European Metals Holdings Limited

ACN 154 618 989

Interim Financial Report - 30 June 2026

European Metals Holdings Limited
Corporate directory
30 June 2026

Directors	Mr Keith Coughlan - Executive Chairman Mr Richard Pavlik - Executive Director Mr Kiran Morzaria - Non-Executive Director Ambassador Lincoln Bloomfield, Jr - Non-Executive Director Ms Merrill Gray - Non-Executive Director
Company secretary	Ms Carly Terzanidis - appointed: 5 November 2025
Registered office in Australia	Ground Floor, 41 Colin Street, West Perth WA 6005 Telephone: 08 6245 2050 Website: www.europeanmet.com
Principal place of business	Ground Floor, 41 Colin Street West Perth WA 6005 Telephone: 08 6245 2050 Email: info@europeanmet.com
Registered office in Czech Republic	GEOMET s.r.o. Ruska 287 417 01 Dubi Bystrice The Czech Republic Telephone: +420 732 671 666
Auditor	BDO Audit Pty Ltd Level 9, Mia Yellagonga Tower 2, 5 Spring St Perth WA 6000 Telephone: +61 8 6382 4600
Nominated nomad & broker	Zeus Capital Limited 125 Old Broad Street, 12th Floor, London, EC2N 1AR
UK depository	Computershare Investor Services plc The Pavilions Bridgwater Road Bristol BS99 6ZZ United Kingdom
Securities exchange listing - Australia	European Metals Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: EMH) ASX Limited Level 40, Central Park 152-158 St Georges Terrace Perth WA 6000
Securities exchange listing – United Kingdom	London Stock Exchange plc 10 Paternoster Square London EC4M 7LS United Kingdom AIM Code: EMH
Securities exchange listing – OTC Market	OTC Markets Group 300 Vesey Street, 12th Floor New York City NY 10282 United States OTC Code: EMHLF

European Metals Holdings Limited
Contents
30 June 2026

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of European Metals Holdings Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 30 June 2026.

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

Mr Keith Coughlan	Executive Chairman
Mr Richard Pavlik	Executive Director
Mr Kiran Morzaria	Non-Executive Director
Ambassador Lincoln Bloomfield, Jr	Non-Executive Director
Ms Merrill Gray	Non-Executive Director

Company secretary

Ms Carly Terzanidis
Ms Terzanidis is an experienced corporate professional with 20 years prior experience in the financial services industry, with a focus on capital markets and governance, and is a Chartered Secretary. Ms Terzanidis is an Associate of the Governance Institute of Australia and holds a Bachelor of Commerce with majors in Accounting and Corporate & Resources Administration. Ms Terzanidis is currently company secretary of a number of ASX listed companies.

Principal activities
The Group is primarily involved in the development of the Cinovec Lithium Project in the Czech Republic.

Results of Operations
The loss for the Group after providing for income tax amounted to $3,190,142 (30 June 2025: $2,754,685).

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the Group during the financial half-year.

Review of operations
European Metals Holdings Limited (the 'Group') achieved further significant progress during the half year in advancing the Cinovec Lithium Project ('Cinovec' or 'the Project'), following the extremely pivotal developments of late 2025 which saw the completion of the Definitive Feasibility Study ('DFS') (ASX announcement 23 December 2025) and the confirmation of a project grant of up to EUR 360 million (ASX announcement 28 November 2025).

The period was highlighted by the submission of the Environmental Impact Assessment for the Project, Regional Rezoning Approval, and the delivery of potential significant cost savings from ongoing optimisation work. Post period, further potential savings have been identified through the use of a tunnel kiln.

Alongside this continued technical development, the Project continues to benefit from an improving macroeconomic and policy environment that supports the strategic importance of securing domestic European lithium supply. This combination of favourable market tailwinds and strong project execution is positioning Cinovec as a cornerstone of Europe's battery materials supply chain.

Full Environmental Impact Assessment Submitted for Cinovec Lithium Project

On 13 January 2026, the Company advised that the full Environmental Impact Assessment ('EIA') for the Cinovec Lithium Project was formally submitted to the Czech Ministry of the Environment on 31 December 2025.

The submission completed the two-stage EIA process, following lodgement of the screening-stage assessment earlier in 2025, and represents a key regulatory milestone for the Project. This EIA covers the entire Cinovec development and supports the outcomes of the recently completed DFS, which confirmed Cinovec as a long-life, large-scale European lithium project with a 26+ year mine life and forecast production of approximately 37,500 tonnes per annum of battery-grade lithium carbonate.

The EIA identifies and assesses potential environmental impacts associated with the Project and outlines proposed mitigation and management measures, including monitoring requirements. It considers physical, biological and socio-economic factors from an environmental protection perspective and incorporates the technical modelling required under Czech and European Union ('EU') regulations.

Submission of the EIA satisfies a key condition of the EU Just Transition Fund ('JTF') grant awarded to the Cinovec Project in April 2025.

Key Approval for the Cinovec Project

On 10 February 2026, the Company announced that Geomet s.r.o. ('Geomet') had received Regional Rezoning approval for the Company's flagship Cinovec Lithium Project. The Ústí nad Labem Regional Assembly voted to support the rezoning application submitted by the Czech Ministry of Industry and Trade. The rezoning defines the Project's areas and corridors for lithium mining and processing, including corridors for necessary utility supply developments including water, electricity and gas at all of the Project's sites. It also defines the area for the storage and processing of materials from mining activities and the treatment of lithium concentrate at the Prunéřov Processing Plant site, and the planned tailings management facilities in the Doly Nastup Tušimice ('DNT') mining area. The rezoning application for the Project commenced in March 2022 and has undergone extensive public consultation including two public hearings and a number of written submissions.

Cinovec LCP Optimisation Delivers Potential Significant Savings

On 24 June 2026 the Company announced preliminary results for the design optimisation of the lithium chemical plant ('LCP') for the Cinovec Project. This was a very significant development for the Project with the key highlights being:

- Potential to reduce consumption of major reagents by US$51m per annum (based on DFS reagent pricing).
- Potential to reduce power consumed in the LCP post-roast and leach filtration by more than 25% or US$3.4m per annum (based on DFS power pricing).
- Taken together, these reductions represent the potential to increase the pre-tax NPV8 of US$1.455bn established in the December 2025 DFS, however the exact quantum of such increase based upon the revised assumptions will only be known once the Project DFS is updated.

Tunnel Kiln Testwork Points to Potential Savings

Post period end, on 8 July 2026, the Company announced further optimisation preliminary results, in this instance with regards to testwork and design of a tunnel kiln for the Project. The highlights of this announcement were:

- Potential for change from two gas fired rotary kilns to a single gas / electric tunnel kiln for the Cinovec Project.
- Gas-fired tunnel kiln estimated to materially reduce capex by between US$70m and US$110m, and opex by US$10m per annum (compared to the DFS Rotary Kilns). The Company notes the effect that this reduction in capex and opex will have on the Project DFS will not be known until the Project DFS is updated.
- Tunnel kiln provides flexibility to remove the Project's dependence on gas and enables the project to be run solely on green power supplied by project partner CEZ.
- Switch to Tunnel Kiln not expected to impact Project timeline.
- The combination of the tunnel kiln and the optimisation of the LCP Flowsheet, if adopted, are anticipated to reduce capex by between US$70m to $110m and reduce opex by US$64m ($10m Tunnel Kiln and $54m LCP flowsheet optimisation) per annum. The Company notes the effect that this anticipated reduction in capex and opex will have on the Project DFS will not be known until the Project DFS is updated.

The Company confirms that the potential cost savings above are preliminary in nature, and reiterates that it has not undertaken detailed studies at this stage to provide updated financial forecast information to which ASX Listing Rule 5.17 applies. The financial forecast information released in the Company's announcement dated 23 December 2025 titled "Successful Completion - Cinovec Definitive Feasibility Study" still applies. Should the Company adopt the tunnel kiln option and optimisation of the LCP flowsheet, it will endeavour to update the DFS released December 2025 to include these revisions by end of 2026 (noting that this remains an indicative timeframe).

Competent Person Statement
The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements referred to above and, in the case of estimates of Mineral Resources, Ore Reserves, exploration and production targets, and forecast financial information, that all material assumptions and technical parameters underpinning the information in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

Corporate

The Company completed a placement of 10,811,500 ordinary shares ('Shares') at $0.32 per Share in January 2026 raising circa $3.5 million.

A total of 1,200,000 performance rights were issued in June 2026 following shareholder approval at the Company's annual general meeting held on 29 May 2026, with 100,000 performance rights expiring during the half-year.

Matters subsequent to the end of the financial half-year

No other matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2026/183, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out immediately after this Directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.

On behalf of the Directors

____
Keith Coughlan
EXECUTIVE CHAIRMAN

11 September 2026

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DECLARATION OF INDEPENDENCE BY GLYN O'OBRIEN TO THE DIRECTORS OF EUROPEAN METALS HOLDINGS LIMITED

As lead auditor for the review of European Metals Holdings Limited for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

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

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

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

11 September 2026

European Metals Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2026

	Note	Consolidated 30 June 2026 $	30 June 2025 $
Finance Income		5,432	406,643
Other Income		14,000	-
		19,432	406,643
Expenses			
Share of loss of equity accounted investee	4	(1,779,885)	(1,410,400)
Foreign exchange gain/(loss)		12,511	76,852
Share based payments		(9,230)	-
Employee benefits expense		(298,535)	(332,164)
Directors' fees		(128,242)	(133,301)
Depreciation and amortisation expense		(25,703)	(25,722)
Share registry and listing expenses		(112,996)	(83,560)
Professional fees		(539,392)	(812,531)
Audit fees		(49,653)	(48,751)
Insurance expense		(32,181)	(34,409)
Travel and accommodation		(39,484)	(11,757)
Advertising and promotion		(49,711)	(176,452)
Facility, advance fee and finance costs		(3,779)	(5,872)
Other expenses		(153,294)	(163,261)
Loss before income tax expense		(3,190,142)	(2,754,685)
Income tax expense		-	-
Loss after income tax expense for the half-year		(3,190,142)	(2,754,685)
Other comprehensive profit /(loss)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(11,279)	720,158
Exchange difference on translating investment in Geomet	4	(627,922)	2,009,100
Other comprehensive (loss)/income for the half-year, net of tax		(639,201)	2,729,258
Total comprehensive loss for the half-year		(3,829,343)	(25,427)
		Cents	**Cents**
Basic loss per share	3	(1.35)	(1.33)
Diluted loss per share	3	(1.35)	(1.33)

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

European Metals Holdings Limited
Statement of financial position
As at 30 June 2026

	Note	Consolidated 30 June 2026 $	31 December 2025 $
Assets			
Current assets			
Cash and cash equivalents		720,802	397,473
Trade and other receivables		182,754	66,798
Other assets		3,127	91,658
Total current assets		906,683	555,929
Non-current assets			
Other assets		31,924	30,785
Right-of-use assets		66,484	91,415
Investment in associate	4	32,055,787	34,463,594
Property, plant and equipment		8,251	5,524
Total non-current assets		32,162,446	34,591,318
Total assets		33,069,129	35,147,247
Liabilities			
Current liabilities			
Trade and other payables	7	1,356,724	2,074,232
Employee benefits		22,788	12,877
Lease liabilities		58,388	55,598
Loan Payable		-	750,000
Total current liabilities		1,437,900	2,892,707
Non-current liabilities			
Employee benefits		706	-
Lease liabilities		14,677	43,060
Total non-current liabilities		15,383	43,060
Total liabilities		1,453,283	2,935,767
Net assets		31,615,846	32,211,480
Equity			
Issued capital	5	65,021,090	61,796,611
Reserves	6	5,360,675	5,990,646
Accumulated losses		(38,765,919)	(35,575,777)
Total equity		31,615,846	32,211,480

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

European Metals Holdings Limited
Statement of changes in equity
For the half-year ended 30 June 2026

Consolidated	Issued capital $	Share based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2025	58,886,707	1,656,915	1,154,126	(27,365,181)	34,332,567
Loss after income tax expense for the half-year	-	-	-	(2,754,685)	(2,754,685)
Other comprehensive profit for the half-year, net of tax	-	-	2,729,258	-	2,729,258
Total comprehensive profit/(loss) for the half-year	-	-	2,729,258	(2,754,685)	(25,427)
Balance at 30 June 2025	58,886,707	1,656,915	3,883,384	(30,119,866)	34,307,140

Consolidated	Issued capital $	Share based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	Total equity $
Balance at 1 January 2026	61,796,611	2,074,045	3,916,601	(35,575,777)	32,211,480
Loss after income tax expense for the half-year	-	-	-	(3,190,142)	(3,190,142)
Other comprehensive profit for the half-year, net of tax	-	-	(639,201)	-	(639,201)
Total comprehensive profit/(loss) for the half-year	-	-	(639,201)	(3,190,142)	(3,829,343)
Transactions with owners, recognised directly in equity:					
Shares issued during the half-year (net of costs)	3,224,479	-	-	-	3,224,479
Share-based payments	-	9,230	-	-	9,230
Balance at 30 June 2026	65,021,090	2,083,275	3,277,400	(38,765,919)	31,615,846

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

European Metals Holdings Limited
Statement of cash flows
For the half-year ended 30 June 2026

	Note	Consolidated 30 June 2026 $	Consolidated 30 June 2025 $
Cash flows from operating activities			
Payments to suppliers and employees		(2,181,293)	(1,702,056)
Interest received		5,432	215,892
Recharges for management services		86,729	1,486,927
Interest Paid		(3,779)	-
Net cash from/(used in) operating activities		(2,092,911)	763
Cash flows from investing activities			
Payments for investments in associate	4	-	(2,594,281)
Payment for property, plant and equipment		(3,500)	-
Net cash used in investing activities		(3,500)	(2,594,281)
Cash flows from financing activities			
Proceeds from issue of shares		3,459,680	-
Share issue transaction costs		(235,201)	-
Repayment of borrowings		(750,000)	-
Repayment of lease liabilities		(54,947)	(16,507)
Net cash from/(used) in financing activities		2,419,532	(16,507)
Net increase/(decrease) in cash and cash equivalents		323,121	(2,610,025)
Cash and cash equivalents at the beginning of the financial half-year		397,473	3,524,484
Effects of exchange rate changes on cash and cash equivalents		208	81,881
Cash and cash equivalents at the end of the financial half-year		720,802	996,340

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

Note 1. Basis of preparation

a. Statement of compliance

The half year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the annual report for the year ended 31 December 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*.

b. Basis of preparation

The consolidated financial statements have been prepared on the basis of historical cost, except where applicable for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Group's 2025 annual financial report for the period ended 31 December 2025, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. The classification of comparative figures has been changed where the change improves the understandability of the financial information.

c. Going concern

The Group's financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

At 30 June 2026, the Group had a cash position of $720,802 (31 December 2025: $397,473) and a working capital deficit of $531,217 (31 December 2025: deficit of $2,336,778). For the half-year, the Group recorded a loss of $3,190,142 (6 month period ended 30 June 2025: loss of $2,754,685) and had net cash inflows of $323,122 (6 month period ended 30 June 2025: cash outflows of $2,610,025).

The Group's cash flow forecast to 30 September 2027 indicates that the Group will be required to raise additional funds to meet its current level of operating costs and investment activities in order to maintain its current level of ownership in Geomet s.r.o ('Geomet'). As at 30 June 2026, no binding commitment for cash calls from Geomet existed. Should the Group not be able to meet its proportional share of any cash calls, its interest in Geomet may be diluted under the terms of the Shareholders' Agreement. The Group intends to maintain its current investment strategy to maintain its current investment in Geomet, and as a result, there is a material uncertainty that may cast significant doubt over the entity's ability to continue as a going concern in respect to the current investment strategy.

The Directors nevertheless consider it appropriate to prepare the financial report on a going concern basis, having regard to the following:

- the Group has a net asset position of $31,615,846 and a cash balance of $720,802 as at reporting date;
- the Group continues its focus on maintaining an appropriate level of corporate overheads in line with the available cash resources;
- the Group's demonstrated ability to raise capital, including the $3.5 million raised in January 2026; and
- if the Group cannot meet any future cash calls from Geomet, it has the option of either raising additional funds through a capital raising or diluting its interest in the event that it decides not to meet such cash calls.

Based on these factors, the directors believe that it is appropriate to prepare the 30 June 2026 financial statements on a going concern basis.

In the event that the Company is not able to successfully complete any one or more of the aforementioned activities, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include 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 and the Group not continue as a going concern.

Note 1. Basis of preparation (continued)

d. Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025. All applicable new standards and interpretations effective since 1 January 2026 have been adopted. There was no significant impact on the Group.

e. Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the estimated fair value of the equity instruments at the date at which they are granted. These are expensed over the estimated vesting periods. Judgement has been exercised on the probability and timing of achieving milestones related to performance rights granted to Directors.

Recognition of deferred tax assets

Deferred tax assets relating to temporary differences and unused tax losses have not been recognised as the Directors are of the opinion that it is not probable that future taxable profit will be available against which the benefits of the deferred tax assets can be utilised.

Investment in associate

Control exists where the parent entity is exposed or has the rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when it has existing rights to direct the relevant activities of the investee which are those which significantly affect the investee's returns. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence exists if the Group holds 20% or more of the voting power of an investee and has the power to participate in the financial and operating policy decisions of the entity.

Judgements are required by the Group to consider the existence of control, joint control or significant influence over an investee. The Group has considered its investment in Geomet concluding the Group has significant influence but not control or joint control. Control and joint control do not exist as the Group does not direct and does not have the power to direct the relevant activities of Geomet, this lies with the Geomet board, of which there are only 3 directors out of 7 in common with the Group, and Geomet Chief Executive Officer and Chief Financial Officer who are employed and work directly for Geomet.

Note 2. Operating segments

The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors. According to AASB 8 Operating Segments, two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects:

- The nature of the products and services;
- The nature of the production processes;
- The type or class of customer for their products and services;
- The methods used to distribute their products or provide their services; and
- If applicable, the nature of the regulatory environment, for example; banking, insurance and public utilities.

Effective 28 April 2020, the Group has a 49% interest in Geomet which is accounted for in accordance with AASB 128 Investment in Associates and Joint Venture. Therefore, the Group has only one operating segment based on geographical location. The Australian segment incorporates the services provided to Geomet in relation to the Cinovec project development along with head office and treasury function. Consequently, the financial information for the sole operating segment is identical to the information presented in these financial reports.

Note 3. Loss per share

	Consolidated	
	30 June 2026 $	30 June 2025 $
Loss after income tax	(3,190,142)	(2,754,685)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	235,776,744	207,444,705
Weighted average number of ordinary shares used in calculating diluted loss per share	235,776,744	207,444,705
	Cents	**Cents**
Basic loss per share	1.35	1.33
Diluted loss per share	1.35	1.33

Potential ordinary shares of the Company consist of 2,500,000 options which were considered as being potentially dilutive at balance date.

In accordance with AASB 133 'Earnings per Share' these options have been excluded from the calculation of diluted loss per share due to their antidilutive effect and as such, diluted loss per share is equal to basic loss per share.

Note 4. Investment in associate

	Consolidated 30 June 2026 $	Consolidated 31 December 2025 $
Investments accounted for using equity method	32,055,787	34,463,594

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current half-year and previous financial period are set out below:

	30 June 2026 $	31 December 2025 $
Opening carrying amount	34,463,594	22,881,546
Increase in investment	-	12,176,964
Share of loss - associates	(1,779,885)	(2,707,417)
Share of the movement in foreign currency translation reserve - associates	(627,922)	2,112,501
Closing carrying amount	32,055,787	34,463,594

Note 5. Issued capital

(a) Issued and paid up capital

	Consolidated 30 June 2026 Shares	31 December 2025 Shares	30 June 2026 $	31 December 2025 $
Issued capital	237,568,705	226,757,205	65,021,090	61,796,611

(b) Movements in shares

		Consolidated No. of shares	Issue price	$
Opening balance 1 January 2026		226,757,205		61,796,611
Share issue	30-Jan-2026	10,811,500	$0.32	3,459,680
Less: share issue costs				(235,201)
		237,568,705		65,021,090

On 30 January 2026 the Company issued 10,811,500 fully paid ordinary shares at an issue price of $0.32 per share, raising $3,459,680 before costs. Share issue costs of $235,201 were incurred in connection with the raise, resulting in net proceeds of $3,224,479.

Note 6. Reserves

	Consolidated 30 June 2026 $	Consolidated 31 December 2025 $
Options reserve 6(a)	1,133,420	1,133,420
Performance rights reserve 6(b)	9,230	-
Loan shares reserve 6(c)	940,625	940,625
Foreign currency translation reserve 6(d)	3,277,400	3,916,601
	5,360,675	5,990,646

(a) Option reserve

	Consolidated 30 June 2026 $	Consolidated 31 December 2025 $
Balance at the beginning of the half-year	1,133,420	716,290
Share based payment expense	-	417,130
Balance at the end of the half-year	1,133,420	1,133,420

The following options existed as at 31 December 2025 and 30 June 2026:

	Expiry date	Balance at 31 December 2025	Issued during the period	Exercised during the period	Expired/ cancelled during the period	Balance at 30 June 2026
Options @ 25 cents[1]	30/06/2026	5,000,000	-	-	(5,000,000)	-
Options @ 20 cents[2]	31/10/2028	2,500,000	-	-	-	2,500,000
		7,500,000	-	-	(5,000,000)	2,500,000

(1) 5,000,000 options exercisable at $0.25 on or before 30 June 2026 were granted to consultants on 7 October 2024, they were not subject to vesting conditions therefore the share-based payment expense of $298,290 was recognised in the consolidated statement of profit or loss and other comprehensive income for the six-month period ended 31 December 2024. On 30 June 2026, 5,000,000 options expired without being exercised.

(2) 2,500,000 options exercisable at $0.20 on or before 31 October 2028 were granted to consultants on 31 October 2025, they were not subject to vesting conditions therefore the share-based payment expense of $417,130 was recognised in the consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 December 2025.

(b) Performance rights reserve

	30 June 2026 Number	30 June 2026 $	31 December 2025 Number	31 December 2025 $
Balance at the beginning of the period	100,000	-	7,600,000	-
Granted	1,200,000	9,230	-	-
Cancelled/Expired	(100,000)	-	(7,500,000)	-
Balance at the end of the period	1,200,000	-	100,000	-

Note 6. Reserves (continued)

(c) Loan shares reserve

	30 June 2026 Number	30 June 2026 $	31 December 2025 Number	31 December 2025 $
Balance at the beginning of the half-year	1,350,000	940,625	1,350,000	1,442,667
Transfer to retained earnings	-	-	-	-
Balance at the end of the half-year	1,350,000	940,625	1,350,000	1,442,667

Loan shares granted in prior years and existed during the financial half-year ended 30 June 2026:

	31 December 2025 Number	Repaid during the half-year	30 June 2026 Number
Director Loan shares	1,350,000	-	1,350,000
	1,350,000	-	1,350,000

No loan shares were granted/repaid during the financial half-year.

(d) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiary and the Group's share of foreign exchange movement in Geomet.

	Consolidated	
	30 June 2026 $	31 December 2025 $
Balance at the beginning of the half-year	3,916,601	1,154,126
Movement during the half-year	(639,201)	2,762,475
Balance at the end of the half-year	3,277,400	3,916,601

Note 7. Trade and other payables

	Consolidated	
	30 June 2026 $	31 December 2025 $
Accruals[1]	1,067,392	1,694,881
Trade payables	247,961	322,152
Other payables	41,371	57,199
	1,356,724	2,074,232

(1) On 21 January 2026, the Company entered into an Amended Consulting Agreement with a consultant which had been providing consultancy services to the Company and to Geomet in respect to financing the Cinovec Project under a consulting agreement dated 10 June 2019 that ceased as of 30 June 2023. This Amended Consulting Agreement was executed to recognise the continued financial and corporate consulting provided after 30 June 2023 up to 30 June 2026. As at 30 June 2026 an amount of $965,250 (31 December 2025: $1,544,300) remained uninvoiced pursuant to the Amended Consulting Agreement and has been accrued as at 30 June 2026.

Note 8. Related party transactions

Transactions between related parties are at arms' length and on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the half-year, the Company received a total of $86,729 (31 December 2025: $2,502,472) from its associate, Geomet. These amounts related mainly to recharges for management services provided for the Cinovec Project. The balance owing from Geomet at 30 June 2026 is $85,312 (31 December 2025: nil). The Company's Executive Chairman also received remuneration of $6,531 from Geomet during the financial period.

The Company paid $358,246 as remuneration to directors and key management personnel of the Company during the half-year.

From January 2025 to June 2026, the Company received company secretarial, accounting and bookkeeping services of $113,538 plus GST from Occam Corporate Services Pty Ltd, a company at which the spouse of Executive Chairman, Keith Coughlan, acts as Director. The amount payable to Occam Corporate Services Pty Ltd as at 30 June 2026 was $17,897 (31 December 2025: $32,000). In addition, the Company charges Occam Corporate Pty Ltd $2,000 per month for use of the Company's office.

There were no other transactions with related parties during the financial year.

Note 9. Contingent liabilities and commitments

Commitment – Geomet Cash Call

The Group had no capital commitments relating to Geomet cash calls as at 30 June 2026 (31 December 2025: nil).

Contingent Liability – Dilution Risk

Under the Shareholders' Agreement, should the Group fail to meet its proportional share of any future cash calls from Geomet, its ownership interest in Geomet may be diluted in favour of those shareholders that do contribute, based on the fair market value of the shares represented by the unpaid cash call. As at the date of this report, no such dilution has occurred.

Other Commitments and Contingent Liabilities

There have been no other material changes in the Group's contingent liabilities or commitments since the last reporting date, other than those disclosed above.

Note 10. Events after the reporting period

No matters or circumstances have arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

European Metals Holdings Limited
Directors' declaration
30 June 2026

In the directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial half-year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

On behalf of the directors

Keith Coughlan
EXECUTIVE CHAIRMAN

11 September 2026

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of European Metals Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of European Metals Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

i. Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its financial performance for the half-year ended on that date; and

ii. Complying with Accounting Standard AASB *134 Interim Financial Reporting and the Corporations Regulations 2001*.

Basis for conclusion

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

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

Material uncertainty relating to going concern

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

Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 2026 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.

BDO Audit Pty Ltd

Glyn O'Brien

Director

Perth, 11 September 2026