



ACDC METALS LIMITED

AND CONTROLLED ENTITIES

ABN: 76 654 049 699

Financial Report for The Half-Year Ended
31 December 2025

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**ACDC METALS LIMITED
CORPORATE DIRECTORY**

Directors

Andrew Shearer
Mark Saxon
Ivan Gerard Fairhall
Richard Allan Boyce

Non-Executive Chair
Executive Director
Non-Executive Director
Non-Executive Director

Chief Executive Officer

Thomas Davidson

Company Secretary

Adrien Wing

Registered Office

Level 6
111 Collins Street
Melbourne Vic 3000

Principal Place of Business

Level 6
111 Collins Street
Melbourne Vic 3000

Auditors

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

Legal Advisers

Steinepreis Paganin
Level 6
99 William Street
Melbourne Vic 3000

Share Registry

Automic Group
Suite 501
477 Collins Street
Melbourne Vic 3000

Securities Exchange

Australian Securities Exchange Limited
525 Collins Street
Melbourne Vic 3000 ASX Code: **ADC**

COMPANY OVERVIEW

ACDC Metals Ltd (“ACDC”) is an exploration and development stage company with a focus on advancing rare earth elements and heavy mineral sands projects in Victoria, Australia. The flagship being the Goschen Central Project, where a scoping study was delivered in 2025, including vertical integration of downstream processing technology to treat the mineral monazite to produce a mixed rare earth oxide.

ACDC hold exploration rights for the following projects, totalling 1,966 km²:

- Goschen Central Project (EL5278) – 80% ownership
- Watchem Project (EL7642) – 100% ownership
- Watchem North Project (EL7685) – 80% ownership
- Watchem North Project (EL7687) – 80% ownership
- Douglas Project (EL7544) – 80% ownership
- Douglas Project (EL7908) – 80% ownership
- White Hills Gold Project (EL008807) – 100% ownership [under application]

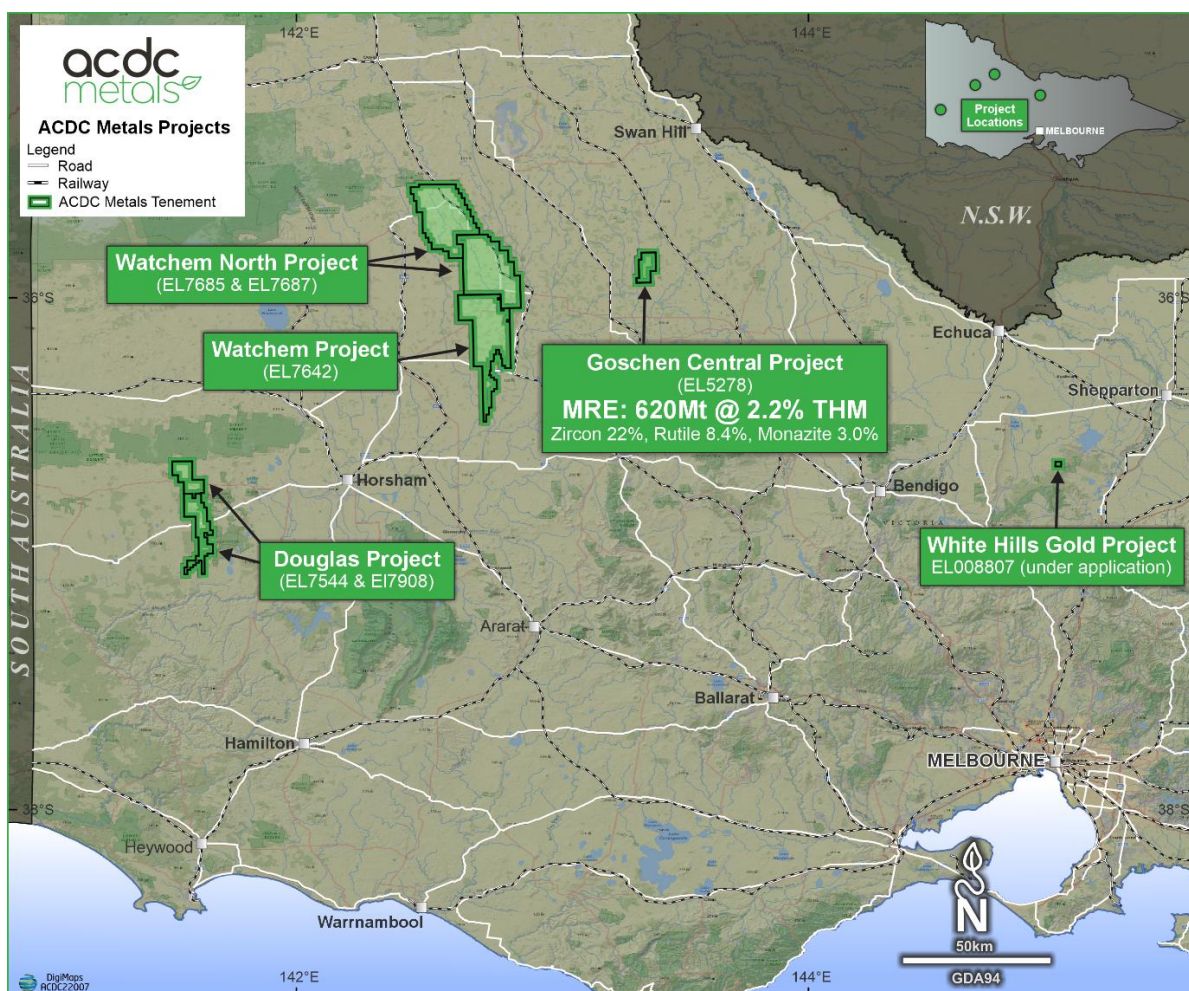


Figure 1 - Overview of ACDC Metals Tenements

During H1 FY25 the company was focused on the Goschen Central Project, with recent delivery of the scoping study (June 2025), key marketing and recommendations were identified. A key recommendation to develop and understand the resource was to conduct an extensive mineralogy program to interrogate the domains, testing whether mineral assemblage increases in the high-grade zone.

Additionally, the company has broadened its commodity exposure with the staking of the White Hills Gold Project (EL008807) in the highly prospective Whroo region. The application remains in progress and we will continue to work with the department to enable successful granting. During the term the company also consolidated its mineral sand assets with the relinquishment of two tenements (Watchem EL7932, Douglas EL7545).

REVIEW OF OPERATIONS

Goschen Central Project

Resource development

A key recommendation from the Q4 CY2024 mineral resource estimate update was to conduct further mineralogy analysis by domain. This work has demonstrated heavy mineral assemblage is higher within the higher-grade zones of the deposit and potential upside on the resource and project economics.

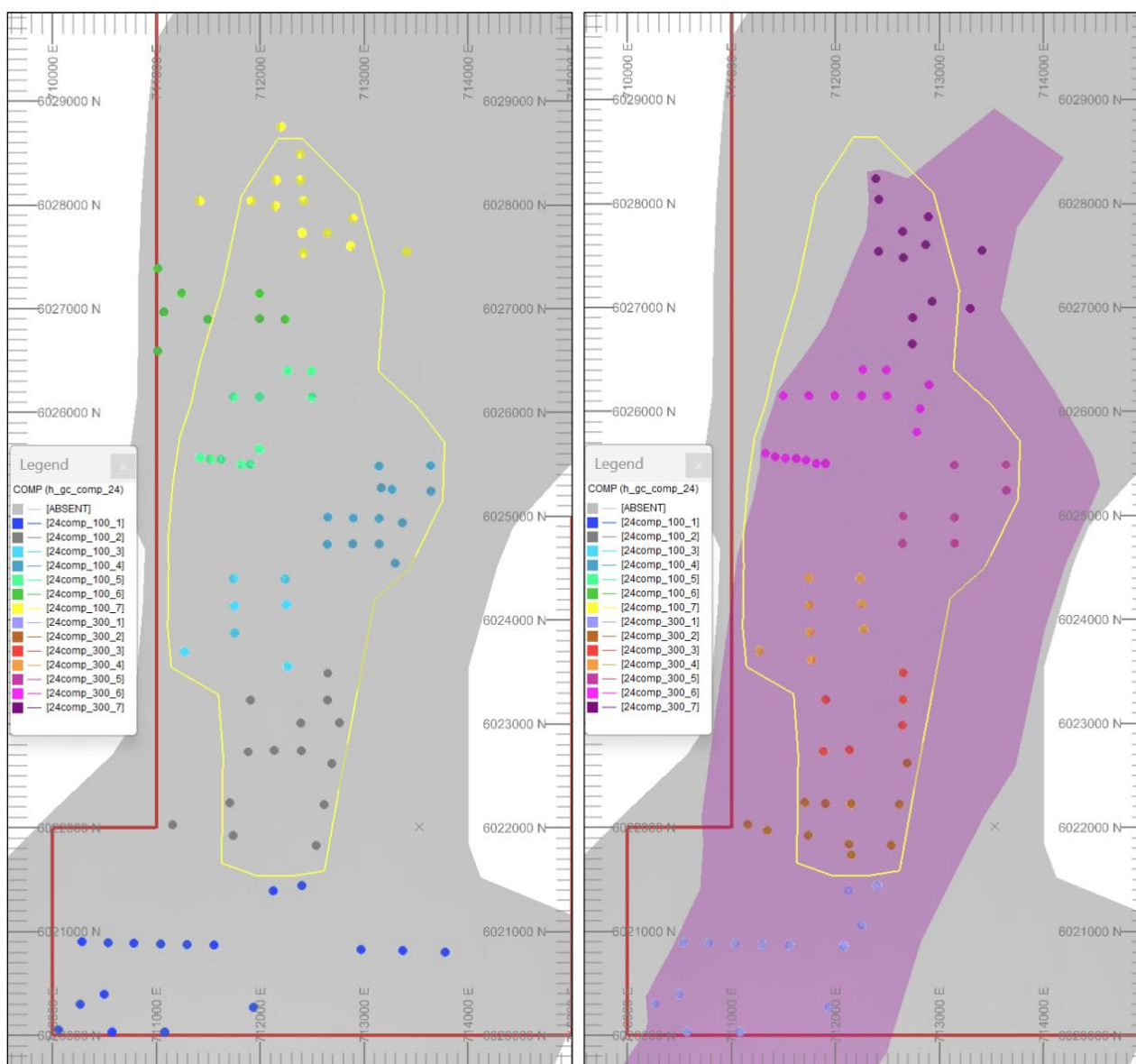


Figure 2 - Location of proposed composites for Domain 100 (left) and Domain 300 (right)

Note: Indicated outline in yellow and 1-3% THM wireframe (grey) and plus 3% THM wireframe (magenta).



No further drilling was required to collect samples as heavy mineral sachets are in storage from previous drilling campaigns. All assay results for samples have been previously reported and included within the 2024 MRE update. Sample preparation was based on the Snowden Optiro resource geologist and competent person recommendations.

8 samples in total were composited and were sent to Bureau Veritas in Adelaide for analysis, the results have been provided and reported to the ASX on 22 October 2025.

The intent of the expanded mineralogy program was to further our understanding of the resource and to identify areas of potential economic interest. The mineralogy composites were designed to define the mineralogy for both the 1% and 3% domains.

Table 1 Selected heavy mineral assemblage of HM fraction (full results in appendix 1 of announcement)

Sample	Rutile	Leucoxene	Ilmenite	Zircon	Monazite	Xenotime
24 Comp-300-1	12.1	6.4	15.2	24.8	2.6	0.6
24 Comp-300-2	11.9	6.4	15	24.9	3.2	0.7
24 Comp-300-4	7.5	5	12.5	19.2	2.8	0.5
24 Comp-300-5	12.7	7.7	13.6	25.4	3.4	0.8
24 Comp-100-1	9.1	5.6	10.2	19.5	1.9	0.4
24 Comp-100-3	5.8	4.5	7.3	12.1	1.9	0.3
24 Comp-100-4	8.4	11.9	7.3	14	1.7	0.5
24 Comp-100-6	7.6	4.3	9.7	14.3	2.2	0.5

Table 2 Selected Rare earth assemblage of HM fraction (full results in appendix 1 of announcement)

Sample	Pr	Nd	Tb	Dy
	ppm	ppm	ppm	ppm
24 Comp-300-1	925	3450	104	620
24 Comp-300-2	1010	3820	108	623
24 Comp-300-4	1060	3990	114	671
24 Comp-300-5	1050	3850	116	693
24 Comp-100-1	800	2830	88.5	533
24 Comp-100-3	843	3070	89.5	529
24 Comp-100-4	755	2750	85.5	528
24 Comp-100-6	829	3050	90	537

The results clearly demonstrate that the heavy mineral assemblage is higher within the higher-grade zones of the deposit. This pattern aligns with the expected geological behaviour of a well-developed depositional system, where successive hydraulic sorting and reworking events progressively enrich the heavy mineral fraction.

From a project perspective, these results are highly encouraging. The scoping study mine plan was designed to target the 3% heavy mineral wireframe, representing zones expected to yield the strongest economic returns. The confirmation of both higher grades and a more economically favourable assemblage within this wireframe validates this approach and supports the broader geological model of the deposit.

Full results available in ASX announcement – New Mineralogy from Goschen Central REE Project – 22 October 2025.

Retention Licence

In May 2025, ACDC Metals submitted a 10 year retention licence application to enable further development an economic assessment of the Goschen Central project. The proposed retention licence covers the current exploration licence (EL) 5278 plus an additional 9 square kilometres on the southern end, where mineralisation is shown to extend. ACDC Metals expects the application process to be completed in Q1 CY2026.

As part of the application process ACDC Metals has engaged with key stakeholders outlining the intent of the application and proposed work plans.

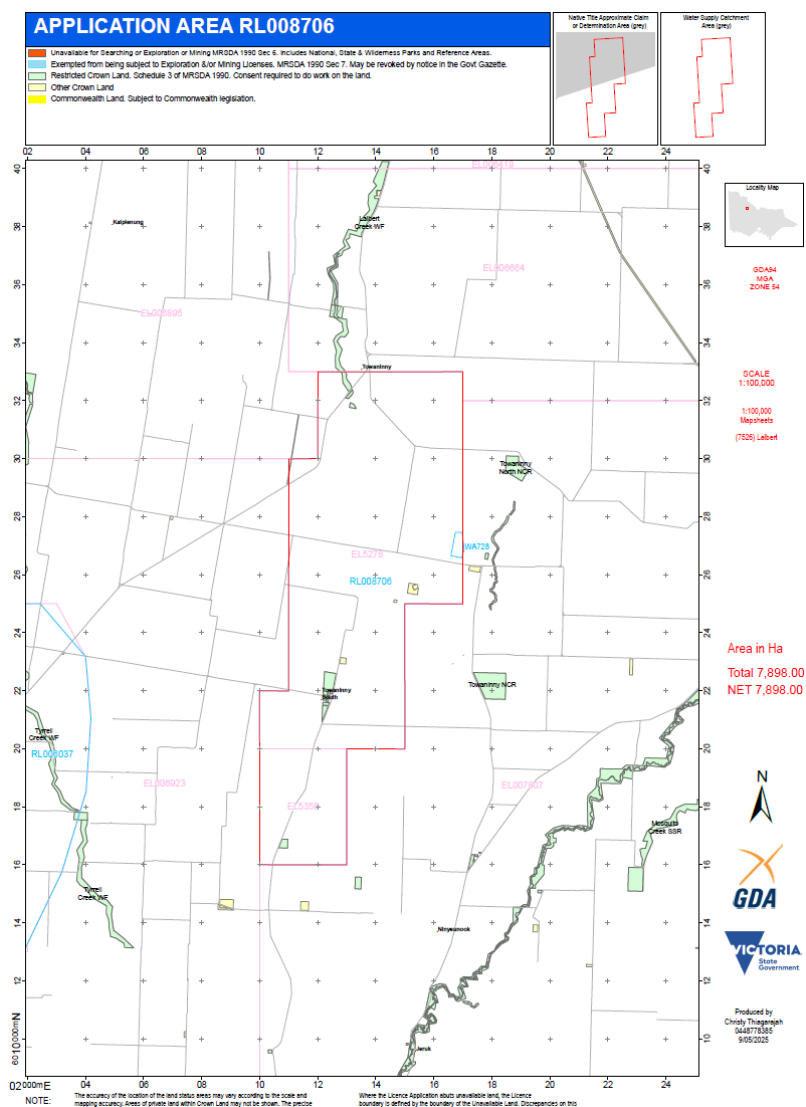


Figure 3 - Retention Licence application

White Hills Gold Project, Victoria

The White Hills application (EL0008807) is located approximately 4km west of Whroo in central Victoria, at the southern edge of the historic Rushworth goldfield. The prospectivity of the project is based on the abundance of historical workings and recent drilling results. The geological age of the gold mineralisation being similar to the Sunday Creek Project of Southern Cross Gold (ASX: SX2). The tenement was previously part of the Whroo JV¹ between Nagambie (ASX: NAG) and SX2 (then Mawson Gold). Initial work conducted by SX2 coincided with the discovery of Sunday Creek which then became SXG’s focus.

The Company became aware that the highly prospective ground was relinquished and subsequently commenced the application process. The application has progressed through to final stages of the regulatory process and is expected to be granted in the near term. In anticipation of granting the Company has commenced detailed geological review of historic data and designing future exploration programs.

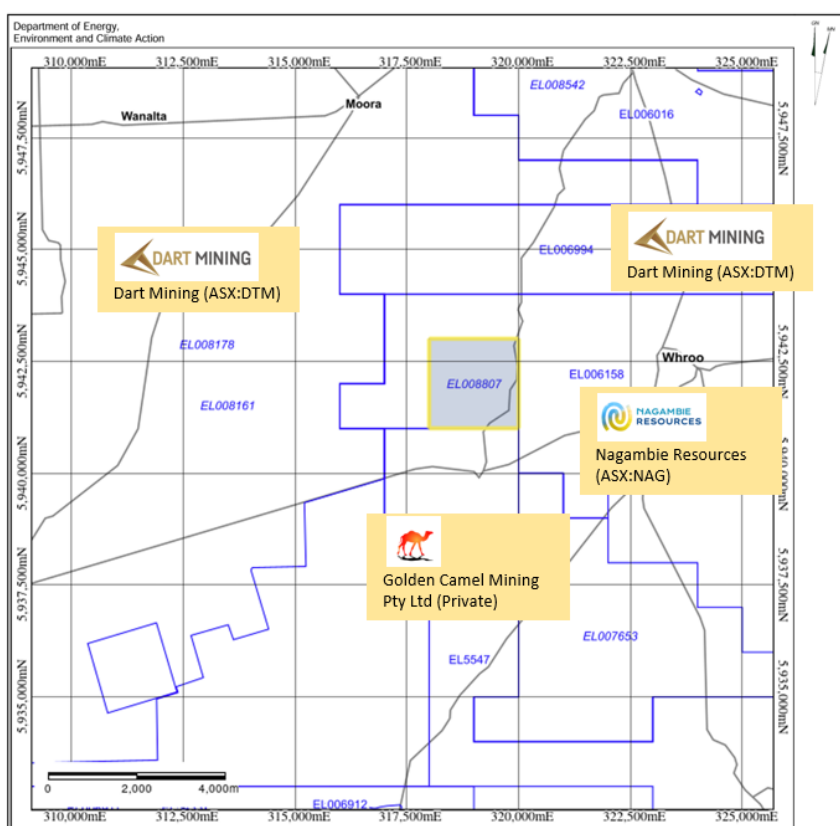


Figure 4 - Location of EL008807 (Source GeoVic)

Subsequent to the quarters end, the company provided further details on the tenement in ASX announcement, dated 20 January 2026².

¹ ASX Announcement – 14 October 2020 – Whroo Joint Venture with Mawson Gold

² ASX Announcement – 20 January 2026 – Goschen Central update & Gold Project Application



Your directors present their report on the consolidated entity (referred to herein as the Group) consisting of ACDC Metals Limited and its controlled entities for the six month period ended 31 December 2025.

Directors

The following persons were directors of ACDC Metals Limited during or since the end of the financial period up to the date of this report:

Andrew Shearer
Mark Saxon
Ivan Gerard Fairhall
Richard Allen Boyce

Principal Activities

ACDC is a mineral exploration company incorporated with the aim of undertaking mineral exploration and resource development, focusing on heavy mineral sands projects located in Victoria, Australia, with the ultimate goal of producing heavy mineral sands (HMS) products and rare earth elements (REE).

Significant Changes in the State of Affairs

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

Group Operating Results

The consolidated loss of the Group after providing for income tax amounted to \$1,284,517 (2024: loss of \$253,424).

Matters Subsequent to the End of the Financial Half-Year

No matters or circumstances have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial periods.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required by section 307c of the Corporations Act 2001 is on the page following this report.

The Directors' Report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3)(a) of the Corporations Act 2001.

A handwritten signature in blue ink, appearing to read 'Mark Saxon'.

Mark Saxon
Director
Dated: 10 March 2026

To the Board of Directors,

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead audit director for the review of the financial statements of ACDC Metals Ltd and its controlled entities for the period ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

Yours Faithfully

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 10th day of March 2026
Perth, Western Australia

ACDC METALS LIMITED AND CONTROLLED ENTITIES

ABN: 76 654 049 699

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

	Note	Group	
		31 December 2025 \$	31 December 2024 \$
Continuing operations			
Other income	9	250,000	-
Interest income		29,108	75,038
Employee benefits expense		(115,028)	(106,134)
Audit fees		(10,318)	(9,227)
Listing and filing fees		(27,417)	(28,474)
Professional fees		(86,541)	(62,792)
Marketing expense		(26,642)	(35,485)
Occupancy expense		(3,150)	(9,000)
Other expenses		(39,224)	(77,350)
Exploration written off	3	(806,381)	-
Share based payments	7	(139,100)	-
Provision for loss on GST claim	9	(309,824)	-
Loss before income tax		<u>(1,284,517)</u>	<u>(253,424)</u>
Tax expense		-	-
Net loss for the half-year		<u><u>(1,284,517)</u></u>	<u><u>(253,424)</u></u>
Earnings per share			
Basic and diluted losses per share (cents)		(1.72)	(0.35)

The accompanying notes form part of these financial statements.

ACDC METALS LIMITED AND CONTROLLED ENTITIES
ABN: 76 654 049 699
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025



	Note	Group	
		31 December 2025	30 June 2025
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents		1,952,647	2,025,940
Trade and other receivables		41,224	248,368
Other assets		28,782	7,004
Total Current Assets		<u>2,022,653</u>	<u>2,281,312</u>
Non-Current Assets			
Capitalised exploration expenditure	3	7,535,730	8,152,073
Other assets		71,476	71,352
Total Non-Current Assets		<u>7,607,206</u>	<u>8,223,425</u>
Total Assets		<u><u>9,629,859</u></u>	<u><u>10,504,737</u></u>
Liabilities			
Current Liabilities			
Trade and other payables	4	631,505	375,160
Provisions		14,194	-
Total Current Liabilities		<u>645,699</u>	<u>375,160</u>
Total Liabilities		<u><u>645,699</u></u>	<u><u>375,160</u></u>
Net Assets		<u><u>8,984,160</u></u>	<u><u>10,129,577</u></u>
Equity			
Issued capital	5	10,833,277	10,822,383
Reserves		1,963,336	1,835,130
Retained earnings		(3,812,453)	(2,527,936)
Total Equity		<u><u>8,984,160</u></u>	<u><u>10,129,577</u></u>

The accompanying notes form part of these financial statements.

ACDC METALS LIMITED AND CONTROLLED ENTITIES
 ABN: 76 654 049 699
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE HALF-YEAR ENDED 31 DECEMBER 2025



	Ordinary Shares	Retained Earnings	Share-based Payments Reserve	Total
	\$	\$	\$	\$
Consolidated Group				
Balance at 1 July 2024	10,516,206	(1,840,185)	1,906,506	10,582,527
Comprehensive income				
Loss for the half-year	-	(253,424)	-	(253,424)
Total comprehensive income for the half-year	-	(253,424)	-	(253,424)
Transactions with owners, in their capacity as owners, and other transfers				
Performance rights issued during the period	-	-	-	-
Options issued during the period	-	-	-	-
Change in probability of Performance Rights	-	6,726	188,274	195,000
Shares issued during the period, net of costs	62,144	-	(62,144)	-
Total transactions with owners and other transfers	62,144	6,726	126,130	195,000
Balance at 31 December 2024	10,578,350	(2,086,883)	2,032,636	10,524,103
Balance at 1 July 2025	10,822,383	(2,527,936)	1,835,130	10,129,577
Comprehensive income				
Loss for the half-year	-	(1,284,517)	-	(1,284,517)
Total comprehensive income for the half-year	-	(1,284,517)	-	(1,284,517)
Transactions with owners, in their capacity as owners, and other transfers				
Performance rights issued during the period	-	-	56,100	56,100
Options issued during the period	-	-	83,000	83,000
Change in probability of Performance Rights	-	-	-	-
Shares issued during the period, net of costs	10,894	-	(10,894)	-
Total transactions with owners and other transactions	10,894	-	128,206	139,100
Balance at 31 December 2025	10,833,277	(3,812,453)	1,963,336	8,984,160

The accompanying notes form part of these financial statements.

ACDC METALS LIMITED AND CONTROLLED ENTITIES
ABN: 76 654 049 699
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2025



Note	Group	
	31 December 2025 \$	31 December 2024 \$
Cash flows from operating activities		
Interest received	29,038	75,038
R&D tax refund	225,661	-
Insurance proceeds	225,317	-
Payments to suppliers and employees	(382,129)	(421,970)
Net cash generated by/(used in) operating activities	<u>97,887</u>	<u>(346,932)</u>
Cash flows from investing activities		
Payments for exploration expenditure	(171,180)	(555,657)
Payments for tenements	-	(22,000)
Refund of tenement bonds	-	10,000
Net cash used in investing activities	<u>(171,180)</u>	<u>(567,657)</u>
Net decrease in cash held	(73,293)	(914,589)
Cash and cash equivalents at beginning of financial period	2,025,940	3,596,478
Cash and cash equivalents at end of financial period	<u><u>1,952,647</u></u>	<u><u>2,681,889</u></u>

The accompanying notes form part of these financial statements.



The Directors of ACDC Metals Limited and its subsidiaries ("the Group") submit herewith the condensed consolidated financial statements of the Group for the six months ended 31 December 2025 as required by the Corporations Act 2001.

The financial statements were authorised for issue on 10 March 2026 by the directors of the company.

Note 1 Summary of Material Accounting Policy Information

Statement of Compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include all the notes of the type usually included in the annual financial report. It is therefore recommended that this financial report be read in conjunction with the financial report for the year ended 30 June 2025 and any public announcements made by the Company since 30 June 2025 in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

Basis of Preparation

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

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were used in the Group's last reported annual financial statements at 30 June 2025, unless otherwise stated.

(a) Critical Accounting Estimates and Judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Impairment of deferred exploration costs

The Group's accounting policy for exploration expenditure results in some items being capitalised for an area of interest where it is considered likely to be recoverable in the future where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Management is required to make certain estimates and assumptions as to future events and circumstances, which may change as new information becomes available. If a judgement is made that recovery of a capitalised expenditure is unlikely, the relevant amount will be written off to the income statement.

Environmental Issues

Balances disclosed in the financial statements and notes thereto are not adjusted for any pending or enacted environmental legislation, and the directors' understanding thereof. At the current stage of the Group's development and its current environmental impact, the directors believe such treatment is reasonable and appropriate.

Taxation

Balances disclosed in the financial statements and the notes thereto related to taxation are based on the best estimates of the directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors' understanding thereof. No adjustment has been made for pending or future taxation legislation. The current income tax position represents that directors' best estimate, pending an assessment by the Australian Taxation Office.

(b) Going Concern

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

The Group incurred a loss for the half-year of \$1,284,517 (31 December 2024: \$253,424) and net cash outflows from operating activities and exploration expenditure of \$73,293 (31 December 2024: \$902,589).

The directors have prepared a cash flow forecast, which indicates that the Group will have sufficient cash flows to meet all commitments and working capital requirements for the 12 month period from the date of signing this financial report.



Note 2 Earnings per Share

	Group	
	31 December 2025	31 December 2024
	\$	\$
(a) Reconciliation of earnings to profit or loss		
Losses	(1,284,517)	(253,424)
Losses used to calculate basic and diluted EPS	<u>(1,284,517)</u>	<u>(253,424)</u>
(b) Weighted average number of ordinary shares outstanding during the half-year used in calculating basic EPS	74,845,330	72,921,923
Weighted average number of ordinary shares outstanding during the half-year used in calculating dilutive EPS	<u>74,845,330</u>	<u>72,921,923</u>
Basic loss per share from continuing and discontinued operations	<u>(1.72)</u>	<u>(0.35)</u>

Note 3 Capitalised Exploration Expenditure

	Group	
	31 December 2025	June 2025 (12 mths)
	\$	\$
Balance at beginning of the period	8,152,073	7,184,033
Acquisition costs	-	22,000
Change in probability of performance rights	-	195,000
Current period expenditure capitalised	190,038	751,040
Impairment expense	(806,381)	-
Balance at end of the period	<u>7,535,730</u>	<u>8,152,073</u>

During the period, tenements EL7545 and EL7932 were relinquished and an impairment expense recorded on the carrying value.

Note 4 Trade and Other Payables

	Group	
	31 December 2025	June 2025
	\$	\$
Trade creditors	28,150	80,172
Sundry accruals	53,214	54,671
ATO GST accrual (refer to Note 9)	550,141	240,317
	<u>631,505</u>	<u>375,160</u>



Note 5 Issued Capital

	Group	
	31 December 2025	30 June 2025
	\$	\$
74,930,755 fully paid ordinary shares (30 June 2025: 74,775,130)	10,833,277	10,822,383
	<u>10,833,277</u>	<u>10,822,383</u>

	Group			
	31 December 2025		30 June 2025	
	No.	\$	No.	\$
(a) Ordinary Shares				
At the beginning of the reporting period	74,775,130	10,822,383	72,305,130	10,516,206
Shares issued during the period	155,625	10,894	2,470,000	362,144
Less: capital raising costs		-		(55,967)
At the end of the reporting period	<u>74,930,755</u>	<u>10,833,277</u>	<u>74,775,130</u>	<u>10,822,383</u>

(b) **Options**

The following reconciles the outstanding listed options to subscribe for fully paid ordinary shares in the Company at the beginning and end of the financial period.

	Group	
	31 December 2025	30 June 2025
	No.	No.
Opening Balance		38,152,565
Options expired during the period		(38,152,565)
		<u>-</u>

The following reconciles the outstanding unlisted options to subscribe for fully paid ordinary shares in the Company at the beginning and end of the financial period.

	Group	
	31 December 2025	30 June 2025
	No.	No.
Opening Balance	11,050,000	9,550,000
Options issued during the period	3,600,000	1,500,000
	<u>14,650,000</u>	<u>11,050,000</u>

	Number at balance date	Expiry Date	Exercise Price \$
Unlisted options	9,550,000	9.1.2026	0.30
Unlisted options	1,500,000	7.4.2027	0.0675
Unlisted options	3,600,000	4.12.2027	0.12

Note 6 Operating Segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief operating decision makers in assessing performance and determining the allocation of resources.

Operating segments are determined on the basis of financial information reported to the Board.

Types of segments

(a) Exploration and project development

This operating segment presents costs involved in all exploration and project development in Victoria.

(b) Development of ACDC Metals Rare Earth Processing Plant (REPP) Project (formerly referred to as MMP)

This operating segment represents costs involved in the development of the REPP Project as per the exclusive license for Eastern Australia (SA, VIC, NSW and NT).

(c) Corporate costs

The Group's corporate costs segment represents costs incurred by the Group not allocated to the operating segments.



Note 6 Operating Segments (continued)

(i) **Segment revenue**

	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
Six months ending 31 December 2025	\$	\$	\$	\$
Total segment revenue	-	-	279,108	279,108
<i>Reconciliation of segment revenue to group revenue</i>				
Total segment revenue	-	-	-	-
Segment net loss from continuing operations before tax	-	-	(1,284,517)	(1,284,517)
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>				
Net loss before tax from continuing operations				<u>(1,284,517)</u>

	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
Six months ending 31 December 2024	\$	\$	\$	\$
Total segment revenue	-	-	75,038	75,038
<i>Reconciliation of segment revenue to group revenue</i>				
Total segment revenue	-	-	-	-
Segment net loss from continuing operations before tax	-	-	(253,424)	(253,424)
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>				
Net loss before tax from continuing operations				<u>(253,424)</u>

(ii) **Segment assets**

	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
31 December 2025	\$	\$	\$	\$
Segment assets	6,040,103	1,563,934	10,213,822	17,817,859
<i>Reconciliation of segment assets to group assets</i>				
Inter-segment elimination				(8,188,000)
Total group assets				<u>9,629,859</u>



Note 6 Operating Segments (Continued)

	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
	\$	\$	\$	\$
30 June 2025				
Segment assets	7,211,793	940,280	10,878,713	19,030,786
<i>Reconciliation of segment assets to group assets</i>				
Inter-segment elimination				(8,526,049)
Total group assets				<u>10,504,737</u>
(iii) Segment liabilities				
	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
	\$	\$	\$	\$
31 December 2025				
Segment liabilities	6,875,906	1,068,168	401,623	8,345,697
<i>Reconciliation of segment liabilities to group liabilities</i>				
Inter-segment elimination				(7,699,998)
Total group liabilities				<u>645,699</u>
	Exploration and Project Development	Development of REPP Project	Corporate Costs	Total
	\$	\$	\$	\$
30 June 2025				
Segment liabilities	7,324,890	1,005,987	82,333	8,413,210
<i>Reconciliation of segment liabilities to group liabilities</i>				
Inter-segment elimination				(8,038,050)
Total group liabilities				<u>375,160</u>



Note 7 Share-based Payments

The share-based payments for the half-year ended 31 December 2025 are set out below:

	31 December 2025		30 June 2025	
	Number	Weighted average exercise price	Number	Weighted average exercise price
Options outstanding at the beginning of the period	11,050,000	0.27	9,550,000	0.30
Granted	3,600,000	0.12	1,500,000	0.0675
Expired	-	-	-	-
	14,650,000	0.23	11,050,000	0.27

	31 December 2025		30 June 2025	
	Number	Fair Value	Number	Fair Value
Performance Rights outstanding at the beginning of the period	5,785,625	644,994	7,325,000	746,370
Granted	850,000	56,100	1,350,000	94,500
Exercised	(155,625)	(10,894)	(2,470,000)	(362,144)
Lapsed	-	-	(419,375)	(28,732)
Movement in value of performance rights	-	-	-	195,000
	6,480,000	690,200	5,785,625	644,994

The following share-based payment arrangements were in existence during the current reporting period:

	Numbers	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Updated value at reporting date	Vesting Period
(i) Options granted	9,550,000	13 January 2023	9 January 2026	\$0.3	944,777	944,777	N/A
(ii) Options granted	1,500,000	8 April 2025	7 April 2027	\$0.0675	30,000	30,000	N/A
(iii) Options granted	3,600,000	5 December 2025	4 December 2027	\$0.12	83,000	83,000	N/A
(iv) Performance Rights granted	1,500,000	13 January 2023	13 January 2028	N/A	225,000	225,000	Refer below
(v) Performance Rights granted	1,500,000	13 January 2023	Exercised	N/A	105,000	N/A	Refer below
(vi) Performance Rights granted	2,500,000	13 January 2023	13 January 2028	N/A	325,000	325,000	Refer below
(vii) Performance Rights granted	750,000	13 January 2023	13 January 2028	N/A	67,500	22,500	Refer below
(viii) Performance Rights granted	680,000	14 February 2025	Vested	N/A	59,500	47,600	Refer below
(ix) Performance Rights granted	200,000	14 February 2025	Vested	N/A	35,000	14,000	Refer below
(x) Performance Rights granted	850,000	25 September 2025	30 June 2026	N/A	56,100	56,100	Refer below

Vesting conditions of Performance Rights

(i) Class A Performance Rights (1,500,000)

This is in relation to Douglas Tenements - EL7544 and EL7545

Delineation of an Inferred Mineral Resource (reporting in accordance with JORC Code 2012) of at least 60 million tonnes (Mt) of heavy mineral (HM) concentrate @ 4.0% HM or greater on EL7544 and EL7545 on or before 13 January 2028.

The probability used is 75%.

(ii) Class B Performance Rights (1,500,000)

This is in relation to Goschem Tenement - EL5278

Delineation of an Inferred Mineral Resource (reporting in accordance with JORC Code 2012) of at least 10 million tonnes (Mt) of heavy mineral sands (HMS) concentrate @ 2.0% HM or greater on EL 5278 on or before 13 January 2028.

This criteria was achieved during the year ended 30 June 2025 and the performance rights exercised.



Note 7: Share-based Payments (continued)

(iii) Class C Performance Rights (2,500,000)

This is in relation to Medallion Monazite Process Development.

Completion of a Pilot Plant of a size and scale as an independent technical consultant deems appropriate to demonstrate the technical and economic viability of the MMP Technology on or before 13 January 2028.

The probability used is 65%.

(iv) Class D Performance Rights (750,000)

This is in relation to the Rare Earth Processing Technology.

Mineral sand monazite processing refinery, known as a Monazite Cracking Facility been built by the Company or a wholly owned subsidiary of the Company operating at an average rate of not less than 80% of design capacity over a 30-day period and at a standard that an independent technical consultant deems appropriate and as agreed by the Parties on or before 13 January 2028.

The timeline to build an operating plant within the timeframe is low. As such, the probability used is 15%.

(v) Performance Rights (680,000)

This has been issued pursuant to the Company's Employee Securities Incentive Plan.

The performance rights vested during the year ended 30 June 2025.

(vi) Performance Rights (200,000)

This has been issued pursuant to the Company's Employee Securities Incentive Plan.

The performance rights vested during the year ended 30 June 2025.

(vii) Performance Rights (850,000)

This has been issued pursuant to the Company's Employee Securities Incentive Plan.

- 35% will vest on the execution of a material transaction
- 15% will vest on maintaining community engagement strategy
- 10% will vest pursuant to zero lost time or environmental management
- 20% will vest on relative total shareholder return (TSR)
- 20% will vest on relative share price performance

The probability used is 100% based on the performance rights likely to vest during the year ended 30 June 2026.

Options were priced using the Black-Scholes model. Expected volatility is based on the historical share price volatility of the Company over the reporting period.

Number	Share price	Exercise Price	Volatility	Option life	Risk-free
3,600,000	\$0.06	\$0.12	100%	2 years	3.673%

Options granted during the period detailed above as Share-based Payments are as follows:

	31 December 2025	30 June 2025
Total share-based payments for the period	\$ 139,100	\$ 124,500
Movement in value of performance rights	-	(22,006)
Share-based payments expense	<u>139,100</u>	<u>102,494</u>



Note 8 Events After the Reporting Period

No matters or circumstances have arisen since 31 December 2025 that have significantly affected, or may significantly affect the Group's operations, the results of those operations or the Group's state of affairs in future financial periods.

Note 9 Contingent Liabilities and Contingent Assets

Contingent Asset

ACDC Metals has received correspondence regarding a potential fraud committed by an external service provider (not an employee of ACDC or any of its subsidiaries) against a third party, but in connection with a subsidiary of ACDC [and ACDC].

The fraud involved GST credits and the Australian Taxation Office (ATO), with funds misappropriated by the external service provider for personal gain.

The ATO has completed its investigation which resulted in an expense of \$309,824 for the period and a liability of \$550,140 as at 31 December 2025 based on assessments from the ATO. ACDC Insurance providers have reimbursed \$250,000 of the assessed liability and the ATO together with ACDC Insurers are pursuing the third party for the balance which remains ongoing.

ACDC METALS LIMITED AND CONTROLLED ENTITIES
ABN: 76 654 049 699
DIRECTORS' DECLARATION



In accordance with a resolution of the directors of ACDC Metals Limited, the directors of the company declare that:

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

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

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Mark Saxon'.

Director

Mark Saxon
Dated 10 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ACDC METALS LTD

Conclusion

We have reviewed the accompanying half-year financial report of ACDC Metals Ltd ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other selected explanatory notes, and the directors' declaration.

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

- a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.

Basis for Conclusion

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

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

Responsibility of the Directors for the Financial Report

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

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Hall Chadwick

HALL CHADWICK WA AUDIT PTY LTD

Mark Delaurentis

MARK DELAURENTIS CA
Director

Dated this 10th day of March 2026
Perth, Western Australia