ANNUAL REPORT 2026

DELTA LITHIUM

CORPORATE DIRECTORY

DIRECTORS

Nader El Sayed
Non-Executive Chairman

James Croser
Managing Director

Steve Kovac
Non-Executive Director

COMPANY SECRETARY

Peter Gilford

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SOLICITORS

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SECURITIES EXCHANGE LISTING

Delta Lithium Limited securities are listed on the Australian Securities Exchange (ASX)

ASX Code: DLI

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CHAIRMAN'S LETTER

DEAR SHAREHOLDERS,

On behalf of the Board of Directors, I'm pleased to present the Annual Report for Delta Lithium Limited for the financial year ended 30 June 2026.

I would like to begin by expressing our sincere thanks to Non-Executive Directors, Mr Josh Thurlow and Mr Tim Manners for their valuable contributions to the Delta Board. Their leadership and insight has helped set Delta up for future success.

Throughout 2026 the Company remained disciplined in its approach to capital allocation while continuing to advance the quality and scale of its project portfolio. Our focus throughout the year was clear: preserve financial strength, build confidence in our resource base, progress development studies, and position Delta to capitalise on the next phase of growth in critical minerals demand.

From a corporate perspective, FY2026 was highlighted by the successful separation of our gold assets into Ballard Mining Limited. The demerger and subsequent ASX listing represented a significant strategic milestone, enabling Delta to sharpen its focus on lithium and critical minerals while retaining a substantial equity interest in Ballard. The demerger also returned over $16 million to Delta shareholders. The success of the Ballard IPO and the continued drilling programs being conducted at Mt Ida reinforce the value unlocked through this transaction and the ongoing relationship between the two companies.

I am pleased to report that Delta achieved significant milestones across both of our flagship assets, Mt Ida and Yinnetharra, while also unlocking what may prove to be substantial additional value through our emerging exposure to rubidium, tantalum and fluorite.

At Mt Ida, the Company delivered an updated Mineral Resource Estimate of 14.8Mt @ 1.21% Li_2O, 170ppm Ta_2O_5 and 0.42% Rb_2O, establishing one of the highest-grade publicly reported rubidium resources globally. Importantly, the updated estimate incorporates a significant proportion of Measured and Indicated resources, providing greater confidence for future mine planning and development studies.

Our understanding of the Mt Ida orebody continued to improve during the year through ongoing resource refinement, metallurgical programs and the benefit of additional drilling information generated from Ballard Mining's gold

> *In line with our commitment to disciplined capital allocation and strategic growth, Delta undertook a comprehensive review of its asset portfolio."*

drilling activities. These programs have enhanced geological confidence while reducing exploration expenditure for Delta. The commencement of the Mt Ida Scoping Study represents another important step toward defining a development pathway for the project and assessing the potential contribution of valuable by-product streams.

One of the most exciting outcomes from FY2026 was the advancement of our rubidium strategy. Metallurgical testwork demonstrated the potential to recover rubidium from material that would traditionally be treated as waste within a conventional spodumene flowsheet. The successful production of both high-purity lithium carbonate and rubidium carbonate highlights the technological potential of Mt Ida and reinforces our belief that the project possesses characteristics that differentiate it from many lithium development peers. While further work remains, the Board is encouraged by the emerging strategic opportunity presented by this critical mineral.

At Yinnetharra, the Company continued to demonstrate the scale and quality of this rapidly emerging district. The project hosts a Mineral Resource of 21.9Mt @ 1.0% Li_2O, with approximately 75% of the resource now classified in the Indicated category. During the year, Delta completed substantial geological, metallurgical and geotechnical work across the Malinda deposit while progressing mining lease applications and regional exploration programs.

The Yinnetharra region continues to provide growth opportunities. We continue to define targets across numerous greenfields regional tenure which reinforces our view that the current resource inventory represents only a portion of the district's potential. The acquisition and consolidation of strategic tenure positions has further strengthened our control over highly prospective ground and expanded our opportunity set for future discoveries.

Another noteworthy development was the recognition of widespread fluorite mineralisation across portions of the Yinnetharra Project. While still at an early stage, the scale and grades encountered highlight the broader multi-commodity potential of the region and demonstrate the geological fertility of our landholding.

Importantly, Delta enters FY2027 from a position of financial strength, with cash reserves of approximately $49.6 million and substantial listed investments. This strong balance sheet provides flexibility to continue advancing our existing projects, pursue disciplined exploration and evaluate opportunities that may complement our portfolio and enhance shareholder value.

The global energy transition remains a powerful long-term investment theme. While lithium markets experienced continued volatility during the year, the underlying demand outlook for battery materials and critical minerals remains highly attractive. We believe Delta is well positioned to benefit from this trend through its significant resource base, advanced project pipeline and exposure to multiple critical minerals that are increasingly important to global supply chains.

On behalf of the Board, I would like to thank our employees, contractors, traditional owners, local communities, shareholders and business partners for their continued support throughout the year. I would also like to acknowledge the dedication and professionalism of the Delta team, whose efforts continue to advance the Company through a changing market environment.

The Board remains excited by the opportunities ahead and confident that Delta Lithium is building a portfolio capable of delivering long-term value for shareholders.

Yours sincerely,

Nader El Sayed
Non-Executive Chairman

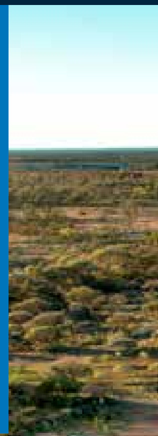
REVIEW OF OPERATIONS

$49.58m

CASH BALANCE FOR FY26

16,279m

METRES DRILLED ACROSS OUR PROJECTS



364Km²

TENURE AT THE MT IDA PROJECT

2,325Km²

TENURE AT THE YINNETHARRA PROJECT

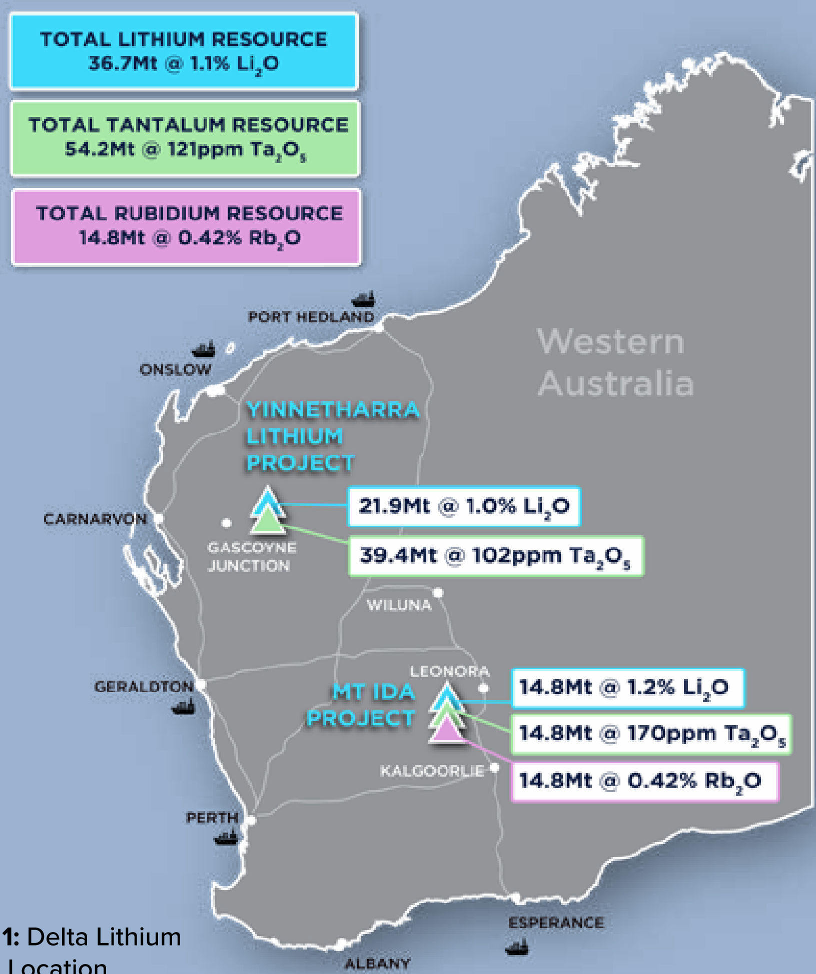


Figure 1: Delta Lithium Project Location

36.7Mt
@ 1.1% Li_2O

TOTAL LITHIUM RESOUCE

14.8Mt
@ 0.42% Rb_2O

TOTAL RUBIDIUM OXIDE RESOURCE

54.2Mt
@ 121PPM Ta_2O_5

TOTAL TANTALUM RESOURCE

Overview

FY2026 was a significant year for Delta Lithium Limited, marked by substantial advancement of the Mt Ida Lithium Project, continued exploration success at Yinnetharra, expansion of the Company's land position, and the emergence of potentially valuable by-product opportunities in tantalum and rubidium.

Throughout the year Delta maintained a strong balance sheet, backed by significant cash reserves and a major stake in the IPO of its gold assets via Ballard Mining Limited (ASX:BM1), while its progressing development studies and exploration programs across its Western Australian lithium portfolio.

A major benefit to Delta during the year was the continued drilling activity being undertaken by Ballard Mining (ASX: BM1) across the Mt Ida Gold Project. These gold-focused drill programs intersected numerous known lithium occurrences particularly in the vicinity of Sister Sam and Timoni, providing Delta with additional geological information and increasing confidence in the lithium resources at minimal cost.

Outlook

FY2026 positioned Delta Lithium with two substantial lithium projects, a globally significant rubidium inventory and growing tantalum opportunities, with multicommodity potential emerging at Yinnetharra with the discovery of widespread fluorite mineralisation. Key objectives moving into FY2027 include advancing the Mt Ida Scoping Study, further resource growth at Yinnetharra, continued evaluation of rubidium recovery opportunities and follow-up exploration of the fluorite discoveries.

The Company enters the next financial year with a strong balance sheet, advanced project pipeline and multiple avenues for value creation across its Western Australian portfolio.

REVIEW OF OPERATIONS (CONT'D)

Corporate Strategy

Delta's strategy over the past financial year has been

- Strong focus on capital allocation and cash preservation
- Building upon confidence at Yinnetharra
- Moving towards monetising gold to fund growth
- Open to acquisitions that complement our strategy
- Goal to develop an operating mine

The team at Delta made good progress to strategy during the 2026 financial year. Having delivered upon a pathway to monetise the gold asset at Mt Ida, the Company will stay focussed on continuing to build confidence at Yinnetharra whilst remaining open to complementary acquisitions in the lithium sector.

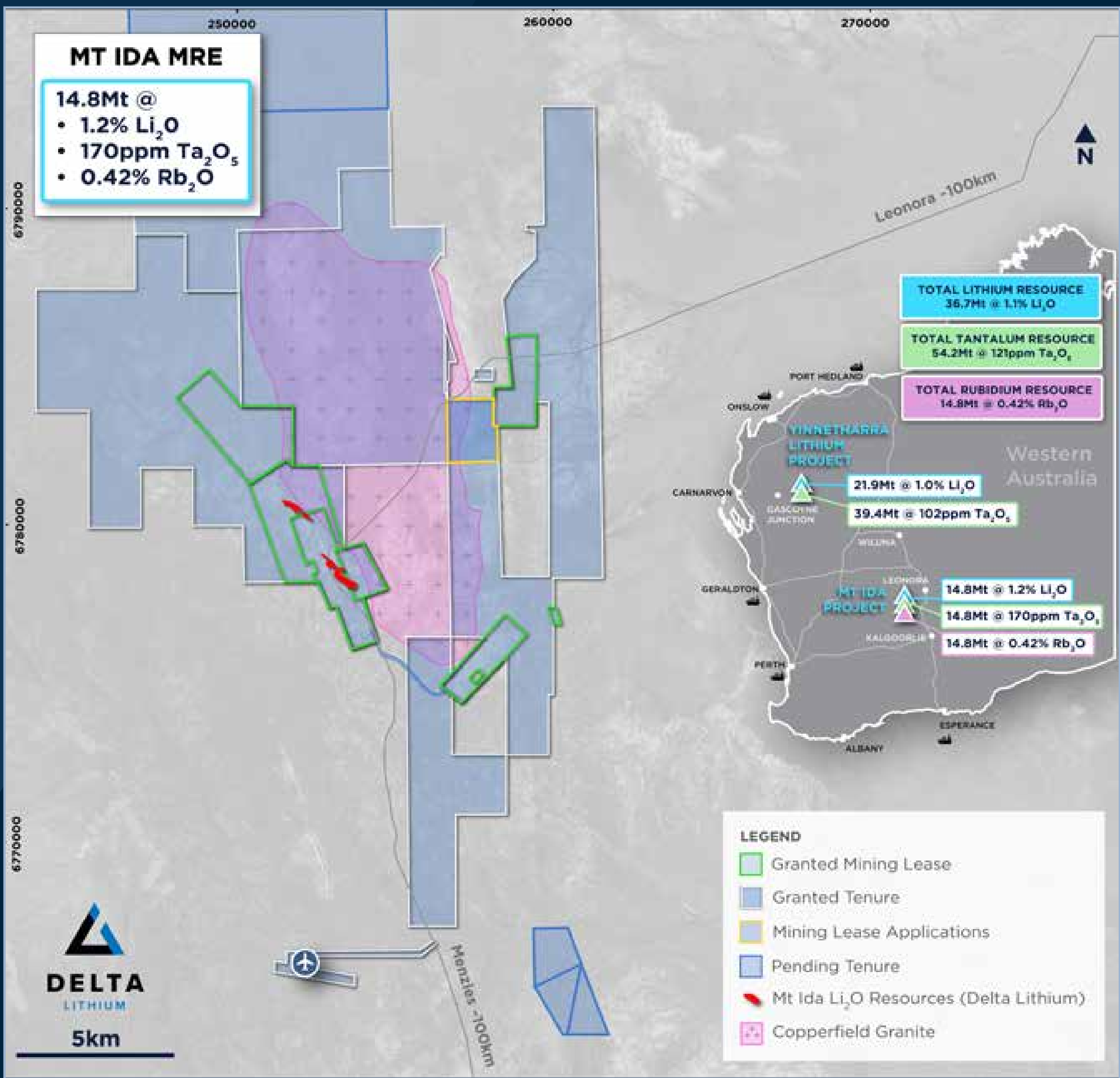


Figure 2: Plan view to Mt Ida Project location with global resources

REVIEW OF OPERATIONS (CONT'D)

The Company continued to build on its existing knowledge of Yinnetharra with the primary focus of increasing the lithium resource confidence at Malinda which has been achieved via a 75% Indicated lithium MRE. In addition, the Company also successfully identified the emergence of contiguous tantalum at Malinda which is under consideration for a secondary source of revenue requiring modest flowsheet additions.

Looking forward, the Company is focussed on the following main objectives:

- Add to the lithium resources at Yinnetharra, and progress negotiations and approvals for a Mining Lease at Malinda;
- Maintain a close relationship with Ballard Mining at Mt Ida, ensuring cooperation on mineral rights achieves an optimal outcome for lithium mining;
- Growth via disciplined exploration programs and investment; and
- Strategically approaching complementary acquisition opportunities.

Mt Ida Lithium Project

The Mt Ida Project is located approximately 100km northwest of Menzies, and approximately 225km by road from Kalgoorlie in Western Australia's prolific Eastern Goldfields mining region. The Project area resides on granted mining leases and is approved for open pit and underground mining.

The Mt Ida Project remains Delta's most advanced asset and was the primary focus of development activities during FY2026. During the year the Company updated the Mineral Resource Estimate (MRE) to 14.8Mt at 1.21% Li_2O, 170ppm Ta_2O_5 and 0.42% Rb_2O, establishing Mt Ida as one of the highest-grade publicly reported rubidium resources globally. The updated resource included 7.7Mt in the Measured and Indicated categories, supporting future mine planning and project development activities.

MRE Update

Delta updated the independent Lithium Mineral Resource Estimate (MRE) which was prepared by Snowden Optiro on the Sister Sam, Timoni and Sparrow pegmatites at the Company's wholly owned Mt Ida Lithium Project – see Table 1. The MRE update has been reported under the Reasonable Prospectus for Eventual Economic Extraction (RPEEE) criteria. This only includes material that falls within Open Pit shells & Mineable Shape Optimizer's (MSO's) – refer to ASX announcement dated 13 November 2025 'Mt Ida Lithium and Rubidium MRE' for full details of the economic parameters used.

The MRE update was as a result of previous drilling conducted by Delta and current gold drilling by Ballard Mining, which continues to intercept the lithium orebodies. This has resulted in the refining of wireframes, reducing volumes in certain areas and extending mineralisation in others but ultimately leading to an increase in overall confidence and tonnes.

REVIEW OF OPERATIONS (CONT'D)

Mt Ida Lithium, Tantalum & Rubidium Resource November 2025

Resource category		Cut-off grade (Li_2O%)	Li_2O Tonnes (t)	Li_2O Grade (Li_2O%)	Li_2O Tonnes (Li_2O)	Ta_2O_5 Grade (Ta_2O_5 ppm)	Rb_2O Grade (Rb_2O%)
Sparrow							
OP	Measured	0.3	-	-	-	-	-
	Indicated		170,000	0.95	1,600	287	0.42
	Inferred		-	-	-	-	-
	Total Resource		**170,000**	**0.95**	**1,600**	**287**	**0.42**
UG	Measured	0.5	-	-	-	-	-
	Indicated		1,100,000	1.05	11,000	176	0.43
	Inferred		1,100,000	0.93	18,000	141	0.40
	Total Resource		**2,200,000**	**0.99**	**29,000**	**159**	**0.42**
All	Measured		-	-	-	-	-
	Indicated		1,300,000	1.03	13,000	191	0.43
	Inferred		1,100,000	0.93	18,000	141	0.40
	Total Resource		**2,400,000**	**0.99**	**31,000**	**168**	**0.42**
Sister Sam							
OP	Measured	0.3	270,000	1.30	3,500	268	0.44
	Indicated		3,200,000	1.45	46,000	257	0.48
	Inferred		82,000	1.07	880	176	0.39
	Total Resource		**3,500,000**	**1.43**	**51,000**	**256**	**0.47**
UG	Measured	0.5	-	-	-	-	-
	Indicated		2,000,000	1.38	27,000	166	0.45
	Inferred		4,900,000	1.12	55,000	119	0.38
	Total Resource		**6,900,000**	**1.19**	**82,000**	**133**	**0.40**
All	Measured		270,000	1.30	3,500	268	0.44
	Indicated		5,200,000	1.42	73,000	222	0.47
	Inferred		5,000,000	1.12	55,000	120	0.38
	Total Resource		**10,400,000**	**1.27**	**130,000**	**175**	**0.42**

REVIEW OF OPERATIONS (CONT'D)

Resource category		Cut-off grade (Li_2O%)	Li_2O Tonnes (t)	Li_2O Grade (Li_2O%)	Li_2O Tonnes (Li_2O)	Ta_2O_5 Grade (Ta_2O_5 ppm)	Rb_2O Grade (Rb_2O%)
Timoni							
OP	Measured	0.3	220,000	1.09	2,400	240	0.33
	Indicated		290,000	1.18	3,400	216	0.41
	Inferred		27,000	0.75	210	185	0.25
	Total Resource		**540,000**	**1.12**	**6,000**	**224**	**0.37**
UG	Measured	0.5	-	-	-	-	-
	Indicated		470,000	1.35	6,400	191	0.33
	Inferred		1,000,000	0.99	10,000	137	0.38
	Total Resource		**1,500,000**	**1.11**	**16,000**	**154**	**0.37**
All	Measured		220,000	1.09	2,400	240	0.33
	Indicated		760,000	1.29	9,900	200	0.36
	Inferred		1,000,000	0.98	10,000	138	0.38
	Total Resource		**2,000,000**	**1.11**	**22,000**	**173**	**0.37**
	Total Measured		490,000	1.20	5,900	256	0.39
	Total Indicated		7,200,000	1.34	96,000	215	0.45
	Total Inferred		7,100,000	1.07	76,000	126	0.38
	Total		**14,800,000**	**1.21**	**177,000**	**170**	**0.42**

Notes: Tonnages and grades have been rounded to reflect the relative uncertainty of the estimate. Inconsistencies in the totals are due to rounding.

Table 1: Mt Ida lithium, tantalum and rubidium JORC mineral resource estimate.

REVIEW OF OPERATIONS (CONT'D)

Ongoing Exploration at Mt Ida

Ballard Mining's (ASX:BM1) current gold exploration drilling, mainly in the vicinity of their Baldock and Meteor gold resources, has continued to return high-grade mineralised lithium intervals for Delta. Where pegmatites are intercepted during the gold drilling programs, Delta has been assaying the pegmatites for lithium. These intercepts demonstrate the quality of the Mt Ida lithium resource while also significantly increasing confidence in the model.

Hole ID	From	To	Length	Li_2O %	Ta_2O_5 ppm	Rb_2O %
BDG001	423.04	435	12	1.36	325	5116
DFS066B	121	144	23	1.04	68	4673
DFS392	189	210	21	2.07	229	6670
DFS393	196	210	14	1.27	185	4059
DFS395	196	227	31	1.84	183	5162
DFS396	206	236	30	1.88	177	4955
DFS398	209	240	31	1.37	232	4168
DFS399	217	254	37	2.05	254	6481
DFS399A	214	254	40	1.61	227	4603
DFS402	232	259	27	1.56	251	4801
DFS406	251	285	34	1.86	209	5915
DFS621B	352.85	367.55	14.7	1.48	159	3367
DFS680	221	247	26	1.31	305	4316
DFS694	259	268	9	1.84	107	5601
DFS694	273	288	15	1.72	424	5969
DFS695	247.62	265.17	17.6	2.04	295	6119
DFS695	268.49	283.47	15	1.74	294	5758
DFS702	309	333	24	2	138	5269
TNEX011	648.05	658	10	1.4	117	4146

Table 2: List of significant intercepts from infill drilling of the current Mt Ida Lithium MRE

REVIEW OF OPERATIONS (CONT'D)

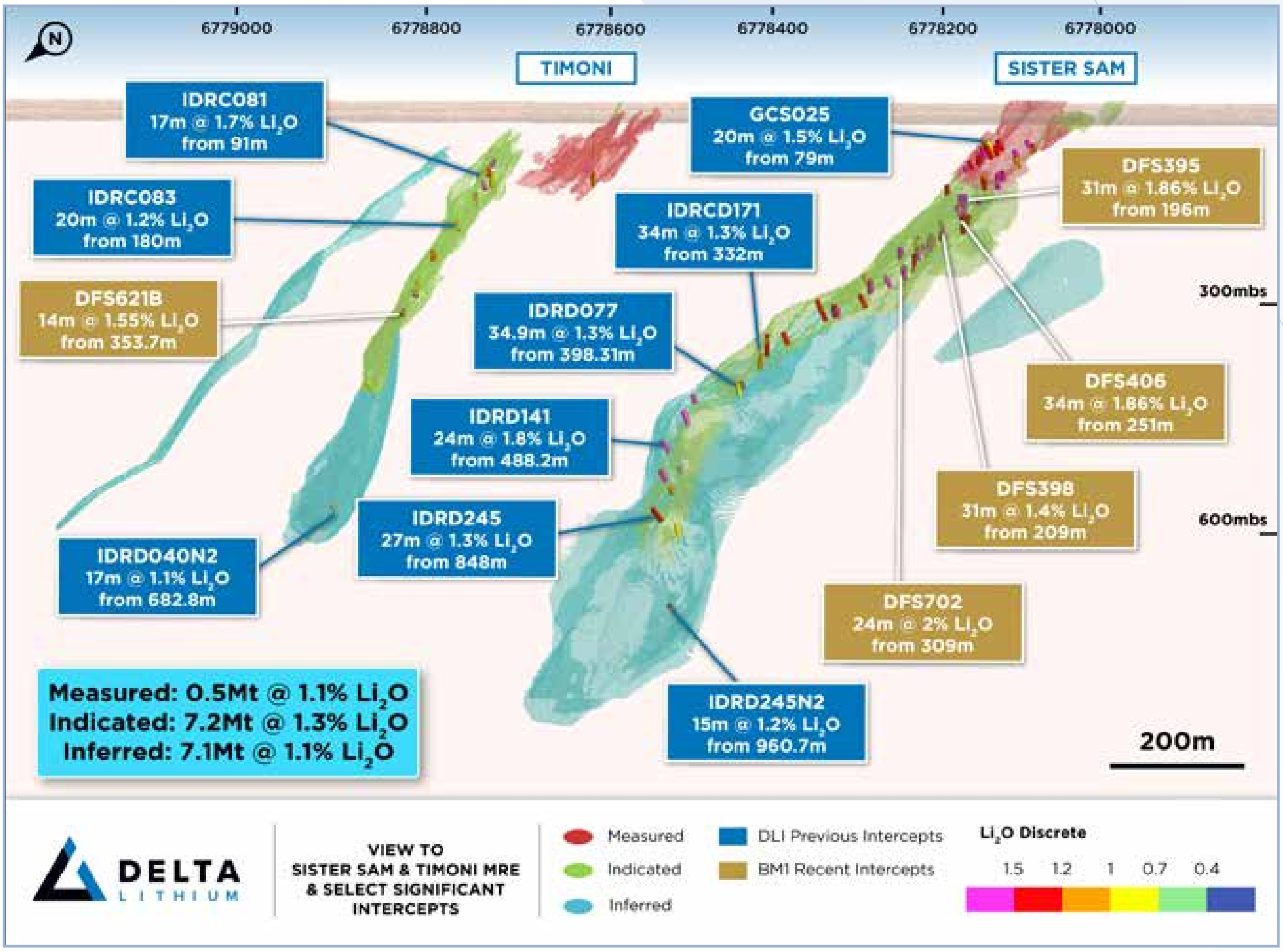


Figure 3: View facing Southeast showing Sister Sam & Timoni MRE's, classification and recent lithium intercepts

These additional infill holes were used to refine the existing MRE model and were incorporated into the MRE update which was completed in November 2025 and will also be incorporated into future resource updates. This drilling also provides additional high-grade diamond core which Delta is utilising for ongoing metallurgical testwork programs supporting flowsheet optimisation.

Notably, one of the recent intervals has intercepted the footwall pegmatite approximately 100m below Sister Sam which has returned **11.9m @ 1.36% Li_2O** in BDG001 from 423m. This interval is on the very fringe of the current model which bodes well for down-dip continuity and represents a compelling target for future drilling – see section on Figure 4.

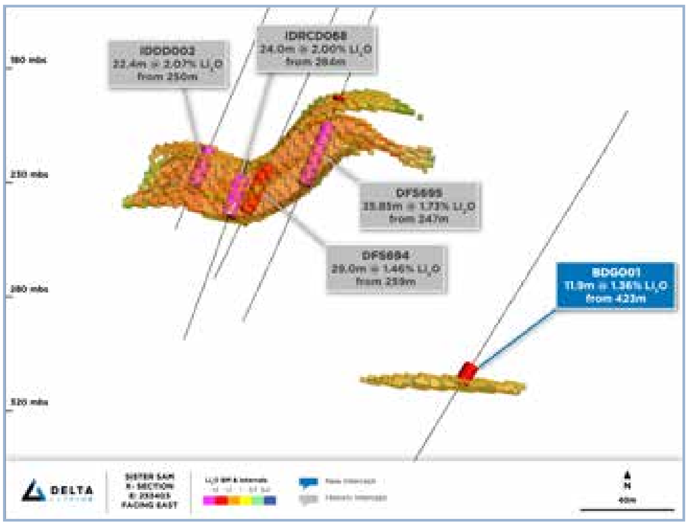


Figure 4: 20m cross section showing intercepts from Sister Sam and recently discovered footwall pegmatite

REVIEW OF OPERATIONS (CONT'D)

These new lithium results and a new pegmatite discovery are very encouraging for the Mt Ida Lithium Project and confirm the high potential of discovering further resources at depth and along strike of the existing Lithium MRE with future drilling.

Furthermore, a thorough review of the Mt Ida database during the year has confirmed that the Mt Ida LCT pegmatite system also hosts high-grade rubidium, coincident and seemingly correlated with the existing high-grade lithium and tantalum mineralised zones. Very high-grade rubidium intercepts have been assayed, including intercepts of up to 5m @ 1.79% Rb_2O in hole GCS0013. Table 3 below includes a selection of the many significant rubidium intercepts contained within the existing Mt Ida LCT pegmatites.

The rubidium is completely contained within the existing MRE, potentially adding significant value as a co-product to the lithia production at the Mt Ida Project by reporting to the mica pre-float concentration part of the existing Mt Ida WOF flowsheet design. As a result, this new data was incorporated into a MRE update for Mt Ida (inclusive of rubidium), which Delta released in the December Quarter.

Hole ID	From	To	Length	Li_2O %	Ta_2O_5 ppm	Rb_2O %
IDRD162	275.96	318	42.04	1.77	382	0.71
IDRD077W2	385.1	443.03	57.93	1.37	187	0.55
IDRD077	398.31	436.58	38.27	1.20	146	0.56
IDRD178	353	390.93	37.93	1.26	204	0.54
DFS399	217	254	37	2.05	254	0.71
IDRD229W1	676	740.96	64.96	1.1	122	0.46
SSRD058	574.85	603.58	28.73	1.6	112	0.51
IDRD041	142.92	169	26.08	1	65	0.51
GCS0077	63	89	21	1	203	0.35
GCS0013	55	60	5	0.84	44	1.79

Table 3: Significant rubidium intercepts within the Mt Ida pegmatites

REVIEW OF OPERATIONS (CONT'D)

Delta has conducted initial metallurgical testwork on the existing mica concentrate which was completed in February. This is discussed in detail below.

The incorporation of this additional drilling when combined with advanced metallurgy, environmental and geotechnical works has allowed for the delineation of a portion of measured resources – see Figure 5. This is a great benefit to the Project and speaks to the confidence of the shallow material which would be the initial focus in a mining scenario.

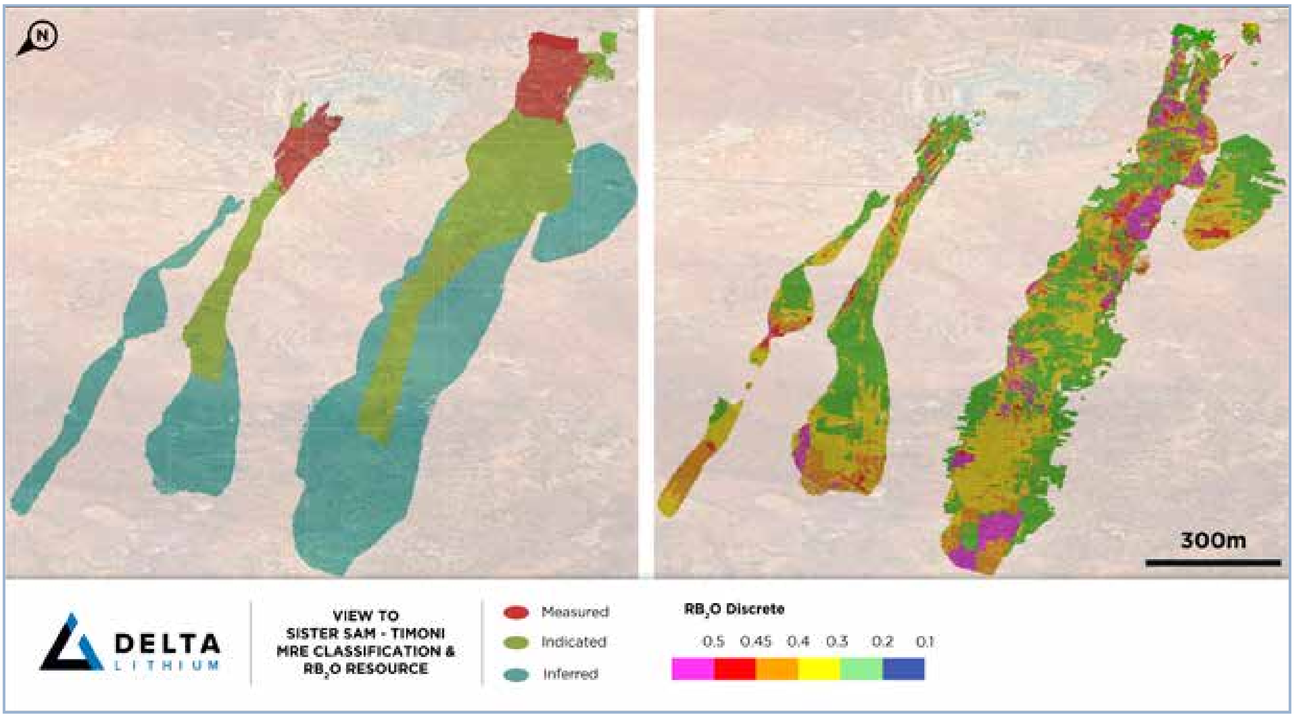


Figure 5: View facing Southeast showing Mt Ida Lithium Resource Classification & unconstrained Rubidium oxide block model

REVIEW OF OPERATIONS (CONT'D)

The primary aim of the update to the MRE was to determine the spatial distribution of contained rubidium, which occurs entirely within the existing lithium wireframes, while updating the classification based upon the metallurgical and geotechnical feasibility work that has been completed to date. This resulting MRE highlights Mt Ida as a globally significant potential source of rubidium material as well as the world's current highest-grade resource according to public data – see Figure 6.

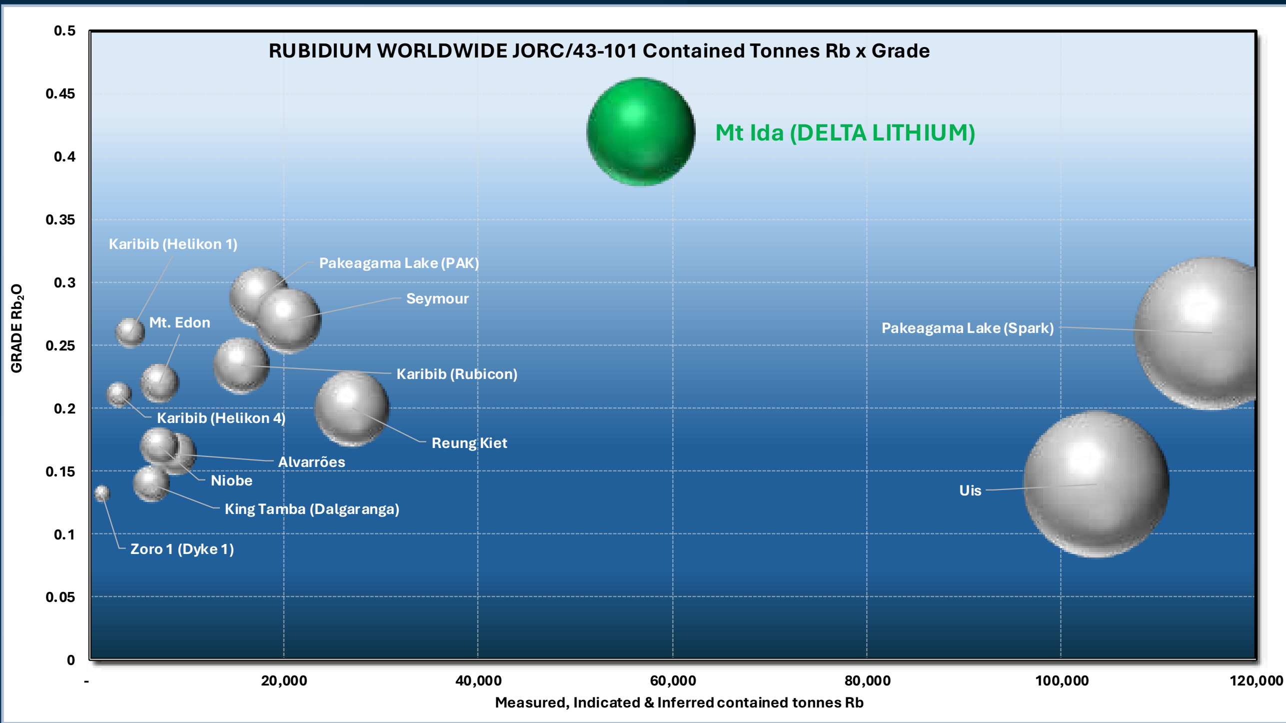


Figure 6: Bubble chart illustrating Mt Ida's Rb Mineral Resource compared with publicly released global Rb Mineral Resources (Inferred, Indicated and Measured reported according to JORC (2012) and NI-43 101).

REVIEW OF OPERATIONS (CONT'D)

Metallurgical Studies

Extensive metallurgical testwork has been completed on the Mt Ida Lithium Project to date. Feasibility testwork has confirmed that the Mt Ida deposit can produce tantalum, mica & spodumene concentrates via a process flowsheet including spirals and whole 'ore' flotation (WOF). Figure 7 illustrates the Mt Ida flowsheet and staged separation of spodumene, mica and tantalite concentrates.

Existing WOF flowsheet testwork confirmed that rubidium is readily extracted as a byproduct within the mica pre-float stage and reports to the mica concentrate. The amenability of the existing flowsheet to recover >90% of Rubidium in the ore feed and up to 50-55% of the total contained Li_2O during this mica pre-float process, resulting in production of a high-grade lithium/rubidium concentrate with an overall average grade of 3.01% Li_2O and 1.8% Rb_2O based on flotation work to date.

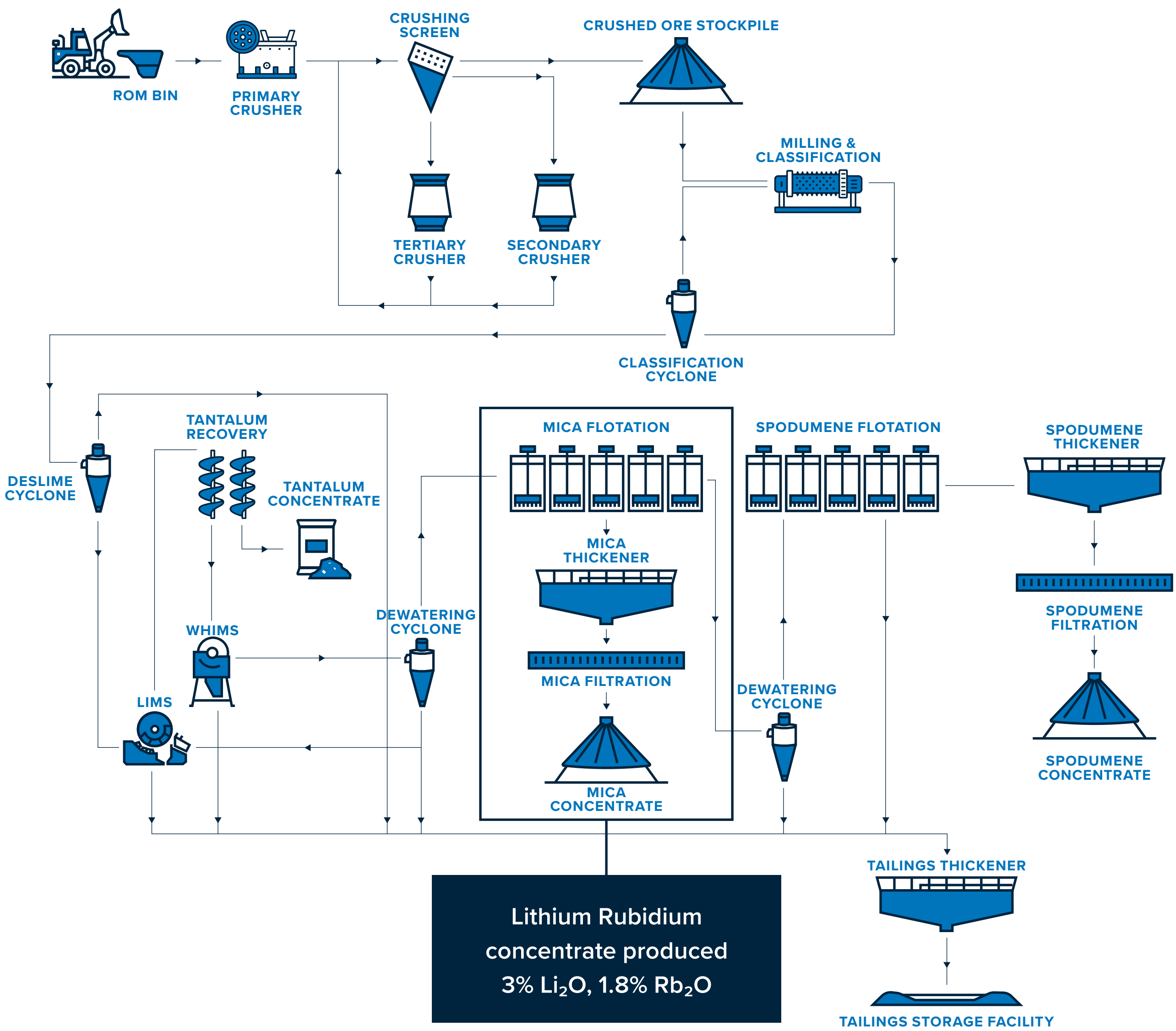


Figure 7: Mt Ida Lithium process flowsheet with average Li & Rb concentrate grades based on testwork to date

REVIEW OF OPERATIONS (CONT'D)

These results are extremely encouraging and present with significant concentrations of high value critical minerals. As a result, Delta completed first pass downstream hydrometallurgical testwork using mica concentrates generated from the Company's Whole-of-Ore flotation flowsheet at Mt Ida. This study represented one of the most important technical milestones of the year, providing encouraging results upon which to build upon.

Testwork successfully produced:

- 99.8% purity lithium carbonate (Li_2CO_3) suitable for battery manufacturing.
- Approximately 97% purity rubidium carbonate (Rb_2CO_3).
- Overall lithium recovery of approximately 86% from concentrate to lithium carbonate.
- Rubidium recovery of approximately 67% into a high-grade carbonate product, suitable for formate production.

Figure 8: MT Ida Lithium carbonate produced from mica concentrate

The work demonstrated that rubidium could potentially be recovered from a stream that would ordinarily be considered waste material during spodumene processing, creating a possible additional revenue source for the Project.

Management subsequently commenced discussions with prospective end-users and supply chain participants regarding rubidium products as the Company continued to evaluate the strategic value of its rubidium inventory.

REVIEW OF OPERATIONS (CONT'D)

Rubidium Market

The global rubidium market is relatively small but strategically significant segment within the specialty metals sector, underpinned by its unique properties and expanding high-technology applications. Traditionally used in specialty glass, electronics and chemical research, rubidium demand is increasingly driven by the following industries;

- Military and Defence Systems
- Quantum Technologies
- Biomedical Applications
- Oil & Gas Drilling Applications
- Next-generation Sensors (Atomic Clocks)

Emerging uses in quantum navigation, medical imaging, and specialty formate fluids are broadening the markets' commercial footprint beyond its historical niche. Rubidium is a heavier alkali metal with a free outer valance electron, making it particularly valuable in quantum mechanics research where this hydrogen-like characteristic proves ideal for precision modelling in quantum mechanics and atomic physics.

The scarcity of high-purity supply and rising demand from defence, aerospace and energy technology sectors point to a tightening geostrategic market and sustained upward demand trajectory through the decade which is expected to reach USD $8 billion by 2033. Its recent designation as a critical mineral in key markets such as the United States and Japan, coupled with the global push to secure non-Chinese supply chains, positions Delta favourably in Western markets.

Last stated by SMM at a price of USD$1,067 per kilogram for high-purity rubidium carbonate, the potential value contribution from rubidium represents a significant strategic upside for the Mt Ida Project.

Commencement of Mt Ida Scoping Study

As advised to the market on 16 May 2026, Delta has commenced a scoping study on the Mt Ida project. The study is well advanced with results targeted to be released this calendar year. The scope of the study will investigate lithium ore production and concentration onsite at Mt Ida, incorporating the potential of byproduct credits.

REVIEW OF OPERATIONS (CONT'D)

Yinnetharra Lithium Project

The Yinnetharra Lithium Project is located in the Gascoyne region of Western Australia, targeting lithium mineralisation across 2,325km^2 of 100% owned project tenure. A MRE update for Yinnetharra was released in March 2025 of 21.9 Mt @ 1% Li_2O and 75ppm Ta_2O_5 and an additional 17.5Mt @ 136ppm Ta_2O_5. the combined total Yinnetharra Tantalum Mineral Resource is estimated at 39.4Mt @ 102ppm Ta_2O_5. Acquisitions have expanded the prospective stratigraphy to over 80km in length of the Leakes Springs metasediment package.

The Malinda Project is well advanced with feasibility level metallurgy and geotechnical studies completed on the M1 orebody and a mining lease application submitted over the area. The large regional tenure presents compelling upside potential for additional resource tonnes. Lithium resources at Malinda are present in three main pegmatites: the M1, M36 and M47, with smaller resources at M42, M20, M67 and M69. Mineralisation extends from surface to a depth of greater than 300m. The recent MRE update has now classified 74% of the Resource as indicated underpinning future studies and project development pathways. The investigation of various mining scenarios are well advanced, while the regional tenure presents upside for additional resource tonnes.

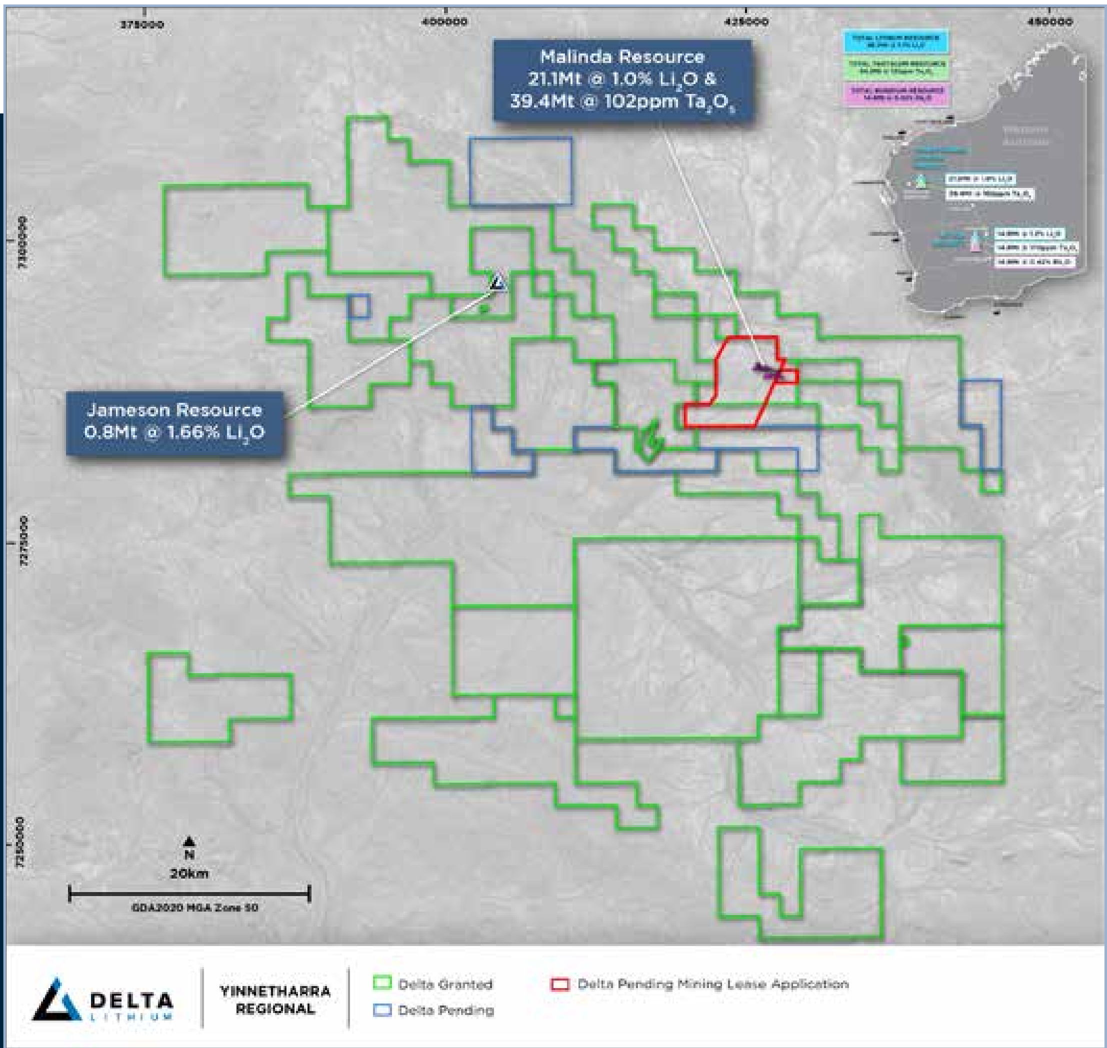


Figure 9: Yinnetharra tenure highlighting Mineral Resource locations and Mining Lease Application

REVIEW OF OPERATIONS (CONT'D)

Yinnetharra Lithium & Tantalum Resource March 2025

Resource category		Cut-off grade (Li_2O%)	Tonnes (Mt)	Li_2O%	Li_2O (Kt)	Ta_2O_5 ppm	Ta_2O_5 (Kt)
M1	Measured	0.5	-	-	-	-	-
	Indicated		9.9	0.9	92	51	0.5
	Inferred		2.9	0.8	24	52	0.2
	Total Resource		**12.7**	**0.9**	**117**	**51**	**0.6**
M2	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.2	1.2	2	29	0.0
	Total Resource		**0.2**	**1.2**	**2**	**29**	**0.0**
M3	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.2	1.0	1	24	0.0
	Total Resource		**0.2**	**1.0**	**1**	**24**	**0.0**
M4	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.1	0.8	0	20	0.0
	Total Resource		**0.1**	**0.8**	**0**	**20**	**0.0**
M20	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.0	0.6	0	54	0.0
	Total Resource		**0.0**	**0.6**	**0**	**54**	**0.0**
M36	Measured	0.5	-	-	-	-	-
	Indicated		4.7	1.1	51	106	0.5
	Inferred		0.7	0.7	5	153	0.1
	Total Resource		**5.4**	**1.0**	**56**	**112**	**0.6**
M42	Measured	0.5	-	-	-	-	-
	Indicated		0.2	0.6	1	131	0.0
	Inferred		0.2	0.7	1	107	0.0
	Total Resource		**0.4**	**0.7**	**2**	**122**	**0.0**
M47	Measured	0.5	-	-	-	-	-
	Indicated		1.4	0.9	13	154	0.2
	Inferred		0.1	0.8	1	185	0.0
	Total Resource		**1.5**	**0.9**	**14**	**157**	**0.2**
M67	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.3	0.7	2	62	0.0
	Total Resource		**0.3**	**0.7**	**2**	**62**	**0.0**

REVIEW OF OPERATIONS (CONT'D)

Resource category		Cut-off grade (Li_2O%)	Tonnes (Mt)	Li_2O%	Li_2O (Kt)	Ta_2O_5 ppm	Ta_2O_5 (Kt)
M69	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.4	0.8	3	85	0.0
	Total Resource		**0.4**	**0.8**	**3**	**85**	**0.0**
J1	Measured	0.5	-	-	-	-	-
	Indicated		-	-	-	-	-
	Inferred		0.8	1.7	13	44	0.0
	Total Resource		**0.8**	**1.7**	**13**	**44**	**0.0**
	Total Measured		-	-	-	-	-
	Total Indicated		16.1	1.0	158	77	1.2
	Total Inferred		5.8	0.9	54	69	0.4
	Total		**21.9**	**1.0**	**212**	**75**	**1.6**

Table 4: Yinnetharra Lithium Project JORC MRE

REVIEW OF OPERATIONS (CONT'D)

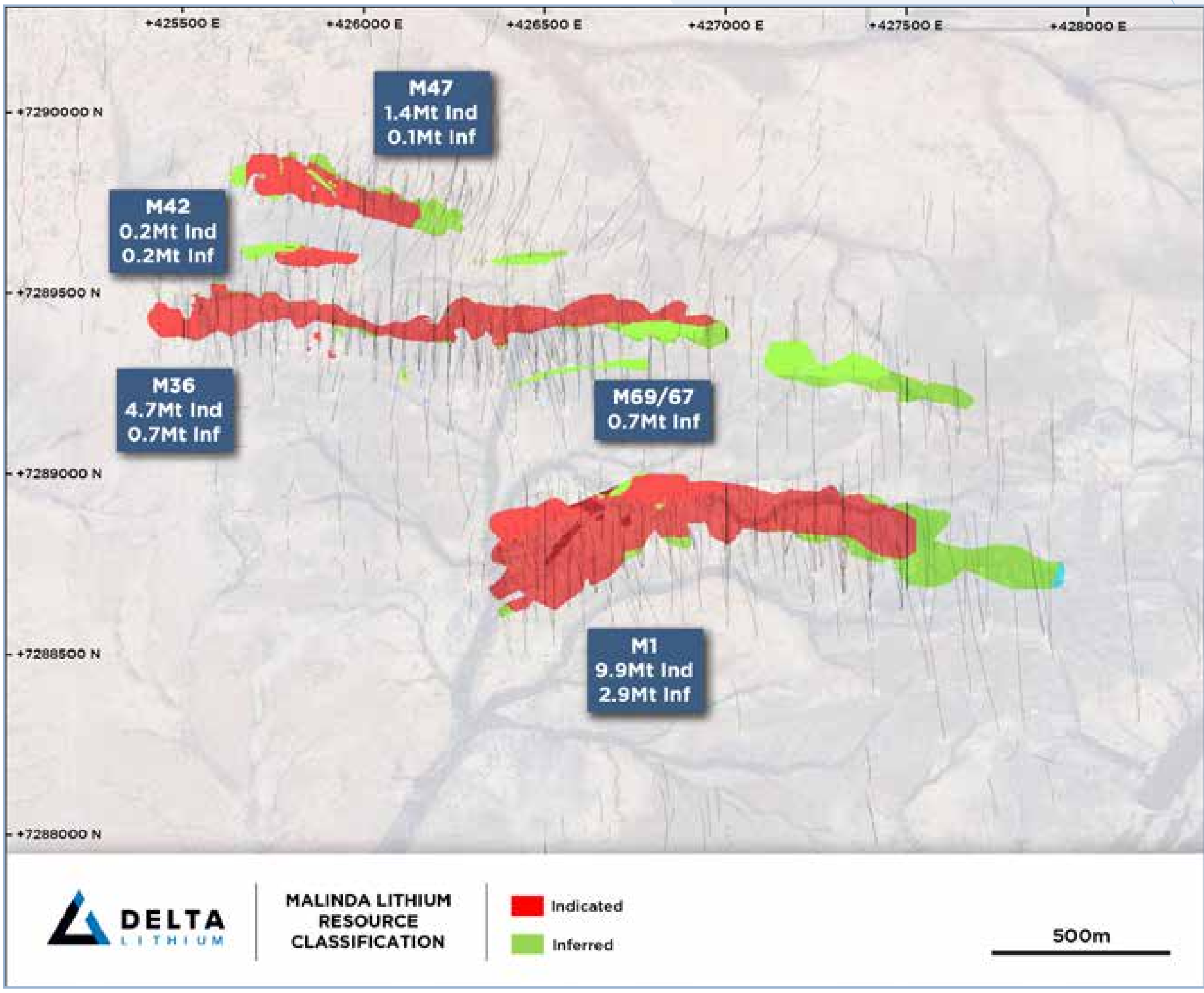


Figure 10: View to Malinda MRE Classification

Exploration activities focused on a single RC drill program from, late 2025 to early 2026 extending known lithium mineralisation at Jameson and Malinda while testing numerous regional targets generated through mapping, geochemistry and geophysical surveys.

The geology at Yinnetharra is highly prospective and conducive to early-stage exploration with significant exposures of near-fresh rock across large portions of the Project area. This exploration focus is now expanding to the prospects that are greater distances away from the Malinda area.

Notable drilling results included:

- 13m @ 1.96% Li_2O from 101m in JREX065 at Jameson.

The geological team continues to identify more than 25 regional prospects across the broader tenure package, supporting the potential for future resource growth beyond the current deposits.

REVIEW OF OPERATIONS (CONT'D)

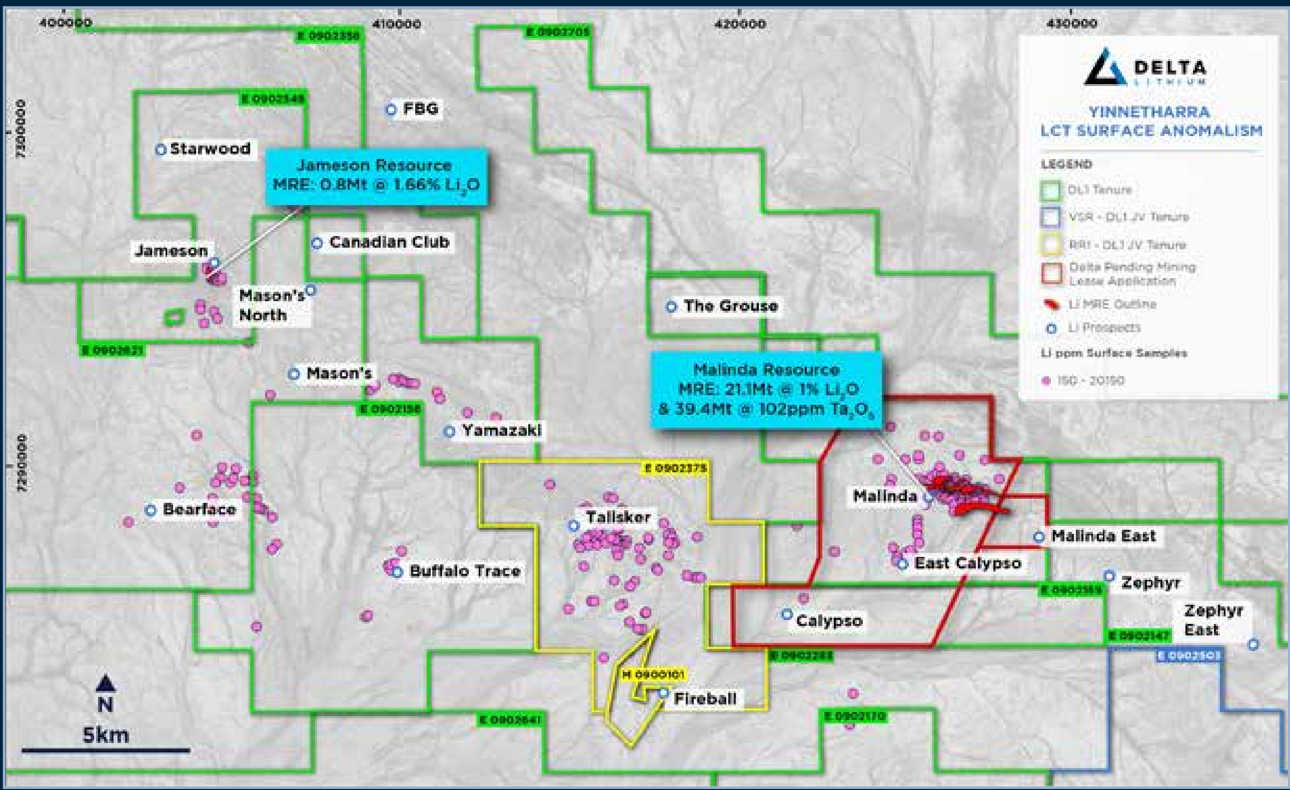


Figure 11: Plan View to Yinnetharra MRE's, new Mining Lease Application over East Malinda and Li surface anomalism across Project

Fluorite Discovery

A significant exploration development during FY2026 was the recognition of widespread fluorite mineralisation at Yinnetharra. Initial rock-chip sampling returned exceptionally high grades including:

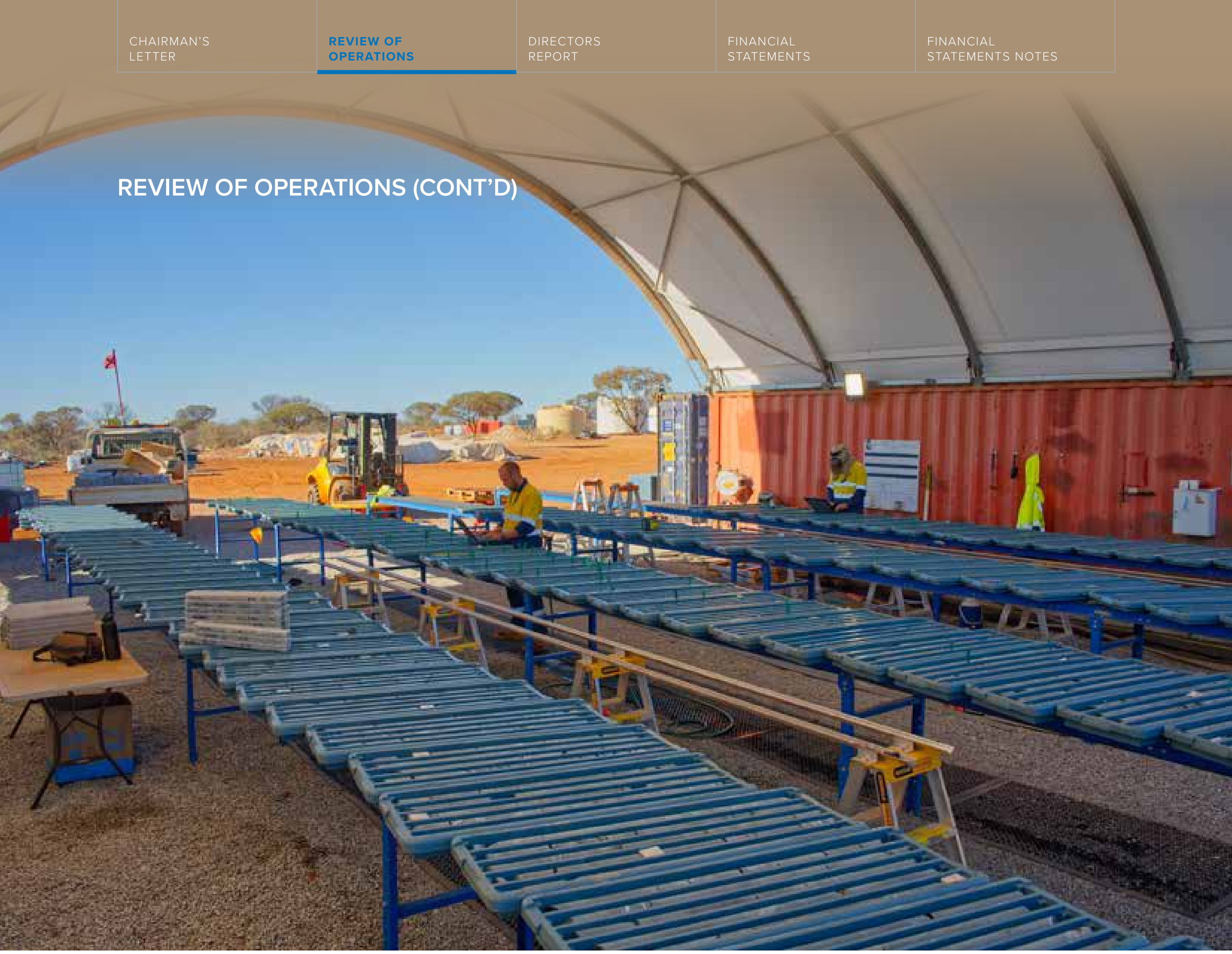
- 86.09% CaF_2
- 85.89% CaF_2
- 75.61% CaF_2
- 62.67% CaF_2

It was considered opportunistic during the drill program to test these fluorite surface expressions where existing POW approvals allowed and on the current Mining Lease Appalication at Malinda, which intersected broad zones of fluorite mineralisation including:

- 8m @ 18% CaF_2
- 52m @ 2.28% CaF_2
- 2m @ 23% CaF_2
- 7m @ 16.4% CaF_2

Surface fluorite results were recorded across multiple areas separated by more than 16 kilometres, indicating the potential for a large fluorite system within the broader Yinnetharra tenure. Exploration targeting and evaluation work is continuing.

REVIEW OF OPERATIONS (CONT'D)



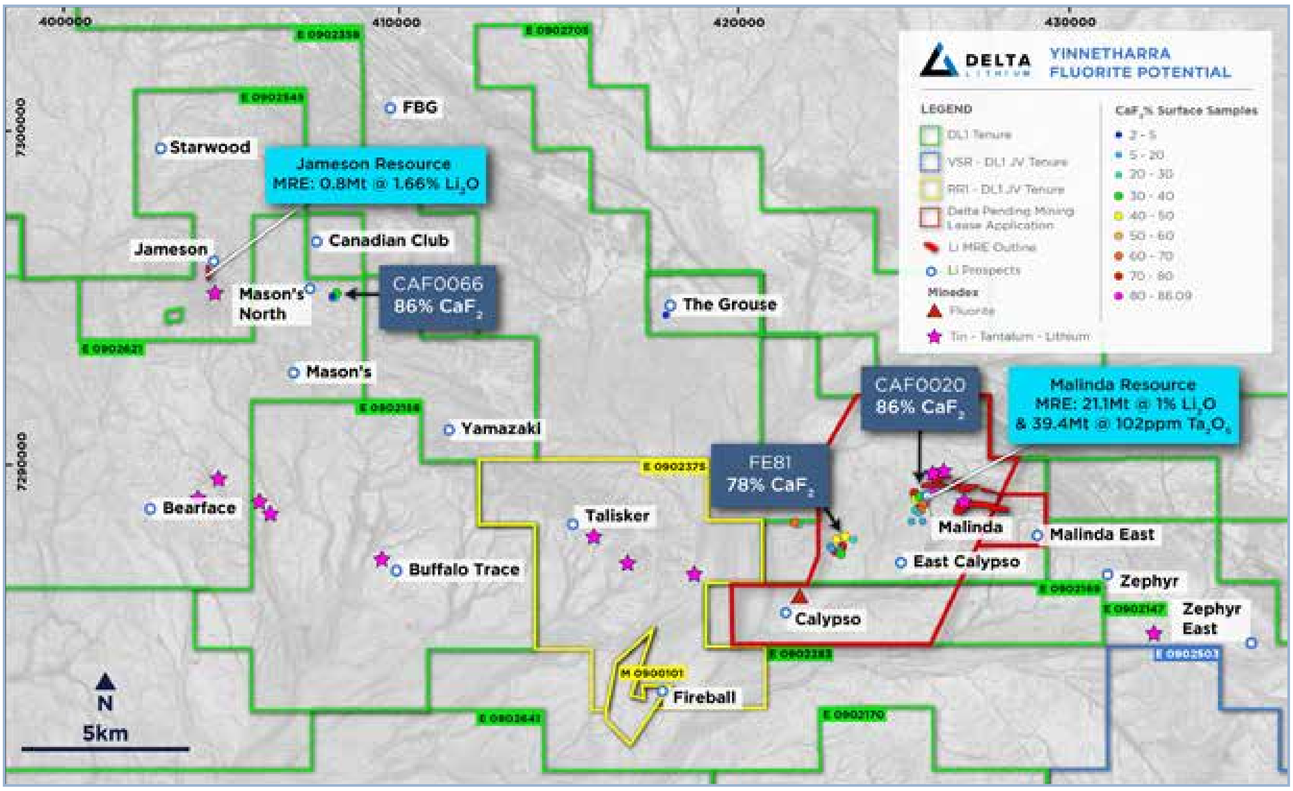


Figure 12: Plan View to lithium MRE's and CaF2 surface anomalism across the project

REVIEW OF OPERATIONS (CONT'D)

Strategic Land Consolidation

During FY2026 Delta strengthened its position in the Gascoyne through the acquisition of tenure previously held under joint venture arrangements with Reach Resources. The transaction delivered full ownership of the Morrissey Hill and Camel Hill prospect areas and expanded Delta's control over highly prospective Leake Springs stratigraphy.

The Company also mutually agreed with Voltaic Strategic Resources to terminate the Ti-Tree Earn-In Joint Venture, allowing management to focus attention and capital allocation on its core tenement portfolio.

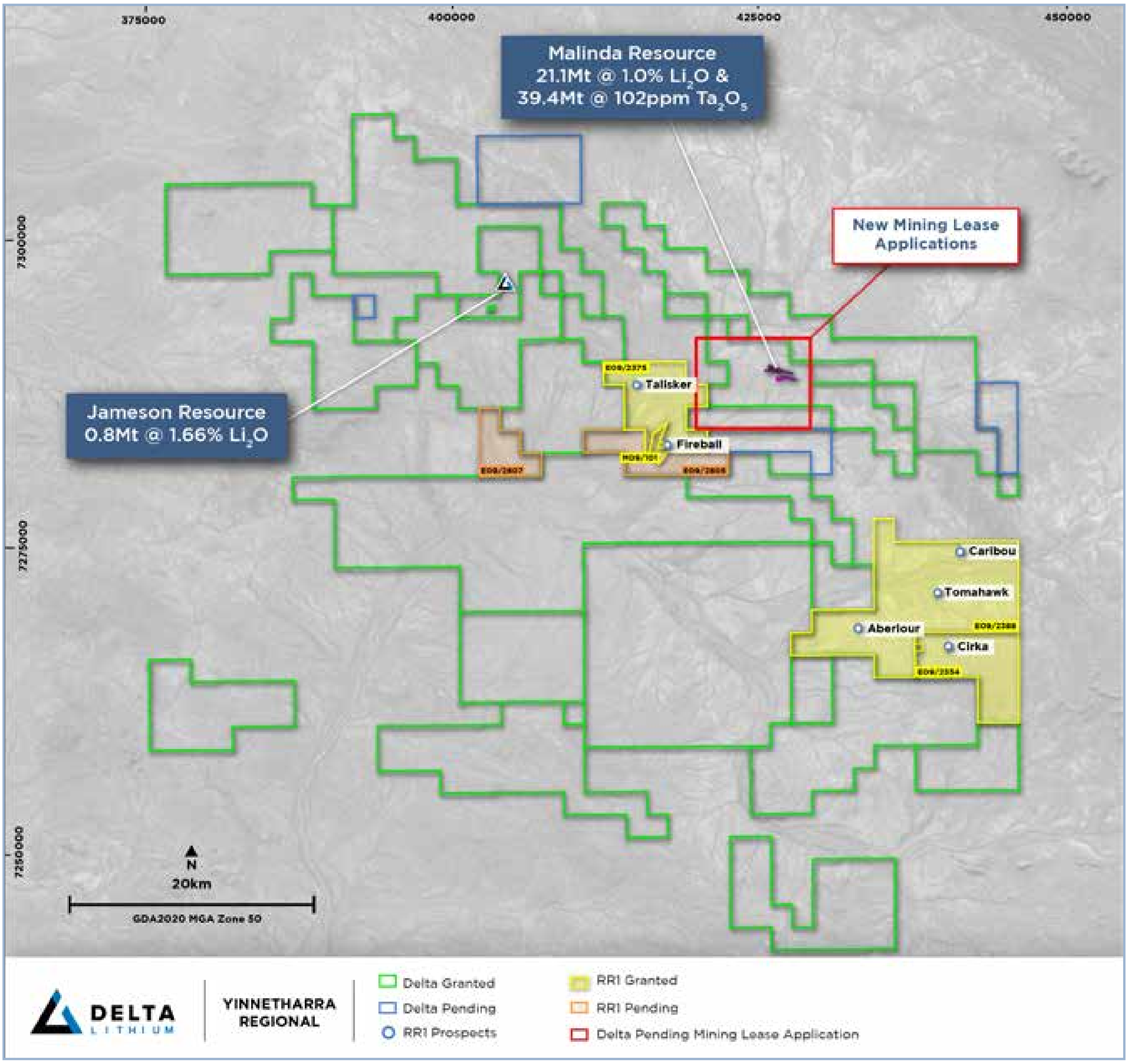


Figure 13: Yinnetharra map highlighting acquired JV tenure

REVIEW OF OPERATIONS (CONT'D)

Corporate Activities

On 14 July 2025, Mr Manners resigned from the role of Non-Executive Director to take up the role of Executive Director with Ballard Mining Ltd. Mr Josh Thurlow resigned as a Director on 28 April 2026 with the Board determining that a replacement appointment was not required at that time.

Mr Shane Murray resigned as Geology Manager in June 2026. Mr Olaf Frederickson commenced in the role of Geology Manager.

Delta maintained a strong financial position throughout FY2026. Reported cash balances were $49.6 million at June 2026.

In addition, the Company continued to hold substantial listed investments in excess of $100M, primarily a 34.4% strategic shareholding in Ballard Mining post the demerger and ASX listing of Deltas' gold assets on 14 July 2025. The IPO was hugely successful with an oversubscribed capital raising of $30 million and significant subsequent share price growth in excess of 150%. This new capital allows Ballard to self-fund a significant exploration, extensional and infill drilling program at Mt Ida, including the drilling of regional growth targets and infill drilling at Baldock to support DFS workstreams and associated study work, with a view to reaching a final investment decision on building a gold mine at Mt Ida.

Delta remains the tenement holder at Mt Ida and retains ownership of all minerals except for gold and precious metals.

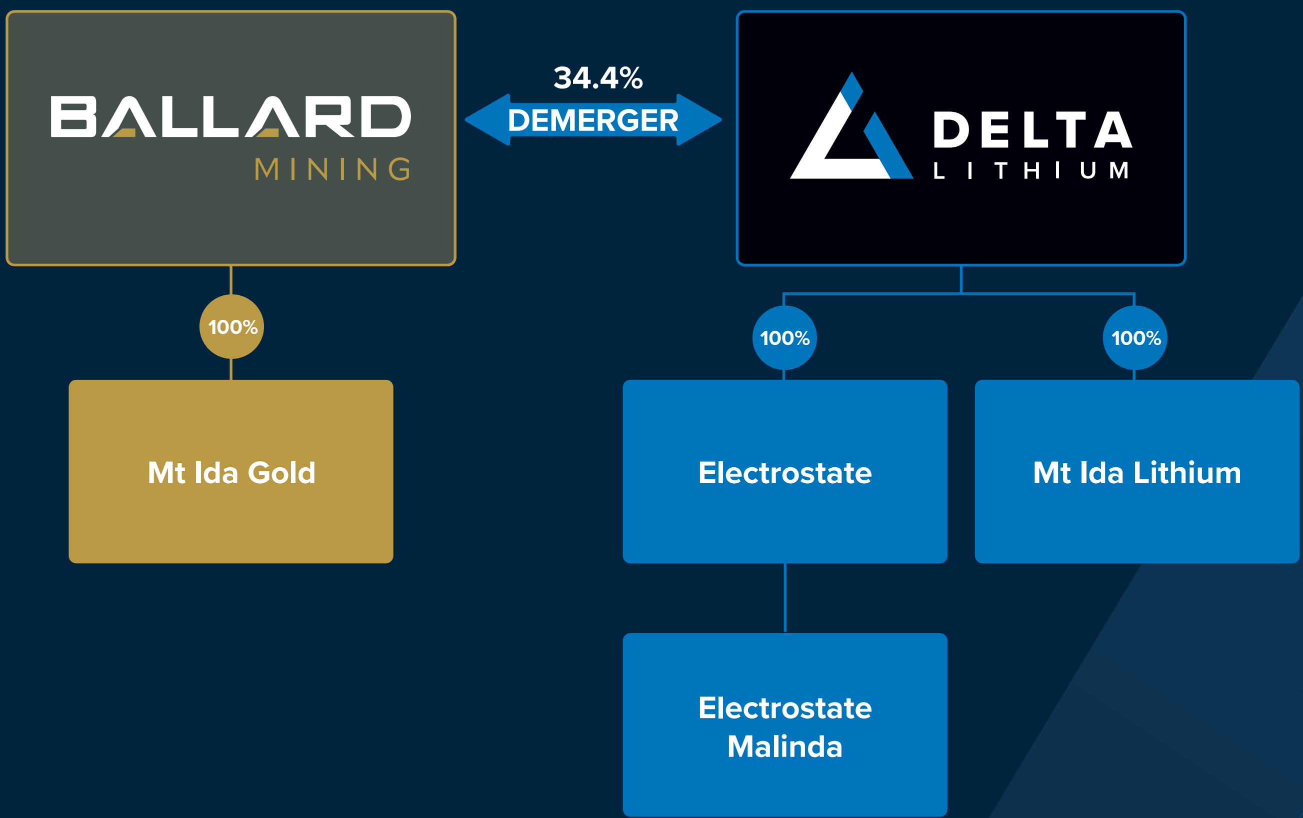


Figure 14: Corporate structure illustrating the Ballard demerger

REVIEW OF OPERATIONS (CONT'D)

2025 Annual General Meeting

The 2025 AGM was held on 27 November 2025. All resolutions in the Notice of AGM were passed on a poll.

Business Risks associated with the Company

The Companys' risk management framework is embedded within existing processes and is aligned to the Group's strategic business objectives. Set out below is an overview of the more significant business risks facing Delta and the approach taken to managing those risks. The factors identified below are not necessarily listed in order of importance and are not intended as an exhaustive list of all the risks and uncertainties associated with Delta.

Future requirements for funding

The Company's funding requirements depend on numerous factors including the Company's future exploration, project evaluation, project development and work programs. Additional funding may be raised (for example) through debt or equity funding. If required funding is not available, including because appropriate commercial terms cannot be negotiated, this may limit the capacity of the Company to execute on its business strategy and exploration programs.

Additional equity funding, if available, may be dilutive to Shareholders and at lower prices than the current market price. Debt funding, if available, may involve restrictions on financing and operating activities and be subject to risks relating to movements in interest rates.

Increase in interest rates will make it more expensive for the Company to fund its operations and may constrain the ability to execute on business strategies and exploration programs.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

REVIEW OF OPERATIONS (CONT'D)

Negative cashflows from operations

The Company has no recent history of earnings and does not have any producing mining operations. The Company has experienced losses from exploration activities and expects to continue to incur losses. No assurance can be given that the Company will be able to economically exploit any mineral deposit or enter into production.

The Company expects to continue to incur losses from exploration, studies and development activities in the foreseeable future.

Tenure, access and grant of applications

The Company's activities are dependent upon the maintenance (including renewal) of the tenements in which the Company has or acquires an interest. Maintenance of the Company's tenements is dependent on, among other things, the Company's ability to meet the license conditions imposed by relevant authorities including compliance with the Company's work program requirements, which in turn, is dependent on the Company being sufficiently funded to meet those expenditure requirements. There are risks that tenements will not be renewed, or may be forfeited during their term if there is non-compliance with legal or regulatory requirements.

Drilling risks

The Company's future drilling operations may be curtailed, delayed or cancelled due to a number of factors including lack of funding, weather conditions, mechanical difficulties, shortage or delays in the delivery of rigs and/or other equipment and compliance with Heritage and governmental requirements. While drilling may yield some resources there can be no guarantee that the discovery will be sufficiently productive to justify commercial development or cover operating costs.

Resource and Reserve estimates

Ore Reserve and Mineral Resource estimates are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. As such, Ore Reserve and Mineral Resource are inherently imprecise and rely to some extent on interpretations made. Despite employing qualified professionals to prepare Ore Reserve and Mineral Resource estimates, such estimates may nevertheless prove to be inaccurate.

Estimates which are valid when made may change substantially when new information becomes available. Mineral Resource and Ore Reserve estimation is an interpretive process based on available data and interpretations and thus, as noted above, estimations may be inaccurate.

The actual quality and characteristics of mineral deposits cannot be known until mining takes place and will almost always differ from the assumptions used to develop resources. Further, Ore Reserves are valued based on future costs and future prices and, consequently, any actual Ore Reserves and Mineral Resources may differ from those estimated, which may result in either a positive or negative effect on operations.

Should the Company encounter mineralisation or formations different from those predicted by past drilling, sampling and similar examinations (or should any other material assumptions prove to be inaccurate), any Ore Reserve and Mineral Resource estimates may have to be adjusted and mining plans may have to be altered in a way which could adversely affect the Company's operations.

REVIEW OF OPERATIONS (CONT'D)

Native Title

The *Native Title Act 1993* (Cth) recognises and protects the native title rights and interests of Aboriginal and Torres Strait Islander peoples in relation to land and waters, where those rights and interests arise from traditional laws and customs. Native title rights and interests, together with associated statutory processes, may affect access to land and the timing and manner in which exploration and mining activities are undertaken.

The Company must also comply with applicable Aboriginal cultural heritage legislation and regulatory requirements. This may require due diligence assessments and, where appropriate, Aboriginal cultural heritage surveys to be undertaken prior to ground-disturbing exploration, development or mining activities.

Native title and Aboriginal cultural heritage considerations may give rise to risks including:

- **land access and approvals:** the Company may be required to obtain agreements, consents, clearances or other approvals before accessing or undertaking activities on certain areas. Such approvals may not be obtained within the anticipated timeframe or on terms acceptable to the Company;
- **access restrictions and project delays**: conditions or restrictions associated with native title, Aboriginal cultural heritage or land access requirements may constrain exploration, development or mining activities and could result in additional costs, changes to project design or scheduling, or delays;
- **cultural heritage management**: identification of Aboriginal cultural heritage places, objects or values may require further assessment, consultation, avoidance, management measures or approvals before activities can proceed; and
- **regulatory compliance:** failure to comply with applicable native title, Aboriginal cultural heritage or related approval requirements may result in regulatory action, penalties, suspension of activities or other adverse consequences for the Company.

Project delivery risk

The execution and delivery of projects involves judgment regarding the planning, development and operation of complex operating facilities and equipment that may occur over extended time periods. As a result, the Group's operations, cash flows and liquidity could be affected if the Company miscalculates the resources or time needed to complete a project, if it fails to meet contractual obligations, or if it encounters delays or unspecified conditions. The Company maintains a strict project monitoring regime, proactive management and decision making to mitigate project delivery risks.

REVIEW OF OPERATIONS (CONT'D)

New Projects and acquisitions

The Company may make acquisitions in the future as part of future growth plans. In this regard, the Directors will use their expertise and experience in the resources sector to assess the value of potential projects that have characteristics that the Directors consider are likely to provide returns to Shareholders.

There can be no guarantee that any new project acquisition or investment will eventuate from these pursuits, or that any acquisitions will result in a return for Shareholders. Such acquisitions may result in use of the Company's cash resources and/or the issuance of equity securities, which will dilute shareholdings.

Cyber security

The potential for malicious cyber security attacks resulting in the misuse and release of sensitive information poses an ongoing and real risk to the operations of the company. Delta continues to progress its Information and Communications Technology Strategy ("ICT"), of which one initiative includes the continual review of our cyber security and ICT maturity. Gaps and vulnerabilities are addressed on an ongoing basis.

Environmental

The Company's projects are subject to environmental laws and regulations regarding environmental impacts, including the management and storage or hazardous materials and waste. As with all mineral projects, the Company's projects are may have a variety of environmental impacts should development proceed. Development of any of the Company's projects will be dependent on the Company satisfying necessary environmental approvals.

The Company intends to conduct its activities in an environmentally responsible manner and in compliance with all applicable laws and approval conditions. Notwithstanding these measures, accidents, incidents or other unforeseen events may occur that could adversely a[ect environmental performance, resulting in remediation requirements, regulatory action, project delays, reputational impacts and/or additional costs to the Company.

Commodity prices

As an explorer for lithium any successes of the Company are expected to be closely related to the price of those and other commodities. Fluctuating prices in those commodities make market prices for securities in the Company more volatile than for other investments. Commodities prices are affected by numerous factors beyond the control of the Company. These factors include worldwide and regional supply and demand for commodities, general world economic conditions and the outlook for interest rates, inflation and other economic factors on both a regional and global basis. These factors may have a positive or negative effect on the Company's exploration, project development and production plans and activities, together with the ability to fund those plans and activities.

Other material risks

Other material risks that could affect the Company include:

- Changing government regulation including tax, occupational health and safety, and changes in policy and spending;
- Loss of reputation through poor project outcomes, unsafe work practices, unethical business practices, and not meeting the market's expectation regarding exploration targets and financial performance;
- Increases in oil prices and inflationary pressures;
- Equipment and consumable availability;
- Commitments and policies on climate and carbon emissions by governments;
- Climatic impacts including wet weather, heat, access and water;
- Technological changes and innovation;
- Legislative and regulatory changes; and
- Loss of Key Management Personnel and/or operating personnel.

REVIEW OF OPERATIONS (CONT'D)

Competent Persons Statement

Information in this Announcement that relates to exploration results is based upon work undertaken by Mr Olaf Frederickson, a Competent Person who is a Member of the Australasian Institute of Geoscientists (AIG). Mr Frederickson has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking 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' (JORC Code). Mr Frederickson is an employee of Delta Lithium Limited and consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears. Refer to www.deltalithium.com.au for past ASX announcements.

The information in this report which relates to Mineral Resources for the Sister Sam, Timoni and Sparrow deposits at the Mt Ida Lithium Project was prepared by Ms Justine Tracey and reviewed by Mrs Christine Standing, both employees of Snowden Optiro. Ms Tracey is a Member of the Australasian Institute of Mining and Metallurgy. Mrs Standing is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity 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'. Ms Tracey and Mrs Standing consent to the inclusion of the information in the release in the form and context in which they appear.

The information in this report which relates to Mineral Resources for the gold deposits at the Mt Ida Project was prepared by Michael Andrew an employee of Snowden Optiro. Mr Andrew is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience relevant to the style of mineralisation, the type of deposit under consideration and to the activity undertaken to qualify as Competent Persons as defined in the 2012 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Andrew consents to the inclusion of the information in the release in the form and context in which it appears.

REVIEW OF OPERATIONS (CONT'D)

Table 5: Tenements held as at the end of the reporting period by Delta Lithium Limited and its subsidiaries

Project	Location	Tenement	Status	Beneficial Interest
Mt Ida^	Western Australia	E29/0640	Granted	100%
Mt Ida^	Western Australia	E29/0771	Granted	100%
Mt Ida^	Western Australia	E29/0944	Granted	100%
Mt Ida^	Western Australia	E29/0964	Granted	100%
Mt Ida^	Western Australia	E29/1238	Granted	100%
Mt Ida^	Western Australia	E29/1239	Granted	100%
Mt Ida^	Western Australia	E29/1240	Granted	100%
Mt Ida^	Western Australia	E29/1262	Application	100%
Mt Ida^	Western Australia	E29/1288	Granted	100%
Mt Ida^	Western Australia	E29/1292	Granted	100%
Mt Ida^	Western Australia	E29/1293	Granted	100%
Mt Ida^	Western Australia	E29/1309	Application	100%
Mt Ida^	Western Australia	M29/0002	Granted	100%
Mt Ida^	Western Australia	M29/0094	Granted	100%
Mt Ida^	Western Australia	M29/0165	Granted	100%
Mt Ida^	Western Australia	M29/0422	Granted	100%
Mt Ida^	Western Australia	M29/0429	Granted	100%
Mt Ida^	Western Australia	M29/0444	Granted	100%
Mt Ida^	Western Australia	M29/0458	Application	100%
Mt Ida^	Western Australia	M29/0459	Granted	100%
Mt Ida^	Western Australia	P29/2666	Granted	100%
Mt Ida^	Western Australia	P29/2667	Granted	100%
Mt Ida^	Western Australia	P29/2668	Granted	100%
Mt Ida^	Western Australia	P29/2669	Granted	100%
Mt Ida^	Western Australia	P29/2719	Application	100%
Mt Ida^	Western Australia	P29/2720	Application	100%
Mt Ida^	Western Australia	P29/2721	Application	100%
Mt Ida^	Western Australia	L29/166	Granted	100%
Mt Ida^	Western Australia	L29/171	Granted	100%
Mt Ida^	Western Australia	L29/186	Granted	100%
Mt Ida^	Western Australia	L29/229	Granted	50%
Mt Ida^**	Western Australia	L29/177	Granted	100%
Yinnetharra	Western Australia	E09/2147	Granted	100%
Yinnetharra	Western Australia	E09/2169	Granted	100%
Yinnetharra	Western Australia	E09/2170	Granted	100%
Yinnetharra	Western Australia	E09/2283	Granted	100%
Yinnetharra	Western Australia	E09/2545	Granted	100%
Yinnetharra	Western Australia	E09/2621	Granted	100%
Yinnetharra	Western Australia	E09/2705	Granted	100%

REVIEW OF OPERATIONS (CONT'D)

Project	Location	Tenement	Status	Beneficial Interest
Yinnetharra	Western Australia	E09/2716	Application	100%
Yinnetharra	Western Australia	E09/2772	Application	100%
Yinnetharra	Western Australia	E09/2806*	Application	0%
Yinnetharra	Western Australia	E09/2808*	Application	100%
Yinnetharra	Western Australia	E09/2814	Application	100%
Yinnetharra	Western Australia	E09/2997	Application	100%
Yinnetharra	Western Australia	E09/3024	Granted	100%
Yinnetharra	Western Australia	M09/185	Application	100%
Yinnetharra	Western Australia	M09/186	Application	100%
Camel Hill[1]	Western Australia	E09/2354[1]	Granted	100%
Camel Hill[1]	Western Australia	E09/2388[1]	Granted	100%
Morrissey Hill[1]	Western Australia	E09/2375[1]	Granted	100%
Morrissey Hill[1]	Western Australia	M09/101[1]	Granted	100%
Morrissey Hill[1]	Western Australia	E09/2805[1]*	Application	100%
Morrissey Hill[1]	Western Australia	E09/2807[1]*	Application	100%
Aston Project	Western Australia	E09/2114	Granted	100%
Aston Project	Western Australia	E09/2156	Granted	100%
Aston Project	Western Australia	E09/2302	Granted	100%
Aston Project	Western Australia	E09/2358	Granted	100%
Aston Project	Western Australia	E09/2463	Granted	100%
Aston Project	Western Australia	E09/2464	Granted	100%
Aston Project	Western Australia	E09/2472	Granted	100%
Aston Project	Western Australia	E09/2607	Granted	100%
Aston Project	Western Australia	E09/2628	Granted	100%
Aston Project	Western Australia	E09/2629	Granted	100%
Aston Project	Western Australia	E09/2630	Granted	100%
Aston Project	Western Australia	E09/2641	Granted	100%
Aston Project	Western Australia	E09/2829	Granted	100%
Aston Project	Western Australia	E09/2967	Granted	100%
Aston Project	Western Australia	E09/2968	Granted	100%
Aston Project	Western Australia	E09/2789	Application	100%
Aston Project	Western Australia	E09/2796	Application	100%

^ Ballard Mining Limited executed a Mineral Rights Deed with Delta Lithium Limited. Ballard Mining Ltd (via Mt Ida Au Pty Ltd) has exclusive rights to gold; Delta retains rights to all other minerals. Subsequent to the end of the quarter Ballard Mining ceases to be a subsidiary of Delta Lithium.

* Application remains in ballot

** Miscellaneous Licences are for the purpose for groundwater search only

1 Earn-In & JV Agreement with Reach Resources Limited for Camel Hill & Morrissey Hill Projects

FINANCIAL CONTENTS

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on the Consolidated Entity (referred to hereafter as the "Consolidated Entity" or the "Group") consisting of Delta Lithium Limited ("Delta Lithium" or the "Company") and the entities it controlled at the end of, or during the year ended 30 June 2026.

Directors

The following persons were Directors of Delta Lithium Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Name	Title	Appointment Date	Resignation Date
Nader El Sayed[1]	Non-Executive Chairman	1 Mar 21	-
James Croser[2]	Managing Director	4 Dec 20	-
Tim Manners	Non-Executive Director	1 Mar 22	14 Jul 25
Steve Kovac	Non-Executive Director	1 Aug 23	-
Joshua Thurlow	Non-Executive Director	12 Sep 23	28 Apr 26

1 Appointed 1 Mar 2021 as Non-Executive Director, transitioned to Chairman on 25 November 2024
2 Appointed 4 December 2020 as Non-Executive Director, transitioned to Managing Director on 13 September 2023

Principal Activities

During the financial year the principal continuing activities of the Consolidated Entity consisted of the exploration and evaluation of the Consolidated Entity's tenements predominantly situated in Western Australia, Australia.

Financial Review

Delta Lithium has recorded an operating profit after income tax from continuing operations for the year ended 30 June 2026 of $13,157,772 (2025: loss $3,677,677) and net operating cash outflows of $1,663,399 (2025: $785,521).

The Consolidated Entity invested $10,695,466 in exploration throughout the year including acquisition costs (2025: $30,534,480) there was no capital raised during the year via share placements (2025: nil) and no options were exercised during the year (2025: $783,662).

Dividends

No dividend has been declared or paid by the Company since the start of the financial period and the Directors do not at present recommend a dividend.

Annual General Meeting

The Company's Annual General Meeting ("AGM") was held on 27 November 2025 with all resolutions passed and decided by way of poll.

Matters subsequent to reporting date

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

DIRECTORS' REPORT (CONT'D)

Likely Developments

Other than as referred to in this report, further information as to likely developments in the operations of the Company and likely results of those operations would, in the opinion of Directors, be speculative.

Significant changes in the state of affairs

Other than as disclosed elsewhere in this Directors' Report, there have been no significant changes in the state of affairs of the Consolidated Entity during the year ended 30 June 2026.

Environmental Regulations

The Consolidated Entity is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The Directors are not aware of any environmental law that is not being complied with.

NGER Act

The Directors considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act will have no effect on the Company for the current nor subsequent financial year. The Directors will reassess this position as and when the need arises.

Convertible Securities

Options

At the date of this report, unissued shares of the Group under option are:

Number of Securities	Grant Date	Fair Value at Grant Date	Exercise Price	Number vested	Expiry Date
2,000,000	27 Nov 24	$0.0612	$0.40	2,000,000	26 Nov 27
2,000,000				**2,000,000**	

Performance Rights

At the date of this report, unissued shares of the Group pursuant to performance rights issued to incentivise its Directors, employees and other vendors are:

Number of Securities	Grant Date	Fair Value at Grant Date	Number vested	Expiry Date
500,000	27-Apr-23	$0.354	-	8-May-28
3,290,000	15-Jul-24	$0.235	-	16-Jul-29
2,600,000	27-Nov-24	$0.185	-	26-Nov-29
40,000	17-Sep-25	$0.175	40,000	17-Sep-30
1,766,667	27-Nov-25	$0.22	-	27-Nov-30
8,130,000	8-May-26	Various	-	8-May-31
3,000,000	22-May-26	Various	-	22-May-31
8,500,000	12-Aug-26	Various	-	12-Aug-31
27,826,667			40,000	

DIRECTORS' REPORT (CONT'D)

Convertible Securities (cont'd)

Performance Shares

At the date of this report there are no unissued shares of the Company under Performance Shares.

Indemnification and insurance of officers

The Company has agreements with each of the Directors and Officers of the Company in office at the date of this report and former Directors indemnifying them to the extent permitted by law against all liabilities incurred in their capacity as officers of the Company and its controlled entities and all reasonable legal costs incurred by any of them in the defence of an action for a liability incurred by that officer. The indemnity continues to have effect when the Directors and Officers cease to hold office.

The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the Directors' and Officers' liability as such disclosures are prohibited under the terms of the contract.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Director Information

Name:	**Nader El Sayed**
Title:	Chairman
Qualifications:	Bachelor of Commerce (Banking & Finance), Masters (Accounting) and has completed the Australian Institute of Chartered Accountants program.
Experience and expertise:	Mr El Sayed is currently the Managing Director of Multiplant Holdings, a mining and civil services business in Western Australia. His previous roles include a senior management position with KPMG providing assurance, capital markets and other advisory services to key Australian and international resource companies. Mr El Sayed brings a wealth of risk management, corporate governance, strategic and financial experience to the Board.
Other current ASX Directorships:	Gwardar Resources Limited (ASX;GRS)
Former ASX Directorships (last 3 years):	None
Interests in shares and convertible securities held at the date of this report	Nameo Pty Ltd 2,751,284 Ordinary Shares 250,000 Performance rights expiring 8 May 2028 2,000,000 performance rights expiring 12 August 2031 1,000,000 Unlisted options exercisable at $0.40 expiring 26 November 2027

DIRECTORS' REPORT (CONT'D)

Director Information (cont'd)

Name:	**James Croser**
Title:	Managing Director (Appointed 13 September 2023, having previously held the position of Non-Executive Director from 4 December 2020)
Qualifications:	Bachelor of Engineering (Mining) degree from the Western Australian School of Mines and obtained a Western Australian First Class Mine Managers' Certificate
Experience and expertise:	Mr Croser is a qualified mining engineer, with over 25 years of operations, technical and management experience in the Australian mining sector. Mr Croser has served previously on the Board for ASX-listed mining companies Spectrum Metals Ltd, Kalgoorlie Mining Company Ltd and Resources & Energy Group Ltd, while also founding and developing several private mining companies across Western Australia in recent years. Mr Croser has held statutory mine management positions for Perilya Ltd and La Mancha Resources Ltd, including as inaugural underground manager for the definitive feasibility study & construction of the one-million-ounce Frog's Leg Gold Mine.
Other current ASX Directorships:	Hammer Metals Ltd (HMX) Ballard Mining Ltd (BM1)
Former ASX Directorships (last 3 years):	Greenstone Resources Limited (GSR)
Interests in shares and convertible securities held at the date of this report	Mrs Amanda Jane Croser <Croser Family A/C> 6,632,551 Ordinary Shares 250,000 Performance rights expiring 8 May 2028 1,300,000 Performance Rights expiring 27 November 2030 2,600,000 Performance Rights expiring 26 November 2029 4,500,000 Performance Rights expiring 12 August 2031

Name:	**Steven Kovac**
Title:	Non-Executive Director
Qualifications:	Bachelor of Engineering, (Mining), MBA
Experience and expertise:	Mr Kovac is the current Chief Executive Officer of Idemitsu Australia. Mr Kovac holds a Bachelor of Engineering (Mining), an MBA and is a Graduate of the Australian Institute of Company Directors. Over his 25-year career in the mining sector he has had extensive technical and operational experience at a site level, holding senior management and executive level roles for the past 16 years. Mr Kovac is also a Non-Executive Director of Critical Minerals Group Ltd (ASX:CMG), a Non-Executive Director of Vecco Group Pty Ltd, an alternate Director of Low Emission Technology Australia and an Executive Committee member of New South Wales Minerals Council. He is a Fellow of the Australian Institute of Mining and Metallurgy and the Mine Managers Association of Australia.
Other current ASX Directorships:	Critical Minerals Group Ltd (CMG)
Former ASX Directorships (last 3 years):	None
Interests in shares and convertible securities held at the date of this report	S & J Kovac Family Trust 32,549 Ordinary Shares 2,000,000 Performance Rights expiring 12 August 2031 1,000,000 Unlisted options exercisable at $0.40 expiring 26 November 2027

DIRECTORS' REPORT (CONT'D)

Director Information (cont'd)

Name:	**Joshua Thurlow**
Title:	Non-Executive Director (resigned 28 April 2026)
Qualifications:	Bachelor of Engineering, (Mining) (Hons), MBA
Experience and expertise:	Mr Thurlow commenced in the role of Chief Executive - Lithium with Mineral Resources in September 2022, and is responsible for the continued growth of their world class lithium assets and partnerships. With over 20 years' experience in the mining and resources sectors across Asia Pacific, Africa and North America, Joshua's expertise spans corporate strategy, social responsibility, business development and growth, and operations leadership. He was previously our Executive General Manager Project Development - overseeing all aspects of planning, development, and social responsibility for our mining projects - and prior to joining MinRes held key leadership roles with Newcrest Mining, Aeris Resources Limited, and BHP. Joshua is a qualified mining engineer and holds a Master of Business Administration from Melbourne Business School.
Other current ASX Directorships:	None
Former ASX Directorships (last 3 years):	None
Interests in shares and convertible securities held at the date of resignation	Nil

Name:	**Tim Manners**
Title:	Non-Executive Director (resigned 14 July 2025)
Qualifications:	Bachelor of Business (Accounting), FCA, AGIA, MAICD
Experience and expertise:	Mr Manners is a finance professional with over 25 years' experience in corporate finance, accounting, financial management and business development functions within the resources industry. Mr Manners has been involved in exploration, developing, and producing companies both in Australia and overseas. Mr Manners has held senior financial positions in various sectors including precious and base metals, industrial minerals, (including lithium and tantalum experience at the Greenbushes and Wodgina operations) and in bulk commodities. Mr Manners is currently the Executive Director of Ballard Mining Ltd.
Other current ASX Directorships:	Ballard Mining Limited (BM1) Apollo Consolidated Limited.
Former ASX Directorships (last 3 years):	
Interests in shares and convertible securities held as at the date of resignation	**Mr Timothy Peter Manners** 473,493 Ordinary Shares 500,000 Performance rights expiring 8 May 2028 1,000,000 Unlisted options exercisable at $0.77 expiring 26 July 2025

DIRECTORS' REPORT (CONT'D)

Company Secretary

Mr Peter Gilford was appointed Chief Financial Officer and Company Secretary 12th June 2023. Peter is a finance professional with over 20 years-experience in the areas of financial management, mergers and acquisition, debt and equity funding, accounting, treasury, insurance, taxation, ASX compliance and Investor relations. He is a Chartered Accountant and a member of the Governance Institute of Australia.

Directors' Meetings

The number of board meetings held during the year and for the period to the date of this Annual Report that each Director was entitled to attend, and the number of meetings attended by each Director was as follows:

			Meeting of Committees			
	Full meetings of Directors		Audit Risk Committee		Nomination & Remuneration Committee	
Director	A	B	A	B	A	B
James Croser	8	8	1	1	1	1
Nader El Sayed	8	8	2	2	1	1
Tim Manners[1]	-	-	-	-	-	-
Josh Thurlow[2]	8	8	1	1	1	1
Steven Kovac	8	8	2	2	1	1

A = Number of meeting attended; B = Number of meetings held during the time the Director held office or was a member of the Committee during the year.

1 Resigned 14 July 2025

2 Resigned 28 April 2026

Remuneration Report (Audited)

The Remuneration Report details the Key Management Personnel remuneration arrangements for the Consolidated Entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key Management Personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The Remuneration Report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service Agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to Key Management Personnel

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Principles used to determine the nature and amount of remuneration

The objective of the Consolidated Entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- Competitiveness and reasonableness
- Acceptability to shareholders
- Performance linkage / alignment of executive compensation
- Transparency

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its Directors and executives. The performance of the Consolidated Entity depends on the quality of its Directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high-quality personnel.

In consultation with external remuneration consultants (refer to the section 'Use of remuneration consultants' below), the Nomination and Remuneration Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the Consolidated Entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- Having economic profit as a core component of plan design
- Focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- Attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- Rewarding capability and experience
- Reflecting competitive reward for contribution to growth in shareholder wealth
- Providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of Non-Executive Director and Executive Director remuneration is separate.

Non-Executive Directors' remuneration

Fees and payments to Non-Executive Directors reflect the demands and responsibilities of their role. Non-Executive Directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure Non-Executive Directors' fees and payments are appropriate and in line with the market. No external advice was received during the year.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Maximum aggregate amount

ASX listing rules require the aggregate Non-Executive Directors' remuneration be determined periodically by a General Meeting. The most recent determination was at the Annual General Meeting ("AGM") held on 25 November 2022, where the shareholders approved a maximum annual aggregate remuneration of $500,000.

Executive remuneration

The Consolidated Entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components. The executive remuneration and reward framework has four components:

- Base pay and non-monetary benefits
- Short-term performance incentives
- Share-based payments
- Other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration

Fixed remuneration, consisting of base salary, fees, superannuation and non-monetary benefits, are reviewed annually by the Board based on individual and business performance, the overall performance of the Consolidated Entity and comparable market remunerations. Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the Consolidated Entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved within a 12 month period.

The long-term incentives ('LTI') share-based payments issued under the rights and options plan(s) approved by shareholders on 2 July 2019 and 7 July 2022 which were re-adopted at the AGMs held 25 November 2022, 27 November 2025. Shares are awarded to Directors and other Key Management Personnel over various period lengths determined by long-term incentive measures. These include increase in shareholder value relative to the entire market and the meeting of key project milestones which carry both performance and service conditions. Details of share-based compensation to Directors is detailed below. The Board reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2026.

The Chairman's fees are determined independently to the fees of other Executive Directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to the determination of his own remuneration.

The Nomination and Remuneration Committee met and reviewed remuneration using Remsmart benchmarking data and determined remuneration for Directors and Executives be increased by 3.5% inline with inflation for the upcoming financial year commencing 1 July 2026.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Consolidated Entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the Consolidated Entity. Cash bonus and incentive payments are dependent on progression towards defined milestones within the business with assessment of progression against the milestones for the cash bonus and incentive payments being made at the discretion of the Board. Cash bonuses are awarded as a % of Total and Fixed Remuneration ("TFR") capped at 50% TFR for the Managing Director, 25% TFR for other Key Management Personnel.100% of the award was recognised for the period (2025: 100%). Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants

No external review was conducted for the year ended 30 June 2026. Benchmarking was completed with the use of a Remsmart subscription service.

Voting and comments made at the Company's 2025 AGM

At the 2025 AGM, held 27 November 2025, 97.2% of the votes received supported the adoption of the Remuneration Report for the year ended 30 June 2025. The Company did not receive any specific feedback at the AGM regarding its remuneration policies.

Details of remuneration

Details of the remuneration of Key Management Personnel of the Consolidated Entity are set out in the following tables. The Key Management Personnel of the Consolidated Entity consisted of the following Directors and persons of Delta Lithium Limited are:

Name	Title	Appointment Date	Resignation Date
Nader El Sayed[1]	Non-Executive Chairman	1 Mar 21	-
James Croser[2]	Managing Director	4 Dec 20	-
Tim Manners	Non-Executive Director	1 Mar 22	14 Jul 25
Steve Kovac	Non-Executive Director	1 Aug 23	-
Joshua Thurlow	Non-Executive Director	12 Sep 23	28 Apr 26
Shane Murray[3]	Geology Manager	1 Jul 25	29 May 26
Peter Gilford	Chief Financial Officer and Company Secretary	12 Jun 23	-
Olaf Frederickson	Geology Manager	20-May-26	-

1 Appointed 1 Mar 2021 as Non-Executive Director, transitioned to Chairman on 25 November 2024
2 Appointed 4 December 2020 as Non-Executive Director, transitioned to Managing Director on 13 September 2023
3 Appointed as a KMP effective 1 July 2025, prior to this S.Murray was Geology Manager in capacity as an employee.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Remuneration of Directors and Key Management Personnel

	Short-Term benefits		Post-employment benefits		Share-based payments			
	Salary & Fees[5]	STIP Cash Bonus	Superannuation	Termination benefits	Performance Rights	Options	Total	Performance Based
2026	$	$	$	$	$	$	$	%
Non-Executive Directors								
Nader El Sayed	116,592	-	13,408	-	45,864	24,983	200,847	35%
Tim Manners[1]	2,587	-	310	-	(63,597)	(36,217)	(96,917)	(103%)
Steven Kovac	66,573	-	7,989	-	20,937	24,983	120,482	38%
Joshua Thurlow[2]	-	-	-	-	-	-	-	-
Executive Directors								
James Croser	519,745	262,500	30,000	-	100,764	-	913,009	40%
Other Key Management Personnel								
Peter Gilford	342,613	93,750	30,000	-	48,222	-	514,585	28%
Shane Murray[3]	251,265	74,884	27,500	-	(20,937)	-	332,712	16%
Olaf Frederickson[4]	33,177	-	3,697	-	11,056	-	47,930	23%
Total	**1,332,552**	**431,134**	**112,904**	**-**	**142,309**	**13,749**	**2,032,648**	

1 *Resigned 14 July 2025*
2 *Resigned 28 April 2026*
3 *Resigned 29 May 2026*
4 *Appointed 20 May 2026*
5 *Annual leave expected to be settled within 12 months of the Remuneration report are included in the Salary & Fees short term benefits category. The movement in balances between the prior period and 30 June 2026 are disclosed.*

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Remuneration of Directors and Key Management Personnel

	Short-Term benefits		Post-employment benefits		Share-based payments			
2025	Salary & Fees[4] $	STIP Cash Bonus $	Superan-nuation $	Termination benefits $	Performance Rights $	Options $	Total $	Performance Based %
Non-Executive Directors								
Nader El Sayed	96,861	-	11,139	-	29,162	36,217	173,379	17%
Tim Manners	67,265	-	7,735	-	29,162	36,217	140,379	21%
Steven Kovac	58,295	-	6,640	-	-	36,217	101,152	-
Chris Ellison[1]	-	-	-	-	-	-	-	-
Joshua Thurlow	-	-	-	-	-	-	-	-
Executive Directors								
James Croser	502,467	262,500	29,932	-	93,333	-	888,232	40%
Other Key Management Personnel								
Charles Hughes[2]	14,316	-	2,932	-	-	-	17,247	-
Peter Gilford	348,433	93,750	29,932	-	119,299	-	591,414	36%
Paul Brennan[3]	314,334	50,000	29,932	-	-	-	394,266	13%
Total	**1,401,971**	**406,250**	**118,242**	**-**	**270,956**	**108,651**	**2,306,069**	

1 *Resigned 25 November 2024.*
2 *Resigned 2 August 2024*
3 *Resigned 30 June 2025*
4 *Annual leave expected to be settled within 12 months of the Remuneration report are included in the Salary & Fees short term benefits category. The movement in balances between the prior period and 30 June 2025 are disclosed.*

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

The proportion of remuneration at risk and the fixed proportion is as follows:

	Fixed Remuneration		At risk - STI		At risk - LTI	
Name	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Non-Executive Directors						
Nader El Sayed	65%	62%	-	-	35%	38%
Tim Manners	3%	53%	-	-	(103%)	47%
Steven Kovac	62%	64%	-	-	38%	36%
Chris Ellison	N/A	-	N/A	-	N/A	-
Joshua Thurlow	-	-	-	-	-	-
Executive Directors						
James Croser	60%	60%	29%	30%	11%	11%
Other Key Management Personnel						
Charles Hughes	N/A	100%	N/A	-	N/A	-
Peter Gilford	72%	64%	18%	16%	9%	20%
Paul Brennan	N/A	87%	N/A	13%	N/A	-
Shane Murray	84%	N/A	23%	N/A	(6%)	N/A
Olaf Frederickson	77%	N/A	-	N/A	23%	N/A

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Service Agreements

Remuneration and other terms of employment for Key Management Personnel are formalised in service agreements. Details of these agreements as at 30 June 2026 are as follows:

Name	Position	Appointed	Base Salary incl. superannuation ($)	Service agreement applies from/to		Company / Employee Notice Period	Termination Benefit[1]
Nader El Sayed	Non-Executive Chairman	1-Mar-21	130,000	24-Nov-24	Date of this report	Immediate	N/A
Joshua Thurlow	Non-Executive Director	12-Sep-23	-	12-Sep-23	28 April 26	Immediate	N/A
Tim Manners	Non-Executive Director	1-Mar-22	75,000	1-Dec-22	14-Jul-25	Immediate	N/A
Steven Kovac	Non-Executive Director	1-Aug-23	75,000	14-Jul-25	Date of this report	Immediate	N/A
James Croser	Managing Director	4-Dec-20	525,000	13-Sep-23	Date of this report	3 / 3 month(s)	6 months base salary
Peter Gilford	Chief Financial Officer & Company Secretary	12-Jun-23	375,000	12-Jun-23	Date of this report	3 / 3 month(s)	6 months base salary
Shane Murray	Geology Manager	1-Jul-25	300,000	1-Jul-25	29-May-26	1 / 1 month	1 month base salary
Olaf Frederickson	Geology Manager	20-May-26	300,000	22-May-26	Date of this report	2 / 2 month(s)	2 month base salary

1 *Termination benefits are payable on early termination by the Company, other than for gross misconduct, unless otherwise indicated.*

Share-based compensation

The terms, conditions and key assumptions used in valuing share-based payment arrangements granted over ordinary shares affecting remuneration of Directors and Key Management Personnel in this financial year or future reporting years are as follows:

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Performance Rights and Options granted in the current period:

Performance Rights to Executive Leadership Team (Key Management Personnel)

On 8 May 2026, 3,000,000 Performance rights were granted to Peter Gilford (Chief Financial Officer and Company Secretary). On 22 May 2026, 2,000,000 Performance rights were granted to Olaf Frederickson (Geology Manager). The performance rights were issued on 8 May 2026 and 15 June 2026 respectively.

The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1** - Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 35 cents by no later than 30 June 2029;
- **Tranche 2** - Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 50 cents by no later than 30 June 2029;
- **Tranche 3** - Performance rights vesting upon the first production of lithium ore or lithium concentrate from the Companies projects prior to 30 June 2029.

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

Price barrier options have been valued using a "up and in" barrier price monte-carlo simulation for the 5-day VWAP target share price, and the below inputs. Tranche 3 valuation is based on the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Tranche 3	Total
Grant date	8-May-26	8-May-26	8-May-26	
Vesting date	30-Jun-29	30-Jun-29	30-Jun-29	
Expiry date	8-May-31	8-May-31	8-May-31	
Opening No. Securities	1,000,000	1,000,000	1,000,000	3,000,000
Forfeitures	-	-	-	-
Cancellations	-	-	-	-
Exercised	-	-	-	-
Closing No. securities	**1,000,000**	**1,000,000**	**1,000,000**	**3,000,000**
Security entitlement	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	
Share price target (5-day-VWAP)	0.35	0.50	N/A	
Grant Date share price	0.245	0.245	0.245	
Expected Volatility (annualised)[1]	76.44%	76.44%	N/A	
Risk-free rate	4.66%	4.66%	N/A	
Dividend Yield	0.00%	0.00%	N/A	
Value of each security	0.2218	0.1974	0.245	
Probability[2]	N/A	N/A	70%	
Fair value at grant date ($)	**221,800**	**197,400**	**245,000**	**664,200**
Expense recognised during FY26 ($)	**10,415**	**9,269**	**8,053**	**27,737**

1 Volatility has been annualised based on the previous 1 year of trading days from the grant date.
2 Management has applied judgement to assess the probability of the number of units expected to vest on the basis of Delta to finalise investment decisions and permitting at projects to achieve the milestone.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Security class	Tranche 1	Tranche 2	Tranche 3	Total
Grant date	22-May-26	22-May-26	22-May-26	
Vesting date	30-Jun-29	30-Jun-29	30-Jun-29	
Expiry date	22-May-31	22-May-31	22-May-31	
Opening No. Securities	666,667	666,666	666,667	2,000,000
Forfeitures	-	-	-	-
Cancellations	-	-	-	-
Exercised	-	-	-	-
Closing No. securities	**666,667**	**666,666**	**666,667**	**2,000,000**
Security entitlement	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	
Share price target (5-day-VWAP)	0.35	0.50	N/A	
Grant Date share price	0.205	0.205	0.205	
Expected Volatility (annualised)[1]	76.95%	76.95%	N/A	
Risk-free rate	4.54%	4.54%	N/A	
Dividend Yield	0.00%	0.00%	N/A	
Value of each security	0.1749	0.1526	0.205	
Probability[2]	N/A	N/A	70%	
Fair value at grant date ($)	**116,600**	**101,733**	**136,667**	**355,000**
Expense recognised during FY26 ($)	**4,106**	**3,582**	**3,369**	**11,056**

1 *Volatility has been annualised based on the previous 1 year of trading days from the grant date.*
2 *Management has applied judgement to assess the probability of the number of units expected to vest on the basis of Delta to finalise investment decisions and permitting at projects to achieve the milestone.*

Reconciliation by KMP	Tranche 1 $	Tranche 2 $	Tranche 3 $	Total $
Peter Gilford	1,000,000	1,000,000	1,000,000	3,000,000
Olaf Frederickson	666,667	666,666	666,667	2,000,000
Number of securities	**1,666,667**	**1,666,666**	**1,666,667**	**5,000,000**
Peter Gilford	221,800	197,400	245,000	664,200
Olaf Frederickson	116,600	101,733	136,667	355,000
Grant date fair value awarded ($)	**338,400**	**299,133**	**381,667**	**1,019,200**
Peter Gilford	10,415	9,269	8,053	27,737
Olaf Frederickson	4,106	3,582	3,369	11,056
Expense recognised during FY26 ($)	**14,521**	**12,851**	**11,422**	**38,794**

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

On 27 November 2025, Shareholders approved the Employee Incentive Plan via resolution at the AGM. Pursuant to the approval, 466,667 performance rights were issued to Peter Gilford (CFO and Company Secretary).

The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1** - Performance rights vesting upon the company delineating and announcing a 50Mt JORC-compliant Mineral Resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% at a single project by 31 December 2028.
- **Tranche 2** - Performance rights vesting upon the company delineating and announcing a 100Mt JORC-compliant Mineral Resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% at a single project by 31 December 2028.

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Total
Grant date	27-Nov-25	27-Nov-25	
Vesting date	31-Dec-28	31-Dec-28	
Expiry date	27-Nov-30	27-Nov-30	
Opening No. Securities	233,333	233,334	466,667
Forfeitures	-	-	-
Cancellations	-	-	-
Exercised	-	-	-
Closing No. securities	**233,333**	**233,334**	**466,667**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Grant Date share price	0.22	0.22	
Value of each security	0.22	0.22	
Probability[1]	75%	40%	
Fair value at grant date ($)	**51,333**	**51,333**	**102,667**
Expense recognised during FY26 ($)	**7,353**	**3,921**	**11,274**

1 *Management assessed probabilities of vesting of 75% for tranche 1 and 40% for tranche 2 based on historical issues of performance rights and the uncertainty of vesting success due to requirements for additional exploration and evaluation activities to achieve the milestones.*

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

On 17 September 2025, 166,666 performance rights were granted to Shane Murray (Geology Manager).

The issue of performance rights were issued upon the vesting condition of 12 months continuous service with the Company, being 14 July 2026.

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

	Total
Grant date	17-Sep-25
Vesting date	14-Jul-26
Expiry date	17-Sep-30
Opening No. Securities	166,666
Forfeitures[1]	(166,666)
Cancellations	-
Exercised	-
Closing No. securities	**-**
Security entitlement	One Share
Listed/unlisted	Unlisted
Grant Date share price	0.175
Value of each security	0.175
Probability[2]	100%
Remaining grant date fair value awarded ($)	**-**
Expense recognised during FY26 ($)	**-**

1 All units lapsed upon resignation by Shane Murray from the position of Geology Manager on 29 May 2026.
2 Probability of 100% of vesting was applied for this issue of performance rights on the basis of ability to achieve the vesting condition by the employee retaining employment.

Performance Rights to Directors

On 12 August 2026, performance rights were approved by Shareholders at an extraordinary general meeting, granting 8,500,000 performance rights to James Croser (Managing Director), Nader El Sayed (Non-Executive Chairman) and Steve Kovac (Non-Executive Director). The service period commencement was identified to be 26 March 2026, the date from which vesting commenced for the performance rights.

The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1** - Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 35 cents by no later than 30 June 2029;
- **Tranche 2** - Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 50 cents by no later than 30 June 2029;
- **Tranche 3** - Performance rights vesting upon the first production of lithium ore or lithium concentrate from the Companies projects prior to 30 June 2029.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

Price barrier options have been valued using a "up and in" barrier price monte-carlo simulation for the 5-day VWAP target share price, and the below inputs. Tranche 3 valuation is based on the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Tranche 3	Total
Grant date	12-Aug-26	12-Aug-26	12-Aug-26	
Vesting start date	26-Mar-26	26-Mar-26	26-Mar-26	
Vesting date	30-Jun-29	30-Jun-29	30-Jun-29	
Expiry date	12-Aug-31	12-Aug-31	12-Aug-31	
Opening No. Securities	3,500,000	3,500,000	1,500,000	8,500,000
Forfeitures	-	-	-	-
Cancellations	-	-	-	-
Exercised	-	-	-	-
Closing No. securities	**3,500,000**	**3,500,000**	**1,500,000**	**8,500,000**
Security entitlement	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	
Share price target (5-day-VWAP)	0.35	0.50	N/A	
Grant Date share price	0.18	0.18	0.18	
Expected Volatility (annualised)[1]	74.19%	74.19%	N/A	
Risk-free rate	4.55%	4.55%	N/A	
Dividend Yield	0.00%	0.00%	N/A	
Value of each security	0.1406	0.1169	0.18	
Probability[2]	N/A	N/A	70%	
Fair value at grant date ($)	**492,100**	**409,150**	**270,000**	**1,171,250**
Expense recognised during FY26 ($)	**40,011**	**33,267**	**15,367**	**88,646**

1 Volatility has been annualised based on the previous 1 year of trading days from the grant date.
2 Management has applied judgement to assess the probability of the number of units expected to vest on the basis of Delta to finalise investment decisions and permitting at projects to achieve the milestone.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Reconciliation by Director	Tranche 1	Tranche 2	Tranche 3	Total
James Croser	1,500,000	1,500,000	1,500,000	4,500,000
Nader El Sayed	1,000,000	1,000,000	-	2,000,000
Steve Kovac	1,000,000	1,000,000	-	2,000,000
Number of securities	**3,500,000**	**3,500,000**	**1,500,000**	**8,500,000**
James Croser	210,900	175,350	270,000	656,250
Nader El Sayed	140,600	116,900	N/A	257,500
Steve Kovac	140,600	116,900	N/A	257,500
Grant date fair value awarded ($)	**492,100**	**409,150**	**270,000**	**1,171,250**
James Croser	17,148	14,257	15,367	46,772
Nader El Sayed	11,432	9,505	-	20,937
Steve Kovac	11,432	9,505	-	20,937
Expense recognised during FY26 ($)	**40,011**	**33,267**	**15,367**	**88,646**

On 27 November 2025 as approved by Shareholders at the AGM held on 27 November 2025, 1,300,000 Performance rights were granted and issued to James Croser (Managing Director).
The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1** - Performance rights vesting upon the company delineating and announcing a 50Mt JORC-compliant Mineral Resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% at a single project by 31 December 2028.
- **Tranche 2** - Performance rights vesting upon the company delineating and announcing a 100Mt JORC-compliant Mineral Resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% at a single project by 31 December 2028.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Total
Grant date	27-Nov-25	27-Nov-25	
Vesting date	31-Dec-28	31-Dec-28	
Expiry date	27-Nov-30	27-Nov-30	
Opening No. Securities	650,000	650,000	1,300,000
Forfeitures	-	-	-
Cancellations	-	-	-
Exercised	-	-	-
Closing No. securities	**650,000**	**650,000**	**1,300,000**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Grant Date share price	0.22	0.22	
Value of each security	0.22	0.22	
Probability[1]	75%	40%	
Fair value at grant date ($)	**143,000**	**143,000**	**286,000**
Expense recognised during FY26 ($)	**20,483**	**10,924**	**31,407**

1 *Management assessed probabilities of vesting of 75% for tranche 1 and 40% for tranche 2 based on historical issues of performance rights and the uncertainty of vesting success due to requirements for additional exploration and evaluation activities to achieve the milestones.*

Performance Rights and Options on issue, granted in prior periods:

Performance rights to Executive Leadership Team (Key Management Personnel)

On 15 July 2024, 1,700,000 Performance rights were granted to Peter Gilford (CFO and Company Secretary) and 575,000 Performance rights were granted to Shane Murray (Geology Manager). The performance rights were valued on 15 July 2024, and expensed from this date, being subsequently issued on 27 July 2024.

The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1** - Performance rights vesting upon delineation of 50Mt JORC resource at a minimum grade of 0.8% Li_2O at a minimum cut off grade of 0.5% at a single project by 30 June 2027;
- **Tranche 2** - Performance rights vesting at grant of Mining Approval at the Yinnetharra project by 31 December 2027;
- **Tranche 3** - Performance rights vesting on Gold MRE in excess of 1.25Moz at OP cutoff 0.5g/t & UG cutoff 1.5g/t or Completion of a transaction with a 100% project valuation of $200M or more by 30 June 2027;
- **Tranche 4** - Peter Gilford - 250,000 and Shane Murray 75,000 Performance rights vesting upon 12 months continued service with the Company, being 8 July 2025.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Total
Grant date	15-Jul-24	15-Jul-24	15-Jul-24	15-Jul-24	
Vesting date	30-Jun-27	31-Dec-27	31-Dec-27	8-Jul-25	
Expiry date	14-Jul-29	14-Jul-29	14-Jul-29	14-Jul-29	
Opening No. Securities (P.Gilford)	483,333	483,333	483,334	250,000	1,700,000
Opening No. Securities (S.Murray)[1]	166,667	166,667	166,666	75,000	575,000
Forfeitures[2]	(166,667)	(166,667)	(166,666)	-	(500,000)
Exercised (P.Gilford)	-	-	-	(250,000)	(250,000)
Exercised (S.Murray)	-	-	-	(75,000)	(75,000)
Closing No. securities (P.Gilford)	**483,333**	**483,333**	**483,334**	**-**	**1,450,000**
Closing No. securities (S.Murray)	**-**	**-**	**-**	**-**	**-**
Security entitlement	One Share	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	$Nil	$Nil	
Value of each security	$ 0.235	$ 0.235	$ 0.235	$ 0.235	
Probability	50%	50%	0%[3]	100%	
Remaining grant date fair value awarded ($)	**113,583**	**113,583**	**113,583**	**-**	**340,750**
Expense recognised during FY26 ($)	**12,817**	**10,953**	**(37,198)**	**1,702**	**(11,726)**

Reconciliation by KMP	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Total
Peter Gilford	483,333	483,333	483,334	-	1,450,000
Shane Murray	-	-	-	-	-
Number of securities	**483,333**	**483,333**	**483,334**	**-**	**1,450,000**
Peter Gilford	113,583	113,583	113,583	-	340,750
Shane Murray	-	-	-	-	-
Remaining grant date fair value awarded ($)	**113,583**	**113,583**	**113,583**	**-**	**340,750**
Peter Gilford	19,175	16,386	(27,660)	1,309	9,211
Shane Murray	(6,359)	(5,434)	(9,538)	393	(20,937)
Expense recognised during FY26 ($)	**12,817**	**10,953**	**(37,198)**	**1,702**	**(11,726)**

1 *Units held when S.Murray became a KMP on 1 July 2025.*
2 *S.Murray resigned effective 29 May 2026, forfeiting unvested performance rights. The cumulative expense for the unvested units has been reversed in the period.*
3 *Probability of units expected to vest decreased from 75% to 0% for Tranche 3 based on DLI no longer having rights to gold at the Mt Ida Project. Units remain on issue. Reversal of the cumulative expense of $37,198 was recorded in the period on the reassessment of the probability of the units expected to vest.*

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Performance Rights to Directors

On 27 November 2024 as approved by Shareholders at the AGM held on 27 November 2024, 2,600,000 Performance rights were issued to James Croser (Managing Director). The performance rights issued and expensed from 27 November 2024 had the following performance milestones:

- **Tranche 1** - 1,300,000 Performance rights vesting subject to the grant of mining approval at the Yinnetharra project by 31 December 2027.
- **Tranche 2** - 1,300,000 Performance rights vesting subject to the delineation of a Gold MRE in the excess of 1.25Moz at OP cutoff 0.5g/t & UG cutoff 1.5g/t or completion of a transaction with a 100% project valuation of $200M or more by 30 June 2027.

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable), allocated below:

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Total
Grant date	27-Nov-24	27-Nov-24	
Vesting date	31-Dec-27	30-Jun-27	
Expiry date	26-Nov-29	26-Nov-29	
Opening No. Securities	1,300,000	1,300,000	2,600,000
Forfeitures	-	-	-
Cancellations	-	-	-
Exercised	-	-	-
Closing No. securities	**1,300,000**	**1,300,000**	**2,600,000**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	
Value of each security	$ 0.185	$ 0.185	
Probability	50%	0%[1]	
Remaining grant date fair value awarded ($)	**240,500**	**240,500**	**481,000**
Expense recognised during FY26 ($)	**38,842**	**(41,185)**	**(2,343)**

1 Probability of units expected to vest decreased from 75% to 0% for Tranche 2 based of DLI no longer having rights to gold at the Mt Ida Project. Units remain on issue.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Options Granted to Directors

On 27 November 2024 via the AGM, the Shareholders approved the issue of 3,000,000 unlisted options to the Directors; Steve Kovac, Tim Manners and Nader El Sayed.

The options had an exercise price of $0.40 per option. The options will expire 3 years form the date of issue. The options will vest subject to 12 months of employment from the date the options are issued being 27 November 2025.

Valuation of the options has been completed using the Black-Scholes Merton model on a per security basis for call options, with the following assumptions at grant date:

Security Class	Tranche 1
Grant Date	27-Nov-24
Vesting date	27-Nov-25
Opening No. of securities	3,000,000
Forfeitures[1]	(1,000,000)
Closing No. of securities[2]	**2,000,000**
Years to Expiry	3
Strike Price ($)	0.40
Spot Price ($)	0.185
Volatility	77%
Risk-free rate	3.68%
Value per security ($)	0.0612
Probability of vesting	100%
Total Value ($)	**183,600**
Reconciliation by Director	
Nader El Sayed	1,000,000
Steve Kovac	1,000,000
Tim Manners	-
No. Securities	**2,000,000**
Nader El Sayed	61,200
Steve Kovac	61,200
Tim Manners	-
Remaining grant date fair value awarded ($)	**122,400**
Nader El Sayed	24,983
Steve Kovac	24,983
Tim Manners	(36,217)
Expense recognised during FY26 ($)	**13,749**

1 1,000,000 options were forfeited by Tim Manners upon his resignation from the role of Non-Executive Director on 14 July 2025. The cumulative expense was reversed in the period.

2 2,000,000 units vested for Nader El Sayed and Steve Kovac on 27th November 2025 with total expense recognised by vest date. The 2,000,000 units remain unexercised as at 30 June 2026.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Performance Rights to Executive Leadership Team

On 22 December 2022, 5,500,000 unlisted performance rights were granted to members of the Executive Leadership Team, as stipulated in each of their individual executive service agreements. On 12 June 2023, 1,750,000 were granted to Peter Gilford as Chief Financial Officer and Company Secretary. The performance rights were issued 12 June 2023.

Tranches remaining on issue were issued under the following milestones (vesting conditions):

- **Tranche 2** - vesting upon delineation of 100Mt JORC resource at minimum grade of 0.8% Li_2O at any of the Company's projects 3 November 2025.
- **Tranche 4** - vesting upon the first commercial shipment of DSO lithium ore or spodumene concentrate by 3 November 2025.

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions as applicable.

Remaining tranches did not meet the vesting condition by vesting date, with the remaining units lapsing on 3 November 2025.

Security class	Tranche 2[3]	Tranche 4[3]	Total
Grant date - (P.Gilford)	12-Jun-23	12-Jun-23	
Grant date - (S.Murray)	18-Jan-23	18-Jan-23	
Grant date (Former KMP)	28-Aug-23	28-Aug-23	
Vesting date	3-Nov-25	3-Nov-25	
Expiry date (P.Gilford)	13-Jun-28	13-Jun-28	
Expiry date (S.Murray)	18-Jan-28	18-Jan-28	
Expiry date (Former KMP)	29-Dec-25	29-Dec-25	
Opening No. Securities (P.Gilford)	500,000	500,000	1,000,000
Forfeitures (P.Gilford)	(500,000)	(500,000)	(1,000,000)
Exercised (P.Gilford)	-	-	-
Closing No. securities (P.Gilford)	**-**	**-**	**-**
Opening No. Securities (S.Murray)[4]	50,000	75,000	125,000
Forfeitures (S.Murray)	(50,000)	(75,000)	(125,000)
Exercised (S.Murray)	-	-	-
Closing No. securities (S.Murray)	**-**	**-**	**-**
Opening No. Securities (Former KMP)	100,000	100,000	200,000
Forfeitures (Former KMP)	(100,000)	(100,000)	(200,000)
Closing No. securities (Former KMP)	**-**	**-**	**-**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	
Value of each security (P.Gilford)	$ 0.66	$ 0.66	
Value of each security (S.Murray)	$ 0.47	$ 0.47	
Value of each security (Former KMP)	$ 0.775	$ 0.775	
Probability	0%	0%	
Remaining grant date fair value awarded ($)	**-**	**-**	**-**
Expense recognised during FY26 ($)	**-**	**-**	**-**

1 *All Tranche 1 performance rights for P.Gilford & S.Murray vested and were exercised in FY24.*
2 *Tranche 3 vesting conditions were not achieved in a prior period. Reversal of the cumulative expense recorded in a prior period.*
3 *Tranche 2 and 4 vesting conditions were not achieved by the vesting date. Nil expense had been recorded for each tranche due to a nil probability of vesting being applied. Reversal of the cumulative expense was recorded in a prior period.*
4 *Units from Tranches 2 and 4 for S.Murray have been included as the units were on issue during the period in which S.Murray was a KMP.*

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Performance Rights to Directors

On 27 April 2023, the Company held a General Meeting and received shareholder approval to issue a total of 1,500,000 performance rights to Non-Executive Directors, subject to continuous employment. The performance rights were issued 8 May 2023 and of the original milestones set as part of the performance rights, the following continue to impact the current year expense:

- **Tranche 1** - Vest upon achievement of a 20-day VWAP of $1.00 by the date which is three years from the date of issue of the Performance Rights (subject to continued employment at the time the milestone is satisfied)
- **Tranche 2** - Vesting upon the first commercial shipment of DSO lithium ore or spodumene concentrate by 3 November 2025 (subject to continued employment at the time the milestone is satisfied).

The valuation of performance rights was performed using a combination of Hoadley's Barrier1 Model and Hoadley's Parisian Model (the combination of the two models to be referred to as the "Parisian Barrier1 Model") for Tranche 1, whilst a 'per security' valuation has been used for Tranche 2 with appropriate probability attached. Valuations have been derived using the following underlying inputs and assumptions:

Security class	**Tranche 1[1]**	**Tranche 2[1]**	**Total**
Grant date	27-Apr-23	27-Apr-23	
Vesting date	8-May-26	3-Nov-25	
Expiry date	8-May-28	8-May-28	
Opening No. Securities	750,000	750,000	1,500,000
Forfeitures[2]	(250,000)	(750,000)	(1,000,000)
Closing No. Securities	**500,000**	**-**	**500,000**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	
Share Price Targets (20-day-VWAP)	1.00	N/A	
Implied barrier price (approx.)	1.3639	N/A	
Expected volatility	90%	N/A	
Risk-free rate	2.97%	N/A	
Dividend yield	Nil	N/A	
Value of each security	0.3541	0.4650	
Probability	N/A	0%	
Remaining grant date fair value awarded ($)	**177,050**	**-**	**177,050**
Expense recognised during FY26 ($)	**(13,742)**	**-**	**(13,742)**

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Reconciliation by Director	Tranche 1	Tranche 2[1]	Total
Tim Manners	-	-	-
Nader El Sayed	250,000	-	250,000
James Croser	250,000	-	250,000
Remaining Units	**500,000**	**-**	**500,000**
Tim Manners	-	-	-
Nader El Sayed	88,525	-	88,525
James Croser	88,525	-	88,525
Remaining grant date fair value awarded ($)	**177,050**	**-**	**177,050**
Tim Manners[2]	(63,597)	-	(63,597)
Nader El Sayed	24,928	-	24,928
James Croser	24,928	-	24,928
Expense recognised during FY26 ($)	**(13,742)**	**-**	**(13,742)**

1 *Vesting conditions for tranches 1 and 2 were not achieved by vesting date expiry, the awards lapsing unvested. For Messrs James Croser and Nader El Sayed, tranche 1 did not vest due to non-achievement of market conditions, with no reversal of the cumulative expense recognised.*

2 *Tim Manners forfeited tranches 1 and 2 due to resignation from position of Non-Executive Director effective 14 July 2025. This is a non-market condition of tranche 1, resulting in a cumulative expense reversal for tranche 1. The cumulative expense reversal for tranche 2 occurred in a prior period due to assessment of nil probability of vesting.*

Additional Information

The earnings of the Consolidated Entity for the five years to 30 June 2026 are summarised below:

	2026	2025	2024	2023	2022
Net profit/(loss) after tax ($)	13,157,772	(3,937,190)	(12,493,469)	(8,538,367)	(8,055,242)
Share price at financial year end ($)	0.165	0.155	0.265	0.855	0.38
Total Dividends declared (cents per share)	Nil	Nil	Nil	Nil	Nil
Basic profit/(loss) per share (cents per share)	1.83	(0.51)	(1.97)	(2.18)	(3.65)

Additional Disclosures relating to Key Management Personnel

As at the year end, the number of shares and convertible securities in the Company held during the financial year by each Director and other members of Key Management Personnel, including their personally related parties, is set out below:

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Directors and Key Management Personnel interest in Ordinary Shares

	Balance at the start of the year	Additions	Disposals	Expired, forfeited, or other	Balance at resignation date	Balance at the end of the year
Non-Executive Directors						
Nader El Sayed	2,751,284	-	-	-	-	2,751,284
Tim Manners[1]	473,493	-	-	-	473,493	-
Steven Kovac	32,549	-	-	-	-	32,549
Joshua Thurlow[2]	-	-	-	-	-	-
Executive Directors						
James Croser	6,632,551	-	-	-	-	6,632,551
Other Key Management Personnel						
Peter Gilford	525,144	250,000	-	-	-	775,144
Shane Murray[3]	150,000	75,000	(100,000)	-	125,000	-
Olaf Frederickson	-	-	-	-	-	-
	10,565,021	**325,000**	**(100,000)**	**-**	**598,493**	**10,191,528**

1 Resigned from position of Non-Executive Director on 14 July 2025. Balances disclosed are for the period 1 July 2025 to 14 July 2025.
2 Resigned from position of Non-Executive Director on 28 April 2026. Balances disclosed are for the period 1 July 2025 to 28 April 2026.
3 Resigned from position of Geology Manager on 29 May 2026. Balances disclosed are for the period 1 July 2025 to 29 May 2026.

Directors and Key Management Personnel interest in Options

	Balance at the start of the year	Granted during the year	Exercised during the year	Expired, forfeited, disposed or other	Balance at resignation date	Balance at the end of the year	% Vested & exercisable
Non-Executive Directors							
Nader El Sayed	2,000,000	-	-	(1,000,000)	-	1,000,000	100%
Tim Manners[1]	2,000,000	-	-	(2,000,000)	-	-	N/A
Steven Kovac	1,000,000	-	-	-	-	1,000,000	100%
Joshua Thurlow[2]	-	-	-	-	-	-	N/A
Executive Directors							
James Croser	1,000,000	-	-	(1,000,000)	-	-	N/A
Other Key Management Personnel							
Peter Gilford	-	-	-	-	-	-	N/A
Shane Murray[3]	-	-	-	-	-	-	N/A
Olaf Frederickson	-	-	-	-	-	-	N/A
	6,000,000	**-**	**-**	**(4,000,000)**	**-**	**2,000,000**	

1 Resigned from position of Non-Executive Director on 14 July 2025. Balances disclosed are for the period 1 July 2025 to 14 July 2025.
2 Resigned from position of Non-Executive Director on 28 April 2026. Balances disclosed are the period 1 July 2025 to 28 April 2026.
3 Resigned from position of Geology Manager on 29 May 2026. Balances disclosed are for the period 1 July 2025 to 29 May 2026.

DIRECTORS' REPORT (CONT'D)

Remuneration Report (Audited) (Cont'd)

Directors and Key Management Personnel interest in Performance Rights

	Balance at the start of the year	Granted during the year[4]	Exercised during the year	Expired, forfeited, disposed or other	Balance at resignation date	Balance at the end of the year	% Vested & exercisable
Non-Executive Directors							
Nader El Sayed	500,000	-	-	(250,000)	-	250,000	-
Tim Manners[1]	500,000	-	-	(500,000)	-	-	N/A
Steven Kovac	-	-	-	-	-	-	N/A
Joshua Thurlow[2]	-	-	-	-	-	-	N/A
Executive Directors							
James Croser	3,100,000	1,300,000	-	(250,000)	-	4,150,000	-
Other Key Management Personnel							
Peter Gilford	2,700,000	3,466,667	(250,000)	(1,000,000)	-	4,916,667	-
Shane Murray[3]	700,000	166,666	(75,000)	(791,666)		-	N/A
Olaf Frederickson	-	2,000,000	-	-	-	2,000,000	-
	7,500,000	**6,933,333**	**(325,000)**	**(2,791,666)**	**-**	**11,316,667**	

1 *Resigned from position of Non-Executive Director on 14 July 2025. Balances disclosed are for the period 1 July 2025 to 14 July 2025.*
2 *Resigned from position of Non-Executive Director on 28 April 2026. Balances disclosed are the period 1 July 2025 to 28 April 2026.*
3 *Resigned from position of Geology Manager on 29 May 2026. Balances disclosed are for the period 1 July 2025 to 29 May 2026.*
4 *8,500,000 performance rights were granted to James Croser, Nader El Sayed and Steve Kovac on 12 August 2026 upon Shareholder approval. The units were not on issue at 30 June 2026, however the service period commenced at 26 March 2026 for the purposes of recognising the expense under AASB2.*

Other Transactions with Key Management Personnel and their Related entities

Directors and officers, or their personally related entities, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. There are no transactions with KMP and their related parties during the period.

This concludes the Remuneration Report, which has been audited

DIRECTORS' REPORT (CONT'D)

Non-Audit Services

Details of the amounts paid or payable to the auditor for non-assurance services provided during the financial year by the auditor are outlined in Note 29 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in Note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all, non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Indemnity and insurance of Auditor

The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the Auditor of the Company or any related entity against a liability incurred by the Auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the Auditor of the Company or any related entity.

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'.

Auditor's Independence Declaration

The Lead Auditor's Independence Declaration as required under section 307C of the Corporations Act is set out on page 65 of this Annual Report and forms part of the Directors' Report for the year ended 30 June 2026.

Signed in accordance with a resolution of Directors.

James Croser

Managing Director

Perth, Western Australia

Signed at Perth on this 22nd day of September 2026

AUDITOR'S INDEPENDENCE DECLARATION

KPMG

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To the Directors of Delta Lithium Limited

I declare that, to the best of my knowledge and belief, in relation to the audit of Delta Lithium Limited for the financial year ended 30 June 2026 there have been:

i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Glenn Brooks

Partner

Perth

22 September 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 June 2026

	Note	2026 $	2025 $
Income			
Other income	5	18,636,132	1,485,306
Total income		**18,636,132**	**1,485,306**
Expenditure			
Employee benefits expense	6	(2,640,829)	(3,478,996)
Corporate & administration expenses		(1,297,335)	(2,286,583)
Public relations & marketing expenses		(324,834)	(352,413)
Share-based payments	6, 36	(284,733)	(649,842)
Net gain/(loss) on sale of asset		(28,136)	(74,668)
Net fair value gain/(loss) on financial assets	11, 26	(277,581)	460,514
Exploration expenditure expense	6	(3,062,973)	(1,672,524)
Depreciation		(289,677)	(302,034)
Total expenditure		**(8,206,098)**	**(8,356,546)**
Operating profit/(loss)		**10,430,034**	**(6,871,240)**
Finance income	7	2,322,507	3,282,363
Finance costs	7	(77,041)	(88,800)
Net finance income		**2,245,466**	**3,193,563**
Share of profit/(loss) of Equity Accounted Investments	16	(1,183,403)	-
Gain on disposal of subsidiary	17	1,665,675	-
Loss before income tax from continuing operations		**13,157,772**	**(3,677,677)**
Income tax expense	8	-	-
Profit/(loss) for the year from continuing operations		**13,157,772**	**(3,677,677)**
Profit/(loss) after income tax from discontinued operations	13	**-**	**(259,513)**
Profit/(loss) for the period		**13,157,772**	**(3,937,190)**
Other Comprehensive Income			
Share of OCI of Equity Accounted investments		-	-
Total comprehensive profit/(loss) attributable to owners of the Company		**13,157,772**	**(3,937,190)**
Profit/(loss) per share			
Basic and diluted profit/(loss) for the year attributable to ordinary equity holders of the parent (cents per share)	35	1.83	(0.55)
Profit/(loss) per share for continuing operations			
Basic and diluted profit/(loss) for the year attributable to ordinary equity holders of the parent (cents per share)	35	1.83	(0.51)

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

	Note	2026 $	2025 $
Assets			
Current assets			
Cash and cash equivalents	9	49,579,512	55,869,890
Trade and other receivables	10	1,430,072	1,525,799
Financial assets at fair value through profit or loss	11	1,472,419	1,750,000
Disposal group assets classified as held for sale	12	-	60,038,871
Total current assets		**52,482,003**	**119,184,560**
Non-current assets			
Capitalised exploration and evaluation assets	15	131,308,385	123,670,207
Plant and equipment	18	990,282	1,913,784
Right of use Asset	19	363,705	525,352
Equity accounted investment in Associates	16	54,704,279	-
Total non-current assets		**187,366,651**	**126,109,343**
Total assets		**239,848,654**	**245,293,903**
Liabilities			
Current liabilities			
Trade and other payables	20	1,603,605	2,609,219
Lease liability	19	175,073	155,113
Provision - rehabilitation	21	-	105,260
Liabilities of disposal group classified as held for sale	12	-	2,157,465
Total current liabilities		**1,778,678**	**5,027,057**
Non-current liabilities			
Provision - rehabilitation	21	971,528	912,755
Lease liability	19	248,962	424,035
Total non-current liabilities		**1,220,490**	**1,336,790**
Total liabilities		**2,999,168**	**6,363,847**
Net assets		**236,849,486**	**238,930,056**
Equity			
Share capital	22	256,891,815	272,221,897
Share based payment reserve	23	1,861,850	1,770,110
Accumulated losses	24	(21,904,179)	(35,061,951)
Total equity		**236,849,486**	**238,930,056**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2026

	Note	Issued share capital	Share based payment reserve	Accumulated losses	Total Equity
		$	$	$	$
Balance at 1 July 2024		**271,444,337**	**6,998,257**	**(37,002,750)**	**241,439,844**
Loss after income tax expense for the period		-	-	(3,937,190)	**(3,937,190)**
Total comprehensive loss for the period		**-**	**-**	**(3,937,190)**	**(3,937,190)**
Transactions with owners in their capacity as owners					
Exercise of options		783,662			**783,662**
Transfer on forfeiture of options and performance rights	23	-	(5,877,989)	5,877,989	**-**
Share-based payments	36	-	649,842	-	**649,842**
Costs of shares issued		(6,102)	-	-	**(6,102)**
Balance as at 30 June 2025		**272,221,897**	**1,770,110**	**(35,061,951)**	**238,930,056**

Balance as at 1 July 2025		**272,221,897**	**1,770,110**	**(35,061,951)**	**238,930,056**
Profit after income tax for the period		**-**	**-**	**13,157,772**	**13,157,772**
Total comprehensive profit for the period		**-**	**-**	**13,157,772**	**13,157,772**
Transactions with owners in their capacity as owners					
Shares issued during the period	14	400,000		-	**400,000**
Transfer from conversion of performance rights		192,993	(192,993)	-	**-**
Share-based payments	36	-	284,733	-	**284,733**
Costs of shares issued		(5,647)	-	-	**(5,647)**
Distributions to Owners of Equity		(15,917,428)	-	-	**(15,917,428)**
Balance as at 30 June 2026		**256,891,815**	**1,861,850**	**(21,904,179)**	**236,849,486**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2026

	Note	2026 $	2025 $
Cash flows from operating activities			
Receipts from customers		-	-
Payments to suppliers and employees		(4,943,719)	(5,543,356)
Interest received		2,269,421	3,475,275
Interest paid		(38,585)	(49,918)
Payments for exploration and evaluation		(773,895)	(184,874)
Government grants and tax incentives		1,823,379	1,517,352
Net cash outflow from operating activities	34	**(1,663,399)**	**(785,521)**
Cash flows from investing activities			
Proceeds from disposal of subsidiary	13	-	1,500,000
Proceeds from disposal of financial assets	11	-	1,209,466
Payments for tenement acquisitions	14	(400,000)	(600,000)
Payments for exploration and evaluation		(10,295,466)	(29,934,480)
Payments for property, plant and equipment		(18,401)	(255,451)
Proceeds from sales of assets		579,212	10,700
Cash derecognised on disposal of subsidiary	17	(1,377,243)	-
Net cash outflow from investing activities		**(11,511,898)**	**(28,069,765)**
Cash flows from financing activities			
Proceeds from the exercise of options	22	-	783,662
Repayment of lease liability principal	19	(155,113)	(136,499)
Receipts on repayments for borrowings	32	4,443,649	-
Share issue costs		(5,647)	(6,103)
Net cash inflow from financing activities		**4,282,889**	**641,060**
Net increase in cash and cash equivalents		**(8,892,408)**	**(28,214,226)**
Cash and cash equivalents at the beginning of the financial period		58,471,920	86,686,146
Effects of exchange rate changes on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the financial period	9	**49,579,512**	**58,471,920**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

1. CORPORATE INFORMATION

Delta Lithium Limited (the "Company" or "Delta Lithium") is a for-profit Company incorporated and domiciled in Australia whose shares are publicly listed on the ASX (ASX Code: DLI). The consolidated financial statements are presented in the Australian currency. The consolidated financial statements of the Company as at and for the year ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as the "Group" or "Consolidated Entity"). The Group's principal activity is that of mineral exploration and evaluation of new and existing projects in Australia.

2. MATERIAL ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Consolidated Entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period with no material impact. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Basis of preparation

The consolidated financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB'). The consolidated financial statements of the Group for the year ended 30 June 2026 were authorised for issue in accordance with a resolution of the Directors on 22nd September 2026.

Going Concern

The financial statements have been prepared on a going concern basis which contemplates continuity of normal business activities and realization of assets and settlement of liabilities in the normal course of business.

The Group incurred a profit/(loss) from continuing operations of $13,157,772 (2025: loss of $3,677,677) for the year ended 30 June 2026, with net cash outflows from operations of $1,663,399 (2025: $785,521). At 30 June 2026, the Group had a working capital surplus of $50,878,398 (2025: $114,312,616), including cash and cash equivalents of $49,579,512 (2025: $55,869,890). The Group's cashflow forecasts for the 12 months indicate that the Group has sufficient cash reserves to meet its expenditure requirements and carry out its planned activities. If required, the Group has the ability to curtail expenditure commitments and adjust the development of operational plans over the next 12 months.

Based on the matters detailed above, the Directors are satisfied that the going concern basis of preparation is appropriate and that the Group will be able to realise its assets and settle its obligations in the ordinary course of business over the next 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Going Concern (Cont'd)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Consolidated Entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Consolidated Entity only. Supplementary information about the parent entity is disclosed in Note 31.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Delta Lithium Limited ('Company' or 'Group') as at 30 June 2026 and the results of all subsidiaries for the year then ended.

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

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

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the Consolidated Entity. Losses incurred by the Consolidated Entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the Consolidated Entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Consolidated Entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

The Group's interests in equity -accounted investees comprises of an interest in an associate. Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted under the equity method. Initial recognition is at costs, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Principles of consolidation (Cont'd)

include the Group's share of profit or loss and OCI of equity-accounted investees, until the date on which significant influence ceases.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is the Group's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are either classified as a joint operation or a joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which only exists when decisions about the relevant activities require the unanimous consent of the parties sharing control. Classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of the arrangement.

The Company applies judgement when assessing whether a joint arrangement is a joint operation or a joint venture. These judgements take into consideration the rights and obligations provided for by the structure and legal form of the arrangement, the terms agreed to by the parties in the contractual agreement, and, when relevant, other facts and circumstances. These judgements are reassessed and re-evaluated as facts and circumstances change regarding the joint arrangement.

For joint arrangements classified as joint operations, the Company recognises in its financial statements, its proportionate interest in:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

For joint arrangements classified as joint ventures, the Company recognises its interest in the joint venture as an investment and accounts for that investment using equity method accounting as prescribed in AASB 11 Joint Arrangements unless the Company is exempted by a specific exemption according to that Standard.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Revenue and other income

The Consolidated Entity recognised revenue and other income as follows:

Finance Income

Interest revenue which is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue / Tax incentives

Other revenue is recognised when it is received or when the right to receive payment is established, measured at the fair value of the consideration received or receivable.

Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associated entities operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

Discontinued operations

A discontinued operation is a component of the Consolidated Entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale. When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Consolidated Entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or it does not have the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 31 days.

The Consolidated Entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Consolidated Entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Exploration and evaluation assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the consolidated statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made. Expenditure incurred on activities that precede exploration and evaluation of mineral resources, including all expenditure incurred prior to securing legal rights to explore an area, is expensed as incurred.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Property, plant and equipment

Plant and equipment are stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor Vehicles	3 - 10 years
Office/Computer Equipment	3 - 10 years
Exploration plant and equipment	3 - 20 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Consolidated Entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Consolidated Entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Impairment and reversal of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Any impairment loss recognised in prior periods is reversed if, and only if, there has been a favourable change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised taking into account both external and internal sources of information. Impairment of goodwill is never reversed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Trade and other payables

These amounts represent liabilities for goods and services provided to the Consolidated Entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

Provisions are recognised when the Consolidated Entity has a present (legal or constructive) obligation as a result of a past event, it is probable the Consolidated Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The decrease in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using a simplified discounting method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using Binomial, Parisian Barrier1, Hoadley, barrier-pricing monte-carlo or Black-Scholes Merton option pricing models that takes into account the exercise price, the term of the option/performance right, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option/performance right, together

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Employee benefits (Cont'd)

with vesting & non-vesting conditions that do not determine whether the Consolidated Entity receives the services that entitle the employees to receive payment.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in a previous period.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying the Binomial, Parisian Barrier1, Hoadley, barrier pricing monte-carlo or Black-Scholes Merton option pricing models, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Vesting conditions, other than market conditions, are not taken into account when estimating the fair value of the shares or share options at the measurement date. Instead, vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods and services received as consideration for the equity.

Market conditions, such as a target share price upon which vesting is conditioned, are taken into account when estimating the fair value of the equity instruments granted.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Consolidated Entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Consolidated Entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Consolidated Entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

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'.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 30 June 2026. Except where noted, the Group has evaluated the impact of the new standards and interpretations listed below and determined that the changes are not likely to have a material impact on its financial statements.

AASB 18 Presentation and Disclosure in Financial Statements

Application date of standard: 1 January 2027, application date for Group: 1 July 2027.

AASB 18 replaces AASB 101 and is effective for annual reporting periods beginning on or after 1 January 2027. The Group expect presentation and disclosure changes only, with no impact to recognition or measurement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The Consolidated Entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Binomial, Parisian Barrier1, barrier-pricing monte-carlo, Hoadley or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity. Refer to Note 36 for further information.

Exploration and evaluation costs

Exploration and evaluation costs have been capitalised on the basis that the Consolidated Entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made. Refer to Notes 14 & 15 for further information.

Non-currents assets and liabilities held for sale

Judgement is required in assessing whether the in-specie distribution and IPO of Ballard Mining resulted in a disposal group with assets and liabilities held for sale as at comparative period balance date, whether Delta Lithium retains control of the disposal group at comparative period balance date and whether other recognition, measurement and disclosure requirements of other standards have been triggered. Refer to Note 12 for further information.

Equity accounted investees

Judgement is required to assess if the Group exerts significant influence is over the associate, Ballard Mining Limited. Management has assessed the qualitative factors of the share of voting rights and the uptake of 1 board position to conclude significant influence is exerted over Ballard Mining Limited. The equity accounting method is applied for investments in associates. Refer to Note 16 for further information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Deferred Tax

Judgement is required in assessing whether deferred tax assets and certain deferred tax liabilities are recognised on the Consolidated Statement of Financial Position. Deferred tax assets are recognised only where it is considered more likely than not that they will be recovered, which is dependent on the generation of sufficient future taxable profits and the ability to comply with conditions under tax legislation to utilise carry forward tax losses. Deferred tax liabilities arising from temporary differences in investments can be controlled and are not expected to occur in the foreseeable future. Refer to Note 8 for further information.

Rehabilitation provision

A provision has been made for the present value of anticipated costs for future rehabilitation of land explored or mined. The Consolidated Entity's exploration activities are subject to various laws and regulations governing the protection of the environment. The Consolidated Entity recognises management's best estimate for assets retirement obligations and site rehabilitations in the period in which they are incurred. Actual costs incurred in the future periods could differ materially from the estimates. Additionally, future changes to environmental laws and regulations, life of mine estimates and discount rates could affect the carrying amount of this provision. Refer to Note 21 for further information.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The Consolidated Entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Consolidated Entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Refer to Note 15 for further information.

4. OPERATING SEGMENTS

Identification of reportable operating segments

The Company currently reports in two operating segments (2025: two), being exploration and evaluation operations related to Mt Ida and Yinnetharra. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM') in assessing performance and in determining the allocation of resources.

The Board reviews financial information on the same basis as presented in the financial statements and has therefore determined the operating segments on this basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

Consolidated - 30 June 2026	Notes	Mt Ida $	Yinnetharra $	Total $
Other income/(expense)		1,725	122,741	124,466
Expenditure		(105,983)	(10,129)	(116,112)
Impairment	6,15	-	(2,295,426)	(2,295,426)
Net finance expense	7	(35,992)	-	(35,992)
Segment profit or (loss)		**(140,250)**	**(2,182,814)**	**(2,323,064)**
Other exploration profit or (loss)				**(734,197)**
Unallocated				
Other income				18,511,666
Employee benefits expense				(2,639,929)
Corporate & administrative expenses				(1,256,001)
Public relations & marketing expenses				(319,834)
Share-based payments	6, 36			(284,733)
Net fair value (loss) on financial assets	11			(277,581)
Depreciation				(277,907)
Gain/(loss) on sale of asset				(4,378)
Share of profit/(loss) of equity accounted Associate				(1,183,403)
Net finance income				2,281,458
Gain/(loss) on deconsolidation of subsidiary				1,665,675
Profit before income tax expense from continuing operations				**13,157,772**
Income tax expense	8			-
Profit after income tax expense from continuing operations				**13,157,772**
Assets				
Exploration assets	15	34,661,492	96,646,893	131,308,385
Other segment assets		274,461	1,228,617	1,503,078
Total segment assets		**34,935,952**	**97,875,511**	**132,811,463**
Other exploration assets				
Unallocated assets:				
Cash and cash equivalents	9			49,418,248
Trade and other receivables	10			818,652
Financial assets	11			1,472,419
Right of use assets	19			363,705
Property, plant and equipment	18			259,888
Equity accounted investment in Associate	16			54,704,279
Total Assets				**239,848,654**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

Consolidated - 30 June 2026	Notes	Mt Ida $	Yinnetharra $	Total $
Liabilities				
Segment liabilities		(1,064,539)	(422,707)	(1,487,246)
Total segment liabilities		**(1,064,539)**	**(422,707)**	**(1,487,246)**
Unallocated liabilities:				
Trade and other payables				(786,825)
Provisions				(301,062)
Lease liabilities	19			(424,035)
Total Liabilities				**(2,999,168)**

Consolidated - 30 June 2025	Notes	Mt Ida $	Yinnetharra $	Total $
Other income/(expense)		304,413	70,748	375,160
Expenditure		(129,065)	(76,499)	(205,563)
Impairment	6	1,494	(1,505,962)	(1,504,468)
Net finance expense		(29,989)	52	(29,937)
Segment profit or (loss)		**146,853**	**(1,511,662)**	**(1,364,808)**
Other exploration profit or (loss)	6			
Unallocated				(4,186)
Other income	5			1,035,478
Employee benefits expense				(3,478,587)
Corporate & administrative expenses				(2,262,610)
Public relations & marketing expenses				(344,157)
Share-based payments	6, 36			(649,842)
Net fair value (loss) on financial assets	11			460,514
Depreciation				(292,979)
Net finance income				3,223,500
Loss before income tax expense from continuing operations				**(3,677,677)**
Income tax expense	8			-
Loss after income tax expense from continuing operations				**(3,677,677)**
Assets				
Exploration assets	15	91,185,325	89,590,620	180,775,946
Other segment assets		1,213,644	1,112,994	2,326,638
Total segment assets		**92,398,969**	**90,703,614**	**183,102,584**

(Continued)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

4. OPERATING SEGMENTS (CONT'D)

Consolidated - 30 June 2025	Notes	Mt Ida $	Yinnetharra $	Total $
Other exploration assets				-
Unallocated assets:				
Cash and cash equivalents				58,430,708
Trade and other receivables				1,081,731
Financial assets	11			1,750,000
Right of use assets	19			525,352
Property, plant and equipment				403,528
Total Assets				**245,293,903**
Liabilities				
Segment liabilities		(2,756,501)	(998,352)	(3,754,853)
Total segment liabilities		**(2,756,501)**	**(998,352)**	**(3,754,853)**
Unallocated liabilities:				
Trade and other payables				(1,575,528)
Provisions				(454,319)
Lease liabilities	19			(579,148)
Total Liabilities				**(6,363,847)**

5. OTHER INCOME

	Note	2026 $	2025 $
Fuel tax credits		122,741	438,660
R&D tax credits		1,682,693	1,046,646
Net recoveries from Ballard Mining Ltd		25,688	-
Gain/(loss) on deemed disposal of investment in associate	16	16,805,010	-
Total other income		**18,636,132**	**1,485,306**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

6. EXPENSES

	Note	2026 $	2025 $
Employee benefits expense			
Corporate salary, wages & bonuses		(2,180,672)	(3,004,952)
Superannuation expense		(195,924)	(229,802)
Payroll taxes		(131,298)	(178,055)
Other employee costs		(132,935)	(66,188)
Total employee benefits expense		**(2,640,829)**	**(3,478,996)**
Share-based payments			
Performance rights & options - Directors & Key Management personnel	28	(156,058)	(379,607)
Performance rights - other employees	36	(128,675)	(270,235)
Total share-based payments		**(284,733)**	**(649,842)**
Exploration expenditure expense			
Exploration costs		(767,547)	(168,056)
Impairment	15	(2,295,426)	(1,504,468)
Total exploration expense		**(3,062,973)**	**(1,672,524)**

7. NET FINANCE INCOME

	Note	2026 $	2025 $
Finance income			
Interest income		2,322,507	3,282,363
Finance costs			
Interest expense on lease liabilities	19	(38,585)	(49,918)
Accretion expense on rehabilitation provision	21	(37,017)	(38,521)
Net foreign exchange gain/(loss)		(1,439)	(361)
Other interest expense		-	-
Net finance income		**2,245,466**	**3,193,563**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

8. INCOME TAX

	Note	2026 $	2025 $
Current tax		-	-
Deferred tax		-	-
		-	**-**
Numerical reconciliation of income tax expense to prima facie tax payable			
Profit/(loss) from continuing operations		13,157,772	(3,677,677)
Profit/(loss) from discontinued operations	13	-	(259,513)
Total comprehensive loss for the year attributable to owners		**13,157,772**	**(3,937,190)**
Prima facie tax benefit at the Australian tax rate of 30% (2025: 25%)		3,947,332	(984,298)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income			
Other permanent differences		(403,843)	20,920
Movement in temporary differences and tax losses not recognised		(3,806,209)	963,378
Impact of change in corporate tax rate		262,721	-
Income tax benefit		**-**	**-**
Deferred Tax			
Deferred tax assets at 30% (2025: 25%)			
Provisions and accruals		109,223	123,355
Capital raising costs		797,058	1,119,665
Carry forward tax and capital losses		45,921,919	38,526,237
Financial assets at fair value		337,790	212,097
Total deferred tax assets		**47,165,990**	**39,981,354**
Deferred tax liabilities at 30% (2025: 25%)			
Prepayments and other		265,126	245,292
Exploration and evaluation assets		31,933,797	23,729,952
Assets held for sale	12	-	12,532,159
Investment in Ballard Mining Ltd		14,967,067	3,473,951[1]
Total deferred tax liabilities		**47,165,990**	**39,981,354**

Carry forward tax losses not recognised for 2026 are $71,549,299.

The tax benefits of the above deferred tax assets will only be obtained if:
(i) The Company derives future assessable income of a nature and an amount sufficient to enable the benefits to be utilised;
(ii) The Company continues to comply with the conditions for deductibility imposed by law; and
(iii) No changes in income tax legislation adversely affects the Company in utilising the benefits.

1 Deferred tax liabilities associated with the investment in Ballard Mining Ltd relate to the in-specie distribution on 9 July 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

8. INCOME TAX (CONT'D)

Income Tax Consolidation

Delta Lithium Ltd and its wholly owned Australian subsidiaries are part on an income tax consolidated group and have entered into tax sharing and tax funding agreements. Under the terms of these agreements, the subsidiaries will reimburse Delta Lithium Ltd for any current income tax payable by Delta Lithium Ltd arising in respect of their activities. The reimbursements are payable at the same time as the associated income tax liability falls due and will therefore be recognised as a current tax-related receivable by Delta Lithium Ltd when they arise. In the opinion of the Directors, the tax sharing agreement is also a valid agreement under the tax consolidation legislation and limits the joint and several liability of the subsidiaries in the case of a default by Delta Lithium Ltd.

As set out in Note 17 of the financial statements, on 30 June 2025 the Shareholders of Delta Lithium Ltd approved the in-specie distribution of 63,669,413 shares in the Ballard Mining Ltd subsidiary, which was subsequently undertaken on 9 July 2025. As such, Ballard Mining Ltd and Mt Ida AU Pty Ltd should remain members of the Delta Lithium income tax consolidation group to 30 June 2025 and exit the group on 9 July 2025.

Change in corporate tax rate

Having regard to projected future annual turnover and the tax profile of assets, Delta Lithium Ltd should no longer be considered to be a base rate entity for income tax purposes and should therefore be subject to a 30% tax rate for the year ended 30 June 2026 and future years. The impact of this change in the corporate tax rate has been reflected in the unrecognised deferred tax positions and the prima face income tax reconciliation above.

9. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits on call with financial institutions, and other short-term, highly liquid investments.

	Note	2026 $	2025 $
Cash at bank		9,579,512	10,849,890
Cash on deposit		40,000,000	45,020,000
Cash and cash equivalents as per statement of financial position		**49,579,512**	**55,869,890**
Reclassification of cash and cash equivalents in assets held for sale	12	-	2,602,030
Cash and cash equivalents as per statement of cash flows		**49,579,512**	**58,471,920**

10. TRADE AND OTHER RECEIVABLES

	Note	2026 $	2025 $
Government taxes receivable		138,629	488,755
Other receivables		1,291,443	1,352,268
Reclassification of trade and other receivables in assets held for sale	12	-	(315,224)
Total trade and other receivables	26	**1,430,072**	**1,525,799**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Note	2026 $	2025 $
Listed ordinary shares - designated at fair value through profit or loss		1,472,419	1,750,000
Total financial assets		**1,472,419**	**1,750,000**
Reconciliation of the fair values at the beginning and end of the current previous financial year are set out below:			
Opening fair value		1,750,000	1,019,671
Additions		-	1,500,000
Disposals		-	(1,230,185)
Gain/(loss) on revaluation	34	(277,581)	460,514
Total financial assets		**1,472,419**	**1,750,000**

12. NON-CURRENT ASSETS HELD FOR SALE

On 30 June 2025, the Shareholders of Delta Lithium Ltd approved the in-specie distribution of 63,669,413 shares in the Ballard Mining Ltd subsidiary, with the successful listing of Ballard Mining Ltd on the ASX on 14 July 2025. The assets and liabilities of Ballard Mining Ltd and its subsidiary, Mt Ida AU Pty Ltd, have been disclosed as available for sale in accordance with AASB 5 Non-current Assets Held for Sale and Discontinued Operations for the prior year comparative.

As at 30 June 2026, no disposal group exists.

	Note	2026 $	2025 $
Cash and cash equivalents	9	-	2,602,030
Trade and other receivables	10	-	315,224
Property, plant and equipment	18	-	15,878
Capitalised exploration and evaluation expenditure	15	-	57,105,739
Assets held for sale		**-**	**60,038,871**
Trade and other payables	20	-	2,157,465
Liabilities held for sale		**-**	**2,157,465**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

13. DISCONTINUED OPERATIONS

Delta Lithium and Javelin Minerals Ltd ("Javelin") entered into a share sale agreement to dispose 100% of Warriedar Mining Pty Ltd ("Warriedar") subsidiary on 22 October 2024. Warriedar held 100% ownership of the Eureka exploration & evaluation asset recorded at $4,048,070 carrying value. The sale of the non-core Eureka project was to free up resources for the Group for the Mt Ida and Yinnetharra core projects.

Delta received consideration of $3,000,000, with the breakdown provided below. A nil value has been applied to the contingent consideration component as at 30 June 2026.

Consideration received by Delta comprised of:

- $1,500,000 cash consideration
- $1,500,000 equity consideration of Javelin ordinary shares
- $1,000,000 contingent equity consideration of Javelin ordinary shares upon the achievement of the earlier of:
  1. Recommencement of mining operations on one or more of the Tenements; and
  2. Javelin increasing the JORC compliant Inferred Mineral Resource across the Tenements to greater than 200,000 oz at a 0.5 g/t cut-off grade.

A loss of $259,513 arose on the disposal of Warriedar Mining Pty Ltd, being the difference between the proceeds of disposal and the carrying amount of the subsidiary's net assets.

The results of the discontinued operations, which have been included in the loss for the year, were as follows:

Total consideration for the sale is comprised of:

	Note	2025 $
Cash and cash equivalents		1,500,000
Financial assets held at fair value through profit or loss		1,500,000
Total consideration transferred		**3,000,000**

	Note	2026 $	2025 $
Revenue		-	-
Expenses		-	-
Profit before income tax and interest		-	-
Net finance income		-	-
Loss on disposal of discontinued operations		**-**	**(259,513)**
Attributable tax expense		-	-
Net loss attributable to discontinued operations		**-**	**(259,513)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

13. DISCONTINUED OPERATIONS (CONT'D)

Cash flows from/(used in) discontinued operations	Note	2026 $	2025 $
Net cash from operating activities		-	(26,079)
Net cash inflow/(outflow) from investing activities		-	(39,371)
Net cash inflow/(outflow) from financing activities		-	-
Net cash flows to date of disposal		**-**	**(65,450)**
Basic earnings/(loss) per share - Discontinued operations		**-**	**(0.04)**
Diluted earnings/(loss) per share - Discontinued operations		**-**	**(0.04)**

Effect on disposal on the financial position of the Group	Note	2025 $
Trade and other receivables		(18,484)
Property, plant and equipment		(3,095)
Capitalised exploration and evaluation expenditure		(4,048,070)
Provision for rehabilitation - Eureka		810,137
Net assets and liabilities		**(3,259,513)**
Consideration received, satisfied in cash		1,500,000
Cash and cash equivalents disposed of		-
Net cash inflows		**1,500,000**

14. ASSET ACQUISITION

Reach Resources Limited

On 12 June 2026 the Company entered into an agreement with Reach Resources Ltd to fully acquire the remaining interest in the Morrissey Hill and Camel Hill projects comprising 6 tenements. The purchase agreement terminated the pre-existing earn-in and joint venture agreement entered into on 9 March 2024. Key terms of the transactions are:

Total consideration of $800,000 comprised of:

- $400,000 cash consideration
- $400,000 equity consideration settled via 1,826,484 ordinary shares of Delta issued on 19 June 2026, based on VWAP of 30-days prior to execution date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

14. ASSET ACQUISITION (CONT'D)

	Note	2025 $
Total consideration for the purchase is as follows:		
Cash - acquisition		400,000
Share capital - acquisition		400,000
Total purchase consideration reflected as capitalised exploration and evaluation assets	15	**800,000**

Minerals 260 Limited

On 20 May 2025, the Company entered into a binding agreement with Minerals 260 Limited to acquire 100% control of the 15 granted tenements comprising the Aston Project in the Gascoyne region of Western Australia.

The agreement includes a Minerals Royalty Deed ("Royalty") calculated at 1.5% of net smelter return ("NSR) on any future production of Lithium, Caesium, Beryllium, Rubidium or Tantalum.

	Note	2025 $
Total consideration for the purchase is as follows:		
Cash - acquisition settlement		450,000
Acquisition costs - stamp duty		15,390
Total purchase consideration reflected as capitalised exploration and evaluation assets		**465,390**

Zeus Resources Limited

On 24 April 2025, the Company entered into a binding agreement with Zeus Resources Limited to acquire 100% of the E09/2147 Mortimer Hills project in the Gascoyne region of Western Australia.

The agreement includes a Resource Royalty ("Royalty") payable upfront and in advance when a Competent Person provides a written report confirming the existence of a Mineral Resource Estimate on the E09/2147 tenement at a minimum grade of 0.8% (at a 0.5% Li_2O cut-off grade) within 4 years of the execution date.

	Note	2025 $
Total consideration for the purchase is as follows:		
Cash - acquisition settlement		150,000
Total purchase consideration reflected as capitalised exploration and evaluation assets		**150,000**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

15. EXPLORATION AND EVALUATION ASSETS

	Note	2026 $	2025 $
Exploration and evaluation costs carried forward in respect of mining areas of interest			
Opening net book amount		123,670,207	156,871,726
Capitalised exploration and evaluation expenditure		9,217,108	28,842,552
Asset acquisition - Minerals 260 Limited - Yinnetharra	14	-	465,390
Asset acquisition - Zeus Resources Limited - Yinnetharra	14	-	150,000
Asset acquisition - Reach Resources Limited	14, 15	800,000	-
Asset Disposal - Eureka	13	-	(4,048,070)
Impairment expense	6	(2,295,426)	(1,504,467)
Rehabilitation provision adjustments capitalised	21	(83,504)	(1,184)
Reclassification to disposal group held for sale	12	-	(57,105,739)
Total exploration and evaluation assets		**131,308,385**	**123,670,207**

Reconciliation	2025 $	Acquisition costs $	Additions $	Disposals/ Other $	Impairment $	Transfers $	2026 $
Mt Ida	34,079,587	-	665,409	(83,504)	-	-	34,661,492
Yinnetharra	83,006,702	800,000	6,061,922	-	-	6,778,269	96,646,893
- Voltaic Strategic Resources[1]	1,682,818	-	612,608	-	(2,295,426)	-	-
- Reach Resources[2]	4,901,100	-	1,877,169	-	-	(6,778,269)	-
Total exploration and evaluation assets	**123,670,207**	**800,000**	**9,217,108**	**(83,504)**	**(2,295,426)**	**-**	**131,308,385**

1 *Delta terminated the earn-in and joint venture agreement previously entered into with Voltaic Strategic Resources Ltd on 9 March 2024. Capitalised exploration and evaluation costs related to the agreement have been written down to nil value as at 30 June 2026.*

2 *Amounts previously disaggregated to Reach Resources have been transferred into the Yinnetharra category upon execution of the tenement acquisition. Amounts transferred are the cumulative of prior periods and amounts capitalised up to 12 June 2026.*

16. EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES

On 9 July 2025, Delta lost control of Ballard Mining Limited ("Ballard") due to the in-specie distribution of 63,669,413 shares to Delta shareholders in conjunction with the capital raising as part of the IPO. Delta Lithium's voting rights decreased from 100% to 45.97%, resulting in derecognition of the subsidiary, see Note 17 for disposal of subsidiary.

Delta applied judgement to determine if significant influence is exerted over Ballard in accordance with AASB 128 Investments in Associates and Joint Ventures. Due to holding 1 board position in addition to holding greater than 20% of the voting rights through-out the period, Delta has recognised an associate and applied equity accounting. Any retained investment in the former subsidiary has been measured at fair value on the date control was lost. Delta's initial recognition in the investment in the associate was $39,082,672 being fair value of $0.25 per share as determined in the IPO prospectus. Subsequent to initial recognition, Delta has recorded its share of Ballard's profit or loss and other comprehensive income for the period, in addition to gains on deemed disposal due to decreases in ownership interest.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

16. EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES (CONT'D)

Details of the Associate for the period are as follow:

- Quoted market prices for the securities of Ballard Mining Ltd are available on the Australian Stock Exchange. As at 30 June 2026, Delta Lithium's market value of the investment in Ballard Mining Ltd was $100,039,036
- Nil dividends were received from Ballard Mining Ltd during the period.
- Ballard Mining Ltd's is incorporated under the Corporations Act 2001, with its principle place of business in Western Australia.
- As at 30 June 2026, Delta Lithium retains 34.38% of the voting rights of Ballard Mining Ltd
- Nature of activities between the two entities comprises of mineral rights agreements, shared labour resources, shared office space recharged on commercial terms, and the sale of fixed assets from Delta to Ballard. See Related Party Transactions at Note 32 for further information.

During the period, Delta's share of ownership changed as follows:

1. On 17 October 2025, Delta's share of ownership decreased from 45.97% to 45.91% due to an issue of ordinary shares by Ballard.
2. On 21 October 2025, Delta's share of ownership decreased from 45.91% to 45.89% due to an issue of ordinary shares by Ballard.
3. On 30 October 2025, Delta's share of ownership decreased from 44.89% to 41.35% due to an issue of ordinary shares by Ballard.
4. On 28 November 2025, Delta's share of ownership decreased from 41.35% to 41.31% due to an issue of ordinary shares by Ballard.
5. On 2 February 2026, Delta's share of ownership decreased from 41.31% to 34.38% due to an issue of ordinary shares by Ballard.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

16. EQUITY ACCOUNTED INVESTMENTS IN ASSOCIATES (CONT'D)

	2026 $
Percentage of ownership interest	**34.48%**
Non-current assets	107,197,185
Current assets	63,095,908
Non-current liabilities	1,167,451
Current liabilities	9,938,438
Net asset (100%)	**159,187,204**
Delta Lithium's share of net assets (34.48%)	54,704,279
Carrying value of equity accounted investment in Ballard Mining Ltd	**54,704,279**
Revenue	-
(Loss) from continuing operations	(3,049,100)
Other comprehensive income/(loss)	-
Total comprehensive loss (100%)	(3,049,100)
Delta Lithium's share of total comprehensive loss	**(1,183,403)**

	Note	2026 $
Reconciliation of carrying amount of equity accounted investment		
Opening balance	17	39,082,672
Share of profit/(loss) of associate		(1,183,403)
Share of comprehensive income of associate		-
Gains on deemed disposal	5	16,805,010
Closing balance		**54,704,279**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

17. DISPOSAL OF BALLARD MINING LIMITED

Pursuant to in-specie distribution in conjunction with the issue of 120,000,000 ordinary shares as part of the initial public offering ("IPO") announced 30 May 2025, Delta lost control of the 100% owned subsidiaries of Ballard Mining Ltd ("Ballard") and Mt Ida AU Pty Ltd on 9 July 2025. Mt Ida AU Pty Ltd was a 100% owned subsidiary of Ballard at the date control was lost and the following disclosures provided for Ballard on a consolidated basis.

No consideration was received by Delta on loss of control, with a gain on deconsolidation of $1,665,675 recorded on surplus of fair value of investment retained over the net assets deconsolidated.

The details of the assets and liabilities disposed of, and the calculation of the profit/(loss) are as follows:

	2026 $
Fair value of investment is comprised of:	
Fair value of equity accounted investment in Associate	39,082,672
Fair value of in-specie distribution	15,917,428
Fair value of previously eliminated receivable recognised	4,437,989
Total fair value of investment retained	**59,438,089**
Net assets disposed comprises of:	
Cash and cash equivalents	1,377,243
Trade and other receivables	455,598
Capitalised exploration & evaluation expenditure	57,144,015
Property, plant and equipment	18,505
Trade and other payables	(1,062,526)
Provisions	(160,421)
Net assets of Subsidiary disposed of	**57,772,414**
Gain/(loss) on disposal of Subsidiary	**1,665,675**
Net cash inflow/(outflow) arising from disposal:	
Consideration received in cash and cash equivalents	-
Less: cash and cash equivalents disposed of	(1,377,243)
	(1,377,243)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

18. PROPERTY, PLANT AND EQUIPMENT

Consolidated	Office Equipment $	Computer Equipment $	Exploration plant & equipment $	Under Construction $	Buildings $	Total $
Balance at 1 July 2024	7,078	107,957	1,143,926	74,604	856,098	2,189,662
Additions	16,965	13,008	324,578	-	16,916	371,467
Disposals	(762)	(388)	(169,301)	-	(63,500)	(233,951)
Transfers	-	8,889	-	(74,604)	65,715	-
Depreciation[1]	(3,341)	(58,523)	(199,347)	-	(136,306)	(397,517)
Reclassification of property, plant and equipment to assets held for sale	(13,439)	-	(2,439)	-	-	(15,878)
Balance at 30 June 2025	**6,501**	**70,943**	**1,097,417**	**-**	**738,923**	**1,913,784**
Cost	25,744	182,719	1,495,527	-	949,080	2,653,070
Reclassification of property, plant and equipment to assets held for sale	(5,804)	(111,776)	(395,671)	-	(210,157)	(723,408)
Accumulated Depreciation	(13,439)	-	(2,439)	-	-	(15,878)
Net	**6,501**	**70,943**	**1,097,417**	**-**	**738,923**	**1,913,784**
Balance at 1 July 2025	6,502	70,943	1,097,417	-	738,922	1,913,784
Additions	668	7,074	5,619	-	-	13,360
Disposals	(1,362)	(10,074)	(598,540)	-	-	(609,975)
Transfers	-	-	-	-	-	-
Depreciation[1]	(2,551)	(42,931)	(146,693)	-	(134,713)	(326,888)
Balance at 30 June 2026	**3,258**	**25,012**	**357,802**	**-**	**604,210**	**990,282**
Cost	10,297	149,043	666,188	-	946,865	1,772,393
Accumulated Depreciation	(7,039)	(124,031)	(308,386)	-	(342,655)	(782,111)
Net	**3,258**	**25,012**	**357,802**	**-**	**604,210**	**990,282**

1 *Depreciation of $172,753 (2025: $246,757) related to exploration plant & equipment has been capitalised to exploration and evaluation assets.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

19. RIGHT OF USE ASSETS AND LEASE LIABILITIES

The Group leases a corporate office. The leases typically run for a period of 1-5 years with an option to renew the lease after that date. The Group assesses at the lease commencement date whether it is reasonably certain to exercise an extension option and this is factored into the lease liability recognised. The Group also leases various exploration equipment. These leases are short-term typically run on weekly/monthly hire periods. The Group does not to recognise right of use assets and lease liabilities for these short-term leases. The total value of these leases recognised during the period was $394,197 (2025: $352,790) which have been capitalised to exploration and evaluation assets. No new leases were entered into or existing leases terminated during the period.

	Note	2026 $	2025 $
Right of use assets			
Opening balance		525,352	681,890
Additions - Buildings - Right of use		-	6,010
Disposals - Buildings - Right of use		-	-
Less: Depreciation		(161,647)	(162,548)
Total right of use assets		**363,705**	**525,352**
Lease Liabilities			
Opening balance		579,148	709,636
Additions - Buildings - Right-of-use		-	6,011
Disposals - Buildings - Right of use		-	-
Less: Lease repayments		(193,699)	(186,417)
Add: Interest	7	38,585	49,918
Total lease liabilities		**424,035**	**579,148**
Classification			
Lease liability - Current liability		175,073	155,113
Lease liability - Non-current liability		248,962	424,035
Total lease liabilities		**424,035**	**579,148**

20. TRADE AND OTHER PAYABLES

	Note	2026 $	2025 $
Trade payables		319,271	1,750,796
Other payables and accruals		1,284,334	3,015,888
Reclassification of trade payables to assets held for sale	12	-	(2,157,465)
Total trade and other payables		**1,603,605**	**2,609,219**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

21. REHABILITATION PROVISION

	Note	2026 $	2025 $
Opening net book amount		1,018,015	1,790,815
Accretion expense	7	37,017	38,521
Rehabilitation revisions during the year		(83,504)	(1,184)
Provision disposed in discontinued operations	13	-	(810,137)
Total rehabilitation provision		**971,528**	**1,018,015**
Classification			
Rehabilitation provision - current		-	105,260
Rehabilitation provision - non-current		971,528	912,755
		971,528	**1,018,015**

Reconciliation	2025 $	Accretion Expense $	Changes in provisions $	2026 $
Mt Ida	1,018,015	37,017	(83,504)	971,528
Total rehabilitation provision	**1,018,015**	**37,017**	**(83,504)**	**971,528**

22. SHARE CAPITAL

	2026		2025	
	No. Shares	$	No. Shares	$
Ordinary shares fully paid	**719,189,526**	**256,891,815**	**716,541,792**	**272,221,897**

Movements in ordinary share capital	Date	No. Shares	Issue price $	Total $
Opening Balance	**1 Jul 24**	**713,407,142**		**271,444,337**
Conversion of $0.25 options	Various	3,134,651	0.250	783,662
Less: share issue costs				(6,102)
Closing Balance	**30-Jun-25**	**716,541,792**		**272,221,897**
Conversion of performance rights to employees	Various	821,250	0.235	192,993
Consideration shares - Reach Resources ltd tenement acquisition	19-Jun-26	1,826,484	0.219	400,000
Less: Distributions to owners of equity	30-Jun-26			(15,917,428)
Less: share issue costs				(5,647)
Closing Balance	**30-Jun-26**	**719,189,526**		**256,891,815**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

22. SHARE CAPITAL (CONT'D)

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

23. RESERVES

The share-based payment reserve is used to recognise the fair value of options and performance rights issued by the Group.

	2026 $	2025 $
Share-based payment reserve		
Opening balance	1,770,110	6,998,257
Movement for the period	91,263	(5,228,147)
Total share-based payment reserve	**1,861,373**	**1,770,110**

24. ACCUMULATED LOSSES

	2026 $	2025 $
Opening balance	35,061,951	37,002,750
Net loss/(profit) for the period	(13,157,772)	3,937,190
Transfer following forfeiture of options	-	(5,877,989)
Closing accumulated losses	**21,904,179**	**35,061,951**

25. DIVIDENDS

No dividends were paid during the financial year (2025: $0). No recommendation for payment of dividends has been made.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

26. FINANCIAL INSTRUMENTS

Financial Risk Management Policies

The Group activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Delta Lithium Limited.

Risk management is carried out by the full Board of Directors as the Company believes that it is crucial for all Board members to be involved in this process. The Chairman, with the assistance of Executive Leadership Team as required, has responsibility for identifying, assessing, treating and monitoring risks and reporting to the Board on financial risk management.

Market Risk

The Company is exposed to a variety of financial risks through its financial instruments for example, interest rate risk, liquidity risk and credit risk, as well as foreign currency risk.

Foreign currency risk

During the period the group was exposed to foreign exchange risk arising from various currency exposures, primarily with respect to USD.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using cash flow forecasting.

The Consolidated Entity has not entered into any derivative financial instruments to hedge such transactions and anticipated future receipts or payments that are denominated in a foreign currency. The board manages the purchase of foreign currency to meet operational requirements.

The year-end exchange rate used to recalculate the US dollar dominated balances on 30 June 2026 was $0.689 (2025: $0.6551). A 10% increase/decrease in the value of Australian dollar against the before mentioned currencies at 30 June 2026 would have an immaterial effect.

Interest Rate Risk

Interest rate risk is the probability of a decline in the value of a financial instrument resulting from unexpected fluctuations in interest rates. At reporting date, the Company does not have long term borrowings and its exposure to interest rate risk is assessed as low. The Group monitors its interest rate risk through sensitivity analysis with the result of changes in market interest rates and the effective weighted average interest rates on classes of financial instruments of the Company summarised in the following tables:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

Consolidated	Weighted average interest rate %	1 Year or less $	Over 1 to 5 years $	Non-interest bearing $	Remaining contractual maturities $
2025					
Financial Assets					
Cash and cash equivalents	4.16%	55,869,890	-	-	**55,869,890**
Trade and other receivables		-	-	1,468,063	**1,468,063**
Financial assets		-	-	1,750,000	**1,750,000**
Total Financial Assets		**55,869,890**	**-**	**3,218,063**	**59,087,953**
Financial Liabilities					
Other payables and sundry accruals		-	-	2,609,219	**2,609,219**
Lease liabilities	7.57%	155,113	424,035	-	**579,148**
Total financial liabilities		**155,113**	**424,035**	**2,609,219**	**3,188,367**
2026					
Financial Assets					
Cash and cash equivalents	4.79%	49,579,512	-	-	**49,579,512**
Trade and other receivables		-	-	1,354,503	**1,354,503**
Financial assets		-	-	1,472,419	**1,472,419**
Total Financial Assets		**49,579,512**	**-**	**2,826,922**	**52,406,434**
Financial Liabilities					
Other payables and sundry accruals		-	-	1,603,605	**1,603,605**
Lease liabilities	7.57%	175,073	248,962	-	424,035
Total financial liabilities		**175,073**	**248,962**	**1,603,605**	**2,027,640**

An official increase/decrease in interest rates of 25 (2025: 25) basis points would have a favourable/adverse effect on the profit before tax of $128,120. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts.

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity. The Group does not have any significant concentration of credit risk. Credit risk related to balances with banks and other financial institutions is managed by investing surplus funds in financial institutions that maintain a high credit rating. As the Group does not presently have any material aged trade debtors, lending, significant stock levels or any other credit risk, a formal credit risk management policy is not maintained.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

26. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Group. Due to the nature of the Company activities, being mineral exploration, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. The Board of Directors constantly monitors the state of equity markets in conjunction with the Group current and future funding requirements, with a view to initiating appropriate capital raisings as required. The financial liabilities of the Group are confined to trade and other payables and lease liabilities as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 12 months of the reporting date. Refer to Note 19 for lease liability gross payments and interest expense.

Capital risk management

The Group's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they may continue to provide returns for shareholders and benefits for other stakeholders. The working capital position of the Group is as follows:

	Note	2026 $	2025 $
Cash and cash equivalents	9	49,579,512	55,869,890
Trade and other receivables	10	1,430,072	1,525,799
Financial Assets	11	1,472,419	1,750,000
Assets held for sale		-	60,038,871
Trade and other payables	20	(1,603,605)	(2,609,219)
Provision - rehabilitation		-	(105,260)
Liabilities held for sale		-	(2,157,465)
Working capital		**50,878,398**	**114,312,616**

27. FAIR VALUE MEASUREMENT

Fair value hierarchy

The following table details the Group's assets and liabilities, measured or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- **Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- **Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- **Level 3:** Unobservable inputs for the asset or liability

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

27. FAIR VALUE MEASUREMENT (CONT'D)

	Note	Level 1 $	Level 2 $	Level 3 $	Total $
2025					
Financial assets	11	1,750,000	-	-	1,750,000
		1,750,000	**-**	**-**	**1,750,000**
2026					
Financial assets	11	1,472,419	-	-	1,472,419
		1,472,419	**-**	**-**	**1,472,419**

28. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation

	Note	2026 $	2025 $
Short-term benefits		1,763,686	1,808,220
Post-employment benefits		112,904	118,242
Termination benefits		-	-
Subtotal		**1,876,590**	**1,926,462**
Share-based payments		156,058	379,607
Total Key Management Personnel compensation		**2,032,648**	**2,306,069**

Shareholdings

The number of shares in the Company held during the financial year by Directors and Key Management Personnel of the Company, including their personally related parties, was 10,191,528 (2025: 10,565,021).

Option holdings

The numbers of options over ordinary shares in the Company held during the financial year by Directors and Key Management Personnel of the Company, including their personally related parties, was 2,000,000 (2025: 6,000,000).

Performance rights

The number of performance rights in the Company held during the financial year by Directors and Key Management Personnel of the Company, including their personally related parties, was 11,316,667 (2025: 7,500,000).

Loans to Key Management Personnel

There were no loans to Key Management Personnel during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

29. AUDITOR'S REMUNERATION

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2026 $	2025 $
Remuneration of the auditor of the parent entity		
Audit Services - Audit or review of the financial statements	78,624	88,184
Audit Services - Audit or review related to Ballard Mining Limited IPO	-	10,550
Non-assurance services - Tax compliance	67,925	47,025
Non-assurance services - Other services	-	-
Total	**146,549**	**145,759**

30. COMMITMENTS AND CONTINGENCIES

The Company has certain commitments to meet minimum expenditure requirements on the mineral exploration assets it has an interest in. Capital commitments at the reporting date but not recognised as liabilities:

	2026 $	2025 $
Exploration commitments - Within one year	1,820,675	3,796,941
Exploration commitments - Later than one year but not later than five years	9,336,380	8,090,663
Total commitments	**11,157,055**	**11,887,604**

Tenure held under Mt Ida Lithium Pty Ltd Is subject to the Mineral Rights Agreements with Mt Ida Au Pty Ltd in which commitments for rent, rates and tenement administration are attributed 50/50.

There are no other contingent liabilities to disclose relating to the current or prior financial years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

31. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity.

	2026 $	2025 $
Current assets	51,709,319	117,915,678
Non-current assets	181,333,164	118,949,570
Total assets	**233,042,483**	**236,865,248**
Current liabilities	1,262,958	1,631,477
Non-current liabilities	248,962	424,035
Total liabilities	**1,511,920**	**2,055,512**
Net assets	**231,530,563**	**234,809,736**
Contributed equity	256,891,815	272,221,897
Reserve	1,861,851	1,770,110
Accumulated losses	(27,223,103)	(39,182,271)
Total equity	**231,530,563**	**234,809,736**
	-	-
Profit/(loss) for the year	11,524,099	(16,557,358)
Total comprehensive loss for the year	**11,524,099**	**(16,557,358)**

Commitment and contingent liabilities of the parent

The parent entity did not have any contingent liabilities or commitments, as at 30 June 2026 (2025: nil) other than as disclosed at Note 30.

Guarantees entered into the parent entity

There were no guarantees entered into by the parent entity as at 30 June 2026 (30 June 2025: nil).

Material accounting policies

The accounting policies of the parent entity are consistent with those of the Consolidated Entity, as disclosed in Note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less impairment, in the parent entity.
- Investments in joint ventures are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity's statement of profit or loss when its right to receive the dividend is established, noting its receipt may be an indicator of an impairment of the investment

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

32. RELATED PARTY TRANSACTIONS

Parent Entity

Delta Lithium Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in Note 33.

Key Management Personnel

Disclosures relating to Key Management Personnel are set out in Note 28 and the Remuneration Report included in the Directors' report.

Other Transactions with Related Entities of Key Management Personnel and Associates

Directors and officers, or their personally related entities, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities. The transactions entered into during the period end 30 June 2026 have been presented below.

Delta's investment the associate Ballard constitutes a related party under AASB 124 Related Party Disclosures. The transactions with entities of the Ballard Group are presented as follows:

During the period end 30 June 2026, Delta received $4,000,000 from Ballard Mining Ltd for repayment of an interest free loan. Delta received $548,327 from Mt Ida AU Pty Ltd and paid $103,918 to Ballard Mining Ltd to settle interest free intercompany balances arising from when the entities were within the Delta Group.

Delta and Ballard entered into a Mineral rights agreement, allowing cost recoveries to be charged between the two entities, with amounts owing settled in cash on 4-week payment terms. Balances outstanding are to be settled in cash within 6 months of the reporting date.

Details of the transactions including amounts accrued but unpaid at the end of the year as follows:

	2026 $	2025 $
Cost recoveries from Associates		
Ballard Mining Ltd	331,015	-
Mt Ida AU Pty Ltd	678,636	-
Total	**1,009,651**	**-**
Purchases from Associates		
Ballard Mining Ltd	(43,943)	-
Mt Ida AU Pty Ltd	(46,527)	-
Total	**(90,470)**	**-**
Sale of Property, plant and equipment to Associates		
Ballard Mining Ltd	-	-
Mt Ida AU Pty Ltd	525,000	-
Total	**525,000**	**-**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

32. RELATED PARTY TRANSACTIONS (CONT'D)

Amounts owed by Associates	2026 $	2025 $
Ballard Mining Ltd	20,758	-
Mt Ida AU Pty Ltd	102,190	-
Total	**122,948**	**-**
Amounts owing to Associates		
Ballard Mining Ltd	-	-
Mt Ida AU Pty Ltd	-	-
Total	**-**	**-**

33. CONSOLIDATED ENTITIES

		Ownership Interest	
		2026 %	2025 %
Parent Entity:			
Delta Lithium Limited	Australia		
Subsidiaries			
Mt Ida Lithium Pty Ltd (formerly Mt Ida Gold Pty Ltd)	Australia	100	100
Electrostate Malinda Pty Ltd	Australia	100	100
Electrostate Pty Ltd	Australia	100	100
Mt Ida Au Pty Ltd	Australia	-	100
Ballard Mining Limited	Australia	-	100

In the financial statements of the parent entity, investment in controlled entities are measured at cost.
See Note 17 for details on disposal of Ballard Mining Ltd and the fully owned subsidiary Mt Ida AU Pty Ltd.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

34. CASH FLOW INFORMATION

	Note	2026	2025
Reconciliation of loss after income tax to net cash outflow from operating activities			
Profit/(loss) after income tax		13,157,772	(3,937,190)
Adjustments for:			
Depreciation and amortisation		289,677	302,034
Impairment (reversal)/expense	6	2,295,426	1,504,468
Revaluation of financial assets	11	277,581	(460,514)
Share-based payments	36	284,733	649,842
Net (gain)/loss on disposal & deconsolidation of subsidiary	13	(1,665,675)	259,513
Net (gain)/Loss on disposal of non-current assets	5	28,136	74,668
Share of (profit)/loss from equity accounted investments	16	1,183,403	-
(Gain)/loss on deemed disposal of equity accounted investments	5	(16,805,010)	-
Changes in operating assets and liabilities			
(Increase)/decrease in trade and other receivables		27,989	505,734
Increase/(decrease) in trade and other payables		(737,431)	315,924
Net cash outflow from operating activities		**(1,663,399)**	**(785,521)**

35. EARNINGS PER SHARE

	Note	2026	2025
Basic profit/(loss) per share (cents)		1.83	(0.51)
Diluted profit/(loss) per share (cents)		1.83	(0.51)
Reconciliation of earnings to profit or loss			
Profit/ (loss) attributable to the owners of the Company used in calculating basic and diluted loss per share - Continuing Operations		13,157,772	(3,677,677)
		No. Shares	**No. Shares**
Weighted average number of shares			
Weighted average number of ordinary shares used as the denominator in calculating basic profit/(loss) per share	22	717,296,536	715,342,748
Adjustments for calculation of diluted earnings per share			
Performance rights		589,734	-
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share		717,886,270	715,342,748

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

35. EARNINGS PER SHARE (CONT'D)

The prior period 30 June 2025 basic and diluted loss for the attributable to ordinary equity holders of the parent (cents per share) is 0.55 and reflects the 0.51 disclosed above and 0.04 as calculated in Note 13. In the 2025 prior year, the Group made a loss, hence these potential shares are considered non-dilutive and are therefore not included in the diluted EPS calculation.

At 30 June 2026, the Company had on issue 20,033,332 performance rights (2025: 13,773,750), nil performance shares (2025: nil) and 2,000,000 options (2025: 12,000,000). Performance rights which did not meet the vesting conditions by 30 June 2026 have been excluded from the weighted average number of ordinary shares used in the diluted EPS metric. Performance rights included are those which have the vesting condition subject to retaining employment over a passage of time. The dilutive effective of these performance rights have been included in the diluted EPS metric using the treasury share method.

36. SHARE BASED PAYMENTS

The terms, conditions and key assumptions used in valuing share-based payment arrangements granted over ordinary shares affecting remuneration of directors, other key management personnel and employees in this financial year or future reporting years are as follows:

Performance rights to other employees

On 8 May 2026, 5,730,000 Performance rights were granted to Employees, with a subsequent grant of 1,000,000 performance rights on 22 May 2026. The performance rights were issued on 8 May 2026 and 15 June 2026 respectively.

The issue of performance rights were issued upon the achievement of the following milestones (vesting conditions):

- **Tranche 1 -** Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 35 cents by no later than 30 June 2029;
- **Tranche 2 -** Performance rights vesting upon the 5-day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 50 cents by no later than 30 June 2029;
- **Tranche 3 -** Performance rights vesting upon the first production of lithium ore or lithium concentrate from the Companies projects prior to 30 June 2029.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting conditions (as applicable).

Price barrier options have been valued using a "up and in" barrier price monte-carlo simulation for the 5-day VWAP target share price, and the below inputs. Tranche 3 valuation is based on the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Tranche 3	Total
Grant date	8-May-26 & 22-May-26	8-May-26 & 22-May -26	8-May-26 & 22-May -26	
Vesting date	30-Jun-29	30-Jun-29	30-Jun-29	
Expiry date	8-May-31 & 22-May-31	8-May-31 & 22-May-31	8-May-31 & 22-May-31	
Opening No. Securities	2,243,333	2,243,334	2,243,333	6,730,000
Forfeitures[4]	(200,000)	(200,000)	(200,000)	(600,000)
Cancellations	-	-	-	-
Exercised	-	-	-	-
Closing No. securities	**2,043,333**	**2,043,334**	**2,043,333**	**6,130,000**
Security entitlement	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	
Share price target (5-day-VWAP)	0.35	0.50	N/A	
Grant Date share price[3]	0.239	0.239	0.239	
Expected Volatility (annualised)[13]	76.48%	76.48%	N/A	
Risk-free rate[3]	4.64%	4.64%	N/A	
Dividend Yield	0.00%	0.00%	N/A	
Value of each security[3]	0.2148	0.1907	0.239	
Probability[2]	N/A	N/A	70%	
Remaining grant date fair value awarded ($)[3]	**438,908**	**389,664**	**488,357**	**1,316,928**
Expense recognised during FY26 ($)	**19,862**	**17,641**	**15,455**	**52,959**

1 Volatility has been annualised based on the previous 1 year of trading days from the grant date.
2 Management has applied judgement to assess the probability of the number of units expected to vest on the basis of Delta to finalise investment decisions and permitting at projects to achieve the milestone.
3 The weighted average of the parameter has been presented for both of the 8 May 2026 and 22 May 2026 issues as the class of securities is the same, with an immaterial difference in values presented. The fair value at grant date has been presented on a weighted average basis.
4 Units forfeited were due to the failure of the retained employment vesting condition. Cumulative expense was reversed in the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

On 17 September 2025, 749,997 performance rights were granted to Employees under the Employee Incentive Plan. The issue of performance rights were issued upon the vesting condition of 12 months continuous service with the Company, being 14 July 2026.

Details of the issue are as below:

	Total
Grant date	17-Sep-25
Vesting date	14-Jul-26
Expiry date	17-Sep-30
Opening No. Securities	749,997
Forfeitures[1]	(103,332)
Cancellations	-
Exercised	-
Closing No. securities	**646,665**
Security entitlement	One Share
Listed/unlisted	Unlisted
Grant Date share price	0.175
Value of each security	0.175
Probability[2]	100%
Remaining grant date fair value awarded ($)	**113,166**
Expense recognised during FY26 ($)	**102,337**

1 Units forfeited were due to employees not retaining employment with the company. Cumulative expense was reversed within the period.
2 Probability of 100% of vesting was applied for this issue of performance rights on the basis of ability to achieve the vesting condition by the employee retaining employment.

On 15 July 2024, 6,833,750 unlisted performance rights were granted to employees. The performance rights were issued on 26 July 2024 and include the following milestones (vesting conditions):

- **Tranche 1 -** Performance rights vesting upon delineation of 50Mt JORC resource at minimum grade of 0.8% Li_2O at a minimum cut off grade of 0.5 at a single Project by 30 June 2027.
- **Tranche 2 -** Performance rights vesting at grant of Mining Approval at the Yinnetharra project by 31 December 2027.
- **Tranche 3 -** Performance rights vesting on Gold MRE in excess of 1.25Moz at OP cutoff 0.5g/t & UG cutoff 1.5g/t or Completion of a transaction with a 100% project valuation of $200M or more by 30 June 2027.
- **Tranche 4 -** Performance rights vesting upon 12 months continued service with the Company, being 8 July 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 1	Tranche 2	Tranche 3	Tranche 4	Total
Grant date	15-Jul-24	15-Jul-24	15-Jul-24	15-Jul-24	
Vesting date	30-Jun-27	31-Dec-27	30-Jun-27	8-Jul-25	
Expiry date	14-Jul-29	14-Jul-29	14-Jul-29	14-Jul-29	
Opening No. Securities	920,001	920,001	919,998	496,250	3,256,250
Forfeitures[1]	(273,334)	(273,334)	(273,332)	-	(820,000)
Exercised	-	-	-	(496,250)	(496,250)
Closing No. Securities	**646,667**	**646,667**	**646,666**	**-**	**1,940,000**
Security entitlement	One Share	One Share	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	$Nil	$Nil	
Value of each security	0.235	0.235	0.235	0.235	
Probability[2]	50%	50%	0%	100%	
Remaining grant date fair value awarded ($)	**151,967**	**151,967**	**151,966**	**-**	**455,900**
Expense recognised during FY26 ($)	**12,633**	**10,795**	**(52,647)**	**2,599**	**(26,620)**

1 *Forfeitures were due to failure to meet the employment vesting condition. Cumulative expense was reversed during the period.*
2 *Probability for tranche 3 was assessed from 75% to 0% during the period due to the transfer of the gold rights at Mt Ida into Ballard Mining Ltd. Units remain on issue. The cumulative expense was reversed during the period.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

On 16 August 2023, 962,500 unlisted performance rights were granted to employees. The performance rights were issued 16 August 2023 and include the following milestones (vesting conditions):

- **Tranche 2 -** Performance rights vesting upon delineation of 100Mt JORC resource at minimum grade of 0.8% Li_2O at any of the Company's projects 3 November 2025.
- **Tranche 4 -** Performance rights vesting upon the first commercial shipment of DSO lithium ore or Spodumene concentrate by 3 November 2025.

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 2[1]	Tranche 4[1]	Total
Grant date	16-Aug-23	16-Aug-23	
Vesting date	3-Nov-25	3-Nov-25	
Expiry date	16-Aug-27	16-Aug-27	
Opening No. Securities	131,250	131,250	262,500
Forfeitures[3]	(131,250)	(131,250)	(262,500)
Exercised	-	-	-
Closing No. Securities	**-**	**-**	**-**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	
Value of each security	0.895	0.895	
Probability	0%	0%	
Remaining grant date fair value awarded ($)	-	-	-
Expense recognised during FY26 ($)	**-**	**-**	**-**

1 *All Tranche 1 performance rights vested and were exercised in FY24. Tranche 3 forfeited in a prior period due to failure to meet the vesting condition.*
2 *The probability of the milestone to tranches 2 and 4 was assessed to be 0% in the prior period and hence no expense recognised within this financial period.*
3 *Tranches 2 and 4 were forfeited during the period due to failure to achieve vesting conditions by the vesting date. Cumulative expense was reversed in a prior period.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

On 18 January 2023, 2,700,000 unlisted performance rights were granted to other employees. The performance rights were issued 23 January 2023 and include the following milestones (vesting conditions):

- **Tranche 2 -** Performance rights vesting upon delineation of 100Mt JORC resource at minimum grade of 0.8% Li_2O at any of the Company's projects 3 November 2025.
- **Tranche 4 -** Performance rights vesting upon the first commercial shipment of DSO lithium ore or Spodumene concentrate by 3 November 2025.

Vesting is subject to continuous employment by the holder with the company until the achievement of the vesting condition (as applicable).

The valuation of performance rights was performed using a 'per security' valuation for all tranches using the share price as at the grant date, with the expense calculated based on the number of instruments expected to vest factoring in the appropriate probability. Valuations have been derived using the following underlying inputs and assumptions:

Security class	Tranche 2	Tranche 4	Total
Grant Date	18-Jan-23	18-Jan-23	
Vesting date	3-Nov-25	3-Nov-25	
Expiry date	23-Jan-28	23-Jan-28	
Opening No. Securities	250,000	325,000	575,000
Forfeitures[2]	(250,000)	(325,000)	(575,000)
Exercised	-	-	-
Closing No. Securities	**-**	**-**	**-**
Security entitlement	One Share	One Share	
Listed/unlisted	Unlisted	Unlisted	
Exercise price	$Nil	$Nil	
Value of each security	0.47	0.47	
Probability	0%	0%	
Remaining grant date fair value awarded ($)	**-**	**-**	**-**
Expense recognised during FY26 ($)	**-**	**-**	**-**

1 *The milestone attached to Tranche 1 was achieved 27 December 2023 and service condition met, resulting in acceleration of recognition of the remaining expense in full in FY24. All tranche 1 performance rights were exercised in FY24.*

2 *Tranches 2 and 4 were forfeited during the period due to failure to meet the milestones by vesting end date. No expense was recognised within the financial period due to the probability of the milestone attached to Tranches 2 and 4 determined to be 0% with all cumulative expense reversals recorded in a prior period.*

3 *Tranche 3 milestone was not achieved in a prior period. All cumulative expense reversals were recognised in a prior period.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

Reconciliation of share-based payments expensed in 30 June 2026:

	Granted	2026	2025
Reconciliation of share-based payments expensed		$	$
Vesting of performance rights to Directors	27-Apr-23	(13,742)	87,486
Vesting of performance rights to CFO	15-Jul-24	9,211	119,299
Vesting of performance rights to Geology Manager	15-Jul-24	(20,937)	-
Vesting of performance rights to employees	15-Jul-24	(26,620)	270,235
Vesting of performance rights to Directors	27-Nov-24	(2,343)	64,171
Vesting of options to Directors	27-Nov-24	13,749	108,651
Vesting of performance rights to employees	17-Sep-25	102,337	-
Vesting of performance rights to Managing Director	27-Nov-25	31,407	-
Vesting of performance rights to CFO	27-Nov-25	11,274	-
Vesting of performance rights to employees	8-May-26	47,430	-
Vesting of performance rights to CFO	8-May-26	27,737	-
Vesting of performance rights to Geology Manager	22-May-26	11,056	-
Vesting of performance rights to employees	22-May-26	5,528	-
Vesting of performance rights to Directors	12-Aug-26	88,646	
Expense recognised for the period		**284,733**	**649,842**

Convertible Securities

Options

At 30 June 2026, unissued shares of the Group under option are:

Number of Securities	Grant Date	Fair Value at Grant Date	Exercise Price	Number vested	Expiry Date
2,000,000	27 Nov 24	$0.061	$0.40	2,000,000	26 Nov 27
2,000,000				**2,000,000**	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

Reconciliation of outstanding share options

	2026		2025	
	No. Options	Weighted average exercise price	No. Options	Weighted average exercise price
Opening balance 1 July	12,000,000	$0.58	22,235,110	$0.41
Granted during the year	-	$0.00	3,000,000	$0.40
Expired during the year	(10,000,000)	$0.62	(10,100,460)	$0.25
Exercised during year	-	$0.00	(3,134,650)	$0.25
Outstanding at 30 June	**2,000,000**	**$0.40**	**12,000,000**	**$0.58**
Exercisable at 30 June	**2,000,000**	**$0.40**	**12,000,000**	**$0.58**

The options outstanding at 30 June 2026 had an exercise price of $0.40 (2025: range from $0.25 to $0.85) and a weighted average remaining contractual life of 1.41 years (2025: 0.24 years).

Performance Rights

At 30 June 2026, unissued shares of the Group pursuant to performance rights issued to incentivise its Directors, employees and other vendors are:

Number of Securities	Grant Date	Fair Value at grant date	Number vested	Expiry Date
500,000	27-Apr-23	$0.354	-	8-May-28
3,390,000	15-Jul-24	$0.235	-	15-Jul-29
2,600,000	27-Nov-24	$0.185	-	26-Nov-29
646,665	17-Sep-25	$0.175	646,665	18-Sep-30
1,766,667	27-Nov-25	$0.220	-	28-Nov-30
11,130,000	8-May-26 – 22-May-26	Various	-	8-May-31 – 22-May-31
20,033,332			**646,665**	

1 *Units issued to directors Messrs James Croser, Nader El Sayed and Steve Kovac had the service period commence from 26 March 2026, however were granted upon Shareholder approval on 12 August 2026. The performance rights were not on issue as at 30 June 2026. Expense of the issue has been disclosed within the remuneration report as required under AASB 2.*

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT'D)

36. SHARE BASED PAYMENTS (CONT'D)

The performance rights on issue as at 30 June 2026 are as follows:

Grant Date	Vesting date	Number of performance rights
27-Apr-23[1]	8-May-26	500,000
15-Jul-24[2]	30-Jun-27	1,130,000
15-Jul-24[3]	30-Jun-27	1,130,000
15-Jul-24[4]	31-Dec-27	1,130,000
27-Nov-24[2]	30-Jun-27	1,300,000
27-Nov-24[4]	31-Dec-27	1,300,000
17-Sep-25[5]	14-Jul-26	646,665
27-Nov-25[6]	31-Dec-28	883,333
27-Nov-25[7]	31-Dec-28	883,334
8-May-26[8]	30-Jun-29	2,710,000
8-May-26[9]	30-Jun-29	2,710,000
8-May-26[10]	30-Jun-29	2,710,000
22-May-26[8]	30-Jun-29	1,000,000
22-May-26[9]	30-Jun-29	1,000,000
22-May-26[10]	30-Jun-29	1,000,000
		20,033,332

1 *The performance vesting conditions are:*
- *Vesting upon achievement of a 20-day VWAP of $1.00 by the date which is three years form the date of issue, subject to continued employment at the time the milestone is satisfied.*

2 *The performance vesting conditions are:*
- *Vesting on Gold MRE in excess of 1.25Moz at OP cutoff 0.5g/t & UG cutoff 1.5g/t or Completion of a transaction with a 100% project valuation of $200M or more by 30 June 2027.*

3 *The performance vesting conditions are:*
- *Vesting upon delineation of 50Mt JORC resource at minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5 at a single Project by 30 June 2027.*

4 *The performance vesting conditions are:*
- *Vesting at grant of Mining Approval at the Yinnetharra project by 31 December 2027.*

5 *The performance vesting conditions are:*
- *Vesting upon 12 months continued service with the Company, being 14 July 2026.*

6 *The performance vesting conditions are:*
- *Vesting upon determining a 50Mt JORC resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% at a single project by 31 December 2028.*

7 *The performance vesting conditions are:*
- *Vesting upon realising a 100Mt JORC resource at a minimum grade of 0.8% Li_2O at a minimum cut-off grade of 0.5% across the Company's projects by 31 December 2028.*

8 *The performance vesting conditions are:*
- *Vesting upon the 5 day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 35 cents by no later than 30 June 2029.*

9 *The performance vesting conditions are:*
- *Vesting upon the 5 day Volume Weighted Average Price (VWAP) of shares in DLI exceeding 50 cents by no later than 30 June 2029.*

10 *The performance vesting conditions are:*
- *Vesting upon the first production of lithium ore or lithium concentrate from the Companies projects prior to 30 June 2029.*

Performance Shares

At 30 June 2026, there are no unissued shares of the Company under Performance Shares (2025: nil).

37. SUBSEQUENT EVENTS

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

CONSOLIDATED ENTITY DISCLOSURE STATEMENT

The following table provides a list of all entities included in the Group's consolidated financial statements, prepared in accordance with the requirements of Section 295(3A) of the Corporations Act. The ownership interest is only disclosed for those entities which are a body corporate, representing the direct and indirect percentage share capital owned by the Company.

Company Name	Type of Entity	% of share capital as at 30 June 2026	Country of incorporation	Country of tax residency[1]
Delta Lithium Limited (Holding company)	Body corporate	-	Australia	Australia
Mt Ida Lithium Pty Ltd	Body corporate	100%	Australia	Australia
Electrostate Malinda Pty Ltd	Body corporate	100%	Australia	Australia
Electrostate Pty Ltd	Body corporate	100%	Australia	Australia

1 *Tax residency is determined with reference to the Income Tax Assessment Act 1997.*

DIRECTORS' DECLARATION

In the opinion of the Directors of Delta Lithium Limited ("the Company"):

(a) the consolidated financial statements and notes set out on pages 70 to 120 and the Remuneration report in pages 41 to 63 of the Directors' Report, are in accordance with the *Corporations Act 2001* (Cth), including:

   (i) giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the financial year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001* (Cth);

(b) the consolidated financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2; and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

(d) the Consolidated entity disclosure statement required by section 295(3A) of the *Corporations Act 2001*, included on Page 120, is true and correct.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* (Cth) for the financial year ended 30 June 2026.

Signed in accordance with a resolution of the Directors.

James Croser

Managing Director

Perth, Western Australia

Signed at Perth on this 22nd day of September 2026

INDEPENDENT AUDITOR'S REPORT TO MEMBERS

KPMG

Independent Auditor's Report

To the shareholders of Delta Lithium Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Delta Lithium Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001,* in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS (CONT'D)

KPMG

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Report of the current period.

This matter was addressed in the context of our audit of the Financial Report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Valuation of exploration and evaluation assets ($131.3million)	
Refer to Note 15 to the Financial Report	
The key audit matter	**How the matter was addressed in our audit**
Valuation of exploration and evaluation assets (E&E) is a key audit matter due to: • the significance of the balance (being 55% of total assets). • the greater level of audit effort to evaluate the Group's application of the requirements of the industry specific accounting standard AASB 6 *Exploration for and Evaluation of Mineral Resources*. This includes the analysis of the conditions allowing capitalisation of relevant expenditure and in particular the assessment of the presence of impairment indicators. The presence of impairment indicators would necessitate a detailed analysis by the Group of the value of E&E. Given the criticality of this to the scope and depth of our work, we involved senior team members to challenge the Group's determination that no such indicators existed. In assessing the conditions allowing capitalisation of relevant expenditure, we focused on the determination of areas of interest, documentation available regarding rights to tenure, via licensing, and compliance with relevant conditions, to maintain current rights to areas of interest and the Group's intention and capacity to continue the relevant E&E activities. In assessing the presence of impairment indicators, we focused on those that may draw into question the commercial continuation of E&E activities for areas of interest where significant capitalised E&E exists. We paid particular attention to: • the Group's determination of the expectation of E&E to be recouped through successful	Our procedures included: • evaluating the Group's accounting policy for E&E assets, using the criteria in the accounting standard. • assessing the Group's determination of its areas of interest for consistency with the definition in the accounting standard. • assessing the Group's current rights to tenure by corroborating the ownership of the relevant license to government registries and evaluating agreements in place with other parties. We also tested for compliance with relevant conditions, such as minimum expenditure requirements, on a sample of licenses. • testing the Group's additions to E&E assets by evaluating a statistical sample of recorded expenditure for consistency with underlying records, as well as assessing capitalisation requirements outlined in the Group's accounting policy and the requirements of the accounting standard. • assessing indicators of impairment, the continuation of E&E activities, and the current stage of exploration not yet reaching economic recoverable levels. • evaluating documents, such as minutes of board meetings and ASX announcements for consistency with the Group's stated intentions for continuing E&E activities. We corroborated this through interviews with key management personnel. • analysing the Group's determination of recoupment through successful development and exploitation of the area of interest by

INDEPENDENT AUDITOR'S REPORT TO MEMBERS (CONT'D)

KPMG

development of areas of interest, or alternatively, by their sale. • the ability of the Group to fund the continuation of activities.	evaluating the Group's documentation of planned future/continuing activities including work programs and corporate budgets and the ability of the Group to fund those activities.

Other Information

Other Information is financial and non-financial information in Delta Lithium Limited's annual report which is provided in addition to the Financial Report and the Auditor's Report. The Directors are responsible for the Other Information.

Our opinion on the Financial Report does not cover the Other Information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon, with the exception of the Remuneration Report and our related assurance opinion.

In connection with our audit of the Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of the Directors for the Financial Report

The Directors are responsible for:

- preparing the Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.
- Implementing necessary internal control to enable the preparation of a Financial Report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and that is free from material misstatement, whether due to fraud or error.
- Assessing the Group and Company's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS (CONT'D)

Independent Auditor's Report

To the shareholders of Delta Lithium Limited

Report on the audit of the Financial Report

Opinion

We have audited the ***Financial Report*** of Delta Lithium Limited (the Company).

In our opinion, the accompanying Financial Report of the Company gives a true and fair view, including of the ***Group***'s financial position as at 30 June 2026 and of its financial performance for the year then ended, in accordance with the *Corporations Act 2001*, in compliance with *Australian Accounting Standards* and the *Corporations Regulations 2001*.

The ***Financial Report*** comprises:

- Consolidated statement of financial position as at 30 June 2026;
- Consolidated statement of profit or loss and other comprehensive income, Consolidated statement of changes in equity, and Consolidated statement of cash flows for the year then ended;
- Consolidated entity disclosure statement and accompanying basis of preparation as at 30 June 2026;
- Notes, including material accounting policies; and
- Directors' Declaration.

The ***Group*** consists of the Company and the entities it controlled at the year end or from time to time during the financial year.

Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report.

We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the *Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the Financial Report in Australia. We have fulfilled our other ethical responsibilities in accordance with these requirements.

SHAREHOLDER INFORMATION

Delta Lithium Limited Ordinary Shares fully paid are listed on the Australian Securities Exchange.

The Company's ASX code is DLI for Ordinary Shares.

SUBSTANTIAL SHAREHOLDERS

As at 11 September 2026, the Company had the following substantial shareholders;

Beneficial Holder	Holding Name	Number Held	Voting %
Waratah Capital Advisors*	Electrification and Decarbonization AIE LP	72,652,898	10.57%
ACN 657 042 218 Pty Ltd**	ACN 657 042 218 Pty Ltd	163,949,547	23.14%
Idemitsu Mt Ida Pty Ltd***	Idemitsu Mt Ida Pty Ltd	78,086,041	11.36%
HPPL Group****	Hancock Prospecting Pty Ltd	75,436,171	12.07%

** Based on Form 604 provided to the Company and released to the ASX on 18 December 2023*
*** Based on Form 604 provided to the Company and released to the ASX on 4 January 2024*
**** Based on Form 604 provided to the Company and released to the ASX on 13 December 2023.*
***** Based on Form 604's provided to the Company and released to the ASX on 21 November 2023*

CLASS OF SHARES AND VOTING RIGHTS

At 11 September 2026 there were 6,621 holders of 719,762,857 ordinary fully paid shares of the Company. The voting rights attaching to the ordinary shares are in accordance with the Company's Constitution being that:

a. each Shareholder entitled to vote may vote in person or by proxy, attorney or Representative;
b. on a show of hands, every person present who is a Shareholder or a proxy, attorney or Representative of a shareholder has one vote; and
c. on a poll, every person present who is a shareholder or a proxy, attorney or Representative of a shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or Representative, have one vote for the Share, but in respect of partly paid Shares, shall, have such number of votes as bears the proportion which the paid amount (not credited) is of the total amounts paid and payable (excluding amounts credited).

At 11 September 2026 the number of shareholders holding less than a marketable parcel is 1,877.

CASH USAGE

Since the time of listing on ASX, the entity has used its cash and assets in a form readily converted to cash that it had at the time of admission to the official list of ASX in a manner which is consistent with its business objectives.

BUY-BACK

There is no current on-market buy-back.

SHAREHOLDER INFORMATION (CONT'D)

UNLISTED OPTIONS AND PERFORMANCE RIGHTS AS AT 11 SEPTEMBER 2026

Securities	Number of Securities on issue	Number of Holders	Name of Holders holding more than 20%	Number Held
Options exercisable at $0.40 on or before 27 November 2027	2,000,000	2	Nameo Pty Ltd Kovac Family Trust	1,000,000 1,000,000
Performance Rights with various vesting conditions and expiry dates*	27,826,667	20	n/a	n/a

TOP 20 SHAREHOLDERS AS AT 11 September 2026

Rank	Name	Shares	% of Units
1.	A C N 657 042 218 PTY LTD	163,949,547	22.80
2.	CITICORP NOMINEES PTY LIMITED	109,342,932	15.20
3.	IDEMITSU MT IDA PTY LTD	85,576,816	11.90
4.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	70,749,000	9.84
5.	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	17,584,958	2.45
6.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	13,289,684	1.85
7.	MRS AMANDA JANE CROSER <CROSER FAMILY A/C>	6,632,551	0.92
8.	PICKARD CAPITAL PTY LTD	5,000,000	0.70
9.	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	4,355,622	0.61
10.	BNP PARIBAS NOMS PTY LTD	4,078,108	0.57
11.	SIBEEK PTY LTD <SIBEEK SF A/C>	3,850,000	0.54
12.	KEPALA 2 PTY LTD <SELALU A/C>	3,150,723	0.44
13.	NAMEO PTY LTD	2,533,893	0.35
14.	G & M FLEAY SUPER FUND PTY LTD <G & M FLEAY SUPER FUND A/C>	2,500,000	0.35
15.	GREENHILL ROAD INVESTMENTS PTY LTD	2,500,000	0.35
16.	JAYLEAF HOLDINGS PTY LTD <THE POLLOCK INVESTMENT A/C>	2,400,000	0.33
17.	BILIONIS NOMINEES PTY LTD <CON BILIONIS FAMILY A/C>	2,252,292	0.31
18.	MR CRAIG ANTHONY SLATTERY + MRS NICOLE LESLEY SLATTERY	1,950,000	0.27
19.	REACH RESOURCES LIMITED	1,826,484	0.25
20.	MR PAUL RAYMOND BROWN + MRS ANGELIQUE SUSAN BROWN <BROWN FAMILY A/C>	1,750,000	0.24
TOTAL TOP 20		**505,272,610**	**70.27**
BALANCE OTHER HOLDERS		**214,490,247**	**29.73**
TOTAL		**719,762,857**	**100.00**

RANGE OF ORDINARY SHARES AS AT 11 September 2026

Range	Total Holders	Units	%
1 – 1,000	757	338,779	0.05
1,001 – 5,000	2,091	5,872,700	0.82
5,001 – 10,000	1,060	8,329,882	1.16
10,001 – 100,000	2,298	77,996,034	10.77
100,001 Over	428	627,225,462	87.21
Total	**6,634**	**719,762,857**	**100.00**

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