



Limited

ACN 653 279 371

AND ITS CONTROLLED ENTITIES

ANNUAL REPORT

For the year ended 30 June 2025

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CORPORATE DIRECTORY

Directors

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

Chief Financial Officer & Company Secretary

Silfia Morton

Registered Office & Principal Place of Business

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Share Register

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Perth, WA 6000
Telephone: 1300 288 664

Auditor

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street
Perth, WA 6000

Securities Exchange Listing

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

ASX Code: KM1

FSE Code: 60B

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CHAIRMAN'S LETTER

Dear Shareholders,

It is my pleasure to welcome you to Kali Metals' (ASX: KM1) 2025 Annual Report and provide an overview of the Company's achievements and the outlook ahead.

Over the past 12 months, the exploration success at our Marble Bar Gold Project in the Pilbara, alongside the subdued sentiment in the global lithium market, has reshaped our priorities. The Company is positioned to re-rate on our significant new gold opportunity in the Pilbara, while maintaining the lithium exploration potential that was the basis of our ASX listing in January 2024. I would like to thank our dedicated team, who through persistent hard-work, including multiple on-ground field programs, have identified the opportunity at Marble Bar.

Strategic Shift to Gold

The Marble Bar Gold Project has emerged as the priority in our portfolio. Our early reconnaissance has rapidly evolved with the identification of the Tiger, Sherman and Churchill Prospects. Exploration success has included rock chip grades up to 87.9 g/t Au, alongside multiple samples above 5 g/t Au. These results, combined with our regional strategic acquisitions, including the Peggy tenement and additional contiguous ground, have expanded the project and strengthened our control over a highly prospective trend in a known gold district.

With heritage clearances secured and drilling designs complete, we are gearing up for the first-ever drilling program at our identified targets at Marble Bar. This marks the start of an exciting new period as we aim to confirm a gold discovery of significant scale and value.

Lithium – A Retained Growth Option

Whilst gold has taken the lead at Marble Bar, our lithium strategy continues, albeit at a slower pace than first envisioned. At the Higginsville Lithium District, we have continued methodical exploration, refining targets through extensive soil sampling geophysics, mapping and core reviews. The recent uptick in lithium investor sentiment reinforces the strategic value of holding quality, drill-ready lithium ground in a Tier-1 jurisdiction, and we remain poised to capitalise when market conditions align.

Exploration Upside Beyond Marble Bar

In the Southern Lachlan Fold Belt in NSW, our Sweetwater Prospect has continued to deliver exceptional tin results, up to 16.7% SnO₂, across a growing strike length. This high-grade, critical minerals exposure provides further diversity and upside for shareholders.

Positioned for Value Creation

Kali entered the new financial year with a strong cash position of \$4.95 million and a sharpened focus on value-accretive exploration. We are executing on a clear strategy: advance the Marble Bar Gold Project through its maiden drilling program, continue de-risking and enhancing our lithium assets, and pursue high-impact opportunities across our broader portfolio.

The next 12 months is shaping up to be an exciting year and we look forward to delivering the results that our groundwork has prepared us for.

Thank you for your continued support.

Yours sincerely

Luke Reinehr

Non-Executive Chairman

DIRECTORS' REPORT

The Directors present their report, together with the financial statements, on Kali Metals Limited ("the Company" or "the Group" or "Kali") and the entity it controls for the year ended 30 June 2025. The Company was incorporated as a private company (Kali Metals Pty Ltd) on 31 August 2021 and on 21 April 2023 the Company converted to a public company (Kali Metals Limited). The Group was a wholly owned subsidiary of Kalamazoo Resources Limited ("Kalamazoo") and on 29 December 2023, the Group demerged from Kalamazoo following the issue of shares for the acquisition of various mining assets.

DIRECTORS

The following persons were directors of the Company during the whole of the financial period and up to the date of this report, unless noted otherwise:

Luke Reinehr	Non-Executive Chairman (appointed 31 August 2021)
Paul Adams	Managing Director (commenced 01 July 2024, previously Non-Executive Director appointed on 31 August 2021)
Graeme Sloan	Non-Executive Director (commenced 01 July 2024, previously Managing Director appointed on 19 May 2023)
Simon Coyle	Non-Executive Director (appointed 19 May 2023)
John Leddy	Non-Executive Director (appointed 19 May 2023 and resigned on 30 September 2024)

PRINCIPAL ACTIVITIES

The Group is a minerals exploration Group with a focus on lithium, gold, and other critical minerals. Following the successful admission to the ASX Official List on 8 January 2024, the Group has rights to explore across three highly prospective lithium regions, being the Pilbara region of Western Australia, the Eastern Yilgarn region in Western Australia, and the Lachlan Fold Belt region across Victoria and New South Wales. The lithium projects across these regions consist of:

- a) Marble Bar Project
- b) DOM's Hill Project
- c) Pear Creek Project
- d) Higginsville Project
- e) Jingellic Project
- f) Tallangatta Project

OPERATING RESULTS

The loss of the Group after providing for income tax for the year ended 30 June 2025 was \$2,751,988 (2024: loss of \$1,042,908).

REVIEW OF OPERATIONS

Executive Summary

Kali is an Australian resources company which successfully commenced trading on the Australian Securities Exchange (ASX) on 8 January 2024.

FY25 marked a strategic shift in exploration focus towards the Marble Bar Gold Project, driven by promising early-stage results and expanded strike potential. While the lithium portfolio, particularly the Higginsville Lithium District, remains a key growth asset, the year's exploration success in gold, along with the strong gold price has set the stage for a maiden drilling program in FY26.

DIRECTORS' REPORT (CONTINUED)

Across the four quarters of FY25, Kali Metals advanced multiple exploration programs, with the Marble Bar Gold Project emerging as the primary focus. Fieldwork included extensive rock chip sampling, soil geochemistry, geological mapping, and geophysical surveys. The lithium portfolio was further advanced through mapping, geochemistry, and desktop reviews, while the Sweetwater Project delivered high-grade tin results.



Figure 1 - Kali's portfolio of Australian assets

Kali Metals has a portfolio of gold and lithium exploration projects spanning Western Australia (WA), New South Wales (NSW), and Victoria (VIC). The portfolio covers 5,310 km², with key projects located near some of the world's largest hard rock (spodumene) mines in the Pilbara and Eastern Yilgarn regions of WA. Notable projects (refer **Error! Reference source not found.**) include:

1. **Eastern Yilgarn, WA:** Higginsville Lithium Project
2. **Pilbara Region, WA:** DOM's Hill, Pear Creek and Marble Bar Lithium and Gold Projects
3. **NSW/VIC:** Jingellic and Tallangatta Lithium Projects

Marble Bar Gold Project, Western Australia

The Marble Bar Gold-Lithium Project is located in the eastern Pilbara, ~10km east of the town of Marble Bar, covering ~96km² across the Mount Edgar Granitic Complex and Warrawoona Greenstone Belt. Originally explored for lithium, the project has rapidly evolved into a significant gold play, with lithium still providing secondary upside. Kali Metals (ASX:KM1) holds 100% ownership of Marble Bar following a renegotiated joint venture with SQM, which now applies only to the DOM's Hill and Pear Creek projects.

DIRECTORS' REPORT (CONTINUED)

During the reporting period, Kali has completed multiple mapping and rock-chip sampling programs as well as reviewing historic soil sampling results from the previous Kalamazoo Resources / SQM Australia lithium earn-in joint venture, and samples not previously assayed for gold.

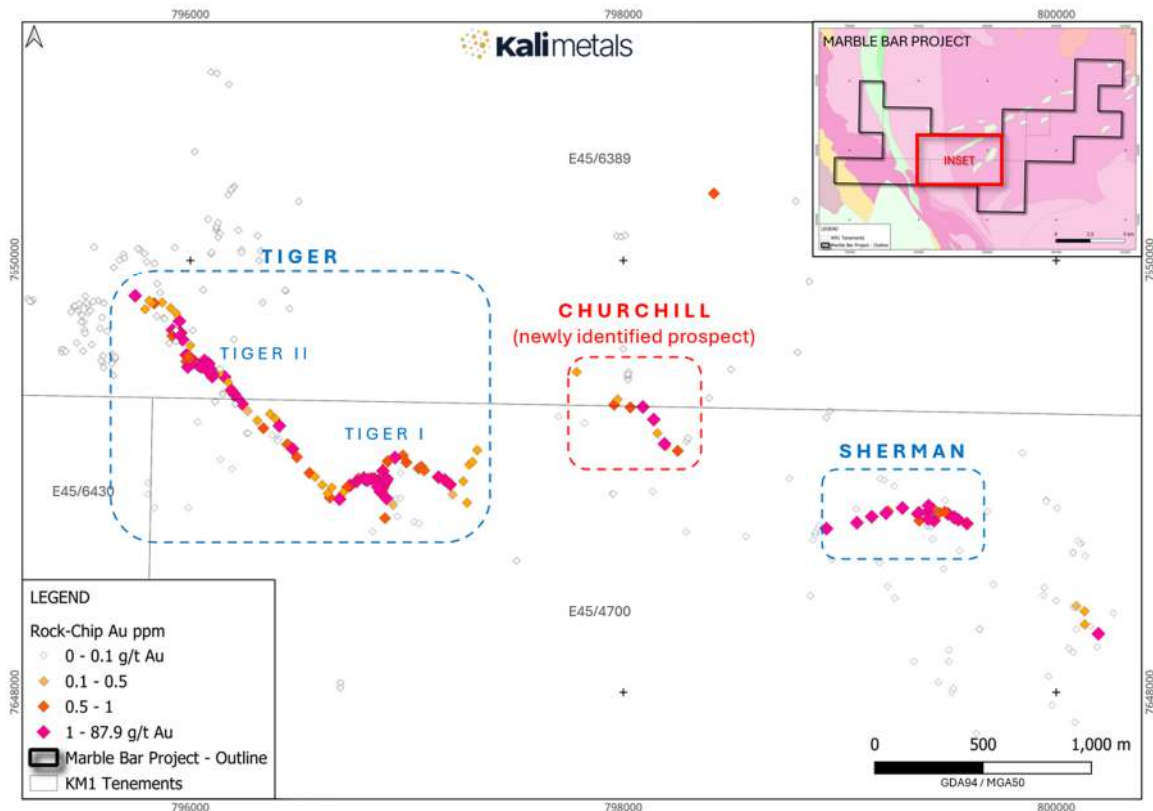


Figure 2 - Marble Bar Gold Project rock chip results

Exploration has delivered high-grade results across multiple prospects, including:

- Tiger Gold Prospect: strike length expanded-1.7km, with rock-chip results up to 19.2 g/t Au
- Sherman Gold Prospect: strike length extended to ~700m, with standout assays including 87.9 g/t Au, supported by numerous >5 g/t Au samples
- Peggy Tenement: recorded results up to 87.9g/t Au with with gold mineralisation extending 600m into the tenement
- Churchill Gold Prospect (reported post reporting period): Located between Tiger and Sherman, returning results up to 28.4 g/t Au, extending mineralised strike to ~600m

The cumulative strike of gold-bearing zones at Marble Bar extended to approximately 3km, with surface outcrop mapped along this entire trend. Mineralisation occurs within alteration zones up to 30m wide.,

In December 2024, analysis of 610 historical soil samples identified a 5.1km gold strike at the Marble Bar Project. By January 2025, further assays extended this gold-in-soil anomaly by 80%, outlining a coherent 9.5km strike with additional anomalous zones. The mineralised structures at the Sherman and Tiger Prospects are defined by NW-WNW trending quartz veins, consistent with the anomaly trends. The anomalies also show offsets aligning with regional magnetic-low features, interpreted as major geological faults, with gold anomalism occasionally occurring along these fault-related zones.

DIRECTORS' REPORT (CONTINUED)

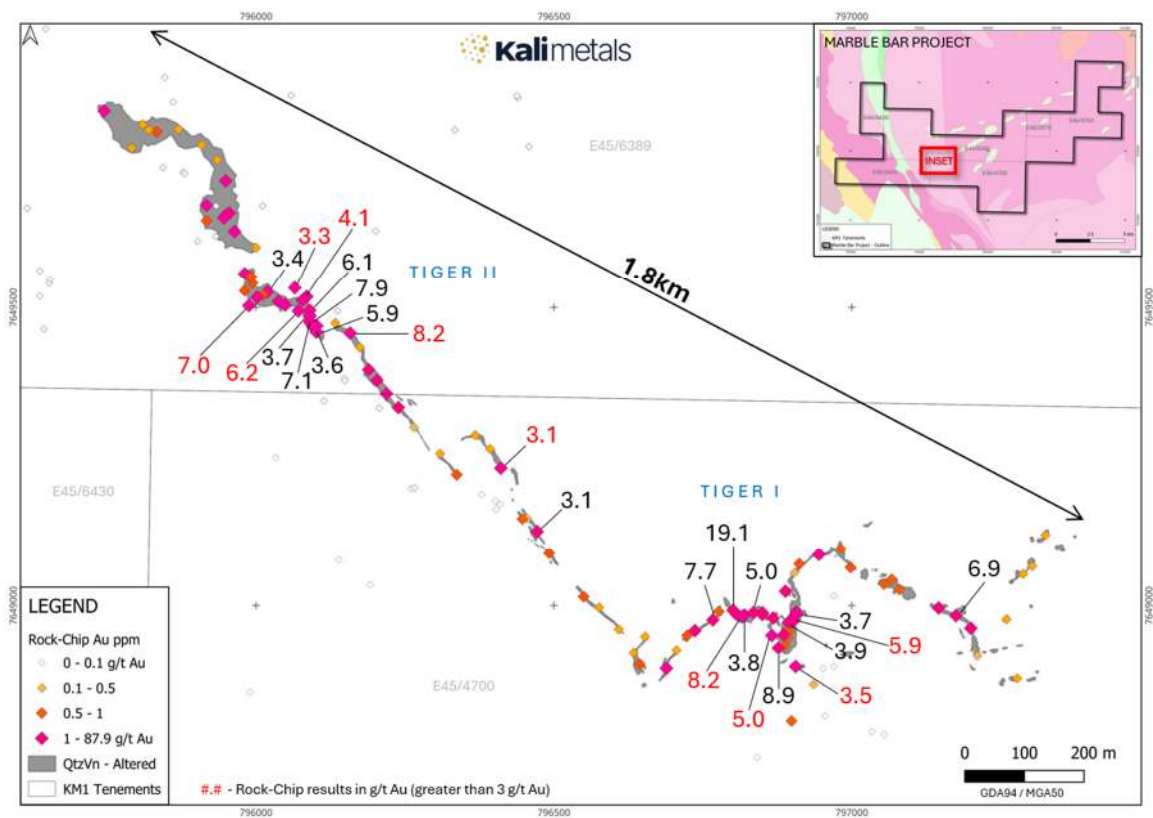


Figure 3 - Tiger Gold Prospect – selected rock-chip samples over 3.0g/t gold

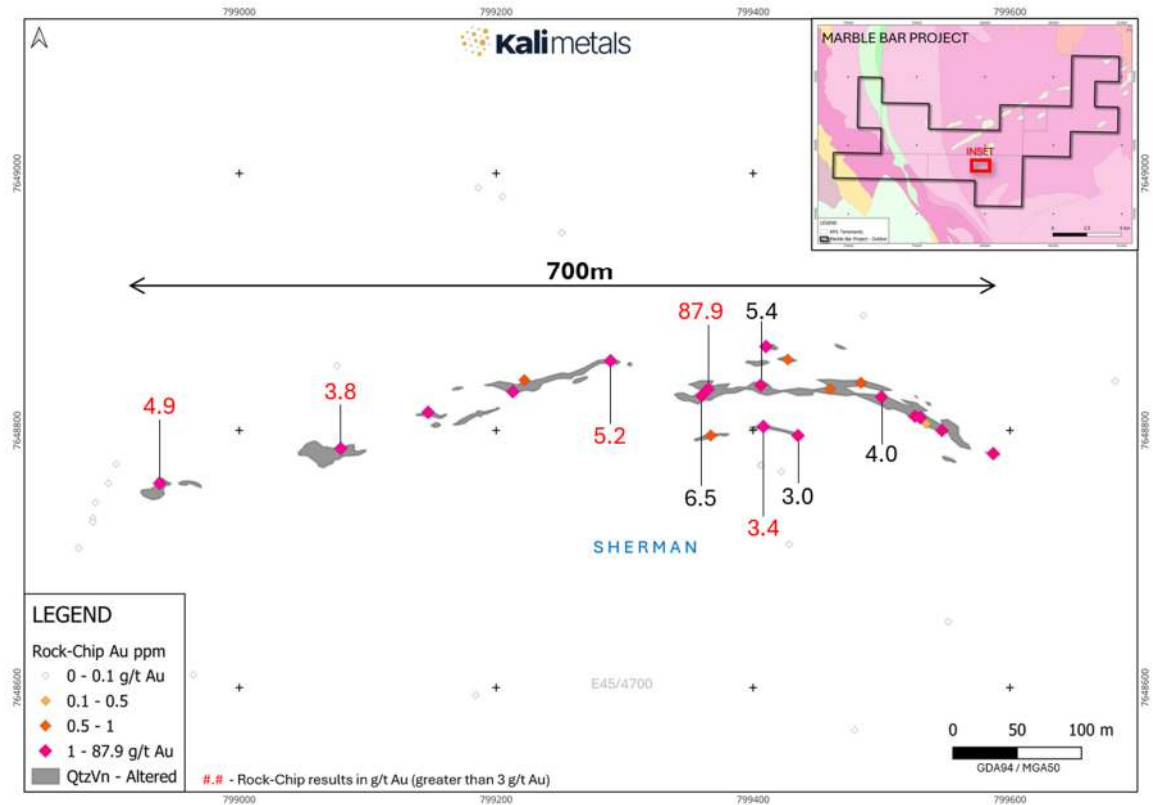


Figure 4 - Sherman Gold Prospect – selected rock-chip samples over 3.0g/t gold

DIRECTORS' REPORT (CONTINUED)

In June 2025, Kali commissioned Pegasus Airborne Systems to complete a high-resolution drone magnetic survey over ~4 km² across the Tiger and Sherman Gold Prospects. The program covered 163 line-km at 25m line spacing and revealed that gold mineralisation aligns with breaks in magnetic features and anomalies in the hyperspectral (ASTER) quartz index. This integrated dataset highlighted a new target between Tiger and Sherman, leading to the discovery of the Churchill Gold Prospect.

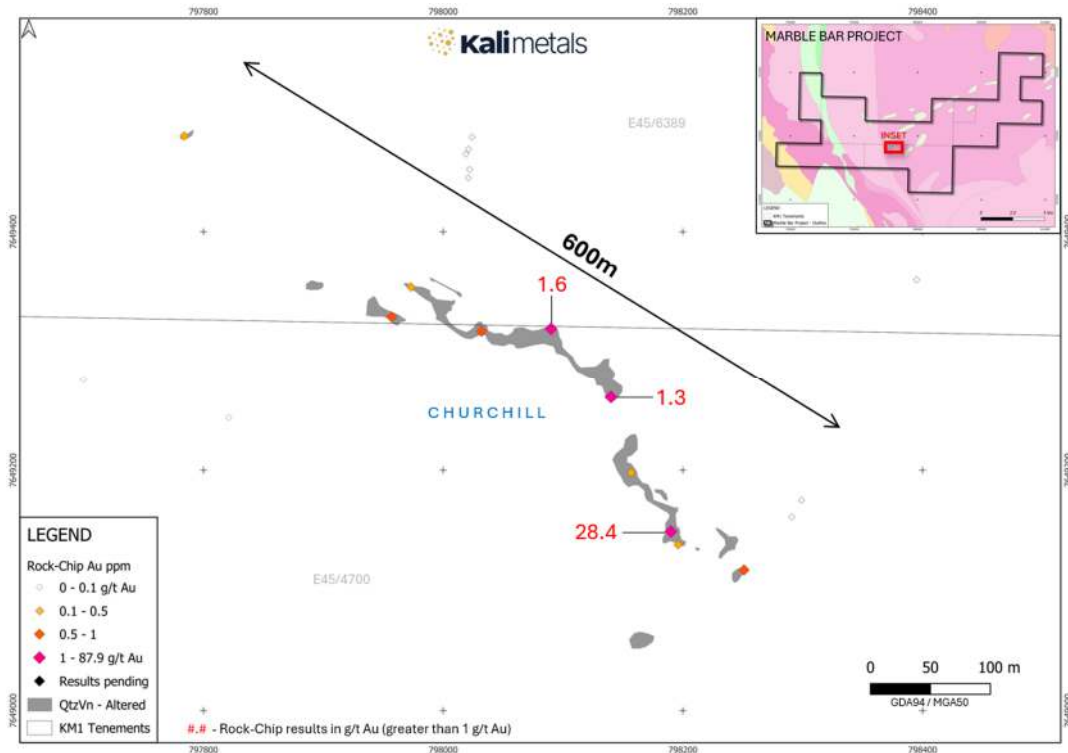


Figure 5 - Churchill Gold Prospect

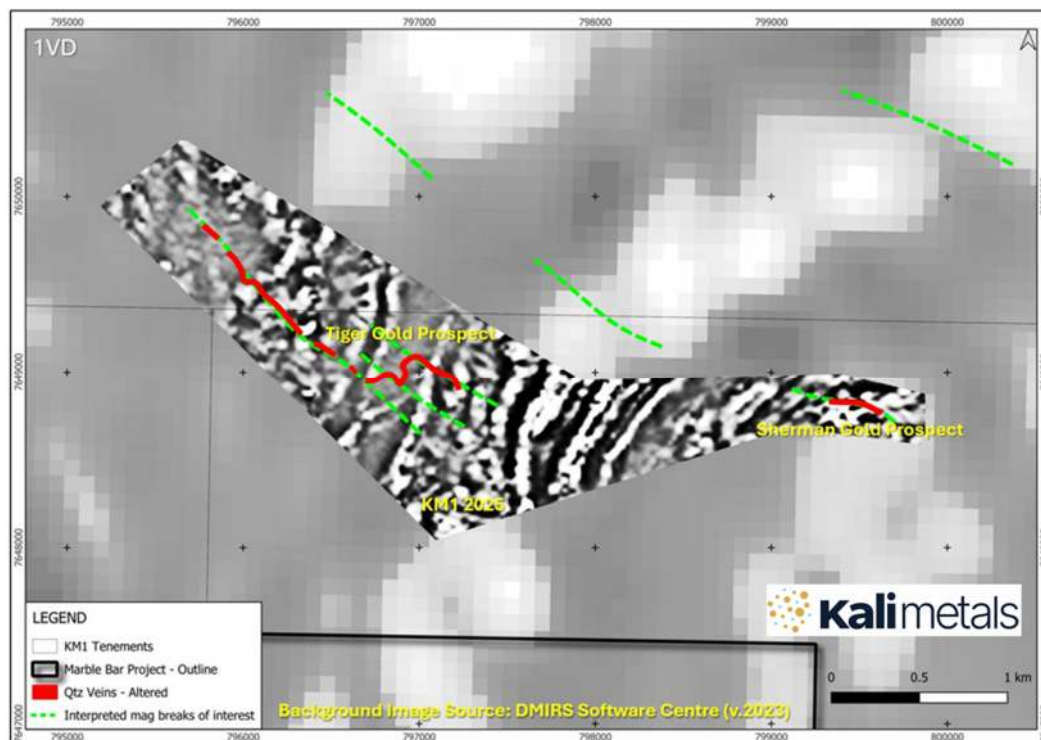


Figure 6 - Geophysical results map – the first vertical derivative of TMI RTP on background of publicly available DEMIRS data

DIRECTORS' REPORT (CONTINUED)

At the Panther Prospect, there remains lithium potential, with channel sampling confirming pegmatites up to 20m wide with assays including 31m @ 0.14% Li₂O and 9m @ 0.48% Li₂O.

Kali has now completed its reconnaissance phase and secured heritage clearances during the year. The company is advancing toward its maiden drilling program at Marble Bar, targeting Tiger, Sherman, and Churchill prospect in FY26. Additional exploration activity will include further sampling and surveys across the newly acquired tenements.

At a time of record AUD gold prices, the timing of Marble Bar Gold Project emerging as an exciting, unexplored gold district with significant potential is advantageous for Kali.

A placement following the year end, has provided Kali with the funds required to complete the initial drilling program, with further drilling programs to be planned dependent on results.

In the upcoming FY, Kali's exploration strategy will focus on advancing its gold prospects through several key activities. The Company is finalising drilling designs across tenements E45/4700 and E45/6389, with Programs of Work (POW) to be submitted. An initial drilling program is planned for the Marble Bar Gold Prospects, complemented by a drone survey and first-pass reconnaissance and rock-chip sampling across the newly granted E45/6429 and E45/6430 tenements.

Marble Bar Lithium Project, Western Australia

In October 2024, Kali expanded its strategic partnership with SQM by incorporating new DOM's Hill and Pear Creek tenements into their JV. SQM committed to a higher minimum spend of \$4.25M by December 2026 to earn a 50% stake in those JV tenements. Importantly, Kali retained sole ownership of Marble Bar.

Updated JV with SQM Australia

Kali's Pilbara Projects include DOM's Hill, Marble Bar and Pear Creek, adjacent to world-class lithium deposits Pilgangoora 414Mt @ 1.15% Li₂O and Wodgina 259Mt @ 1.17% Li₂O

During the December quarter, Kali reached an agreement with SQM Australia, the existing JV partner in its exploration projects in the Pilbara, to expand the area of the JV and amend the terms of the existing Earn-In Agreement.

As part of the expanded JV, Kali entered into binding transaction documentation to acquire the following strategic additional Pilbara tenements:

- DOM's Hill: Exploration License applications E45/6646 and E45/6647, contiguous to the South-West and East of Kali's DOM's Hill Project (Refer Figure 2).

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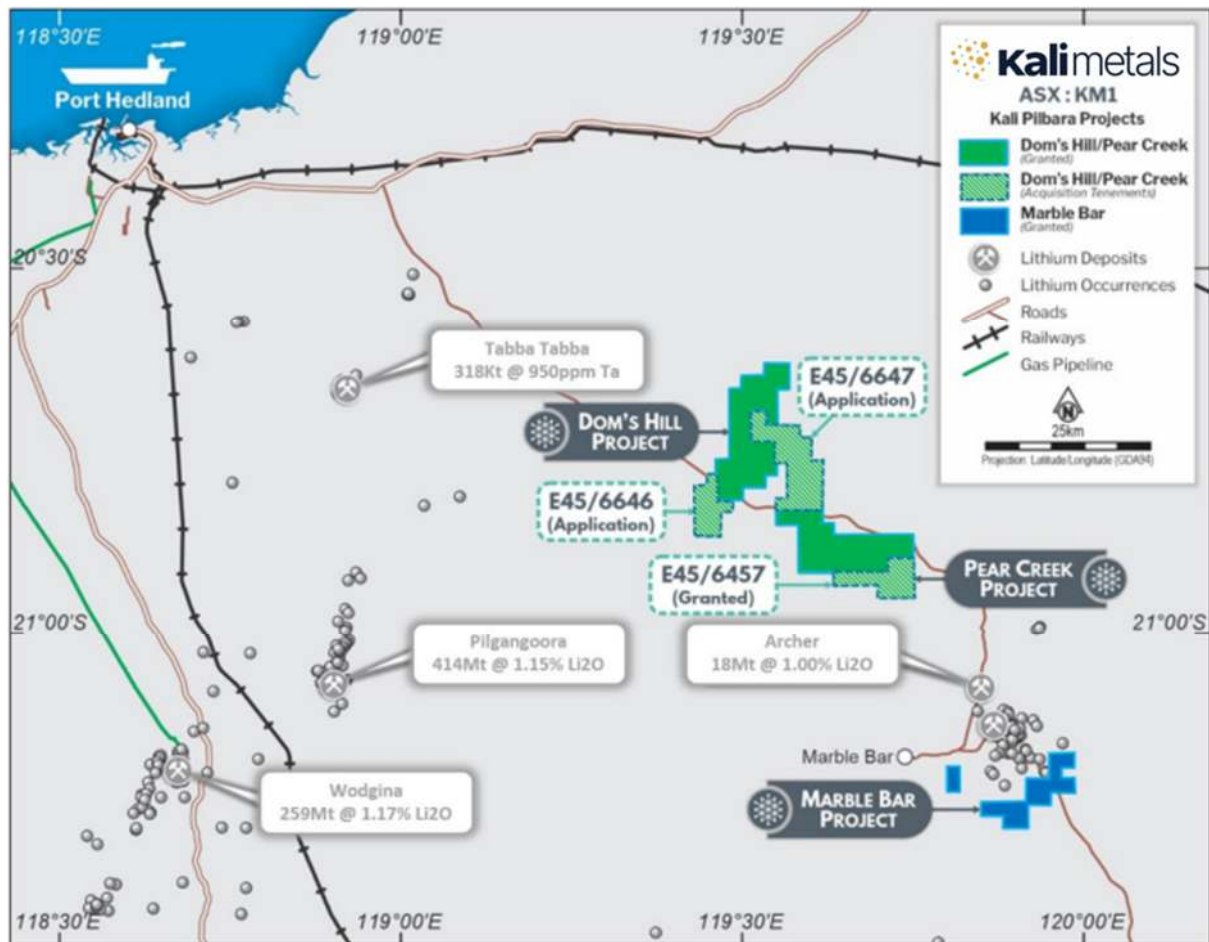


Figure 7 - Kali's Pilbara Projects

As part of a preliminary due diligence, Kali completed a desktop review to evaluate the lithium prospectivity of the additional tenements. The new tenements host a large volume of aplite rock, indicating potential as a favourable geological setting for pegmatite emplacement.

Kali acquired the new DOM's Hill tenements from major shareholder Kalamazoo for cash consideration of \$100,000 + GST.

- Pear Creek: Exploration License E45/6457 is located contiguously to the South of Kali's existing Pear Creek Project (Refer Figure 2). Kali's preliminary due diligence on E45/64567 suggests further exploration to test lithium mineralisation at this tenement is warranted.
- Kali acquired E45/6457 from Kalamazoo for \$20,000 + GST.

The new tenements, which increase the Company's Pilbara landholding by ~129km², are contiguous to the Company's existing tenement portfolio in the Pilbara, so the Company is well placed to capitalise on cost synergies in its exploration of this new tenure.

The Company has also renegotiated the terms of its Earn-In Agreement with SQM Australia. Key amendments include:

- Newly acquired tenements to be incorporated into the JV;
- SQM Australia to spend a minimum of \$500,000 on exploration by 15 December 2025 to retain its 30% interest in Kali's DOM's Hill and Pear Creek tenements;
- SQM Australia have committed to an additional \$1,000,000 of expenditure, now \$4,250,000 by 15 December 2026, to earn a 50% interest in the expanded JV tenements; and
- Kali to retain 100% ownership of Marble Bar Project

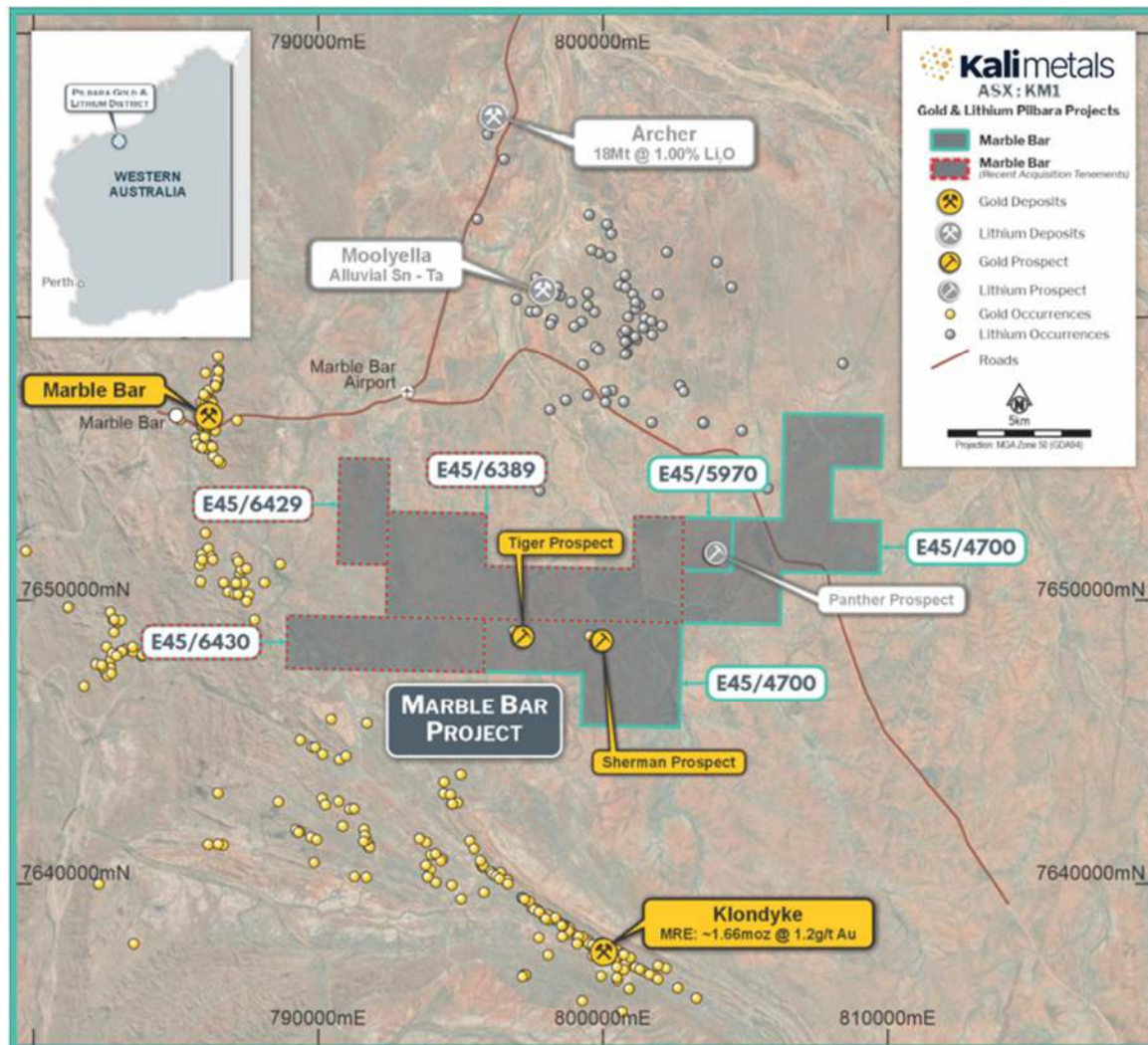


Figure 8 - Kali's Marble Bar Gold Project

Later in the reporting period, the Company expanded Marble Bar through several acquisitions. In March 2025, Kali acquired E45/6429 & E45/6430, adding 19km² contiguous to Marble Bar and in May 2025, Kali acquired E45/6389 ("Peggy" tenement), expanding Marble Bar tenure by 28.8km², making the project contiguous and extending along strike of the gold anomaly. These transactions have lifted Kali's footprint at Marble Bar to ~96km², consolidating the project for streamlined exploration.

DIRECTORS' REPORT (CONTINUED)

Higginsville Lithium District, Western Australia

The Higginsville Lithium District covers ~1,571km², where Kali holds 100% of the lithium and battery mineral rights. Strategically located in a region rich in LCT pegmatites, the Project sits alongside two operating lithium mines—Mt Marion and Bald Hill—and three advanced prospects at Manna, Buldania and Dome North.

Within this portfolio, eight projects have been identified with prospective geological settings for LCT pegmatites. Several areas already contain mapped outcropping pegmatites with spodumene confirmed, while others have pegmatite occurrences logged through historic core reviews.

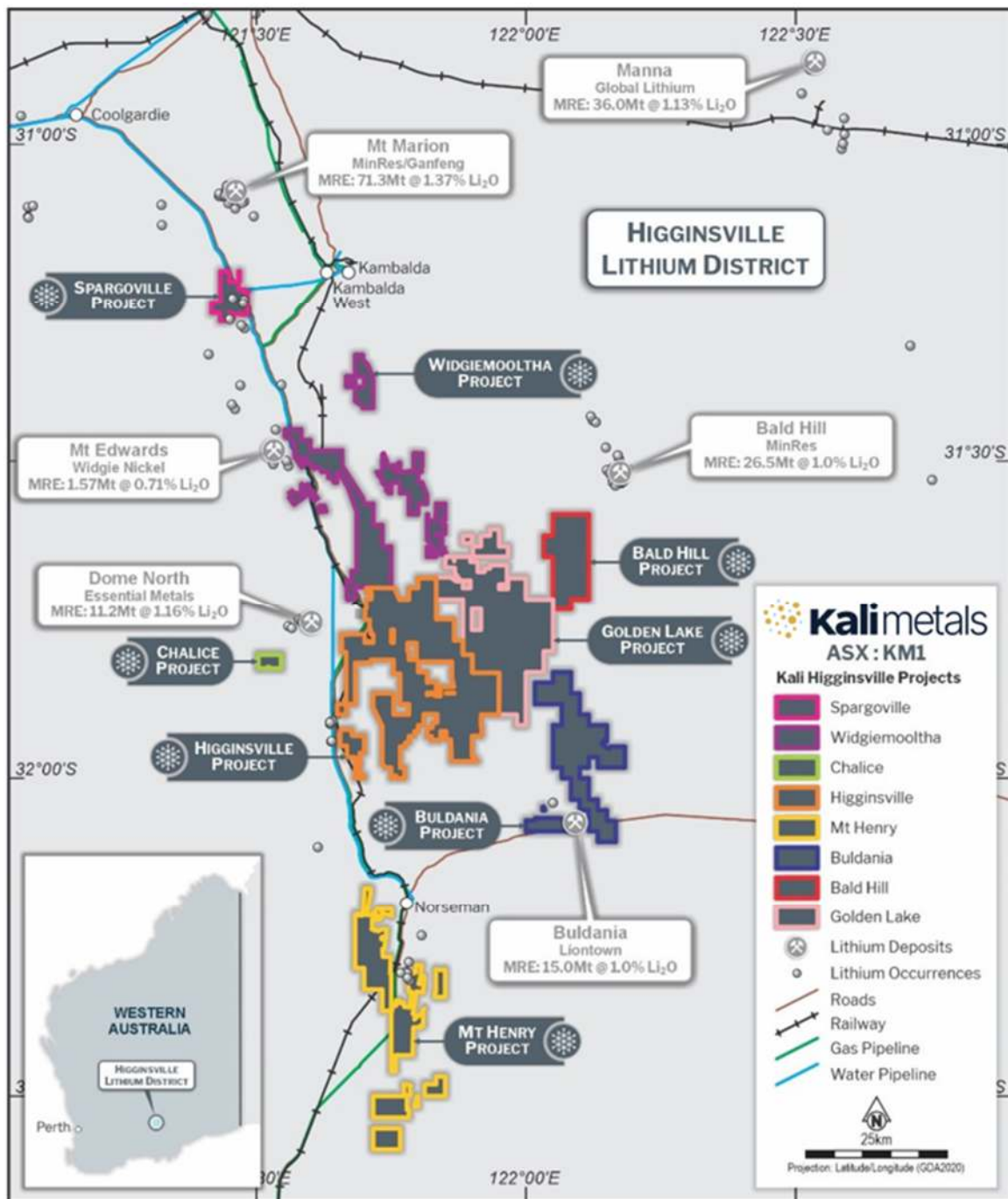


Figure 9 - Kali's Higginsville Lithium District

DIRECTORS' REPORT (CONTINUED)

During the year, Kali advanced its understanding of the Higginsville Lithium District through a detailed review of Westgold's historic drillhole database and its own maiden reconnaissance drilling. The review identified over 170 pegmatite intervals across 78 historic drillholes within 1km of the Spargo's Reward Gold Mine, with multiple spodumene-bearing LCT pegmatites confirmed through re-logging and p-XRF analysis. Early modelling has outlined a dozen shallowly dipping pegmatites, several exceeding 10m true thickness, with spodumene visually identified and awaiting XRD verification.

Kali also reported on Phase 1 RC drilling program. At the Flynn-Giles and Green Flame prospects drilling intersected fertile LCT pegmatites up to 16m thick, confirming spodumene mineralisation within ultramafic host rocks and refining the Company's geological model. These results, combined with regional geophysical and geochemical datasets, have generated several new high-priority targets and informed the design of the Phase 2 exploration program.

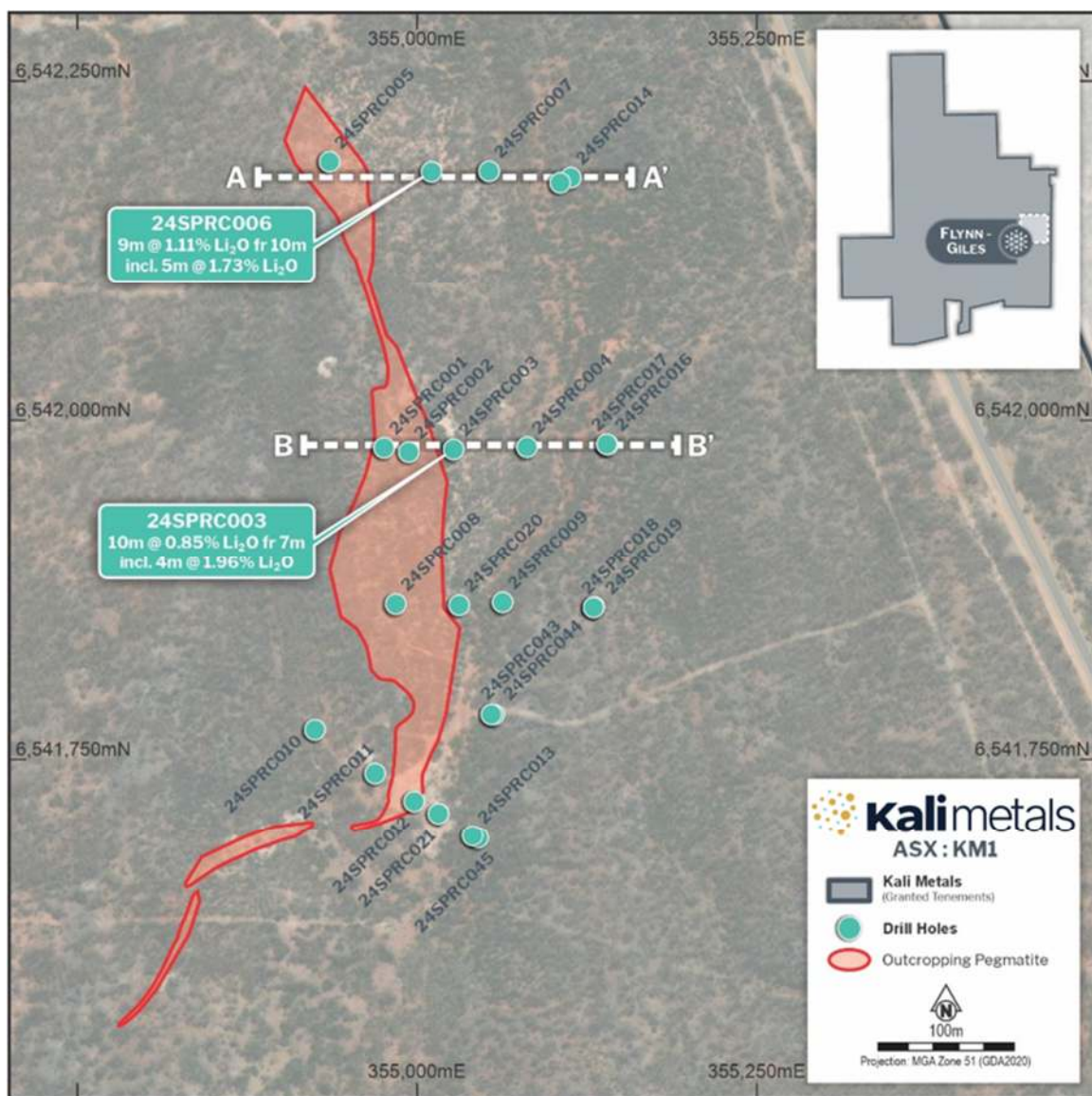


Figure 10 - Completed RC drilling at Flynn-Giles prospect targeting outcropping LCT pegmatites

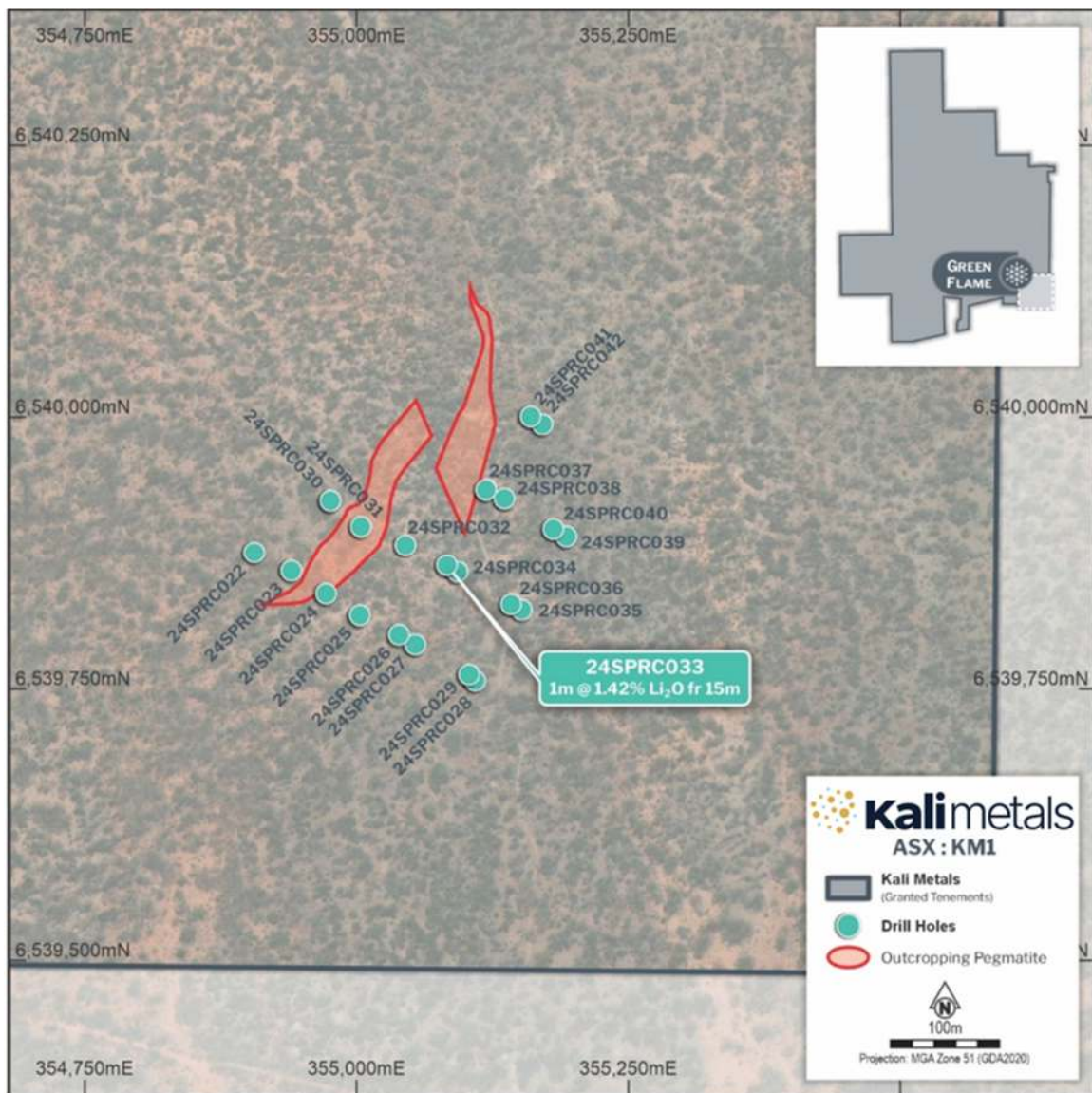


Figure 11 - Completed RC drilling at Green Flame prospect targeting outcropping LCT pegmatites

Widgiemooltha Lithium Project – Maiden Drilling

At Widgiemooltha, Kali completed a first-pass RC drilling program, intersecting multiple spodumene-hosted LCT pegmatites. Significant results included 10m @ 1.06% Li₂O from 43m, 2m @ 0.95% Li₂O from 99m, and 1m @ 1.44% Li₂O from 27m. The pegmatites are steeply west-dipping and hosted within a mafic sequence, adding further depth to Kali's lithium exploration pipeline.

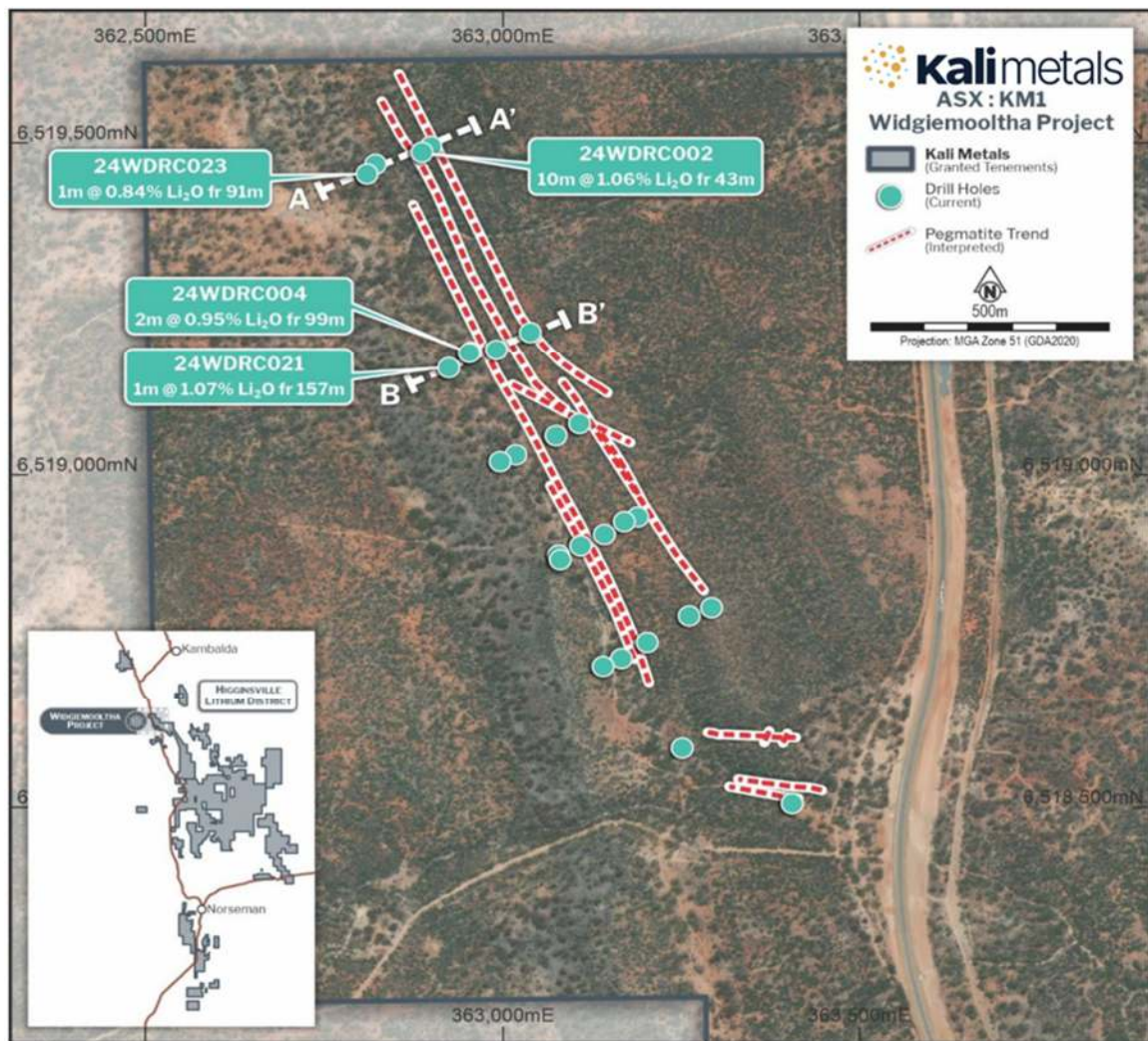


Figure 12 - Widgiemooltha Lithium Project Location map, pegmatite trends and significant intersections

Post-reporting period, Kali recommenced soil sampling at the Higginsville Lithium Project to generate new drill-ready lithium targets across ~150km² of unexplored ground. The program will comprise ~7,400 samples on a 200m x 100m grid and is expected to run for three months, with Gyro Drilling Australia engaged to complete the work. In parallel, Resource Potentials has been engaged to integrate recent and historical geophysical and geochemical datasets with Kali's in-house 3D modelling of pegmatite intercepts to refine follow-up fieldwork.

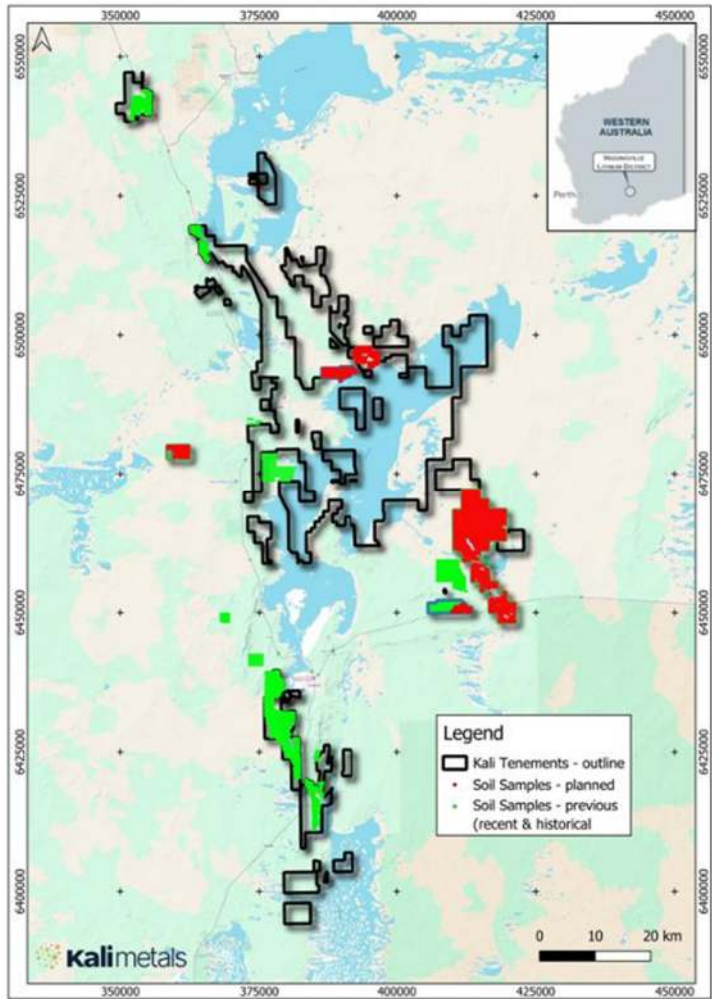


Figure 13 - Higginsville Project: Status of soil sampling to date

Southern Lachlan Fold Belt, NSW and VIC

Sweetwater Project

The main tin mines around Sweetwater include the Mullengandra, McLurg's and Parsons-Hunter mines (as well as dozens of smaller workings) which were active in the early 1900s. Tin mineralisation is associated with the mineral cassiterite (the main economic tin mineral). Kali initially completed a historical data review, revealing these high-grade tin-bearing workings also contain significant amounts of tantalum and niobium, adding to the potential prospectivity of the area.

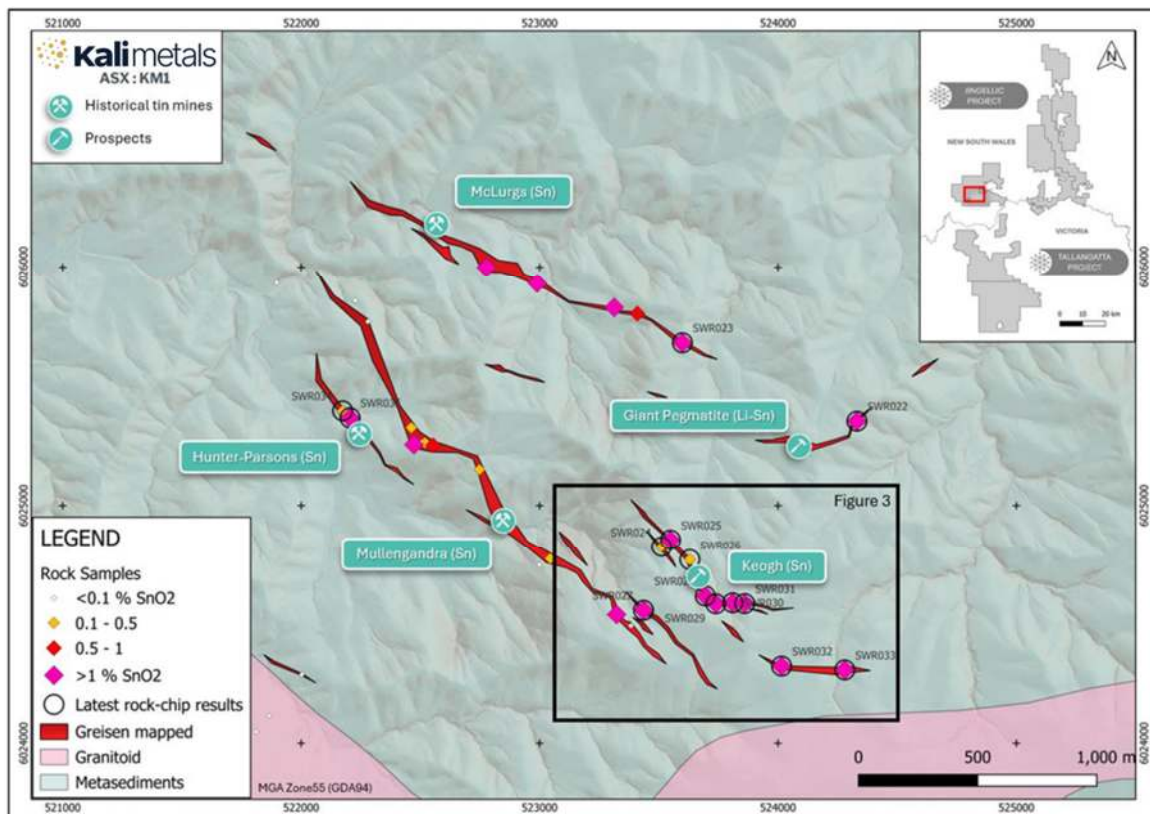


Figure 14 - Sweetwater area, geology plan map showing rock-chip sampling results

The Sweetwater area also hosts notable LCT pegmatites, with the two most prominent pegmatites identified to date being the Giant Pegmatite and the BFG Pegmatite. The Company has recently collected four rock chip samples at the Giant Pegmatite with assay results confirming LCT-type mineralisation ranging from 0.66-1.54% Li₂O. The BFG pegmatite is made of two dykes with 1km total length, identified from LiDAR imagery.

Soil sampling, carried out during Q3 2024, identified several kilometre-scale tin, tungsten, tantalum and lithium anomalies. Kali then initiated geological mapping along the zones of interest in Q4 2024, and has collected approximately 350 samples to date.

At the Sweetwater Prospect, exploration activity during the reporting period included 14 rock-chip samples returning strong results, including grades up to 16.7% SnO₂, with accessory tantalum (up to 380ppm) and niobium (up to 580ppm). These findings validate earlier assays of up to 8.0% SnO₂, 560ppm Ta, and 490ppm Nb, further confirming the prospect's potential. With reconnaissance largely complete, the Company is now progressing drilling approvals through the NSW regulators. .

DIRECTORS' REPORT (CONTINUED)



Figure 15 - Care cassiterite (tin-oxide) dark mineral crystals and aggregates, from the Sweetwater area: L) Sample SWR029 (16.70% SnO₂) and R) Sample SWR030 (8.65% SnO₂)

Cautionary statement: Visual estimates of mineral abundance should never be considered a proxy or substitute for laboratory analyses where concentrations or grades are the factor of principal economic interest. Visual estimates also potentially provide no information regarding impurities or deleterious physical properties relevant to valuations. Please refer to Annexure C “Visual Observations” in KM1 ASX Announcement 10 February 2025.

Jingellic Project

The Jingellic Project covers approximately 1,220km², consisting of tenements EL9403, EL9507 and EL8958¹. Kali’s initial exploration focus has been the highly prospective Sweetwater area (EL9403) which contains several historic tin mines and the recently identified lithium-bearing pegmatites.

¹ KM1 owns the tin, tungsten, lithium, caesium and tantalum rights to EL8958

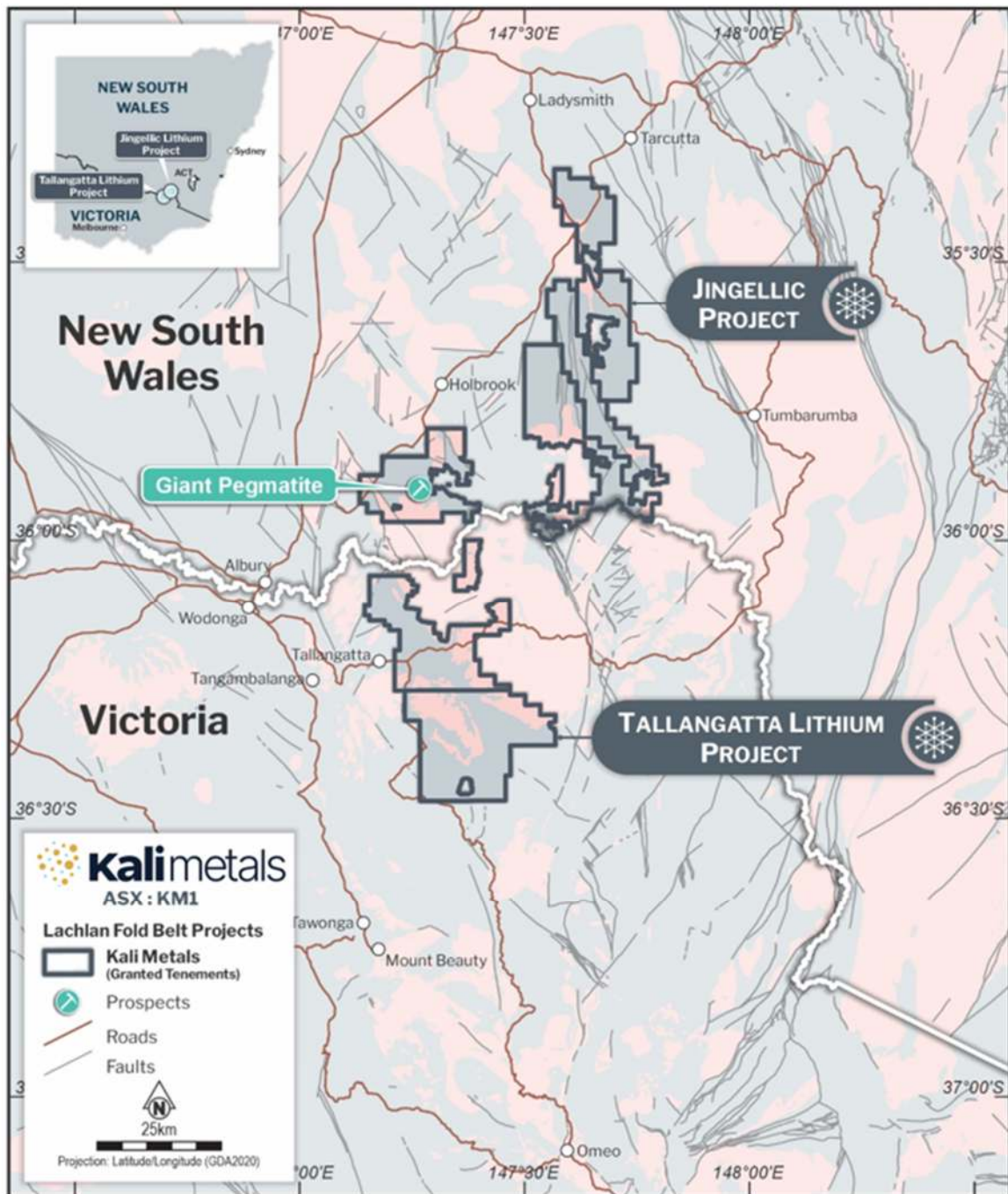


Figure 16 - Location map of Kali Metals' Jingellic and Tallangatta Projects

Tallangatta Project – Victoria

Mt Cudgewa Area

Located 42km east-southeast of Sweetwater area is the Mt Cudgewa area, where surrounding historical tin mining comprised a combination of alluvial and hard-rock sources.

The Mt Cudgewa “tin field” covers an area approximately 5x2km. The alluvial workings are located along several creeks (Lady Creek, Grassy Creek, Cudgewa Creek and other). The hard-rock workings are located in the nearby hills, expressed by pits, trenches and shafts (Refer Figure 17).

Kali commissioned MNG Survey (mngsurvey.com.au) to acquire the data over a 56km² area (at +15pt/m² density, 7cm GSD air photo resolution, ±2.5cm relative vertical accuracy), and GeoCloud Analytics (geocloudanalytics.com) to extract the ground model detail (through the particularly dense

DIRECTORS' REPORT (CONTINUED)

forest cover) and complete the data interpretation. The survey was flown in late-December 2024 and data was processed and interpreted in early-January 2025.

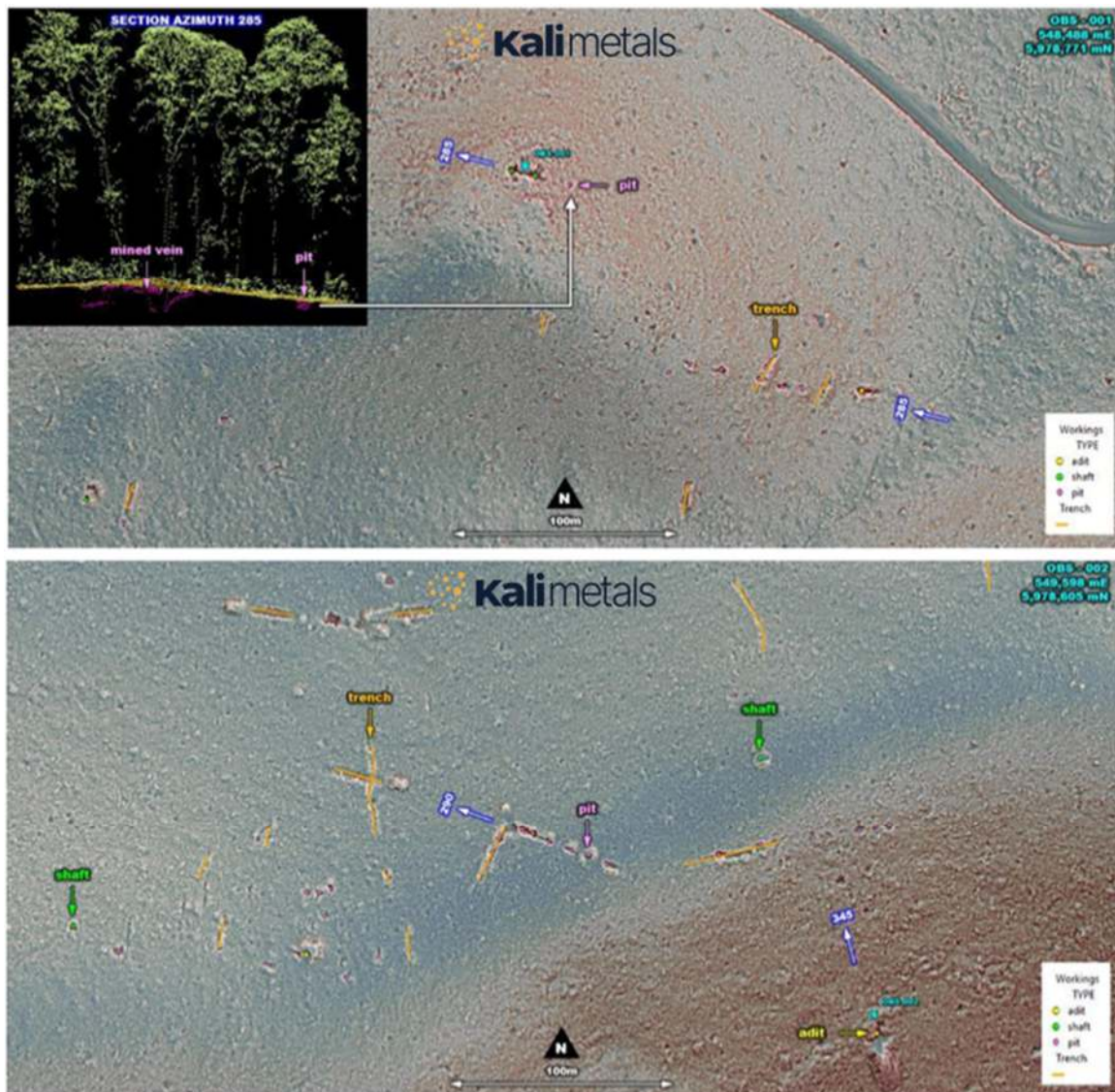


Figure 17 - Mt Cudgewa, details from LiDAR image showing historical hard-rock workings

The data processing and interpretation uncovered numerous locations of interest in very high detail. The LiDAR imagery assisted with the initial soil sampling campaign and will prove invaluable in the upcoming initial reconnaissance over Mt Cudgewa, planned for Q2 2025.

Soil Sampling

During the reporting period, Kali commenced an initial soil sampling program at Mt Cudgewa, targeting 880 locations using a ridge-and-spur sampling approach. The survey is divided into three zones: Zone A, covering the area around historical workings with 50m sample spacing; Zone B, testing possible extensions of mineralised structures; and Zone C, focusing on areas with potential for distal tin-bearing structures. The campaign is ongoing, with around 350 samples collected so far.

DIRECTORS' REPORT (CONTINUED)

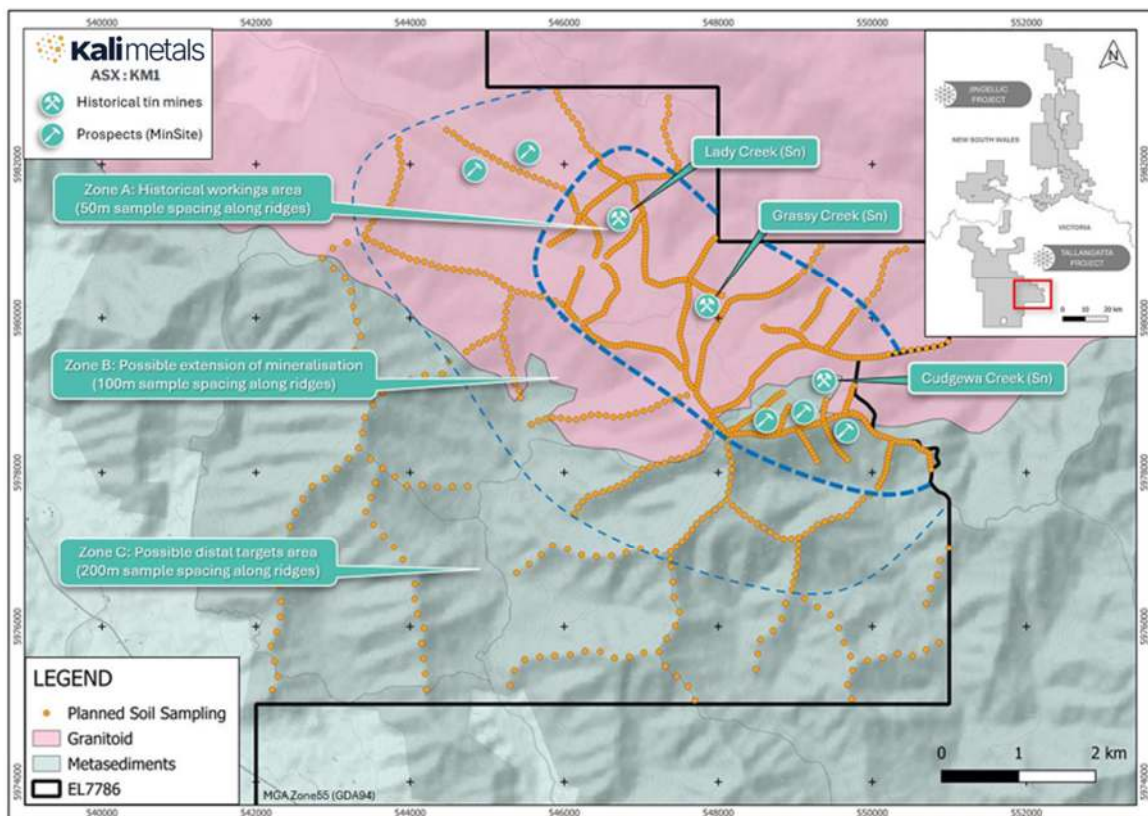


Figure 18 - Mt Cudgewa planned soil sampling program

Corporate

Florance Transaction Terms

In the March 2025 quarter, Kali acquired new exploration assets from Florance Resources Pty Ltd.

The consideration payable was:

- \$30,000 cash; and
- \$200,000 worth of ordinary shares in the Company, based on a VWAP in the 5 days prior to execution.

Peggy Transaction Terms

In the June 2025 quarter, Kali acquired 100% of the issued capital of Peggy Resources Pty Ltd (E45/6389).

The consideration payable was:

- \$20,000 cash;
- 3,506,276 ordinary shares in the Company;
- 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >100,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389; and
- 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >250,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389.

Kali used existing cash reserves to fund the cash portion of the consideration.

DIRECTORS' REPORT (CONTINUED)

Kali announced that John Leddy has resigned as Non-Executive Director effective 30 September 2024, following the merger of Karora Resources with Westgold Resources. Mr Leddy had represented Karora on Kali's board since before its IPO. The Company thanked him for his contribution and service.

In August, the Company Secretary and General Counsel, Nick Madders tendered his resignation. Mrs Silfia Morton, who is currently Chief Financial Officer of Kali Metals was also appointed Company Secretary, replacing Mr Madders effective from 1 August 2025. The Company wishes to thank Mr Madders for his contribution and service.

Outlook for Financial Year 2026

With the Marble Bar Gold Project poised for its maiden drilling campaign, FY26 is set to be a defining year for Kali Metals with the first drilling program at Marble Bar Gold Project and continued exploration at Higginsville.

Competent Person Statement

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

Forward Statements

This report may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Kali's planned exploration program and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential", "should," and similar expressions are forward-looking statements. Although Kali believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

Previously Reported Results

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

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DIRECTORS' REPORT (CONTINUED)

FINANCIAL

As at 30 June 2025, the Group had net assets of \$21,000,486 (2024: \$21,896,689) including cash and cash equivalents and short term deposits of \$4,838,125 (2024: \$9,627,079) and capitalised exploration and evaluation assets of \$16,075,697 (2024: \$13,137,803).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Mr Paul Adams, previously Non-Executive Director of Kali Metals, was appointed as Kali's new Managing Director, effective from 1 July 2024. Mr Adams has over 20 years of mining industry experience, including exploration, operational roles, and equities research focused on small to mid-cap resource companies. At the time of appointment he was also an Executive Director at Kalamazoo Resources Limited, a major shareholder in Kali Metals, and a Non-Executive Director at Meeka Metals Limited. Mr Adams previously served as Managing Director of Spectrum Metals Ltd. Mr Adams has a Geology Degree (Honors) from Derbyshire University and a Graduate Diploma in Applied Finance and Investment.

Mr Graeme Sloan, Kali Metals inaugural Managing Director, transitioned to Non-Executive Director on 1 July 2024. Mr John Leddy resigned from his role as Non-Executive Director effective 30 September 2024.

Mr Mladen Stevanovic was appointed as the Company's new Exploration Manager on 22 July 2024. With nearly 20 years of international experience across lithium, gold, copper, nickel, and base metals, Mr Stevanovic has led exploration teams responsible for significant discoveries in Europe, Australia, and Africa, and provided technical expertise for Adriatic Metals' acquisition and start-up. He has served as Chief Geologist at Gorno polymetallic mine, Principal Geologist for Gold Fields, and Exploration Manager at Liatam Mining, where he worked on the Bald Hill Lithium and Tantalum Mine. Mr Stevanovic holds advanced degrees in geology and currently serves as a Non-Executive Director at Lykos Metals.

Frankfurt Stock Exchange

Kali dual listed on the Frankfurt Stock Exchange (Open Market) in July 2024 under the ticker code 6OB, broadening its investor base and enhancing its visibility in European markets. The Frankfurt Stock Exchange is Europe's third-largest and the world's twelfth-largest by market cap. To support its promotional efforts, Kali has engaged AXINO Media GmbH, a German investor relations group, known for assisting Australian companies in boosting trading volumes on the Frankfurt Exchange. Kali looks forward to welcoming new European investors.

On 7 October 2024, Kali reached an agreement with SQM, the existing joint venture ("JV") partner in its exploration projects in the Pilbara, to expand the area of the JV and amend the terms of the existing Earn-In Agreement. Under the new terms, newly acquired Kali tenements, DOM's Hill (E45/6646 and E45/6647) and Pear Creek (E45/6457), have been incorporated into the JV. The minimum expenditure requirement has been updated to \$500,000 on exploration activities by 15 December 2025 for SQM to maintain its 30% interest in the JV. In addition, SQM has committed to increasing its total expenditure to \$4,250,000 by 15 December 2026 to earn a 50% interest in the expanded JV area. Kali will retain 100% ownership of the Marble Bar Project.

On 18 March 2025, Kali acquired a 100% interest in Florance Resources Pty Ltd ("Florance"), which held exploration licences E45/6429 and E45/6430. These licences are adjacent and contiguous to Kali's existing Marble Bar Gold-Lithium Project. Subsequently, on 22 May 2025, Kali entered into a binding agreement to acquire a 100% interest in Peggy Resources Pty Ltd, which holds exploration licence E45/6389. This acquisition expands Kali's Marble Bar Project and Pilbara footprint by approximately 28.8 km².

There were no other significant changes in the state of affairs of the Group during the financial period.

DIRECTORS' REPORT (CONTINUED)

DIVIDENDS

There were no dividends declared or paid during the financial period. No recommendation for the payment of a dividend has been made by the Directors.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

Since the end of the reporting period and to the date of this financial report, the following events have occurred:

- On 8 August 2025, Mr Nick Madders resigned as Company Secretary
- On 1 August 2025, Mrs Silfia Morton was appointed Company Secretary, in addition to her existing role as CFO.
- On 26 August 2025, Kali Metals Limited completed a capital placement of 8,660,000 new fully paid ordinary shares, at an issue price of \$0.14 per share.
- On 29 August 2025, a total of 2,256,592 performance rights expiring 29 August 2029, were issued to employees.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Directors are not aware of any developments that might have a significant effect on the operations of the Company in subsequent financial years not already disclosed in this report.

The material business risks faced by the Company that are likely to impact the financial prospects of the Company, and how the Company manages these risks are:

Exploration Risk

Mineral exploration and development are high-risk undertakings, and there is no assurance that exploration of the tenements will result in the discovery of an economic deposit. Even if an apparently viable deposit is identified there is no guarantee that it can be economically exploited. The Company's future exploration activities may be affected by a range of factors including geological conditions, limitations on activities due to permitting requirements, availability of appropriate exploration equipment, exploration costs, seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, and many other factors beyond the control of the Company.

The Company seeks to manage this risk through prudent allocation of exploration capital, staged and results-driven work programs, engagement of qualified technical personnel, robust QA/QC procedures, and independent expert review where appropriate. Exploration activities are also undertaken in compliance with permitting, environmental, safety and community requirements. The Board monitors exploration progress and budget outcomes regularly and may mitigate risk further through joint ventures, portfolio diversification, or relinquishment of non-prospective ground. Despite these measures, there is no assurance that exploration will result in the discovery or development of an economic deposit.

In the opinion of the Directors, any further disclosure of information regarding likely developments in the operations of the Company and the expected results of these operations in subsequent financial years may prejudice the interests of the Company and accordingly, further information has not been disclosed.

DIRECTORS' REPORT (CONTINUED)

Future capital needs

The Company's current capital is sufficient, at the issue date of this report, to meet its current planned exploration activities. Future activity that is unable to be planned for has the potential to draw down available capital. While unplanned activity will be considered and align with shareholders requirements, it could require additional funding to be obtained. Funding via additional equity will dilute shareholdings, and if debt financing is a viable option, it would likely be subject to restrictions. Depending if unplanned activity is undertaken, the Company may need to reduce the scope of its exploration programmes to ensure sufficient capital is maintained. There is no guarantee that suitable, additional funding will be able to be secured by the Company.

Environmental

With the Company's tenure residing within Western Australia, Victoria, and New South Wales, the Company is subject to the state and federal laws and regulations concerning the environment. Mechanised exploration will impact the local environment along with any advanced development and production activities. In undertaking exploration activities, the Company intends to comply with all environmental laws. Inherent risks when completing exploration activities include, but are not limited to, land disturbance and the disposal of waste products. An incident involving incorrect disposal of waste products could result in delays to exploration, additional costs to remediate the location and any legislative penalties.

To manage these risks, the Company operates in compliance with all relevant State and Federal environmental laws and regulations and has implemented procedures designed to minimise environmental impacts and ensure responsible waste disposal. Exploration programs are planned and executed with consideration of environmental sensitivities, and the Board, management, and exploration team monitor compliance and remediation obligations. While these measures are intended to reduce the likelihood and consequence of environmental incidents, the nature of exploration means that residual environmental risk remains.

Heritage

With the Company's tenure residing within Western Australia, Victoria, and New South Wales, the Company is subject to the state and federal laws and regulations concerning Native Title and Heritage rights and interests. The Company is required to ensure that tenure has been adequately surveyed and considered before commencing any activity that would disturb the natural environment and its surroundings.

The Company complies with required legislation regarding Native Title and Heritage requirements, and where suitable, engages a third party to ensure that all requirements are met.

While all care is taken to ensure rights and interests are maintained, there is a level of risk inherent in the exploration activity that is unable to be fully mitigated.

Cyber risks

The Company is exposed to risks arising from cyber security threats, including unauthorised access to data, theft of commercially sensitive information, business interruption, and financial or reputational loss. These risks may increase as the Company relies on digital platforms for geological data storage, communications, and financial management. To mitigate these risks, the Company employs secure IT systems with restricted access, engages external providers with appropriate cyber security safeguards, implements regular data back-ups, and promotes staff awareness of cyber security practices. The Board and management monitors these arrangements as part of its overall risk management framework, though residual cyber risk cannot be fully eliminated.

General market risks

The Company is exposed to general market and economic condition risks including adverse changes in levels of economic activity, exchange rates, interest rates, commodity prices, government policies, employment rates and industrial disruption.

DIRECTORS' REPORT (CONTINUED)

ENVIRONMENTAL REGULATION

The Company is subject to significant environmental regulation in respect of its exploration activities. Tenements in Victoria, Western Australia and New South Wales are granted subject to adherence to environmental conditions with strict controls on clearing, including a prohibition on the use of mechanised equipment or development without the approval of the relevant Government agencies, and with rehabilitation required on completion of exploration activities. These regulations are controlled by the Department of Jobs, Precincts and Regions (Victoria), the Department of Mines, Industry Regulation and Safety (Western Australia), and the NSW Department of Industry.

The Company conducts its exploration activities in an environmentally sensitive manner and is not aware of any breach of statutory conditions or obligations.

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DIRECTORS' REPORT (CONTINUED)

INFORMATION ON DIRECTORS

The names and details of the Directors of the Company in office as at the date of this report and anytime during the financial year are:

Name:	Luke Reinehr
Title:	Non-Executive Chairman
Qualifications:	LLB, BA
Experience and expertise:	With over 25 years of experience spanning various management levels, Luke has held key roles as a partner, director, CEO, and chairman in resource and technology companies both in Australia and internationally.
Other current directorships:	Kalamazoo Resources Limited
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit and Risk Management Committee (ARC)
Interests in shares:	919,575 ordinary shares
Interests in options:	1,500,000 Unlisted Options
Interest in performance rights:	2,410,154 Performance Rights
Name:	Paul Adams
Title:	Managing Director (appointed on 1 July 2024)
Qualifications:	BSc Geology (Hons), GradDipAppFin & Inv
Experience and expertise:	Paul has over 25 years' experience in the mining industry in exploration, open pit, underground operational roles both in Australia and overseas. He has over 10 years' experience as the Head of Equities Research at a well-known Perth stockbroking company, specialising in small to mid-cap resource companies.
Other current directorships:	Kalamazoo Resources Limited and Meeka Metals Limited
Former directorships (last 3 years):	None
Special responsibilities:	Member of Remuneration and Nomination Committee (RNC) and member of Audit and Risk Management Committee (ARC)
Interests in shares:	656,695 ordinary shares
Interests in options:	1,250,000 Unlisted Options
Interest in performance rights:	3,003,625 Performance Rights

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DIRECTORS' REPORT (CONTINUED)

Name:	Graeme Sloan
Title:	Managing Director up to 30 June 2024 and transitioned into Non-Executive Director on 1 July 2024.
Qualifications:	BAppSc (Mining Engineering), Dip (Mine Surveying), FCMM Cert WA, Member AUSIMM, Member AICD, and ESG Directors Course.
Experience and expertise:	Graeme is a qualified mining engineer with over 35 years' experience as a managing director/chief executive officer, non-executive director, chairman and member of audit, risk and sustainability committees and general manager of operations. He has held roles in corporate affairs, operational management, technical and project development and has worked in Australia and North and South America holding senior technical roles for ASX, TSX and AIM listed companies.
Other current directorships:	Golden Horse Minerals Limited (formerly Altan Rio Limited)
Former directorships (last 3 years):	None
Special responsibilities:	Member of Audit and Risk Management Committee (ARC)
Interests in shares:	800,000 ordinary shares
Interests in options:	1,000,000 Unlisted Options
Interest in performance rights:	1,508,341 Performance Rights
Name:	Simon Coyle
Title:	Non-Executive Director
Qualifications:	BSc (M&ES), PGDip Mining
Experience and expertise:	Simon has 20 years' industry experience and graduated from the Western Australian School of Mines. He held several senior operational management positions in a range of commodities including gold, iron ore, manganese and lithium. More recently Simon held the position of general manager operations for Pilbara Minerals Limited's hard rock lithium operation, Pilgangoora. He successfully led the development and expansion of the operation to become one of the world's leading producers of spodumene concentrate.
Other current directorships:	Corazon Minerals Ltd (ASX: CZN)
Former directorships (last 3 years):	Velox Energy Materials Inc. (TSXV: VLX)
Special responsibilities:	Chair and Member of Remuneration and Nomination Committee (RNC) Member of Audit and Risk Management Committee (ARC)
Interests in shares:	400,000 ordinary shares
Interests in options:	1,000,000 Unlisted Options
Interest in performance rights:	1,213,057 Performance Rights

DIRECTORS' REPORT (CONTINUED)

Name:	John Leddy
Title:	Non-Executive Director (resigned on 30 September 2024)
Qualifications:	LSO (Canada)
Experience and expertise:	John serves as senior advisor on legal and strategic matters at Karora. He also provides strategic advice to, and has made seed capital investments in, other public and private companies operating in the battery metals, carbon reduction, plant-based foods, vertical farming and high-density infill property development sectors. John has over 20 years' experience as a business lawyer and in private equity, specializing in M&A, capital raising and structuring, and other strategic transactions. He is a former partner in the Business Law Group (M&A) at Osler, a leading Canadian corporate law firm.
Other current directorships:	None
Former directorships (last 3 years):	Canada Nickel Company Inc, Karora Resources Inc.
Special responsibilities:	Member of Remuneration and Nomination Committee (RNC) and member of Audit and Risk Management Committee (ARC)
Interests in shares:	800,000 ordinary shares
Interests in options:	None
Interest in performance rights:	1,213,057 Performance Rights

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DIRECTORS' REPORT (CONTINUED)

Company Secretary

Mr Nick Madders (LLB)

Appointed 1 August 2023, resigned on 8 August 2025

Mr Madders was the general counsel of a large mining services company from 2021 to 2023 and held the role of company secretary there. He has extensive experience in M&A and corporate compliance, having spent five years working at Gilbert + Tobin in one of Australia's top tier transactions teams. Since entering the mining industry in early 2021, Nick successfully led and completed transactions in the gold, lithium and base metals markets.

Chief Financial Officer (CFO) & and appointed Company Secretary 1 August 2025

Ms Silfia Morton (BCOM, MCOM, CA)

Appointed 1 December 2023 as CFO, and on 1 August 2025 as Company Secretary

Ms Morton is a Chartered Accountant specialising in financial management, financial reporting services, and risk compliance and management. Ms Morton spent 12 years as senior audit manager at one of the leading international audit, tax and advisory firms, and has experience in the local and international markets. She was responsible for managing the assurance and compliance requirements of a diversified group of large, medium and small companies in a range of industries. Ms Morton is currently CFO and Company Secretary of Future Battery Minerals Ltd, Solstice Minerals Ltd, and CFO of Charger Metals NL.

Options And Performance Rights

As at the date of this report, the Company has the following options and performance rights on issue:

Details	Grant Date	Number	Exercise Price (\$)	Date of Expiry
Unlisted Options (KM1OPT1)	29 Dec 2023	798,064	\$0.375	8 Jan 2026
Unlisted Options (KM1OPT2)	29 Dec 2023	1,596,128	\$0.437	8 Jan 2026
Unlisted Options (KM1OPT3)	29 Dec 2023	1,596,129	\$0.50	8 Jan 2026
Unlisted Options (KM1OPT4)	4 Dec 2024	2,375,000	\$0.243	4 Dec 2027
Unlisted Options (KM1OPT5)	4 Dec 2024	2,375,000	\$0.324	4 Dec 2027
Performance Rights Class A (KM1PRA)	28 Jun 2023	4,680,647	\$0.00	28 Jun 2026
Performance Rights Class B (KM1PRB)	28 Jun 2023	4,680,644	\$0.00	28 Jun 2028
Performance Rights Class A (KM1PRA)	12 Mar 2024	400,000	\$0.00	12 Mar 2027
Performance Rights Class A (KM1PRA)	17 Jul 2024	901,812	\$0.00	28 Jun 2026
Performance Rights Class B (KM1PRB)	12 Mar 2024	400,000	\$0.00	12 Mar 2027
Performance Rights Class B (KM1PRB)	17 Jul 2024	901,812	\$0.00	28 Jun 2028
Performance Rights Class A (KM1PRA)	4 Dec 2024	600,000	\$0.00	28 Jun 2026
Performance Rights Class B (KM1PRB)	4 Dec 2024	600,000	\$0.00	28 Jun 2028
Performance Rights (KM1PRC)	7 Aug 2025	2,256,592	\$0.00	29 Aug 2029

DIRECTORS' REPORT (CONTINUED)

Meetings Of Directors

Considering the Company's relatively small size, the Board has determined that the Company's interests are most effectively served by the full Board undertaking the duties traditionally delegated to Committees.

During the financial year, 7 meetings of Directors were held. Attendances by each Director during the year were as follows:

Directors	Directors' Meetings	
	Number Eligible to Attend	Number Attended
Luke Reinehr	7	7
Graeme Sloan	7	7
Paul Adams	7	7
Simon Coyle	7	7
John Leddy	2	-

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

Principles used to determine the nature and amount of remuneration

The Company's remuneration policy is structured to align the objectives of executive key management personnel with those of shareholders and the business. This is achieved through a fixed remuneration component and long-term incentives tied to key performance areas that impact the Company's financial outcomes.

The Board serves as the Remuneration and Nomination Committee (RNC), responsible for overseeing remuneration policies, practices, incentive plans, and related disclosures. The remuneration committee conducts a review of executive compensation, taking into account the Company's performance, individual executive performance, and comparative data from similar industries and other listed companies. The Board believes this remuneration policy is both appropriate and effective in attracting and retaining top executive talent, while fostering alignment between the goals of Directors, Executives, and Shareholders.

Remuneration Framework

The remuneration committee considers the following factors in establishing the nature and amount of remuneration for the Company's executive key management personnel:

- The remuneration policy, which outlines the terms and conditions for executive key management personnel, was developed by the remuneration committee and approved by the Board;

DIRECTORS' REPORT (CONTINUED)

- All executive key management personnel receive a base salary, determined by factors such as length of service and experience, along with superannuation where applicable; and
- The remuneration committee conducts an annual review of executive key management personnel packages, considering the Company's performance, individual executive performance, and comparable data from industry sectors.

The Company operates as an exploration entity, making its performance inherently speculative. To attract and retain top executive talent, key management personnel are compensated at market rates comparable to those in similar roles within the industry. No remuneration consultants were engaged for the year ended 30 June 2025.

Fixed Remuneration (FR)

Executive key management personnel (KMP) receive a base salary plus the statutory superannuation guarantee contribution (11.5% for the year ended 30 June 2025). No other retirement benefits are provided. Fixed remuneration is valued at cost to the Company and expensed.

Short Term Incentive (STI)

The Company does not currently operate a short-term incentive program for executive KMP.

Long Term Incentive (LTI)

The Company has established the Kali Metals Limited Incentive Plan (**Incentive Plan**) to assist in the motivation, retention and reward of certain employees and Directors engaged by the Company or any of its subsidiaries (**Participants**). The Incentive Plan is designed to align the interests of Participants more closely with the interests of Shareholders. All awards granted under the Incentive Plan to Participants will be Performance Rights, Options or Shares.

Performance Rights have previously been issued to executive KMP to provide a mechanism to participate in the Company's future development and to act as a long-term retention and incentive tool. These awards are valued using the Hoadley valuation model and are subject to a range of market and non-market vesting conditions, ensuring alignment with long-term shareholder value creation.

Further options and performance incentives may be issued as the Company moves from an exploration entity to a producing entity, and key performance indicators such as profits and growth can be used as measurements for assessing executive key management personnel performance.

Non-Executive Directors remuneration

Under the Constitution, the Company in general meeting may determine the maximum aggregate remuneration to be provided to or for the benefit of the Non-Executive Directors as remuneration for their services as a Director. Further, under the ASX Listing Rules, the total amount of directors fees paid to the Directors (subject to certain exceptions) must not exceed in aggregate in any financial year the amount fixed by the Company's members in general meeting.

Initially, and until a different amount is determined, the maximum aggregate Directors' remuneration for the purposes of the ASX Listing Rules and the Constitution is \$400,000 per annum. This amount excludes, among other things, amounts payable to any executive Director under any executive services agreement with the Group or any special remuneration which the Board may granted to the Directors for special exertions or additional services performed by a Director for or at the request of the Company.

The following annual base fees (excluding superannuation) are payable to Directors:

Director Fees	\$
Chairman	85,000
Non-Executive Directors	50,000

DIRECTORS' REPORT (CONTINUED)

Directors will receive no additional fees for being a member of the Audit and Risk Management Committee and/or Remuneration and Nomination Committee.

Details of remuneration

Names and positions held of the Company's key management personnel in office at any time during the financial year are:

Name	Position
Paul Adams	Managing Director (Non-Executive Director until 30 June 2024, then transitioned into Managing Director)
Luke Reinehr	Non-Executive Chairman
Graeme Sloan	Non-Executive Director (Managing Director/CEO until 30 June 2024, then transitioned into Non-Executive Director)
Simon Coyle	Non-Executive Director
John Leddy	Non-Executive Director (Resigned on 30 September 2024)
Silfia Morton	Chief Financial Officer and Company Secretary (appointed 1 December 2023 as CFO, then 1 August 2025 as Company Secretary)
Nick Madders	Company Secretary (appointed 1 August 2023 and resigned on 8 August 2025)

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments		Total	Proportion of Remuneration Related to Performance
	Cash salary and fees	Superannuation	Long service leave	Options	Performance Rights		
2025	\$	\$	\$	\$	\$	\$	%
Non-Executive Directors:							
Luke Reinehr (Chairman) ¹	85,000	9,775	-	84,750	160,519	340,044	72%
Graeme Sloan	50,000	5,750	-	56,500	(826)	111,424	50%
Simon Coyle ²	50,917	4,792	-	56,500	80,791	193,000	71%
John Leddy ³	26,230	-	-	-	221,809	248,039	89%
Executive Directors:							
Paul Adams ⁴	300,000	34,500	-	70,625	159,285	564,410	41%
Other Key Management Personnel:							
Nick Madders ⁵	200,000	23,000	-	-	75,188	298,188	25%
Silfia Morton ⁶	84,000	-	-	-	34,793	118,793	29%
TOTAL	796,147	77,817	-	268,375	731,559	1,873,897	

Note:

- Services provided by Reinehr Rokley Pty Ltd, of which Mr Reinehr is a Director.
- Services provided by SME Consultancy Pty Ltd, of which Mr Coyle is a Director.
- Mr Leddy resigned on 30 September 2024.
- Services provided by Makalu Capital Pty Ltd, of which Mr Adams is a Director.
- Mr Madders resigned on 8 August 2025.
- Services provided by Greenwood Road Pty Ltd, of which Ms Morton is a Director.

DIRECTORS' REPORT (CONTINUED)

	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments		Total	Proportion of Remuneration Related to Performance
	Cash salary and fees	Superannuation	Long service leave	Options	Performance Rights		
2024	\$	\$	\$	\$	\$	\$	%
Non-Executive Directors:							
Luke Reinehr (Chairman) ¹	85,000	9,350	-	-	161,839	256,189	63%
Paul Adams ²	76,682	7,715	-	-	121,111	205,508	59%
Simon Coyle ³	50,000	5,500	-	-	81,455	136,955	59%
John Leddy ⁴	50,000	5,500	-	-	81,455	136,955	59%
Executive Directors:							
Graeme Sloan ⁵	323,077	28,800	-	-	202,566	554,443	37%
Other Key Management Personnel:							
Nick Madders	192,733	14,667	-	-	51,213	258,613	20%
Silfia Morton ⁵	64,317	-	-	-	10,486	74,803	14%
Bernard Crawford ⁶	74,000	-	-	-	-	74,000	0%
TOTAL	915,809	71,532	-	-	710,125	1,697,466	

Note:

- Services provided by Reinehr Rokley Pty Ltd, of which Mr Reinehr is a Director.
- Services provided by Makalu Capital Pty Ltd, of which Mr Adams is a Director.
- Services provided by SME Consultancy Pty Ltd, of which Mr Coyle is a Director.
- Included in Mr Sloan's cash salary and fees was his annual leave payout of \$23,077 when Mr Sloan transitioned into Non-Executive Director on 1 July 2024.
- Ms Morton was appointed as CFO on 1 December 2023 and Company Secretary on 1 August 2025. Services provided by Greenwood Road Pty Ltd, of which Ms Morton is a Director.
- Mr Crawford resigned from his position as the Company's Chief Financial Officer in October 2023.

No payments were made to the Directors and other key management personnels for the year ended 30 June 2025.

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Mr Paul Adams

Managing Director/CEO (transition from Non-Executive Director into MD/CEO on 1 July 2024)

- Terms of agreement – no fixed term;
- Base salary of \$300,000 per annum, exclusive of superannuation;
- Notice period – 3 months; and
- 3-month termination payment under certain circumstances.

Mr Nick Madders

Company Secretary (resigned 8 August 2025)

- Terms of agreement – no fixed term;
- Base salary of \$200,000 per annum, exclusive of superannuation;
- Notice period – 3 month; and
- 3-month termination payment under certain circumstances.

DIRECTORS' REPORT (CONTINUED)

Ms Silfia Morton

Chief Financial Officer and Company Secretary (*appointed on 1 December 2023 as CFO, then on 1 August 2025 as Company Secretary*)

- Consultancy services agreement – no fixed term;
- Consultancy fee of \$7,000 per month then changed to \$10,000 per month from 1 August 2025, exclusive of GST;
- Notice period – 2 months; and
- No termination benefit is specified in the agreement.

Share-based compensation

Options

On 4 December 2024, the Company issued 2,375,000 Tranche A Incentive Options (KM1AF) and 2,375,000 Tranche B Incentive Options (KM1AG) to Directors.

The Options have the following terms and conditions:

- Tranche A – Exercise price \$0.243 per share and expire 4 December 2027
- Tranche B – Exercise price \$0.324 per share and expire 4 December 2027

Name	Class of Securities	Issue Date	Expiry Date	No of Rights	Fair value of the options
Executive					
Paul Adams	Tranche A - KM1AF	4 Dec 2024	4 Dec 2027	625,000	\$37,500
	Tranche B - KM1AG	4 Dec 2024	4 Dec 2027	625,000	\$33,125
Non-Executive					
Luke Reinehr	Tranche A - KM1AF	4 Dec 2024	4 Dec 2027	750,000	\$45,000
	Tranche B - KM1AG	4 Dec 2024	4 Dec 2027	750,000	\$39,750
Graeme Sloan	Tranche A - KM1AF	4 Dec 2024	4 Dec 2027	500,000	\$30,000
	Tranche B - KM1AG	4 Dec 2024	4 Dec 2027	500,000	\$26,500
Simon Coyle	Tranche A - KM1AF	4 Dec 2024	4 Dec 2027	500,000	\$30,000
	Tranche B - KM1AG	4 Dec 2024	4 Dec 2027	500,000	\$26,500
TOTAL					\$268,375

The fair value of the Options has been calculated using the Black Scholes option pricing model. The key inputs used for the valuation are detailed below:

	Tranche A - KM1AF	Tranche B - KM1AG
Number of options	2,375,000	2,375,000
Underlying share price	\$0.12	\$0.12
Exercise price	\$0.243	\$0.324
Volatility	100%	100%
Life of the options	3 years	3 years
Expected dividends	Nil	Nil
Risk free rate	4.07%	4.07%
Value per option	\$0.06	\$0.05
Total Fair Value	\$142,500	\$125,875

DIRECTORS' REPORT (CONTINUED)

Performance Rights

During the year ended 30 June 2025 the Company issued the following performance rights:

- On 20 November 2024 the Company granted 600,000 Tranche A Incentive Performance Rights (KMP1PRA36) and 600,000 Tranche B Incentive Performance Rights to the Managing Director, as approved at the Annual General Meeting on 20 November 2024. Subsequently the Performance Rights were issued on 9 January 2025.

The Performance Rights have the following vesting conditions:

- Tranche A Incentive Performance Rights will vest on the date the Company announces a JORC Code compliant indicated resource estimate of an aggregate of at least 10Mt of lithium at a minimum grade of 1% Li₂O across any of its projects by 28 June 2026; and
- Tranche B Incentive Performance Rights will vest on the date the Company announces a JORC Code compliant indicated resource estimate of an aggregate of at least 30Mt of lithium at a minimum grade of 1% Li₂O across any of its projects by 28 June 2028.

Name	Class of Securities	Grant Date	Expiry Date	No of Rights	Fair value of the performance rights
Executive					
Paul Adams	Tranche A - KM1PRA	20 Nov 2024	28 Jun 2026	600,000	\$72,000
	Tranche B - KM1PRB	20 Nov 2024	28 Jun 2028	600,000	\$72,000
TOTAL					\$144,000

The fair value of the Performance Rights has been calculated using the share price at valuation date. The key inputs used for the valuation are detailed below:

	Tranche A - KM1PRA	Tranche B - KM1PRB
Number of rights	600,000	600,000
Underlying share price	\$0.12	\$0.12
Grant date	20 Nov 2024	20 Nov 2024
Volatility	100%	100%
Value per right	\$0.12	\$0.12
Total Fair Value	\$72,000	\$72,000

Additional information

The Directors assess performance of the Company with regards to the achievement of both operational and financial targets with a current focus on exploration targets. Executive key management personnel are issued performance rights to encourage the alignment of personal and shareholder interests.

Options and performance rights issued to executive key management personnel may be subject to market-based price hurdles, non-market vesting conditions, and the exercise price of options is set at a level that encourages executive key management personnel to focus on share price appreciation. The Board believes this policy will be effective in increasing shareholder wealth. On the resignation of executive key management personnel, any vested options and performance rights issued as remuneration are retained by the relevant party.

The following table shows the Company's net loss since the Company was admitted to the official list of the ASX on 8 January 2024, as well as the Company's share prices at the end of the financial year.

DIRECTORS' REPORT (CONTINUED)

	2025 \$	2024 \$
Net loss	2,751,988	1,042,852
Share price at year-end	0.080	0.235
Earnings per share (cents)	(1.89)	(1.44)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2025	Balance at the start of the year	Received as part of remuneration	Addition	Disposal	Balance at the end of the year
Non-Executive Directors:					
Luke Reinehr (Chairman)	919,575	-	-	-	919,575
Graeme Sloan	800,000	-	-	-	800,000
Simon Coyle	400,000	-	-	-	400,000
John Leddy	800,000	-	-	-	800,000
Executive Directors:					
Paul Adams	656,695	-	-	-	656,695
Other KMP:					
Nick Madders	-	-	-	-	-
Silfia Morton	-	-	-	-	-

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other member of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2025	Balance at the start of the year	Received as part of remuneration	Addition	Disposal/Other Changes	Balance at the end of the year
Non-Executive Directors:					
Luke Reinehr (Chairman)	-	1,500,000	-	-	1,500,000
Graeme Sloane	-	1,000,000	-	-	1,000,000
Simon Coyle	-	1,000,000	-	-	1,000,000
John Leddy	-	-	-	-	-
Executive Directors:					
Paul Adams	-	1,250,000	-	-	1,250,000
Other KMP:					
Nick Madders	-	-	-	-	-
Silfia Morton	-	-	-	-	-

DIRECTORS' REPORT (CONTINUED)

Performance Rights holding

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

2025	Balance at the start of the year	Received as part of remuneration	Addition	Disposal/Other Changes	Balance at the end of the year
Non-Executive Directors:					
Luke Reinehr (Chairman)	2,410,154	-	-	-	2,410,154
Graeme Sloan	3,016,682	-	-	(1,508,341)	1,508,341
Simon Coyle	1,213,057	-	-	-	1,213,057
John Leddy	1,213,057	-	-	-	1,213,057
Executive Directors:					
Paul Adams	1,803,625	1,200,000	-	-	3,003,625
Other KMP:					
Nick Madders	906,529	-	-	-	906,529
Silfia Morton	300,000	-	-	-	300,000

Note:

1. Mr Sloan forfeited 50% of the performance rights issued to him in his capacity as Managing Director when he stepped into Non-Executive Director position on 1 July 2024. The fair value of performance rights forfeited during the year was \$151,925.

Other transactions with key management personnel and their related parties

In May 2024, the Company leased a new head office at 34 Colin Street, West Perth, WA, and simultaneously entered into a sub-lease agreement with Golden Horse Metals Ltd, of which Mr Graeme Sloan is Chairman. Under this agreement, Golden Horse will pay the Company \$5,000 (excluding GST) per month to lease a portion of the head office. The total amount received from Golden Horse for the financial year ended 30 June 2025 was \$72,603 (2024: \$5,879), which includes the monthly rent and its share of office amenities.

Voting and comments made at the Company Annual General Meeting

The Company received 99.50% of "yes" votes on its remuneration report for the 2024 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This concludes the remuneration report, which has been audited.

DIRECTORS' REPORT (CONTINUED)

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The Company has indemnified the directors and executives of the Company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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.

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.

NON-AUDIT SERVICES

Details of the amount paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in Note 20 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 20 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 (including Independence Standards)* issued by the Accounting 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 an advocate for the Company or jointly sharing economic risks and rewards.

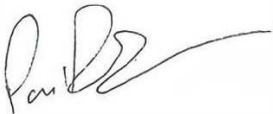
DIRECTORS' REPORT (CONTINUED)

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page.

This report is made in accordance with a resolution of directors.

On behalf of the directors



Paul Adams
Managing Director

Perth, 19 September 2025

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Australia

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

As lead auditor of Kali Metals Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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

Glyn O'Brien

Director

BDO Audit Pty Ltd

Perth

19 September 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2025

	Note	2025 \$	2024 \$
Revenue			
Other income		91,124	15,762
Interest income		312,209	299,692
Gain on loan forgiven		-	1,514,724
Government grant		19,802	-
Expenses			
Employee benefits expenses		(893,190)	(849,713)
Share based payments	12	(1,175,361)	(771,824)
Compliance costs		(484,651)	(651,728)
Legal expenses		(59,779)	(150,845)
Marketing and investor relation costs		(60,093)	(89,606)
Travel costs		(56,524)	(117,039)
Depreciation expenses		(160,570)	(24,397)
Other expenses	3	(284,955)	(217,934)
Loss before income tax expense		(2,751,988)	(1,042,908)
Income tax expense	4	-	-
Loss after income tax expense for the period attributable to the owners of Kali Metals Limited		(2,751,988)	(1,042,908)
Other comprehensive income		-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-
<i>Items that may be reclassified subsequently to profit or loss</i>		-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period attributable to the owners of Kali Metals Limited		(2,751,988)	(1,042,908)
Loss per share			
- Basic and diluted (cents per share)	13	(1.89)	(1.44)

This 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 2025

	Note	2025 \$	2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	4,838,125	9,511,924
Trade and other receivables	6	223,741	341,957
Other current assets		40,640	39,622
Total current assets		5,102,506	9,893,503
Non-current assets			
Other receivables	5	115,155	115,155
Property, Plant and Equipment	7	134,807	191,034
Right of Use Asset	8	169,033	261,232
Exploration and evaluation assets	9	16,075,697	13,137,803
Total non-current assets		16,494,692	13,705,224
TOTAL ASSETS		21,597,198	23,598,727
LIABILITIES			
Current liabilities			
Trade and other payables	10	358,076	1,406,011
Provision		59,693	32,902
Lease liability		93,641	84,182
Total current liabilities		511,410	1,523,095
Non-current liabilities			
Lease liability		85,302	178,943
Total non-current liabilities		85,302	178,943
TOTAL LIABILITIES		596,712	1,702,038
NET ASSETS		21,000,486	21,896,689
EQUITY			
Contributed equity	11	23,547,863	22,867,439
Reserve	12	2,350,207	1,174,846
Accumulated losses		(4,897,584)	(2,145,595)
TOTAL EQUITY		21,000,486	21,896,689

This 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 2025

	Note	Issued capital \$	Reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023		100	-	(1,102,687)	(1,102,587)
Loss after income tax expense for the period		-	-	(1,042,908)	(1,042,908)
Other comprehensive loss for the period		-	-	-	-
Total comprehensive loss for the period		-	-	(1,042,908)	(1,042,908)
Transactions with owners in their capacity as owners					
Contributions of equity, net of transaction costs	11	22,867,339	-	-	22,867,339
Issue of Broker Options	12	-	403,022	-	403,022
Share based payment	12	-	771,823	-	771,823
Balance at 30 June 2024		22,867,439	1,174,845	(2,145,595)	21,896,689
Balance at 1 July 2024		22,867,439	1,174,845	(2,145,595)	(21,896,689)
Loss after income tax expense for the period		-	-	(2,751,988)	(2,751,988)
Other comprehensive loss for the period		-	-	-	-
Total comprehensive loss for the period		-	-	-	-
Transactions with owners in their capacity as owners		-	-	-	-
Contributions of equity, net of transaction costs	11	680,424	-	-	680,424
Share based payment	12	-	1,175,361	-	1,175,361
Balance at 30 June 2025		23,547,863	2,350,206	(4,897,584)	21,000,486

The 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 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,912,679)	(2,356,432)
Interest received		312,209	299,692
Net cash used in operating activities	21	(1,600,470)	(2,056,740)
Cash flows from investing activities			
Payments for exploration and evaluation assets		(2,927,003)	(19,401)
Payments for property, plant and equipment		(12,143)	(200,064)
Payment for tenements acquisitions		(50,000)	(50,000)
Net cash used in investing activities		(2,989,146)	(269,465)
Cash flows from financing activities			
Proceeds from issue of shares (net of transaction costs)		-	13,652,072
Capital raising costs	11	-	(1,837,245)
Proceeds from borrowings		-	710,000
Repayment of borrowings		-	(300,000)
Repayment of borrowings to related party		-	(350,000)
Lease repayments		(84,183)	(13,474)
Net cash inflows from financing activities		(84,183)	11,861,353
Net increase in cash and cash equivalents		(4,673,799)	9,535,148
Cash and cash equivalents at the beginning of the financial period		9,627,079	91,931
Cash and cash equivalents at end of the financial period	5	4,953,280	9,627,079

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

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: CORPORATE INFORMATION

The financial report of Kali Metals Limited for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the Directors on 19 September 2025.

Kali Metals Limited is a for-profit company incorporated in Australia and limited by shares. The nature of the operation and principal activities of the entity are described in the attached Directors' Report.

The principal accounting policies adopted in the preparation of these financial statements are set out below and have been applied consistently to all periods presented in the financial statements.

NOTE 2: SUMMARY OF MATERIAL ACCOUNTING POLICIES

Basis of preparation

These general-purpose financial statements 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.

Compliance with IFRS

The financial statements of Kalamazoo Resources Limited also comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. These are not expected to have any significant impact on the Group's financial statements.

a) Basis of measurement

Critical accounting estimates and judgements

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

Significant accounting judgements

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

Capitalisation of exploration and evaluation expenditure

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

Significant accounting estimates and assumptions

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

Impairment of capitalised exploration and evaluation expenditure

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

Share-based payment transactions

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

Asset Acquisition

When an asset acquisition does not constitute a business combination, the assets and liabilities are assigned a carrying amount based on their relative fair values in an asset purchase transaction and no deferred tax will arise in relation to the acquired assets and assumed liabilities as the initial recognition exemption for deferred tax under AASB 112 applies. The acquisition of an entity that meets the concentration test (AASB 2018-6) would be accounted for as an asset acquisition not a business combination. No goodwill will arise on the acquisition and transaction costs of the acquisition will be included in the capitalised cost of the asset. Assets acquired during the year were exploration expenditure. Estimates and judgement are required by the Group, taking into consideration all available information at the acquisition date, to assess the fair value of assets acquired, liabilities and contingent liabilities assumed.

Going Concern

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

As disclosed in the financial statements, the Group incurred a loss of \$2,751,988 and had net cash outflows from operating activities of \$1,600,470. At 30 June 2025, the Company had \$4,838,125 in cash and cash equivalents. For the Group to continue to carry out its exploration activities, meet its expenditure requirements and continue as a going concern it is dependent on securing additional funding. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern.

For the Group to be able to continue to carry out its exploration activity and to have sufficient working capital, it is dependent on the financial support from its shareholders to fund its working capital requirements and/or successfully raising capital. The Directors are satisfied they will be able to raise additional working capital as required and thus it is appropriate to prepare the financial statements on a going concern basis. In arriving at this position, the Directors have considered the following matters:

- The Directors have assessed the cash flow requirements for the 12-month period from the date of approval of the financial statements and its impact on the Group and believe there will be sufficient funds to meet the Group's working capital requirements;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- In the event that funding of an amount required to meet the future budgeted operational and investing activities of the Company is unavailable, the Directors would undertake steps to scale down its operations and reduce its discretionary expenditure in order to curtail cash outflows; and
- The Group had successfully raised \$1.2 million (before costs) via a Placement subsequent to the year end, which supports the Group's ability to raise capital if required.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the Group not continue as a going concern.

b) Functional and presentation currency

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

c) Revenue

The Group recognises revenue as follows:

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 3: OTHER EXPENSES

	2025 \$	2024 \$
Bank and interest expenses	(16,481)	(4,770)
Information technology expenses	(73,706)	(55,266)
Office expenses	(40,160)	(41,569)
Rent and parking	(62,050)	(63,037)
Insurance	(63,696)	(40,362)
Staff onboarding and training	(28,862)	(12,930)
Sundry expenses	-	-
Total other expenses	(284,955)	(217,934)

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4: INCOME TAX

	2025 \$	2024 \$
Numerical reconciliation of income tax expense to prima facie tax payable		
Profit/(Loss) from continuing operations before income tax expense	(2,751,988)	(1,042,908)
Prima facie tax benefit at the Australian tax rate of 30% (2024: 30%)	(843,813)	(312,873)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Other deductible expenses	372,017	233,222
- Other assessable items	148,436	-
- Other non-assessable items	(13,009)	(454,446)
Movements in unrecognised temporary differences	(173,596)	(50,627)
Tax effect of current year tax losses for which no deferred tax asset has been recognised	509,965	584,724
Income tax expense	-	-
<i>Unrecognised temporary differences</i>		
Deferred tax liabilities on income tax account		
Interest receivable	(6,826)	(13,602)
Prepayments	(11,233)	(594)
Exploration Expenditure	(1,874,587)	(953,691)
Right-of-Use assets	(50,710)	(78,370)
Unrealised currency gains	-	(5)
Carry forward revenue losses	1,943,356	1,046,262
Deferred tax liabilities	-	-
<i>Deferred tax assets on income tax account</i>		
Accruals	27,358	24,476
Carry forward revenue losses	2,830,022	1,405,532
Capital raising costs	455,335	604,631
Lease liabilities	53,683	78,938
Property, plant and equipment	1,181	1,890
Unrealised currency loss	5	-
Offset of DTL balance	(1,943,356)	(1,046,262)
	1,424,228	1,069,205
Non-recognition of DTA	(1,424,228)	(1,069,205)
Net deferred tax asset	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 4: INCOME TAX (CONTINUED)

Accounting Policy:

Tax rate

Kali Metals is not considered a base rate entity for income tax purposes for the 2024 income year and is therefore subject to income tax at a rate of 30% (2024: 30%). Deferred tax assets and liabilities are required to be measured at the tax rate that is expected to apply in the future income year when the asset is realised or the liability is settled. The Directors have determined that the deferred tax balances be measured at the tax rates stated.

Tax consolidation

For the purpose of income taxation, Kali Metals Ltd and its 100% controlled Australian eligible entities have formed a tax consolidated group effective from 29 December 2023. Kali was a member of the Kalamazoo Resources Limited ("KZR") tax consolidated group up to 29 December 2023.

Kali Metals Ltd tax consolidated group has adopted the stand-alone taxpayer within group approach taxpayer allocation method for measuring the current and deferred tax amounts.

Deferred tax assets

The tax benefits of the above Deferred Tax Assets will only be obtain if:

- The company derives future assessable income of a nature and of an amount sufficient to enable the benefits to be utilised;
- The company continues to comply with the conditions for deductibility imposed by law; and
- No changes in income tax legislation adversely affect the company in utilising the benefits.

NOTE 5: CASH AND RESTRICTED CASH

	2025 \$	2024 \$
Cash at bank and on hand	838,125	3,011,924
Term deposit less than 90 days	4,000,000	6,500,000
Security for credit card and office lease	115,155	115,155

NOTE 6: TRADE AND OTHER RECEIVABLES

	2025 \$	2024 \$
Accounts receivable	147,715	36,785
Interest receivable	22,752	45,339
GST receivable	33,472	242,358
Government grants receivable	19,802	-
	223,741	341,957

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

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 7: NON-CURRENT ASSETS – PROPERTY, PLANT AND EQUIPMENT

	2025 \$	2024 \$
Property, Plant and Equipment		
At cost	212,208	200,065
Accumulated depreciation	(77,401)	(9,030)
Total Property, Plant and Equipment	134,807	191,035
Reconciliation		
Carrying amount at beginning of year	191,035	-
Additions	12,142	200,065
Depreciation charge for the year	(68,370)	(9,030)
Net carrying amount	134,807	191,035

Accounting Policy

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

The Group's depreciation method applied to Property, plant and equipment is straight-line for useful life of 3-5 years.

NOTE 8: NON-CURRENT ASSETS – RIGHT OF USE ASSETS

	2025 \$	2024 \$
At cost – Right of use assets	276,599	276,599
Accumulated amortisation	(107,566)	(15,367)
Total Right of use of assets	169,033	261,232

Accounting Policy

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 Company 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 Company 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.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 9: NON-CURRENT ASSETS – EXPLORATION AND EVALUATION ASSETS

	2025 \$	2024 \$
Exploration and evaluation assets	16,075,697	13,137,803
Capitalised cost at the beginning of the period	13,137,803	717,218
Tenements assets acquisition (i), (ii), (iii), and (iv)	855,857	9,018,989
Exploration expenditure incurred during the period	2,082,037	3,401,596
Impairment of exploration and evaluation assets	-	-
Capitalised cost at end of the period	16,075,697	13,137,803

Accounting Policy

Exploration and evaluation expenditure, including the costs of acquiring licences, are capitalised as exploration and evaluation assets on an area of interest basis. Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the statement of profit or loss and other comprehensive income.

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.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from exploration and evaluation expenditure to mining property and development assets within property, plant and equipment and depreciated over the life of the mine.

Key Estimates, Judgments and Assumptions

Impairment of exploration and evaluation expenditure

The ultimate recoupment of the value of exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale, of the exploration and evaluation asset.

Impairment tests are carried out on a regular basis to identify whether the asset carrying values exceed their recoverable amounts. There is significant estimation and judgement in determining the inputs and assumptions used in determining the recoverable amounts.

The key areas of judgement and estimation include:

- Recent exploration and evaluation results and resource estimates;
- Environmental issues that may impact on the underlying tenements; and
- Fundamental economic factors that have an impact on the planned operations and carrying values of assets and liabilities.

Carrying value of exploration and evaluation expenditure

The ultimate recoupment of costs carried forward for exploration and evaluation is dependent on the successful development and commercial exploitation or sale of the respective mining areas. The Company assessed the carrying value of its capitalised exploration and evaluation expenditure for

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

indicators of impairment as at 30 June 2025 and concluded that impairment testing of the project was not triggered.

During the year the Company booked an impairment expense of \$nil (2024: \$nil).

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

(i) Acquisition of tin-tungsten and lithium-caesium-tantalum rights at EL8958

During the period, the Company exercised the option as disclosed in its Prospectus dated 3 November 2023 ("Prospectus") and entered into binding acquisition agreement with Mining and Energy Group Pty Ltd (MEG) to add MEG's tin-tungsten and lithium-caesium-tantalum rights at strategic tenement EL8958 to its Lachlan Fold Belt Project in the Southern region of New South Wales region. Kali has agreed to pay MEG the \$114,099 option fee in scrip consideration, with the issue price based on the volume weighted average price of Kali shares over the 30 trading days prior to the Option Expiry Date (as set out in the Prospectus). On 11 July 2024, the transaction was completed and the Company issued 485,529 Consideration Shares consideration.

The acquisitions the tin-tungsten and lithium-caesium-tantalum rights at EL8958 was deemed to be an asset acquisition under AASB 6: Exploration for and Evaluation of Minerals Resources. Under an asset acquisition, the value of the assets acquired is allocated on a relative fair value approach. As the consideration for the assets was made through the issue of Consideration Shares and this required the provisions of AASB 2: Share-Based Payments to be applied. The Company determined the fair value of the Consideration Shares to be equivalent to the option fee of \$114,099.

(ii) DOM's Hill New Tenements (E45/6646 & E45/6647) & Pear Creek's tenement E45/6457

On 7 October 2024, the Company entered into binding transaction documentation to acquire DOM's Hill New Tenements (E45/6646 & E45/6647) and Pear Creek's tenement E45/6457. The newly acquired tenements (refer above) to be incorporated into the SQM joint venture.

Kali is acquiring the new DOM's Hill tenements from major shareholder Kalamazoo Resources Limited (ASX: KZR "Kalamazoo") for cash consideration of \$100,000 and Pear Creek tenement E45/6457 for \$20,000.

(iii) Marble Bar New Tenements Acquisition (Florance Resources Pty Ltd)

On 18 March 2025, the Company entered into binding agreement with Florance Resources Pty Ltd to acquire tenements E45/6429 and E45/6430. The new tenements are adjacent (E45/6429), and contiguous (E45/6430), to Kali's 100%-owned Marble Bar Gold-Lithium Project. The key terms of the transaction are:

- Kali acquires 100% of the issued capital of Florance Resources Pty Ltd; and
- The consideration payable is:
 - \$30,000 cash; and
 - \$200,000 worth of ordinary shares in the Company, based on a VWAP in the 5 days prior to execution. The consideration shares of 2,513,556 were issued to the vendor on 18 March 2025.

Management have assessed that the acquisition of Florance Resources Pty Ltd does not constitute a business and the acquisitions of the tenements held by Florance were deemed to be an asset acquisition as it met the asset concentration test. Under the asset acquisition, the value of the assets acquired is allocated on a relative fair value approach. The fair value of the assets could not be reliably measured therefore the fair value of equity was used to determine the fair value of assets acquired. As the consideration for the assets was primarily made through the issue of 2,513,556 Consideration Shares, this required the provisions of AASB 2: Share-Based Payments to be applied. The Company determined the fair value of the Consideration Shares to be equivalent to the share price of \$0.08, totalling \$200,000.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Allocation to the net identifiable assets is as follows:

	Fair Value \$
Consideration and Transaction costs	
Fair Value of consideration share issued to vendor	200,000
Transaction costs capitalised	3,598
Cash consideration	30,000
	<u>233,598</u>

Allocation to the net identifiable assets is as follows

Assets

Exploration and Evaluation Asset	233,598
	<u>233,598</u>

There were no other identifiable assets acquired or assumed liabilities. Refer to Note 15 for exploration commitments at reporting date.

(iv) Marble Bar New Tenements Acquisition (Peggy Resources Pty Ltd)

On 22 May 2025, the Company entered into another binding agreement to acquire tenements E45/6389 expanded its tenement landholding at its Marble Bar Gold Project by 28.8km². The key terms of the transaction are:

- Kali acquires 100% of the issued capital of Peggy Resources Pty Ltd; and
- The consideration payable is:
 - \$20,000 cash;
 - 3,506,276 ordinary shares in the Company issued to the vendor on 29 May 2025;
 - 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >100,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389 (**Deferred Shares Consideration 1**); and
 - 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >250,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389 (**Deferred Shares Consideration 2**).

Management have assessed that the acquisition of Peggy Resources Pty Ltd does not constitute a business and the acquisitions of the tenement held by Peggy were deemed to be an asset acquisition as it met the asset concentration test. Under the asset acquisition, the value of the assets acquired is allocated on a relative fair value approach. The fair value of the assets could not be reliably measured therefore the fair value of equity was used to determine the fair value of assets acquired. As the consideration for the assets was primarily made through the issue of 3,506,276 Consideration Shares, this required the provisions of AASB 2: Share-Based Payments to be applied. The Company determined the fair value of the Consideration Shares to be equivalent to the share price of \$0.105, totalling \$368,159.

Allocation to the net identifiable assets is as follows:

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

	Fair Value \$
Consideration and Transaction costs	
Fair Value of consideration share issued to vendor	368,159
Cash consideration	20,000
	<u>388,159</u>
Allocation to the net identifiable assets is as follows	
Assets	
Exploration and Evaluation Asset	388,159
	<u>388,159</u>

There were no other identifiable assets acquired or assumed liabilities. Refer to Note 15 for exploration commitments at reporting date.

NOTE 10: TRADE AND OTHER PAYABLES

	2025 \$	2024 \$
Trade creditors	217,286	804,514
Other payables and accruals	140,790	601,496
	<u>358,076</u>	<u>1,406,010</u>

The amounts are unsecured and are usually paid within 30 days of recognition.

NOTE 11: CONTRIBUTED EQUITY

a) Share capital

	30 June 2025 \$	No.	30 June 2024 \$	No.
Issued capital				
Ordinary shares – fully paid	23,547,863	150,651,706	22,867,439	144,146,345

b) Movement Reconciliation

	No. of Shares	\$
Opening Balance at 1 July 2024	144,146,345	22,867,439
10 Sep 2024 – Issue of shares for the acquisition of tenement/mining rights EL8958 ¹	485,529	114,099
18 Mar 2025 – Issue of shares for acquisition of Florance Resources ¹	2,513,556	203,598
29 May 2025 – Issue of shares for acquisition of Peggy Resources ¹	3,506,276	368,159
Closing Balance at 30 June 2025	150,651,706	23,547,863

¹Refer to Note 9 for further details of equity issued.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 12: RESERVES

	30 June 2025 \$	No.	30 June 2024 \$	No.
○ Reserve				
Options reserve	671,397	8,740,321	403,022	3,990,321
Performance rights reserve	1,678,809	13,164,915	771,824	11,970,632
	2,350,206		1,174,846	

○ **Options Movement Reconciliation**

	No. of Options	\$
Opening Balance at 1 July 2024	3,990,321	403,022
20 Nov 2024 – Issue of Director Options	4,750,000	268,375
Closing Balance at 30 June 2024	8,740,321	671,397

During the period, the Company issued a total of 4,750,000 options to the Company's Directors as approved at the Annual General Meeting on 20 November 2024. The options issued are measured at fair value, calculated using the Black Scholes option pricing with the key inputs used for the valuation detailed in the following table.

	Tranche 1	Tranche 2
Number of options	2,375,000	2,375,000
Underlying share price	\$0.120	\$0.120
Exercise price	\$0.243	\$0.324
Volatility	100%	100%
Life of the options	3 years	3 years
Expected dividends	Nil	Nil
Risk free rate	4.07%	4.07%
Value per option	\$0.060	\$0.053
Total Fair Value	\$142,500	\$125,875

○ **Performance Rights Movement Reconciliation**

	No. of Performance Rights	\$
Opening Balance at 1 July 2024	11,969,632	771,823
17 July 2024 – Issue of Performance Rights to employee ⁽ⁱ⁾	1,803,624	115,330
24 Nov 2024 – Issue of Performance Rights to Director ⁽ⁱ⁾	1,200,000	39,161
4 July 2024 – Cancellation of Performance rights ⁽ⁱⁱ⁾	(1,508,341)	(202,566)
10 Jan 2025 – Cancellation of Performance Rights ⁽ⁱⁱⁱ⁾	(300,000)	-
30 Jun 2025 – existing Performance Rights expensed	-	955,061
Closing Balance at 30 June 2025	13,164,915	1,678,809

- (i) During the period, the Company granted 901,812 Tranche A Incentive Performance Rights and 901,812 Tranche B Incentive Performance Rights to an employee. Upon obtaining the shareholder approval at the Company's Annual General Meeting in November 2024, the company granted

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

600,000 tranche A Incentive Performance Rights and 600,000 Tranche B Incentive Performance Rights to Managing Director. The Performance Rights have the following vesting conditions:

- Tranche A Incentive Performance Rights will vest on the date the Company announces a JORC Code compliant indicated resource estimate of an aggregate of at least 10Mt of lithium at a minimum grade of 1% Li₂O across any of its projects within 36 months from the date of issue; and
- Tranche B Incentive Performance Rights will vest on the date the Company announces a JORC Code compliant indicated resource estimate of an aggregate of at least 30Mt of lithium at a minimum grade of 1% Li₂O across any of its projects within 36 months from the date of issue.

The fair value of the Performance Rights issued to the employee has been calculated using the share price at valuation date. The key inputs used for the valuation are detailed below:

	Tranche A	Tranche B
Number of performance rights	901,812	901,812
Underlying share price at grant date	\$0.18	\$0.18
Grant date	17 July 2024	17 July 2024
Value per right	\$0.18	\$0.18
Total Fair Value	\$157,817	\$157,817

The fair value of the Performance Rights granted to the Managing Director has been calculated using the share price at valuation date. The key inputs used for the valuation are detailed below:

	Tranche A	Tranche B
Number of performance rights	600,000	600,000
Underlying share price at grant date	\$0.12	\$0.12
Grant date	20 November 2024	20 November 2024
Value per right	\$0.12	\$0.12
Total Fair Value	\$72,000	\$72,000

- (ii) On 1 July 2024, Mr Graeme Sloan stepped down from his role as the Company's Managing Director to become a Non-Executive Director. As part of Mr Sloan's change of role, the Company and Mr Sloan entered into a Deed of Settlement under which Mr Sloan agreed to forfeit 50% of the performance rights issued to him in his capacity as Managing Director. In January 2025, one employee resigned, and the performance rights issued to them were subsequently cancelled upon their resignation.

- Recognised share-based payment expense

	2025 \$	2024 \$
Expense arising from performance rights settled share-based payment transactions	1,175,361	771,824

NOTE 13: EARNING PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The following reflects the income and share data used in the total operations basic and diluted earnings per share computations:

	2025	2024
Basic and diluted profit/(loss) per share	\$	\$
Basic and diluted profit/(loss) per share (cents per share)	(1.89)	(1.44)

Profit/(Loss)

Profit/(loss) used in the calculation of basic and diluted earnings per share is as follows:

Profit/(Loss) for the period	(2,751,988)	(1,042,852)
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Weighted average number of ordinary shares

Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS	145,581,444	72,240,634
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Note: Non-dilutive securities – As at balance date 8,740,321 unlisted options which represent potential ordinary shares were not considered dilutive for the purpose of calculating the diluted loss per share for the year ended 30 June 2024 as they would decrease the loss per share.

NOTE 14: DIVIDENDS

There were no dividends declared or paid during the financial period.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 15: COMMITMENTS AND CONTINGENT ASSET AND LIABILITIES

Commitments

In order to maintain an interest in the exploration tenements in which the Company is involved, the Company is committed to meet the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations of the Company are subject to the minimum expenditure commitments required as per the *Mineral Resources (Sustainable Development) Act 1990* (Victoria), the *Mining Act 1978* (Western Australia) and the *Mining Act 1992* (NSW), and these may vary significantly from the forecast based upon the results of the work performed which will determine the prospectivity of the relevant area of interest.

These obligations are not provided for in the financial report and are payable as follows:

	2025 \$	2024 \$
Exploration expenditure		
Within one year	3,277,077	3,197,254
After one year but not more than five years	7,786,351	1,622,281
Greater than five years	1,039,831	1,451,675
	12,103,259	6,271,210

If the Company decides to relinquish certain exploration tenements and/or does not meet these obligations, assets recognised in the statement of financial position may require review to determine the appropriateness of carrying values. The sale, transfer or farm-out of exploration rights to third parties will reduce or extinguish these obligations.

On 29 December 2023, the Group completed a Share Sale transaction with Karora Group, whereby Avoca Mining Pty Ltd, a wholly owned subsidiary of Karora, has agreed to sell, and the Group has agreed to buy 100% interest in Karora Lithium Pty Ltd ("Karora Lithium"). Prior to the completion of the Share Sale transaction, Karora Lithium entered into a Mineral Rights Agreement with Karora Group's subsidiaries being Avoca Mining Pty Ltd, Avoca Resources Pty Ltd, Polar Metals Pty Ltd and, Corona Minerals Pty Ltd (together, the **Grantors**) which will grant the Higginsville Lithium Rights to Karora Lithium prior to completion of the Share Sale Agreement. Each Mineral Rights Agreement continues until the relevant Higginsville Lithium Rights have been relinquished or the relevant tenements have expired or otherwise terminated. The Grantor cannot relinquish a tenement, or part of it, without first offering the relevant area to Karora Lithium for no consideration. Under each Mineral Rights Agreement, Karora Lithium has agreed to grant and pay each Grantor a 1% net smelter return royalty (**Royalty**) payable with respect to any Higginsville Lithium Rights (and any other minerals it is entitled to retain under the Mineral Rights Agreement) produced or extracted by Karora Lithium or any of its Related Bodies Corporate in respect of their Relevant Tenements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Contingencies

On 27 December 2023, the Company completed Share Sale transaction with Karora Group, whereby Avoca Mining Pty Ltd, a wholly owned subsidiary of Karora, has agreed to sell, and the Company has agreed to buy 100% interest in Karora Lithium Pty Ltd. Prior to the completion of the Share Sale transaction, Karora Lithium Pty Ltd entered into Mineral Rights Agreement with Karora Group's subsidiaries being Avoca Mining Pty Ltd, Avoca Resources Pty Ltd, Polar Metals Pty Ltd and, Corona Minerals Pty Ltd (together, the Grantors) which will grant the Higginsville Lithium Rights to Karora Lithium Pty Ltd prior to completion of the Share Sale Agreement. Under each Mineral Rights Agreement, Karora Lithium Pty Ltd has agreed to grant and pay each Grantor a 1% net smelter return royalty (Royalty) payable with respect to any Higginsville Lithium Rights (and any other minerals it is entitled to retain under the Mineral Rights Agreement) produced or extracted by Karora Lithium Pty Ltd or any of its Related Bodies Corporate in respect of their Relevant Tenements.

On 22 May 2025, the Company entered into a binding agreement for the acquisition of a 100% interest in Peggy Resources Pty Ltd. As part of the consideration payable to the vendors, the Company will issue deferred consideration shares upon the achievement of the following milestones:

- 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >100,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389 (**Deferred Shares Consideration 1**); and
- 3,506,276 ordinary shares in the Company if within four (4) years of completion, Kali discovers a JORC resource of >250,000 ounces gold at a cut-off grade of 0.5g/t of gold at E45/6389 (**Deferred Shares Consideration 2**).

On the date of this report, the Company have not achieved any of the milestones.

As at the reporting date, there has been no other material change in the commitments and contingencies since 30 June 2024.

NOTE 16: RELATED PARTY DISCLOSURE

Parent entity

The Company was a wholly owned subsidiary of Kalamazoo Resources Limited. The Company received conditional approval from the ASX for admission on 20 December 2023, and subsequently on 29 December 2023, the Company demerged from Kalamazoo Resources Limited.

Subsidiaries

Interests in subsidiary are set out in Note 17.

Other related party transactions

In May 2024, the Company leased a new head office at 34 Colin Street, West Perth, WA, and simultaneously entered into a sub-lease agreement with Golden Horse. Under this agreement, Golden Horse will pay the Company \$5,000 (excluding GST) per month to lease a portion of the head office. The total amount received from Golden Horse for the financial year ended 30 June 2025 was \$72,603 (2024: \$5,879), which includes the monthly rent and its share of office amenities.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Key Management Personnel Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	2025 \$	2024 \$
Short-term employee benefits	796,147	915,809
Post-employment benefits	77,817	71,532
Long-term benefits	-	-
Share-based payments	999,934	710,125
Total	1,873,897	1,697,466

NOTE 17: INTERESTS IN SUBSIDIARY

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in Note 2.

Name	Principal place of business / Country of incorporation	Ownership Interest	
		2025 %	2024 %
Kali Lithium Pty Ltd (formerly Karora Lithium Pty Ltd)	Australia	100	100
Florance Resources Pty Ltd	Australia	100	-
Peggy Resources Pty Ltd	Australia	100	-

NOTE 18: PARENT ENTITY INFORMATION

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

	2025 \$	2024 \$
Statement of profit or loss and other comprehensive income		
Loss after income tax	(2,750,936)	(1,042,852)
Total comprehensive loss	(2,750,936)	(1,042,852)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Statement of financial position

Total current assets	5,102,506	9,893,503
Total assets	21,503,225	23,598,727
Total current liabilities	511,410	1,523,095
Total liabilities	501,952	1,702,038
Net Assets/(Liabilities)	21,001,273	21,896,689

Equity

Issued capital	23,547,863	22,867,439
Reserve	2,410,929	1,174,846
Retained profits	(4,957,519)	(2,145,596)
Total	21,001,273	21,896,689

NOTE 19: RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the full Board of Directors as the Group believes that it is crucial for all board members to be involved in this process. The Board of Directors, with the assistance of advisors as required, has responsibility for identifying, assessing, treating and monitoring risks.

The Group is not subject to any externally imposed capital requirements.

a) Market risk

Interest rate risk

The Group is exposed to movements in market interest rates on cash and cash equivalents. The Group policy is to monitor the interest rate yield curve out to 120 days to ensure a balance is maintained between the liquidity of cash assets and the interest rate return. The risk is not material and sensitivity analysis does not result in a material effect on Group results or financial position.

b) Credit risk

The maximum exposure to credit risk at reporting date is the carrying amount (net of provision for impairment) of those assets as disclosed in the statement of financial position and notes to the financial statements. The only significant concentration of credit risk for the Group is the cash and cash equivalents held with financial institutions. All material deposits are held with the major Australian banks for which the Board evaluate credit risk to be minimal.

c) Liquidity risk

The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash is available to meet the current and future commitments of the Group. Due to the nature of the Group's activities, being mineral exploration, the Group does not have ready access to credit facilities. The financial liabilities of the Group are confined to trade and other payables and borrowings as disclosed in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The table below reflects an undiscounted contractual maturity analysis for financial liabilities. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

	Less than six months \$	Total contractual cash flows \$	Carrying amount \$
2025			
Trade and other payables	358,076	358,076	358,076
Lease liabilities	178,943	178,943	178,943
	537,019	537,019	537,019
2024			
Trade and other payables	1,406,011	1,406,011	1,406,011
Lease liabilities	263,125	263,125	263,125
	1,669,136	1,669,136	1,669,136

d) Fair value estimation

There were no financial assets or liabilities at 30 June 2025 requiring fair value estimation and disclosure as they are either not carried at fair value or, in the case of short-term financial assets and financial liabilities, their carrying values approximate fair value. The carrying amounts and estimated fair values of financial assets and financial liabilities are as follows:

	2025 \$	2024 \$
Financial assets		
Cash and cash equivalents	838,125	3,011,924
Restricted cash	4,115,155	6,615,155
	4,953,280	9,627,079
Financial liabilities		
Trade and other payables	358,076	1,406,011
Lease liabilities	178,943	263,125
	537,019	1,669,136

The methods and assumptions used to estimate the fair value of financial instruments are outlined below:

Cash

The carrying amount is fair value due to the liquid nature of these assets.

Payables

Due to the short-term nature of these financial rights and obligations, their carrying amounts are estimated to represent their fair values.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

Fair value hierarchy

The Company classifies assets and liabilities carried at fair value using a fair value hierarchy that reflects the significance of the inputs used in determining that value. The following table analyses financial instruments carried at fair value by the valuation method. The different levels in the hierarchy have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTE 20: AUDITOR'S REMUNERATION

	2025 \$	2024 \$
Audit Services		
BDO Audit	43,162	68,724
Non-Audit Services		
BDO Corporate Finance	-	13,390
	43,162	82,114

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTE 21: CASH FLOW INFORMATION

Reconciliation of Cash flow from operating activities	2025 \$	2024 \$
Loss for the period	(2,751,988)	(1,042,908)
Non-cash flows in profit/(loss):		
– Share based payment	1,175,361	771,824
– Depreciation expenses	160,570	24,397
– Other income	(91,124)	(15,762)
– Gain on loan forgiven	-	(1,514,724)
Changes in assets and liabilities:		
- Decrease/(Increase) in receivables	209,914	(328,882)
- Decrease/(Increase) in other current assets	(1,018)	(35,338)
- Increase/(Decrease) in trade and other payables	(328,976)	51,751
- Increase/(Decrease) in provisions	26,791	32,902
Net cash used in operating activities	(1,600,470)	(2,056,740)

Non-cash transactions

During the financial year the Group entered into the following non-cash investing and financing transactions, which are not included in the statement of cash flows:

- Tenement acquisition from MEG for the consideration of 485,529 shares totalling \$114,099.
- The acquisition of 100% interest in Florance Resources Pty Ltd for the consideration of 2,513,556 shares totalling \$200,000.
- The acquisition of 100% interest in Peggy Resources Pty Ltd for the consideration of 3,506,276 shares totalling \$368,159.

Reconciliation of Capital raising costs	2025 \$	2024 \$
Total share issue costs as disclosed at Note 11	-	(2,240,267)
Non-cash share issue costs: Options issued to Joint Lead Managers as disclosed at Note 12(b)	-	403,022
Net cash used for capital raising costs	-	(1,837,245)

NOTE 22: SEGMENT INFORMATION

The Company operates in one geographical segment, being Australia and in one operating category, being mineral exploration. Therefore, information reported to the chief operating decision maker (the Board of Kali Metals Limited) for the purposes of resource allocation and performance assessment is focused on mineral exploration within Australia. The Board has considered the requirements of AASB 8: *Operating Segments* and the internal reports that are reviewed by the chief operating decision maker in allocating resources and have concluded at this time that there are no separately identifiable segments

NOTE 23: EVENTS AFTER THE REPORTING PERIOD

Since the end of the reporting period and to the date of this financial report, the following events have occurred:

- On 8 August 2025, Mr Nick Madders resigned as Company Secretary
- On 8 August 2025, Mrs Silfia Morton was appointed Company Secretary, in addition to her existing role as CFO.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

- On 26 August 2025, Kali Metals Limited completed a capital placement of 8,660,000 new fully paid ordinary shares, at an issue price of \$0.14 per share.
- On 29 August 2025, a total of 2,256,592 performance rights expiring 29 August 2029, were issued to employees.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial periods.

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CONSOLIDATED ENTITY STATEMENT AS AT 30 JUNE 2025

CONSOLIDATED ENTITY STATEMENT AS AT 30 JUNE 2025

Entity name	Entity Type	Body corporates		Tax Residency
		Place formed/incorporated	% of share capital held	
Kali Metals Limited	Body corporate	Australia	N/A	Australia
Kali Lithium Pty Ltd	Body corporate	Australia	100%	Australia
Florance Resources Pty Ltd	Body corporate	Australia	100%	Australia
Peggy Resources Pty Ltd	Body corporate	Australia	100%	Australia

Basis of Preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the Corporations Act 2001. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the Corporation Acts 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the Income Tax Assessment Act 1997 are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

- **Foreign tax residency**

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

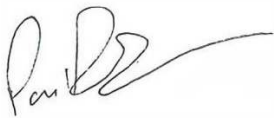
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DIRECTORS' DECLARATION

The Directors of the Company declare that:

- (a) The financial statement and notes are in accordance with the *Corporations Act 2001*, and:
 - (i) Complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (ii) Give a true and fair view of the financial position as at 30 June 2025 and of the performance for the period ended on that date; and
 - (iii) Are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 2 to the financial statements.
- (b) In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable;
- (d) The Directors have been given the declarations by the Managing Director and Chief Financial Officer as required by section 295A of the *Corporations Act 2001*.
- (e) The information disclosed in the attached consolidated entity disclosure statement is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors and is signed on behalf of the Directors by:



Paul Adams
Managing Director

Perth, Western Australia
19 September 2025

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INDEPENDENT AUDITOR'S REPORT

To the members of Kali Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kali Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 also fulfilled our other ethical responsibilities in accordance with the Code.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. These matters were 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 these matters. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Carrying value of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
<p>At 30 June 2025, we note that the carrying value of the Exploration and Evaluation Asset is significant to the financial statements, as disclosed in Note 9 of the Financial Report.</p> <p>As a result, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount.</p> <p>The Group also completed the acquisition of 2 entities and accounted for the transactions as asset acquisitions, after considering and assessing AASB 3 Business Combinations ("AASB 3")</p> <p>Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources ("AASB 6"). In particular:</p> <ul style="list-style-type: none"> • Whether the entity acquisitions did not meet the definition of business combinations and the fair value of assets and liabilities acquired by the transactions; • Whether the conditions for capitalisation are satisfied; • Which elements of exploration and evaluation expenditures qualify for recognition; and • Whether facts and circumstances indicate that the exploration and evaluation assets should be tested for impairment. 	<p>Our procedures included but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and directors' minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Verifying, on a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria of AASB 6; • Reviewing key transaction documents to understand the key terms and conditions and consideration payable for the acquisitions, and confirming our understanding with Management; • Reviewing Management's assessment of the acquisition as an asset acquisition and ensuring compliance with accounting standards;

As a result, this is considered a key audit matter.

- Considering whether any facts or circumstances existed to suggest impairment testing was required: and
- Assessing the adequacy of the related disclosures in Note 9 of the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

https://www.auasb.gov.au/media/bwvjcgre/ar1_2024.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 31 to 38 of the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Kali Metals Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

A handwritten signature in blue ink, appearing to read 'Glyn O'Brien', is written over a faint, stylized 'BDO' logo.

Glyn O'Brien

Director

Perth, 19 September 2025

CORPORATE GOVERNANCE STATEMENT

The Company's 2025 Corporate Governance Statement has been released as a separate document and is located on the Company's website at: [Corporate Governance – Kali Metals](#).

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ASX ADDITIONAL INFORMATION

TOP 20 SHAREHOLDERS

The names of the twenty largest holders of Ordinary Shares as at 10 September 2025 are listed below:

Position	Holder Name	Holding	% IC
1	KARORA RESOURCES PTY LTD	31,863,345	20.00%
2	KALAMAZOO RESOURCES LIMITED	29,147,250	18.30%
3	A C N 657 042 218 PTY LTD	20,180,488	12.67%
4	WABELO PTY LTD	5,173,727	3.25%
5	MUTUAL TRUST PTY LTD	4,045,558	2.54%
6	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	3,880,177	2.44%
7	JAYLEAF HOLDINGS PTY LTD <THE POLLOCK INVESTMENT A/C>	2,950,000	1.85%
8	MR RAM SHANKER KANGATHARAN	2,160,000	1.36%
9	CITICORP NOMINEES PTY LIMITED	1,911,879	1.20%
10	ATTGOLD PTY LTD <ATTWELL A/C>	1,256,778	0.79%
11	MRS ANNE MAREE RICHARDSON <A & B RICHARDSON FAMILY A/C>	1,256,778	0.79%
11	RYAN WEALTH MANAGEMENT PTY LTD <MIKES SUPERFUND A/C>	1,202,505	0.75%
11	DAVY CORP PTY LTD <THE DAVY INVESTMENT A/C>	1,168,642	0.73%
12	JUEL ENTERPRISES PTY LTD	1,150,000	0.72%
13	JJNA NO 2 PTY LTD	1,000,000	0.63%
14	MR DENIS JOHN REYNOLDS	1,000,000	0.63%
15	GREENHILL ROAD INVESTMENTS PTY LTD	830,857	0.52%
16	MRS JENNIFER MARY ROBINSON	800,000	0.50%
17	GRAEME SLOAN	800,000	0.50%
18	MR NAGY DAHER	786,000	0.49%
19	BNP PARIBAS NOMS PTY LTD	766,072	0.48%
20	MR GIUSEPPE REALE & MRS DANIELLE KRISTY REALE	760,000	0.48%
Total		114,840,056	72.09%
Total issued capital - selected security class(es)		159,311,706	100.00%

VOTING RIGHTS

The voting rights attached to each class of equity security are as follows:

Ordinary Shares: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands basis. The Company is listed on the Australian Securities Exchange under the code “KM1”, and the Frankfurt Stock Exchange under the code “6OB”.

DISTRIBUTION OF EQUITY SECURITIES AS AT 10 SEPTEMBER 2025

Analysis of numbers of shareholders by size of holding:

FULLY PAID ORDINARY SHARES

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	1,318	462,609	0.29%
above 1,000 up to and including 5,000	787	1,859,733	1.17%
above 5,000 up to and including 10,000	298	2,305,495	1.45%
above 10,000 up to and including 100,000	455	14,939,727	9.38%
above 100,000	122	139,744,142	87.72%
Totals	2,980	159,311,706	100.00%

UNLISTED OPTIONS: Exercisable at \$0.375 and expiring on 08 January 2026

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	2	798,064	100%
Totals	2	798,064	100%

UNLISTED OPTIONS: Exercisable at \$0.437 and expiring on 08 January 2026

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	2	1,596,128	100%
Totals	2	1,596,128	100%

UNLISTED OPTIONS: Exercisable at \$0.500 and expiring on 08 January 2026

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	2	1,596,129	100%
Totals	2	1,596,128	100%

UNLISTED OPTIONS: Exercisable at \$0.243 and expiring on 03 December 2027

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	4	2,375,000	100%
Totals	4	2,375,000	100%

UNLISTED OPTIONS: Exercisable at \$0.324 and expiring on 03 December 2027

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	-	-	-
above 100,000	4	2,375,000	100%
Totals	4	2,375,000	100%

PERFORMANCE RIGHTS (KM1PRA) : Nil exercise price and expiring on 28 June 2026

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	1	100,000	1.52%
above 100,000	9	6,482,459	98.48%
Totals	10	6,582,459	100%

PERFORMANCE RIGHTS (KM1PRB): Nil exercise price and expiring on 28 June 2028

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	1	100,000	1.52%
above 100,000	9	6,482,456	98.48%
Totals	10	6,582,456	100%

PERFORMANCE RIGHTS (KM1PRC): Nil exercise price and expiring on 29 August 2029

Holding Ranges	Holders	Total Units	% Issued Share Capital
above 0 up to and including 1,000	-	-	-
above 1,000 up to and including 5,000	-	-	-
above 5,000 up to and including 10,000	-	-	-
above 10,000 up to and including 100,000	1	52,244	2.32%
above 100,000	6	2,204,348	97.68%
Totals	7	2,256,592	100%

Unmarketable parcels

The number of shareholdings held less than marketable parcels is 1,850.

Substantial Shareholders

An extract of the Company's substantial shareholders (who held 5% or more of the issued capital) is set out below:

Substantial Holder Name	Holding	% IC
Karora Resources Pty Ltd	31,863,345	20.00%
Kalamazoo Resources Limited	29,147,250	18.13%
A C N 657 042 218 Pty Ltd	20,180,488	12.67%

The number of equity securities on issue, and number of holders, for each class of unquoted equity securities are listed below:

Security Code	Security	Exercise Price	Expiry Date	Number of Securities	Number of Holders
KM1OPT1	Unlisted option	\$0.375	08/01/2026	798,064	2
KM1OPT2	Unlisted option	\$0.437	08/01/2026	1,596,128	2
KM1OPT3	Unlisted option	\$0.500	08/01/2026	1,596,129	2
KM1OPT4	Unlisted option	\$0.243	03/12/2027	2,375,000	4
KM1OPT5	Unlisted option	\$0.324	03/12/2027	2,375,000	4
KM1PRA	Performance right	-	28/06/2026	6,582,459	10
KM1PRB	Performance right	-	28/06/2028	6,582,456	10
KM1PRC	Performance right	-	29/08/2029	2,256,592	7

Unquoted security holders with greater than 20% of an individual class:

	KM1OPT1 Option @ \$0.375 Exp 08/01/2026	KM1OPT2 Option @ \$0.437 Exp 08/01/2026	KM1OPT3 Option @ \$0.500 Exp 08/01/2026
Holder			
BELL POTTER NOMINEES LTD	399,032	798,064	798,064
CG NOMINEES (AUSTRALIA) PTY	399,032	798,064	798,065
Total number of holders	2	2	2
Total holdings over 20%	2	2	2
Other holder	-	-	-
TOTAL	2	2	2

RESTRICTED SECURITIES SUBJECT TO ESCROW PERIOD

Security Code	Security	Exercise Price	Expiry Date	Number of Securities	Number of Holders
KM1ESC4	Escrow shares to 08/01/2026	-	N/A	62,664,250	8
KM1ESC5	Escrow shares to 18/03/2026	-	N/A	2,513,556	2
KM1ESC6	Escrow shares to 29/05/2026	-	N/A	1,753,138	3

ON-MARKET BUYBACK

There is currently no on-market buyback program for any of Kali Metals Limited's listed securities.

ASX ADDITIONAL INFORMATION (CONTINUED)

TENEMENT SCHEDULE AS AT 30 JUNE 2025

PILBARA PROJECT

Tenement	Beneficial Interest Held
E45/4722-I	100.00%
E45/4887	100.00%
E45/4919	100.00%
E45/5146	100.00%
E45/5943	100.00%
E45/5934	100.00%
E45/5935	100.00%
E45/4700	100.00%
E45/5970	100.00%
E45/3856-I	100.00%
E45/4616-I	100.00%
E45/5813	100.00%
E45/6429	100.00%
E45/6430	100.00%
E45/6389	100.00%

HIGGINSVILLE PROJECT

Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
E15/1037	100.00%
E15/1094	100.00%
E15/1197	100.00%
E15/1199	100.00%
E15/1203	100.00%
E15/1223	100.00%
E15/1260	100.00%
E15/1298	100.00%
E15/1402	100.00%
E15/1423	100.00%
E15/1448	100.00%
E15/1458	100.00%
E15/1459	100.00%
E15/1461	100.00%
E15/1462	100.00%
E15/1464	100.00%
E15/1487	100.00%
E15/1512	100.00%
E15/1533	100.00%

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Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
E15/1541	100.00%
E15/1586	100.00%
E15/1613	100.00%
E15/1620	100.00%
E15/1628	100.00%
E15/1792	100.00%
E15/1793	100.00%
E15/1822	100.00%
E15/1853	100.00%
E15/1863	100.00%
E15/1882	100.00%
E15/1939	100.00%
E15/1940	100.00%
E15/786	100.00%
E15/808	100.00%
E15/810	100.00%
E15/828	100.00%
E63/1051	100.00%
E63/1117	100.00%
E63/1142	100.00%
E63/1165	100.00%
E63/1712	100.00%
E63/1724	100.00%
E63/1725	100.00%
E63/1726	100.00%
E63/1727	100.00%
E63/1728	100.00%
E63/1738	100.00%
E63/1756	100.00%
E63/1763	100.00%
E63/1876	100.00%
E63/1881	100.00%
E63/1900	100.00%
E63/1901	100.00%
E63/2107	100.00%
E63/2108	100.00%
E63/2275	100.00%
M15/1132	100.00%
M15/1133	100.00%
M15/1134	100.00%
M15/1135	100.00%
M15/1790	100.00%

Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
M15/1792	100.00%
M15/1806	100.00%
M15/1814	100.00%
M15/1828	100.00%
M15/1872	100.00%
M15/1873	100.00%
M15/225	100.00%
M15/231	100.00%
M15/289	100.00%
M15/31	100.00%
M15/325	100.00%
M15/338	100.00%
M15/348	100.00%
M15/351	100.00%
M15/352	100.00%
M15/375	100.00%
M15/506	100.00%
M15/507	100.00%
M15/512	100.00%
M15/528	100.00%
M15/580	100.00%
M15/581	100.00%
M15/597	100.00%
M15/610	100.00%
M15/616	100.00%
M15/620	100.00%
M15/629	100.00%
M15/639	100.00%
M15/640	100.00%
M15/642	100.00%
M15/651	100.00%
M15/665	100.00%
M15/680	100.00%
M15/681	100.00%
M15/682	100.00%
M15/683	100.00%
M15/684	100.00%
M15/685	100.00%
M15/710	100.00%
M15/748	100.00%
M15/757	100.00%
M15/758	100.00%

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Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
M15/786	100.00%
M15/815	100.00%
M15/817	100.00%
M15/820	100.00%
M63/165	100.00%
M63/230	100.00%
M63/236	100.00%
M63/255	100.00%
M63/269	100.00%
M63/279	100.00%
M63/329	100.00%
M63/366	100.00%
M63/368	100.00%
M63/515	100.00%
M63/516	100.00%
M63/660	100.00%
M63/662	100.00%
P15/5958	100.00%
P15/5959	100.00%
P15/6179	100.00%
P15/6229	100.00%
P15/6230	100.00%
P15/6231	100.00%
P15/6234	100.00%
P15/6239	100.00%
P15/6240	100.00%
P15/6575	100.00%
P15/6582	100.00%
P15/6657	100.00%
P15/6658	100.00%
P15/6664	100.00%
P15/6847	100.00%
P15/6848	100.00%
P15/6863	100.00%
P15/6864	100.00%
P63/1468	100.00%
P63/1587	100.00%
P63/1588	100.00%
P63/1589	100.00%
P63/1590	100.00%
P63/1591	100.00%
P63/1592	100.00%

Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
P63/1593	100.00%
P63/1594	100.00%
P63/2011	100.00%
P63/2012	100.00%
P63/2013	100.00%
P63/2014	100.00%
P63/2015	100.00%
P63/2021	100.00%
P63/2022	100.00%
P63/2023	100.00%
P63/2024	100.00%
P63/2025	100.00%
P63/2050	100.00%
P63/2051	100.00%
P63/2064	100.00%
P63/2067	100.00%
P63/2080	100.00%
P63/2094	100.00%
P63/2095	100.00%
P63/2097	100.00%
P63/2100	100.00%
P63/2101	100.00%
P63/2102	100.00%
P63/2119	100.00%
P63/2120	100.00%
P63/2121	100.00%
P63/2122	100.00%
P63/2125	100.00%
P63/2126	100.00%
P63/2203	100.00%
P63/2204	100.00%
P63/2205	100.00%
P63/2206	100.00%
P63/2207	100.00%
P63/2208	100.00%
P63/2209	100.00%
P63/2210	100.00%
P63/2211	100.00%
P63/2232	100.00%
P63/2233	100.00%
P63/2234	100.00%
P63/2235	100.00%

Tenement	Beneficial Interest Held (Lithium and associated mineral rights ¹)
P63/2236	100.00%
P63/2237	100.00%
P63/2241	100.00%
P63/2242	100.00%
P63/2243	100.00%
P63/2244	100.00%
P63/2245	100.00%
P63/2246	100.00%
P63/2247	100.00%
P63/2248	100.00%
P63/2249	100.00%
P63/2250	100.00%
P63/2251	100.00%
P63/2252	100.00%
P63/2253	100.00%
P63/2254	100.00%
P63/2255	100.00%
P63/2256	100.00%
P63/2257	100.00%
P63/2258	100.00%
P63/2260	100.00%
¹ Lithium (in any and all forms) and all associated tantalum, base metals, caesium and rubidium contained within lithium bearing ores, in all cases excluding Third Party Minerals, gold, silver, platinum, nickel, copper and cobalt.	
P15/6778	100% (excluding Jem stones)

LACHLAN FOLD BELT PROJECT

Tenement	Beneficial Interest Held
EL007784	100.00%
EL007786	100.00%
EL007787	100.00%
EL9403	100.00%
EL9507	100.00%
EL8958	100.00%