis Lithium-Tantalum-Tin Project (EPL 7345), the following deferred consideration exists:

- (i) \$450,000 worth of Shares (Milestone One Shares), subject to the completion of a reverse circulation (RC) drilling program(s) at the Licence of not less than 4,000m, where at least ten (10) RC drill holes intersects a mineralised interval containing a minimum lithium-oxide (Li₂O) grade of 10 percent (Li₂O equivalent)/ metre across not less than ten (10) individual drill holes anywhere over the Licence within 12 months of execution of this Agreement (Milestone One). For example, if +0.5% Li₂O eq. over 20m is attained across at least ten (10) individual drill holes anywhere over the Licence, Milestone Two is satisfied. The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the results of the relevant successful RC drilling program are announced to ASX by the Purchaser;
- (ii) 750,000 worth of Shares (Milestone Two Shares), subject to the Purchaser announcing to ASX a JORC (2012) compliant resource of >5,000,000 tonnes @ 1.0% Li₂O on the Licence within 24 months of execution of this Agreement (Milestone Two Resource). The Milestone Two Shares will be issued within 7 business days of the satisfaction of Milestone Two, at a deemed issue price equal to the 10-day VWAP prior to the day on which the relevant resource is announced to ASX by the Purchaser, (together, the Milestone Consideration);
- (iii) with effect on and from Settlement, to grant the Vendor a royalty of 1.5% of the net smelter return on all minerals produced from the Licence by the Purchaser or its successors in title (Royalty), which shall otherwise be granted on customary (AMPLA) terms; and
- (iv) In the event that Milestone One is not achieved, but the Purchaser continues with exploration and declares a Milestone Two Resource, 100% of the Milestone One Shares will be issued to the Vendor upon the issue of Milestone Two Shares on the same terms as they would have been issued pursuant to (i).

Green Lithium project that includes Exclusive Prospecting Licence (EPL 7626)

Under the terms of the agreement to acquire the Green Lithium Project, the following deferred consideration exists:

- (i) AS2 agrees to issue the Vendors (or its nominee) \$300,000 worth of fully paid ordinary shares in AS2 (M1 shares) at a deemed issue price equal to the 10-day VWAP of the securities of AS2 up until the day upon which the Purchaser completes a minimum 2,000, RC drilling program intersects a minimum percent per metre interval of 10 percent/metre across not less than

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 19: CONTINGENT LIABILITIES CONTINUED

ten individual drill holes anywhere over the Project. Escrow conditions that apply to the M1 shares are as follows:

- i. 70% of the M1 shares will be subject to a 12 month voluntary escrow;
 - ii. 15% of the M1 shares will be subject to a 6 month voluntary escrow; and
 - iii. 15% of the M1 shares will be subject to a 3 month voluntary escrow.
- (ii) AS2 agrees to issue the Vendors (or its nominee) \$400,000 worth of fully paid ordinary shares in AS2 (M2 shares) at a deemed issue price equal to the 10-day VWAP of the securities of AS2 up until the day upon which the Purchaser signs off on a JORC (2012) (or NI 43-101) compliant resource of greater than 5,000,000 tonnes @ 1.0% Li₂O.

Escrow conditions that apply to the M2 shares are as follows:

- iv. 70% of the M2 shares will be subject to a 12 month voluntary escrow;
- v. 15% of the M2 shares will be subject to a 6 month voluntary escrow; and
- vi. 15% of the M2 shares will be subject to a 3 month voluntary escrow.

Nejo Gold and Copper Project (100%)

Under the terms of the agreement to acquire the Nejo Gold and Copper Project, the following deferred consideration exists:

- (i) AS2 agrees to grant the Vendors a 1% Gross Revenue Royalty from all gold concentrates (or otherwise) produced and sold from the Project capped at A\$7,000,000. For the avoidance of doubt, once the Gross Revenue Royalty payments reach A\$7,000,000 the Gross Revenue Royalty will cease and no longer exist as a contingent liability or otherwise; and
- (ii) A\$200,000 of total consideration paid in an equal proportion of cash and shares, subject to the Buyer announcing to ASX a JORC (012) complaint Mineral Resource Estimate of not less than 1,000,000oz gold @ 2.0g/t Au (using cut off grade of 0.45g/t Au) within the Measured and Indicated JORC (2012) resource categories. The M1 Deferred Consideration Shares and M1 deferred Consideration Cash Payment will be issued or paid (as the case may be) within 7 Business Days of the satisfaction of the M1 hurdle, with any Shares issued at a deemed issued price equal to the 20-day VWAP up to and including the day on which the JORC (2012) compliant Minerals Resource Estimate is announced to ASX by the Buyer; and
- (iii) A\$200,000 of total consideration paid in an equal proportion of cash and shares, subject to the Buyer announcing to ASX a JORC (012) complaint Mineral Resource Estimate of not less than 2,000,000oz gold @ 2.0g/t Au (using cut off grade of 0.45g/t Au) within the Measured and Indicated JORC (2012) resource categories. The M2 Deferred Consideration Shares and M2 deferred Consideration Cash Payment will be issued or paid (as the case may be) within 7 Business Days of the satisfaction of the M2 hurdle, with any Shares issued at a deemed issued price equal to the 20-day VWAP up to and including the day on which the JORC (2012) compliant Minerals Resource Estimate is announced to ASX by the Buyer.

Adola Gold Project (100%)

Under the terms of the agreement to acquire the Adola Gold Project, the following deferred consideration exists:

ASKARI METALS LIMITED
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025

NOTE 19: CONTINGENT LIABILITIES CONTINUED

- (i) A\$100,000 of total deferred consideration upon the Buyer announcing to ASX no less than 10 rock samples collected that return an assay result above 10 g/t Au; 10 rock samples collected that return an assay result above 5 g/t Au and 20 rock samples collected that return an assay result above 3 g/t Au (Milestone One Consideration). The Milestone One Consideration will be paid in equal proportions of cash and shares, split as 50% in cash and 50% in shares. The deemed issue price of the shares shall be equal to the 20-day VWAP of the securities of the Buyer immediately preceding the date upon which the milestone is achieved; and
- (ii) A\$100,000 of total deferred consideration upon the Buyer announcing to ASX not less than 10 individual trench results where the results assay above 10m at 3 g/t Au (Milestone Two Consideration). The Milestone Two Consideration will be paid in equal proportions of cash and shares, split as 50% in cash and 50% in shares. The deemed issue price of the shares shall be equal to the 20-day VWAP of the securities of the Buyer immediately preceding the date upon which the milestone is achieved; and
- (iii) The granting of a 1.0% Net Smelter Royalty (NSR) attached to the Exploration Licences to be set out in the terms of a Royalty Agreement to be agreed between the parties on terms consistent with this Agreement. The Buyer has the right to buyback the NSR in full for total consideration of A\$1,000,000 (NSR buy-back).

NOTE 20: COMMITMENTS

There are no minimum exploration expenditure commitments in relation to any of the tenements held by the Company.

NOTE 21: EVENTS SUBSEQUENT TO REPORTING DATE

In January 2026, the Company repaid in full its Convertible Note Facility with Lawson Mining Pty Ltd and the outstanding Series B Redeemable Notes.

In January 2026, pursuant to a Deed of Variation, \$20,000 worth of shares at an issued price of 1.5 cents were issued to a redeemable note holder.

NOTE 22: RELATED PARTY TRANSACTIONS

A redeemable note owing to Rachel D'Anna who is a related party to Gino D'Anna was outstanding at 31 December 2025. The redeemable note was for \$50,000 with a coupon of \$5,721. Gino D'Anna provided a loaned funds totalling \$420,000 of which \$145,142 was repaid via shares in lieu of cash leaving a balance of \$294,358. Also, shares in lieu of cash, performance rights and options were issued to the following Directors/KMP:

Director/KMP	Value of shares	Value of options	Value of performance rights	Loan from Director
Gino D'Anna	145,142	50,935	10,069	294,358
Tim Morrison	25,000	50,935	10,069	-
Robert Downey	-	50,935	10,069	-
Martin Holland	-	237,600	7,141	-

**ASKARI METALS LIMITED
DIRECTORS' DECLARATION
FOR THE HALF - YEAR ENDED 31 DECEMBER 2025**

In the opinion of the Directors of Askari Metals Limited (the "Company"):

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- subject to the matters disclosed in note 3, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors



Gino D'Anna
Director
16 March 2026
Perth, Western Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Askari Metals Limited

Report on the Condensed Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Askari Metals Limited ("the Company") and its controlled entities ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and 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 responsibility is further described in the *Auditor's Responsibility 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 audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 3 in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. 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

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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 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.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
16 March 2026



N G Neill
Partner