



2026 Half-Year Financial Report

For the half-year ended 31 December 2025

ACN 601 004 102

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Corporate Directory

Directors

Ian Smith
(Non-Executive Chairman)

Ron Douglas
(Non-Executive Director - transitioned from
Chief Executive Officer 1 October 2025)

Don Runge
(Non-Executive Director)

Maree Arnason
(Non-Executive Director)

Colin Moorhead
(Non-Executive Director)

Company Secretary

Michael Sapountzis

Website

www.vhmltd.com.au

Company Information

The Company is domiciled in Australia

Principal and Registered Office

Suite 1, Level 11, 330 Collins Street
Melbourne, Victoria 3000

Share Registry

Automic Pty Ltd
Suite 5, Level 12, 530 Collins Street
Melbourne, VIC 3000

Auditor

HLB Mann Judd
Level 4, 130 Stirling Street
Perth, Western Australia 6000

Directors' Report

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

Directors

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

Ian Smith	Non-Executive Chairman
Ron Douglas	Non-Executive Director (Transitioned from CEO on 1 October 2025)
Don Runge	Non-Executive Director
Maree Arnason	Non-Executive Director
Colin Moorhead	Non-Executive Director

Company Secretary

Michael Sapountzis

Results

The loss for the half-year after tax was \$3,258,000 (31 December 2024: \$3,302,000). The loss for the half-year has decreased compared to the comparative period primarily driven by the reduction in discretionary spend on corporate and administrative costs.



About VHM Limited

Tier 1 rare earth and mineral sands project with globally significant mineral assemblage

The Goschen Project is a Tier 1 integrated rare earth and mineral sands project with globally significant mineral assemblage, positioned to deliver on the Australian Government's Critical Minerals Strategy.

The key attributes of the Goschen Project include:

- ✓ **Fully Permitted to Mine:** All major approvals secured, reducing regulatory risk and accelerating development timelines.
- ✓ **Aim to be first to Market in 2027:** Positioned to be one of the earliest new producers in the rare earths sector, capturing strong demand growth.
- ✓ **Simple, Low-Cost Operation:** Straightforward mining and processing flowsheet designed for efficiency and cost competitiveness.
- ✓ **Proven Technology:** Utilises established, commercially validated processes – minimising technical risk and ensuring reliability.
- ✓ **Twin Revenue Streams:** Rare earths and mineral sands production diversify income and enhance project resilience.
- ✓ **Strategic Location:** Situated in Victoria, Australia – a stable jurisdiction with strong infrastructure and proximity to transport and export routes.
- ✓ **Strong ESG Profile:** Commitment to sustainable practices and community engagement, aligning with investor expectations.

The Goschen Project represents an opportunity for Australia to increase supply of critical minerals to the world.

Review of Operations

During the period, the Company made significant progress toward the development of its flagship Goschen Project in north-west Victoria, focus is on establishing an Australian-owned rare earths and mineral sands project with a globally significant critical minerals inventory and a targeted production commencement in late 2027.

Environment Protection and Biodiversity Conservation Act approval

In September, VHM was pleased to advise that it received formal approval under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC) for its flagship Goschen Rare Earths and Mineral Sands Project.

This approval represented a major regulatory milestone for the Project, following the successful completion of the Environmental Effects Statement (EES) process and the granting of the Mining Licence by Resource Victoria last year.

The EPBC approval confirms the Project meets the Commonwealth Government's environmental requirements.

Cultural Heritage Management Plan Approval

The Secretary of the Department of Premier and Cabinet approved the Cultural Heritage Management Plan (CHMP) for the Goschen Project in October.

The approved CHMP covers resource extraction activities and represents another significant milestone in the Goschen Project's development pathway. The approval confirms that the plan meets the requirements under the Aboriginal Heritage Act 2006 and associated regulations.

Work Plan Approval

The Work Plan was formally approved by the Victorian Government in November. This regulatory milestone confirms that the Goschen Project's operational and management plans meet all requirements under the Mineral Resources (Sustainable Development) Act and associated regulations.

This is the final mining approval required before construction and mining activities can commence.

Earth Resources Regulator Compliance

No reportable incidents, either environmental or exploration, occurred during the reporting period. No regulatory audits were undertaken. The Annual Technical Report and Expenditure Reports were prepared and submitted for VHM's licences in accordance with regulatory requirements. All tenements remain in good standing with financial commitments met.

Letter of Interest with Export-Import Bank of the United States (EXIM)

In October, VHM announced it had received a Letter of Interest (LOI) from the Export-Import Bank of the United States (EXIM) for up to US\$200 million (~A\$304 million) in project financing support for the development of the Goschen Project.

The LOI outlines a potential financing package with a maximum repayment term of 15 years, subject to standard due diligence and compliance with EXIM's program, legal and eligibility requirements. It aligns strategically with US priorities through EXIM's Supply Chain Resiliency Initiative, supporting critical mineral supply to US buyers and may also qualify under the China and Transformational Exports Programme to enhance US competitiveness.

Letter of Support with Export Finance Australia (EFA)

VHM also received a non-binding and conditional Letter of Support (LOS) from Export Finance Australia (EFA) for the provision of up to A\$75 million. This Letter of Support complements the LOI received from EXIM and the combined indicative support from EFA and EXIM highlights the Project's strategic importance and its potential to contribute to global rare earth supply diversification and downstream value creation.

Key activities to be undertaken over the next 6 months

Following the receipt of the primary approvals, over the next six months VHM's focus will remain on further derisking development of the Goschen Project and its activities will include:

Rehabilitation Bond	Rehabilitation bonds - Earth Resources Regulator, required by the Mineral Resources (Sustainable Development) Act 1990
Mining	Optimise mining plan in preparation for commencement of operations
Engineering Services	Selection and award of preferred Engineering contractor for the process plant
Non-Process Infrastructure	Selection and award of contractors to deliver Non-Process Infrastructure work
Offtake	Continue the well progressed discussions with potential offtake partners
Financing	Continue discussions with export credit agencies and commercial banks for project debt whilst developing corporate approach for equity raise

Company Exploration Program

Exploration Licence Status

VHM continued to invest in exploration and evaluation work within its exploration and retention licence areas, as it is required to do under the conditions of its licences and the Mineral Resources (Sustainable Development) Act 1990. VHM has minimum annual spend requirements to ensure that the tenements remain in good standing.

VHM Limited's tenement licences as at 31 December 2025 are provided in Table 1.

Licence Number	Location	Registered Holder	Project	Status	Area (km ²)	Grant date	Expiry Date
MIN007256	North west Victoria	VHM Ltd	Goschen	Current	15.4	10/04/2025	19/04/2045
RL6806	North west Victoria	VHM Ltd	Goschen	Current	296	10/01/2020	09/01/2027
EL 6419	North west Victoria	VHM Ltd	Cannie	Current	443	18/05/2018	17/05/2028
EL 6664	North west Victoria	VHM Ltd	Cannie	Current	618	18/06/2018	17/06/2028
EL 6666	North west Victoria	VHM Ltd	Nowie	Current	447	18/06/2018	17/06/2028
EL 6769	North west Victoria	VHM Ltd	Exploration	Current	1,041	27/08/2018	27/08/2028
Total Km²					2,860.4		

Table 1: VHM Limited tenement table as at 31 December 2025



Pictured: First season of crop and harvest after successful rehabilitation from 233 drill holes.

Goschen Project

During the reporting period, VHM advanced the Project through the completion of key engineering and project development activities for the process plant, onsite infrastructure and offsite infrastructure, including the raw water pipeline and offsite road upgrades. This work further matured the Project's engineering design and definition, reducing implementation risk and supporting updated capital cost estimates, implementation schedules and execution plans. These activities have positioned VHM to continue progressing the Project toward execution.

As part of this work, VHM engaged specialist contractors under an Early Contractor Involvement (ECI) framework to support the development of the Project's contract strategy, implementation approach, risk identification and control measures. This early engagement has further de-risked Project implementation by ensuring key execution considerations are incorporated into Project planning.

Community

VHM remains committed to securing and maintaining a social licence to operate throughout all phases of the Goschen Project. During the reporting period, a member of VHM's Executive team chaired the Cross-Border Industry Taskforce and participated in the Mallee Regional Partnership Committee.

VHM expanded its engagement across the broader community during the period. In addition to ongoing interaction with local community groups, sporting clubs and landholders, VHM established and continued to develop new relationships with organisations capable of delivering mutually beneficial outcomes for both the Company and the community.

VHM has established positive and collaborative working relationships with the Wamba Wemba and Barapa Barapa Traditional Owner groups. These relationships have included the joint completion of Cultural Heritage assessments, which were integral to the successful approval of the Project's Cultural Heritage Management Plan.



Left: Sponsor of the "Best Inflatable Display" in the Swan Hill Christmas Lights Competition in December. Right: VHM sponsored the "Outstanding Trade Operator or Technician in Victorian Resources" category of the 2025 Minerals Council of Australia Victorian Women in Resources Awards.

The Company continues to strengthen its partnerships with the Minerals Council of Australia (MCA), SunniTafe, Central Victoria Training Group (CVGT) and local schools to develop a mining-based traineeship program. This initiative aims to provide local youth with a clear employment pathway into the mining industry.

During the period, VHM commenced discussions with Northern District Community Health (NDCH) regarding a potential partnership. The proposed collaboration is intended to facilitate timely access to health services for the VHM workforce while supporting the enhancement of health services for the wider community. VHM also aims to support NDCH initiatives that deliver long-term community benefits.

Throughout the reporting period, VHM undertook 251 community interactions and supported local charitable organisations, including Kerang Neighbourhood House and Swan Hill's "A Good Kitchen". The Company delivered presentations on the Goschen Project to local schools, Swan Hill Sunrise Rotary and the Mid Murray Field Naturalists, and conducted site tours of the VHM warehouse and proposed mine site for Swan Hill and Gannawarra Shire Council representatives, local emergency services and Regional Roads Victoria.

Corporate

Annual General Meeting

The Company's Annual General Meeting of shareholders was held on 18 November 2025. All resolutions put to the meeting were duly passed. A summary of the Poll results and the proxies received in respect of each resolution can be found in the ASX Announcement released on 18 November 2025, "Results of Annual General Meeting".

Capital Raising

During the period the Company announced the completion of a Capital Raising via a Placement and a Share Purchase Plan (SPP) Offer, raising a combined total of \$11.6 million (before costs) comprising of a:

- Placement of \$10.3 million via the issue of 29.5 million new fully paid ordinary shares at \$0.35 per new share; and
- SPP \$1.3 million via the issuing of 3.7 million SPP Shares at \$0.35 per new share.

Proceeds from the Capital Raising were applied to funding ongoing work programs to further advance the development of the Goschen Project into Final Investment Decision (FID) which is expected mid-2026.

The results of the Placement and SPP, which was supported by major shareholders and institutional investors alike, demonstrated the strong support for the Company's plans for its flagship Goschen Project.

Executive Officer Changes

In October, the Company appointed Mr Andrew King as Chief Executive Officer. Mr. King has over 30 years of senior executive and board experience across private equity, maritime and logistics, resources, infrastructure and international trade.

Mr. Ron Douglas transitioned to Non-Executive Director on the same day.

Mr. Ben McCormick, who was already working within VHM, expanded his role to encompass all facets of the Chief Financial Officer position with Mr. Cameron Knox stepping down as Chief Financial Officer on the same day.

Ore Reserves and Mineral Resources as at 31 December 2025

Company Ore Reserves

During the period, VHM updated its Mineral Resource Estimates (MRE) for Goschen with the key change being a re-evaluation of the Area 1 resource:

- Total Mineral Resources are estimated to be 890Mt at 2.9% THM for 26Mt Total Heavy Minerals confirming its scale as one of Australia's largest undeveloped mineral sands and rare earths projects
- Total Ore Reserves are estimated to be 220Mt at 3.6% THM for 7.8Mt Total Heavy Minerals
- Estimates of Goschen Mineral Resources and Ore Reserves have not changed materially
- The current 20-year Goschen mine plan exploits less than 50% of defined ore reserves and less than 12% of total mineral resources, demonstrating significant potential future growth
- Adoption of a more conservative approach to the treatment of Area 1 derisks the mine plan and yields potential upside seen in earlier bulk sampling test-work

The Company's total Ore Reserves are estimated to be 220Mt at 3.6%THM (Table 2).

The Company Ore Reserves include the Goschen DFS Ore Reserve of 92.6Mt @ 3.6% THM, on which the 20 year life-of-mine Goschen Project footprint is based (Table 3).

Reserve Classification	Ore Tonnes (Mt)	THM %	ZIR %	RUT %	LX %	ILM %	MON %	XEN %
Proven	16	4.1	28	13	11	27	4.0	0.80
Probable	200	3.5	21	9.9	8.5	26	3.5	0.70
Total	220	3.6	22	10	8.6	26	3.5	0.70

Table 2: Company Ore Reserves

Reserve Classification	Ore Tonnes (Mt)	THM %	ZIR %	RUT %	LX %	ILM %	MON %	XEN %
Proven	12	4.0	29	13	10	26	4.1	0.80
Probable	81	3.5	21	9.7	8.3	26	3.4	0.63
Total	93	3.6	22	10	8.6	26	3.5	0.66

Table 3: Goschen Project DFS Ore Reserves (subset of Global Company Ore Reserves)

Notes:

Values reported to 2 significant figures. Any discrepancies in totals are a function of rounding

(1) THM Assemblages are reported as a percentage of in-situ THM content

Company Mineral Resources

The Company updated its Mineral Resource for Goschen with the key change being a re-evaluation of the Area 1 resource, resulting in a restatement of its Global Measured, Indicated and Inferred Resource Inventory to 890Mt at 2.9% THM containing 26Mt of THM (Table 4).

Mineral Resource Category	Material (Mt)	THM (%)	THM Assemblage					
			Zircon (%)	Rutile (%)	Leucoxene (%)	Ilmenite (%)	Monazite (%)	Xenotime (%)
Measured	25	3.6	28	13	10	27	4.1	0.81
Indicated	360	3.3	20	10	8.7	25	3.4	0.67
Inferred	500	2.7	20	12	16	13	3.4	0.67
Total	890	2.9	21	11	12	19	3.4	0.67

Table 4: Company's Mineral Resources

Notes:

Values reported to 2 significant figures. Any discrepancies in totals are a function of rounding

(1) THM Assemblages are reported as a percentage of in-situ THM content

Exploration target

VHM announced a major update to its Exploration Target for Goschen tenements, reinforcing the scale and strategic potential of its globally significant rare earth and mineral sands province.

The updated Exploration Target is estimated at a range of:

- **Tonnage:** 1.5 billion to 4.0 billion tonnes
- **Total Heavy Mineral (THM) Grade:** 2.2% to 3.5%
- **Total Heavy Mineral tonnage:** 50Mt to 90Mt
- **Valuable Heavy Mineral (VHM) Content:** 30Mt to 70Mt

The THM assemblage includes:

- **Zircon:** 16% - 27%
- **Ilmenite:** 19% - 26%
- **Rutile:** 9% - 16%
- **Monazite + Xenotime:** 2.5% - 5.1%

Industry Events

VHM attended Australia's largest business event, the International Mining and Resources Conference and Expo (IMARC) in Sydney in October, presenting the Goschen Project to attendees via its 'IMARC Investor Presentation'.

VHM also participated in the Rare Earths conference in Kuala Lumpur in November providing VHM the opportunity to network with leading industry experts and peers.



Pictured: Mr. Andrew King met with Senator the Hon. Anthony Chisholm Assistant Minister for Resources at IMARC

Environmental, Social and Corporate Governance

The Board of Directors is responsible for the corporate governance of the Group. VHM Limited, through its Board and executives, recognises the need to establish and maintain corporate governance policies and practices. These policies remain under constant review as the corporate governance environment and good practices evolve.

Due to the Company's size, the Board also serves as the Audit Committee to ensure effective oversight and governance.

VHM considers itself a responsible company which recognises and respects the environment and the values and rights of others in the environment. The Company holds the opinion that industry can operate in harmony with minimal impact on the environment.

VHM recognises that environmental performance is a critical factor in its business performance and a measure of professionalism. The Company's approach to environmental stewardship is based upon:

- understanding and managing the potential risks and impacts of our operations – from exploration, planning, research and project development, operation, rehabilitation and closure
- avoiding environmental impacts where possible
- mitigating unavoidable impacts
- rehabilitating or restoring disturbed areas
- offsetting to compensate for any impacts that cannot be otherwise avoided, minimised or rehabilitated
- mitigating and minimising climate change impacts
- striving for continuous improvement in all aspects of environmental performance against objectives and targets, and
- communicating openly with community and stakeholders about environmental issues

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Matters subsequent to the end of the financial year

After the reporting period, VHM elected to terminate the previously announced offtake agreement with Shenghe Resources as a number of the conditions precedent to that agreement had not been met. This reflects VHM's proactive strategy to unlock greater long-term value by being able to engage with a broad range of global partners in the critical minerals sector in response to inbound interest for offtake from the Goschen Project.

Since the end of the reporting period and to the date of this report, no other matters or circumstances have arisen which significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year, other than as set out in this report.

Rounding of Amounts

The amounts contained in the financial report have been rounded to the nearest \$1,000 (unless otherwise stated) pursuant to the option available to the Company under ASIC Class Order 2016/191. The Company is an entity to which the class order applies.

Compliance Statement

This report includes information that relates to Mineral Resources and Ore Reserves prepared and first disclosed under the JORC Code 2012 and a Definitive Feasibility Study. The information was extracted from the Company's previous ASX announcements as follows:

- VHM Prospectus: "Prospectus" 5 January 2025.
- Definitive Feasibility Study: "Goschen Project DFS Refresh" 28 March 2023.
- Mineral Resource Statement: "New Cannie Critical Mineral Project" 16 May 2023.
- "Outstanding Results for Area 4" 29 September 2023.
- "Quarterly Activities / Appendix 5B Cash Flow Report" 24 January 2024.
- "Approvals Progress and Increased Area 2 MRE" 9 April 2024.
- "Staged Expansion to Critical Minerals Production" 13 February 2025.
- "VHM Defines Significant Exploration Target" 15 October 2025.
- "VHM Updates Global Resources and Reserves" 15 October 2025.

The Company confirms that it is not aware of any new information or data that materially affects the results of exploration, Mineral Resource and Ore Reserve Estimates referenced in the above-mentioned market announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed.

Forward Looking Statements

This report contains reference to certain intentions, expectations, future plans, strategy and prospects of the Company. Those intentions, expectations, future plans, strategy and prospects may or may not be achieved. They are based on certain assumptions, which may not be met or on which views may differ and may be affected by known and unknown risks. The performance and operations of the Company may be influenced by a number of factors, many of which are outside the control of the Company. No representation or warranty, express or implied, is made by the Company, or any of its directors, officers, employees, advisors or agents that any intentions, expectations or plans will be achieved either totally or partially or that any particular rate of return will be achieved. Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to be materially different from those expected, planned or intended, recipients should not place undue reliance on these intentions, expectations, future plans, strategy and prospects. The Company does not warrant or represent that the actual results, performance or achievements will be as expected, planned or intended.

Auditor's independence declaration

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

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the *Corporations Act 2001*.



On behalf of the Directors
Ian Smith
Non-Executive Chairman
Melbourne, Victoria
4 March 2026

AUDITOR'S INDEPENDENCE DECLARATION

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

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

Perth, Western Australia
4 March 2026



L Di Giallonardo
Partner

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HLB Mann Judd is a member of HLB International, the global advisory and accounting network.

VHM Limited | Half-Year Report

Statement of Profit or Loss and Other Comprehensive Income

For the half-year ended 31 December 2025

		Consolidated	
		Half-year 2025	Half-year 2024
		\$'000	\$'000
	Notes		
Income			
Interest income		87	93
		87	93
Expenditure			
Corporate and administrative expense	2	(1,423)	(964)
Depreciation expense		(208)	(212)
Employee benefits expense		(922)	(1,430)
Land compensation		(212)	-
Finance costs	3	(359)	(764)
Share based payment expense	16	(221)	(25)
		(3,345)	(3,395)
Loss before income tax		(3,258)	(3,302)
Income tax expense		-	-
Loss after income tax for the half-year		(3,258)	(3,302)
Other comprehensive loss		-	-
Total comprehensive loss for the half-year		(3,258)	(3,302)
Loss per Share			
Basic loss per share (dollar per share)		(0.01)	(0.03)
Diluted loss per share (dollar per share)		(0.01)	(0.03)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes

Statement of Financial Position

As at 31 December 2025

		Consolidated	
		31 December 2025	30 June 2025
		\$'000	\$'000
	Notes		
ASSETS			
Current assets			
Cash and cash equivalents	4	13,208	8,099
Other assets	5	495	182
Total current assets		13,703	8,281
Non-current assets			
Other assets	5	60	273
Deferred exploration and evaluation expenditure	6	49,433	46,963
Property, plant and equipment	7	18,673	18,525
Right-of-use assets	8	266	410
Total non-current assets		68,432	66,171
Total assets		82,135	74,452
LIABILITIES			
Current liabilities			
Trade and other payables	9	331	738
Lease liabilities	10	329	317
Provisions	11	57	111
Borrowings	12	180	-
Land acquisition liabilities	13	4,356	4,049
Financial liabilities at fair value	14	-	1,150
Total current liabilities		5,253	6,365
Non-current liabilities			
Lease liabilities	10	-	166
Land acquisition liabilities	13	3,463	3,780
Total non-current liabilities		3,463	3,946
Total liabilities		8,716	10,311
Net assets		73,419	64,141
EQUITY			
Issued capital	15	135,691	123,376
Reserves	17	2,057	1,836
Accumulated losses		(64,329)	(61,071)
Total equity		73,419	64,141

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes

Statement of Changes in Equity

For the half-year ended 31 December 2025

	Issued capital	Share based payment reserve	Accumulated losses	Total equity
Consolidated	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2024	108,672	4,351	(54,642)	58,381
Loss for the half-year	-	-	(3,302)	(3,302)
Total comprehensive loss for the half-year	-	-	(3,302)	(3,302)
<i>Transactions with owners in their capacity as owners:</i>				
Capital Raising – net of costs	3,277	-	-	3,277
Shares issued on exercise of options	2,614	(2,614)	-	-
Share based payments recognised	-	25	-	25
Balance at 31 December 2024	114,563	1,762	(57,944)	58,381
Consolidated				
Balance at 1 July 2025	123,376	1,836	(61,071)	64,141
Loss for the half-year	-	-	(3,258)	(3,258)
Total comprehensive loss for the half-year	-	-	(3,258)	(3,258)
<i>Transactions with owners in their capacity as owners:</i>				
Capital Raising – net of costs	11,064	-	-	11,064
Shares issued to BCH	1,251	-	-	1,251
Share based payments recognised	-	221	-	221
Balance at 31 December 2025	135,691	2,057	(64,329)	73,419

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes

Statement of Cash Flows

For the half-year ended 31 December 2025

	Consolidated	
	Half-year 2025	Half-year 2024
	\$'000	\$'000
Cash flows from operating activities		
Interest received	87	93
Payments to suppliers and employees	(2,873)	(3,041)
Net cash outflows from operating activities	(2,786)	(2,948)
Cash flows from investing activities		
Payments for exploration expenditure	(2,716)	(2,102)
Payments for property, plant and equipment	(245)	(952)
Net cash outflows from investing activities	(2,961)	(3,054)
Cash flows from financing activities		
Proceeds from share issue	11,700	3,430
Share issue costs	(536)	(153)
Proceeds from prepaid share placements	-	1,500
Payment of lease liabilities	(167)	(160)
Proceeds from borrowings	257	-
Repayment of borrowings	(74)	-
Interest and finance cost paid	(324)	(380)
Net cash inflows from financing activities	10,856	4,237
Net increase/(decrease) in cash and cash equivalents	5,109	(1,765)
Cash and cash equivalents at the beginning of financial half-year	8,099	6,249
Cash and cash equivalents at the end of financial half-year	13,208	4,484

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

Notes to the Consolidated Financial Statements

NOTE 1: Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

Basis of preparation

The interim report has been prepared on a historical cost basis. Cost is based on the fair value of the consideration given in exchange for assets. The Group is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

The Group comprises VHM Limited and its wholly owned subsidiaries, GP Land Holdings Pty Ltd, GPB Land Holdings Pty Ltd, GPF Land Holdings Pty Ltd and GPBJ Holdings Pty Ltd.

Going Concern

The interim financial statements have been prepared on a going concern basis, which assumes the continuity of normal business and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group recorded a loss of \$3,258,000 (31 December 2024: \$3,302,000) for the half-year. At balance date, the Group had net assets of \$73,419,000 (30 June 2025: \$64,141,000) which included cash and cash equivalents of \$13,208,000 (30 June 2025: \$8,099,000) and a working capital surplus of \$8,450,000 (30 June 2025: \$1,916,000).

Based on the cash and cash equivalents at balance date and, for the following reasons, management believe that the assumption of going concern is valid in the preparation of these financial statements:

- The directors have a track record of successfully raising equity capital for the expenditure required to progress the project;
- The Group has the capacity to reduce discretionary expenditure;
- There has been no withdrawal of support from creditors, the Group has had no problems paying creditors as and when they fall due and there has been no instance where credit has been declined by a supplier;
- Management does not intend to liquidate the Group; and
- The Group has been able to comply with all statutory, legal and regulatory requirements, is fully insured and has no pending legal or regulatory proceedings against it.

NOTE 1: Material accounting policy information (continued)

Material accounting judgements and key estimates

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

In preparing this interim report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group financial report for the year ended 30 June 2025.

New or amended Accounting Standards and Interpretations adopted

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

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on its business in issue, and those not early adopted, and, therefore, no change is necessary to the Group's accounting policies.

NOTE 2: Corporate and Administrative Expense

	Consolidated	
	Half-year 2025	Half-year 2024
	\$'000	\$'000
Professional fees	622	289
Legal fees	223	49
Auditor's remuneration	27	27
Other corporate and administrative expenses	551	599
	1,423	964

NOTE 3: Finance Costs

	Consolidated	
	Half-year 2025	Half-year 2024
	\$'000	\$'000
Interest on land acquisitions	344	420
Interest on other borrowings	-	322
Interest on lease liabilities	15	22
	359	764

NOTE 4: Cash And Cash Equivalents

	Consolidated	
	31 December 2025	30 June 2025
Current	\$'000	\$'000
Cash at bank	1,208	4,599
Term deposits < 3 months	12,000	3,500
	13,208	8,099

Term deposits can be accessed within 3 days of providing notice to the bank, forfeiting an insignificant amount of interest, hence deeming it reasonable to be classified under cash and cash equivalents.

NOTE 5: Other Assets

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Current		
Prepayments – Insurance	195	82
Prepayments – Other	43	45
Bond for Lease Held in Term Deposit	223	-
GST receivable	33	54
Cash collateralised bank guarantees	1	1
	495	182
Non- Current		
Rehabilitation Bond	60	50
Bond for Lease Held in Term Deposit	-	223
	60	273

NOTE 6: Deferred Exploration and Evaluation Expenditure

	Consolidated	
	31 December 2025 \$'000	30 June 2025 \$'000
Costs carried forward in respect of areas of interest in the following phases:		
Exploration and evaluation phase – at cost	49,433	46,963
	49,433	46,963
	6 months to 31 December 2025 \$'000	Year to 30 June 2025 \$'000
Movement in carrying amounts		
Balance at beginning of period	46,963	44,278
Exploration expenditure incurred – current period	2,470	4,276
Eligible exploration expenditure R&D refundable tax offset	-	(1,591)
	49,433	46,963

The recoupment of costs carried forward in relation to the exploration and evaluation phase activities on the Group's retention and exploration licences is dependent upon the successful development and commercial exploitation or sale of the respective tenements.

NOTE 7: Property, Plant and Equipment

31 December 2025	Land Acquisition under Contract \$'000	Land and buildings \$'000	Property and equipment \$'000	Fixtures and fittings \$'000	Motor Vehicles \$'000	Low Value Pool \$'000	Total \$'000
Carrying amount – at cost	17,200	1,279	462	29	291	41	19,302
Accumulated depreciation	-	(90)	(337)	(28)	(143)	(31)	(629)
	17,200	1,189	125	1	148	10	18,673

Reconciliation

Opening balance – 1 July 2025	16,989	1,200	158	1	163	14	18,525
Additions	-	-	-	-	-	-	-
Purchase price adjustment	211	-	-	-	-	-	211
Disposals	-	-	-	-	-	-	-
Depreciation	-	(11)	(33)	-	(15)	(4)	(63)
Closing balance – 31 December 2025	17,200	1,189	125	1	148	10	18,673

30 June 2025	Land Acquisition under Contract \$'000	Land and buildings \$'000	Property and equipment \$'000	Fixtures and fittings \$'000	Motor Vehicles \$'000	Low Value Pool \$'000	Total \$'000
Carrying amount – at cost	16,989	1,279	462	29	291	41	19,091
Accumulated depreciation	-	(79)	(304)	(28)	(128)	(27)	(566)
	16,989	1,200	158	1	163	14	18,525

Reconciliation

Opening balance – 1 July 2024	16,980	1,227	190	1	195	22	18,615
Additions	-	-	38	-	-	-	38
Purchase price adjustment	9	-	-	-	-	-	9
Disposals	-	-	(3)	-	-	-	(3)
Depreciation	-	(27)	(67)	-	(32)	(8)	(134)
Closing balance – 30 June 2025	16,989	1,200	158	1	163	14	18,525

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NOTE 8: Right-of-Use Assets

	Consolidated	
	31 December 2025 \$'000	30 June 2025 \$'000
Carrying value:		
At cost	1,159	1,159
Accumulated depreciation	(893)	(749)
	266	410

	6 months to 31 December 2025 \$'000	Year to 30 June 2025 \$'000
Reconciliation:		
Opening balance	410	700
Depreciation	(144)	(290)
	266	410

The Group's Right-of-Use assets comprise operating leases for office premises (refer to Note 10).

NOTE 9: Trade and Other Payables

	Consolidated	
	31 December 2025 \$'000	30 June 2025 \$'000
Trade creditors	40	284
Accruals	280	448
Other	11	6
	331	738

NOTE 10: Lease Liabilities

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Current liabilities	329	317
Non-current liabilities	-	166
	329	483

	6 months to 31 December 2025	Year to 30 June 2025
Reconciliation	\$'000	\$'000
Opening balance	483	767
Interest	14	41
Principal repayments	(168)	(325)
Closing balance	329	483

The lease relates to the Melbourne head office and expires in November 2026.

NOTE 11: Provisions

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Employees benefits	57	111
	57	111

NOTE 12: Borrowings

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Insurance premium funding	180	-
	180	-

The Company entered into a short term insurance premium funding facility in October 2025.

NOTE 13: Land Acquisition Liabilities

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Carrying value:		
Current liabilities	4,356	4,049
Non-current liabilities	3,463	3,780
	7,819	7,829
Reconciliation	6 months to 31 December 2025	Year to 30 June 2025
	\$'000	\$'000
Opening balance	7,829	9,336
Purchase price adjustment	211	9
Additions	-	-
Interest expense	342	649
Payments (principal and interest)	(563)	(2,165)
Closing balance at the end of the period	7,819	7,829

NOTE 14: Financial Liabilities at Fair Value

	Consolidated	
	31 December 2025	30 June 2025
	\$'000	\$'000
Current liabilities:		
Financial liability relating to prepaid share placements	-	1,150
	-	1,150
Reconciliation	6 months to 31 December 2025	Year to 30 June 2025
	\$'000	\$'000
Opening balance	1,150	-
Additions	-	1,500
Finance cost	-	317
Shares issued	(1,150)	(667)
Closing balance	-	1,150

During the period, all shares were issued to Bulk Commodity Holdings as part of the investment agreement which was executed in the prior year. This agreement has now concluded.

NOTE 15: Issued Capital

(a) Issued Capital

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

(b) Ordinary Shares

	31 December 2025	30 June 2025	31 December 2025	30 June 2025
	Number	Number	\$	\$
Ordinary shares - fully paid	292,381,130	253,569,951	135,689,942	123,375,741
6 months to 31 December 2025: Movement in ordinary shares				
	Date	Shares	Issue Price (\$)	\$
Balance	1 July 2025	253,569,951	-	123,375,742
Shares issued as part of institutional investment	3 September 2025	1,250,000	0.16	222,222
Shares issued as part of institutional investment	29 September 2025	1,176,471	0.17	222,222
Shares issued as part of institutional investment	15 October 2025	3,175,000	0.20	705,555
Purchase of initial purchase shares as part of institutional investment	21 October 2025	-	0.21	100,800
Capital Raising – net of costs	26 November 2025	29,534,321	0.35	9,805,818
Share Purchase Placement – net of costs	19 December 2025	3,675,387	0.35	1,257,583
		292,381,130		135,689,942

NOTE 15: Issued Capital (continued)

Year to 30 June 2025:				
Movement in ordinary shares				
	Date	Shares	Issue Price (\$)	\$
Balance	1 July 2024	203,596,690	-	108,671,540
Shares issued upon exercise of ZEPOs	25 July 2024	826,389	-	495,833
Shares issued upon exercise of ZEPOs	29 July 2024	2,156,230	-	1,579,207
Capital Raising – net of costs	1 August 2024	4,285,714	0.42	1,691,100
Shares issued upon exercise of ZEPOs	19 August 2024	681,689	-	409,013
Share Purchase Placement – net of costs	20 August 2024	3,882,190	0.42	1,586,422
Shares issued upon exercise of ZEPOs	23 August 2024	218,061	-	130,836
Initial placement shares and investment fee shares issued	11 October 2024	813,333	-	-
Shares issued as part of institutional investment – Tranche 1	12 February 2025	689,655	0.29	222,222
Shares issued as part of institutional investment – Tranche 1	30 April 2025	2,000,000	0.20	444,444
Capital Raising – net of costs	15 May 2025	33,000,000	0.25	7,810,000
Share Purchase Placement – net of costs	13 June 2025	1,420,000	0.25	335,124
		<u>253,569,951</u>		<u>123,375,741</u>

NOTE 15: Issued Capital (continued)

(c) Options

6 months to 31 December 2025	Opening balance	Issued	Exercised	Lapsed	Closing balance
Zero Exercise Price Options (ZEPOs)	846,774	-	-	(846,774)	-
Special exertion options	3,500,000	-	-	(1,000,000)	2,500,000
Adviser options	5,127,186	-	-	(5,127,186)	-
	9,473,960	-	-	(6,973,960)	2,500,000

Year to 30 June 2025	Opening balance	Issued	Exercised	Lapsed	Closing balance
Zero Exercise Price Options (ZEPOs)	3,882,369	846,774	(3,882,369)	-	846,774
Special exertion options	3,000,000	500,000	-	-	3,500,000
Adviser options	5,127,186	-	-	-	5,127,186
	12,009,555	1,346,774	(3,882,369)	-	9,473,960

NOTE 16: Share Based Payments

Incentive Option Plan

The Group adopted an Incentive Option Plan (“IOP”) in 2019 as a way to provide incentives, assist with recruitment, reward and retain employees and provide opportunities for employees (both present and future) to participate directly in the equity of the Group. The plan was superseded when the Group adopted a new plan as set out in the prospectus. There have been no options issued under the new incentive option plan.

Other share based payments

The Group makes share based payments to Directors, consultants and/or service providers from time to time, not under any specific plan.

Share based payment expenses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income and, where appropriate, capitalised under exploration expenditure in the Consolidated Statement of Financial Position.

The share based payment expense for the reporting period is \$221,458 (31 December 2024: \$25,162) and relates to performance rights granted in the current period and options issued in prior periods. The expense has been recorded as follows:

	Half-year 2025 \$	Half-year 2024 \$
Expensed in Consolidated Statement of Profit or Loss and Other Comprehensive Income	221,458	25,162
	221,458	25,162

The following table illustrates the number and weighted average exercise prices of and movements in share options issued during the year under the Incentive Option Plan and in accordance with shareholder approval of the Special Exertion Options issued to Non-Executive Directors:

	6 months to 31 December 2025	
	Number of Options	Weighted average exercise price (\$)
Outstanding at the beginning of the period	9,473,960	1.0128
Granted during the half-year	-	-
Lapsed during the half-year	(6,973,960)	0.8919
Outstanding at the end of the period	2,500,000	1.3500

	Year to 30 June 2025	
	Number of Options	Weighted average exercise price (\$)
Outstanding at the beginning of the period	12,009,555	0.9605
Granted during the period	1,346,774	0.5012
Exercised during the period	(3,882,369)	0.0000
Outstanding at the end of the period	9,473,960	1.0128

NOTE 16: Share Based Payments (continued)

During the current period, the following performance rights were granted:

1. 1,200,000 performance rights to the CEO which vest as follows:
 - a. 600,000 will vest after three months' employment
 - b. 600,000 will vest after 12 months' employment
2. 500,000 performance rights to the CFO which vest as follows:
 - a. 250,000 will vest after three months' employment
 - b. 250,000 will vest after 12 months' employment

The performance rights were valued based on the Company's share price at the grant date.

NOTE 17: Share Based Payment Reserve

	Consolidated	
	6 months to 31 December 2025	Year to 30 June 2025
	\$'000	\$'000
Balance at beginning of period	1,836	4,351
Value of share based payments expensed	221	101
Transfer to issued capital (options exercised during period)	-	(2,616)
Balance at end of period	2,057	1,836

NOTE 18: Segment Reporting

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics.

The reportable segment is represented by the primary statements forming these financial statements.

NOTE 19: Fair Value Measurement

The Directors consider that the carrying amount of financial assets and financial liabilities, as recorded in the financial statements, represent or approximate their respective fair values. The Group's financial assets and liabilities are measured at amortised cost. Therefore, the disclosures required by *AASB13: Fair Value Measurement*, of the fair value measurement hierarchy have not been made.

NOTE 20: Commitments and Contingent Liabilities

There have been no significant changes to the commitments and contingent liabilities that were disclosed in the most recent annual report.

NOTE 21: Events Subsequent to Balance Date

After the reporting period, VHM elected to terminate the previously announced offtake agreement with Shenghe Resources as a number of the conditions precedent to that agreement had not been met. This reflects VHM's proactive strategy to unlock greater long-term value by being able to engage with a broad range of global partners in the critical minerals sector in response to inbound interest for offtake from the Goschen Project.

Since the end of the reporting period and to the date of this report, no other matters or circumstances have arisen which significantly affected, or may significantly affect, the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years

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Directors' Declaration

In the Directors' opinion:

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



Ian Smith
Non-Executive Chairman
Melbourne, Victoria
4 March 2026

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of VHM Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of VHM Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 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 half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

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

Basis for Conclusion

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

Responsibility of the Directors for the Financial Report

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

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Auditor's Responsibility for the Review of the Financial Report

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

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

Independence

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
4 March 2026



L Di Giallonardo
Partner

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