

ChemX Materials Limited

ABN 88 644 982 123

Interim Report - 31 December 2025

ChemX Materials Limited
Corporate directory
31 December 2025

Directors	Nigel Purves Francis Douglas Robert Whitton
Company secretary	Louisa Ho
Registered office and principal place of business	Level 2 350 Kent Street Sydney NSW 2000
Share register	Computershare Investor Services Pty Limited Level 17 221 St Georges Terrace Perth WA 6000 Phone: 1300 850 505
Auditor	William Buck Level 20, 181 William Street Melbourne Vic 3000
Solicitors	Steinepreis Paganin Level 14 QV1 Building 250 St Georges Terrace Perth WA 6000
Stock exchange listing	ChemX Materials Limited shares are listed on the Australian Securities Exchange (ASX code: CMX) Trading in CMX securities has been suspended since 19 December 2024.
Website	www.chemxmaterials.com.au

ChemX Materials Limited
Directors' report
31 December 2025

The Directors present their report, together with the financial statements, on the Company for the six-month period ended 31 December 2025.

Directors

The following persons were Directors of ChemX Materials Limited during the whole of the financial period and up to the date of this report, unless otherwise stated:

Dr. Nigel Purves - Director (*appointed by shareholder election 18 July 2025*)
Francis Douglas - Director (*appointed by shareholder election 18 July 2025*)
Robert Whitton - Director (*appointed by shareholder election 18 July 2025*)
Stephen Strubel - Non-Executive Director (*resigned 21 July 2025*)

Principal activities

On 18 July 2025, the Administrators advised that a Deed of Company Arrangement (DOCA) had been effectuated, the Company had exited from external administration and control had been returned to the directors. Thereafter the principal activity of the Company has been to identify and assess potential material asset acquisition and business opportunities.

Previously, the principal activity of the Company was the development of propriety High Purity Alumina® (HiPurA) technology and mining exploration. For reporting purposes, the operating results relating to the previous principal activity have been classified as discontinued.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial period.

Review of operations

The profit for the Company after providing for income tax amounted to \$2,294,002 (31 December 2024: loss of \$7,186,524).

The net result comprises a loss from continuing operations totalling \$291,545 (31 December 2024: nil) and a profit from discontinued operations totalling \$2,585,547 (31 December 2024 a loss totalling: \$7,186,524).

The profit from discontinued operations largely arose from 18 July 2025, when the Company exited from external administration, effectuated the DOCA and all creditor claims were transferred to the ChemX Materials Creditor Trust together with residual company assets.

Recapitalisation

On 18 July 2025, shareholders resolved to authorise a \$178,000 capital raising through the issue of 90,315,624 shares to Bennelong Capital Partner Pty Ltd and 1,070,885,265 shares to Erth Raffle Pty Ltd an entity controlled by director Nigel Purves.

The purpose of the capital raising was to pay for Voluntary Administration and DOCA costs, an Independent Expert's Report, other costs relating to the general meeting and to provide the Company with approximately \$10,000 working capital.

Funding

On 13 March 2026, a loan agreement was executed to formalise the borrowing arrangements in place during the reporting period. The key terms are set out below:

Lender: **OVAY PTY LTD** ACN 613 612 589 as trustee for The Zadar Trust.
Purpose: The Borrower is undertaking a restructure and proposed re-compliance listing on the Australian Securities Exchange (ASX), including the acquisition of property assets and associated capital raising activities (the **Transaction**).

In connection with the Transaction, the Lender has advanced, and may continue to advance, funds to or on behalf of the Borrower to meet costs and expenses associated with the Transaction, including but not limited to advisory fees, legal costs, accounting fees, ASX compliance costs, due diligence expenses, and general working capital requirements.

The Lender is likely to participate in the Transaction through licencing intellectual property and the sale of property assets.

Facility limit: \$1,200,000
Maturity date: 12 months from the date of the agreement.
Interest: Interest accrues on a simple interest basis at 15% pa and is not capitalised or compounded. Accrued interest is payable together with the principal outstanding on the Maturity Date or upon conversion, whichever occurs first.

Interest continues to accrue on the principal outstanding after the Maturity Date at the Interest Rate plus 2% per annum (the Default Rate) until all amounts owing are repaid or converted in full.

Settlement The loan (including accrued interest) will automatically convert into fully paid ordinary shares at the same price as the Capital Raising on completion of the Re-Listing, without the need for any election by either Party.

The Borrower must take all steps necessary and do all things reasonably required to ensure that the shares issued on conversion are not subject to any voluntary or mandatory escrow.

Nature of relationship: Commercial relationship at arm's length.

During the reporting period, proceeds from Ovay financing were \$229,488 and financing repayments were \$9,000.

The Company remains focused on maintaining prudent financial management and ensuring adequate working capital to support its operational and strategic objectives.

Significant changes in the state of affairs

Aside from the matters referred to in the review of operations above, there were no significant changes in the state of affairs of the Company during the financial period other than those stated on the review of operations.

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 31 December 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 years.

Likely developments, strategy and risks

The Directors plan to identify and assess potential acquisition opportunities of a material asset subject to approval by ASX, Shareholders and regulatory bodies, where relevant and appropriate funding being sourced including access to capital through the capital markets. There can be no assurance or timeframe as to when this may occur, but it is anticipated to be in the second half of 2026.

The new Board adds expertise through extensive finance and corporate experience and/or experience as Directors or Managers of trading entities.

Potential risks include:

ChemX Materials Limited
Directors' report
31 December 2025

- The Directors are also aware of ASX's automatic removal policy, which deals with lodgement of all overdue statutory reports as well as a maximum 2 year suspension rule.
- Trading in the Company's Shares was suspended on 19 December 2024 and Trading will not recommence until the Company complies with Chapters 1 and 2 of the Listing Rules, or until ASX advises otherwise. ASX re-quotations is a difficult and complex exercise. ASX has absolute discretion in deciding whether or not to re-admit the company to the official list and to quote its securities. This means the Company may not be reinstated to the ASX official list and the shares may never be quoted.
- The Company will require debt and equity financing to fund its operations, and any banking facilities will periodically need to be refinanced. The Company's ability to refinance its debt on favourable terms will depend on several factors including general economic conditions prevailing at that time, including interest rates, the state of debt and equity markets, as well as the reputation, performance and financial position of the Company. If there is a deterioration in the level of liquidity in debt and equity markets, or the terms on which debt or equity is available, this may prevent the Company from being able to refinance some or all of its debt on current terms or at all, or raise new debt or equity, respectively.
- The failure to raise the necessary funding, whether as debt or equity, could result in the delay or indefinite postponement of its business strategy. There can be no assurance that additional funding or other types of financing will be available if needed or that, if available, the terms of such funding will be available on favourable terms. If additional funds are raised through issuances of equity or convertible debt securities, existing shareholders could suffer significant dilution. There can be no assurance that additional funding or other types of financing will be available as needed or that, if available, the terms of such funding will be available on favourable terms.

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

On behalf of the Directors



Director

15 May 2026

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

To the directors of ChemX Materials Limited

As lead auditor for the review of ChemX Materials 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 the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of ChemX Materials Limited and the entities it controlled during the period.

William Buck

William Buck Audit (Vic) Pty Ltd

ABN 59 116 151 136

W. H. D. Lee

W. H. D. Lee

Director

Melbourne, 15 May 2026

ChemX Materials Limited

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General information

The financial statements cover ChemX Materials Limited as a Group consisting of ChemX Materials Limited and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is ChemX Materials Limited's functional and presentation currency.

ChemX Materials Limited is a listed public company limited by shares, (currently suspended from ASX trading), incorporated and domiciled in Australia. Its registered office and principal place of business are located at:

Level 2, 350 Kent Street
Sydney NSW 2000

A description of the nature of the Company's operations and its principal activities is included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 15 May 2026.

ChemX Materials Limited
Statement of profit or loss and other comprehensive income
For the period ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Expenses			
Business development expenses		(46,450)	-
Corporate expenses		(238,130)	-
Finance charges		(6,965)	-
		<u> </u>	<u> </u>
Loss before income tax expense from continuing operations		(291,545)	-
Income tax expense		-	-
		<u> </u>	<u> </u>
Loss after income tax expense from continuing operations		(291,545)	-
Profit/(loss) after income tax expense from discontinued operations	4	<u>2,585,547</u>	<u>(7,186,524)</u>
Profit/(loss) after income tax expense for the period		2,294,002	(7,186,524)
Other comprehensive income for the period, net of tax		-	-
		<u> </u>	<u> </u>
Total comprehensive income for the period		<u><u>2,294,002</u></u>	<u><u>(7,186,524)</u></u>
Total comprehensive income for the period is attributable to:			
Continuing operations (for the period from 19 July 2025 to 31 December 2025)		(291,545)	-
Discontinued operations		<u>2,585,547</u>	<u>(7,186,524)</u>
		<u> </u>	<u> </u>
		<u><u>2,294,002</u></u>	<u><u>(7,186,524)</u></u>
		Cents	Cents
Earnings per share for loss from continuing operations			
Basic earnings per share		(0.02)	-
Diluted earnings per share		(0.02)	-
Earnings per share for profit/(loss) from discontinued operations			
Basic earnings per share		0.22	(5.57)
Diluted earnings per share		0.22	(5.57)
Earnings per share for profit/(loss)			
Basic earnings per share		0.19	(5.57)
Diluted earnings per share		0.19	(5.57)

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

ChemX Materials Limited
Statement of financial position
As at 31 December 2025

		Consolidated	
	Note	31 Dec 2025	30 Jun 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		347	74,774
Other receivables	5	21,079	1,228,684
Total current assets		<u>21,426</u>	<u>1,303,458</u>
Non-current assets			
Other assets (deposits)		-	20,000
Total non-current assets		<u>-</u>	<u>20,000</u>
Total assets		<u>21,426</u>	<u>1,323,458</u>
Liabilities			
Current liabilities			
Trade and other payables		82,484	63,241
Borrowings	6	220,488	-
Creditor claims	4	-	3,820,765
Deposit paid by DOCA Proposer		-	25,000
Total current liabilities		<u>302,972</u>	<u>3,909,006</u>
Total liabilities		<u>302,972</u>	<u>3,909,006</u>
Net liabilities		<u>(281,546)</u>	<u>(2,585,548)</u>
Equity			
Issued capital	7	12,686,777	12,676,777
Reserves		673,166	815,149
Accumulated losses		<u>(13,641,489)</u>	<u>(16,077,474)</u>
Total deficiency in equity		<u>(281,546)</u>	<u>(2,585,548)</u>

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

ChemX Materials Limited
Statement of changes in equity
For the period ended 31 December 2025

Consolidated	Issued capital \$	Share-based payments reserve \$	Convertible note option cost reserve \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2024	12,676,777	1,695,772	574,356	(10,522,310)	4,424,595
Loss after income tax expense for the period	-	-	-	(7,186,524)	(7,186,524)
Other comprehensive income for the period, net of tax	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(7,186,524)	(7,186,524)
<i>Transactions with owners in their capacity as owners:</i>					
Vesting of share-based payments	-	37,533	-	-	37,533
Expired performance rights and options	-	(596,912)	-	596,912	-
Balance at 31 December 2024	<u>12,676,777</u>	<u>1,136,393</u>	<u>574,356</u>	<u>(17,111,922)</u>	<u>(2,724,396)</u>

Consolidated	Issued capital \$	Share-based payments reserve \$	Accumulated losses \$	Total deficiency in equity \$
Balance at 1 July 2025	12,676,777	815,149	(16,077,474)	(2,585,548)
Profit after income tax expense for the period	-	-	2,294,002	2,294,002
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period	-	-	2,294,002	2,294,002
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued as part of "Recapitalisation" (note 7)	178,000	-	-	178,000
Expired options	-	(141,983)	141,983	-
Cost of issuing equity (note 7)	(168,000)	-	-	(168,000)
Balance at 31 December 2025	<u>12,686,777</u>	<u>673,166</u>	<u>(13,641,489)</u>	<u>(281,546)</u>

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

ChemX Materials Limited
Statement of cash flows
For the period ended 31 December 2025

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Cash flows from operating activities			
Payments to suppliers and employees		(235,061)	(1,239,661)
Interest received		541	1,115
Interest and other finance costs paid		(6,965)	(34,667)
Government grants received		-	661,890
		<u>(241,485)</u>	<u>(611,323)</u>
Net cash used in operating activities			
Cash flows from investing activities			
Payments for exploration and evaluation		-	(1,195)
		<u>-</u>	<u>(1,195)</u>
Net cash used in investing activities			
Cash flows from financing activities			
DOCA Proposer contribution	4	120,000	-
Cash transferred by the Administrator to the Creditors Trust		(183,430)	-
Proceeds from issue of shares	7	178,000	-
Cost of issuing equity		(168,000)	(22,402)
Proceeds from financing (Ovay Pty Ltd)		229,488	-
Repayments of financing (Ovay Pty Ltd)		(9,000)	-
Funds advanced by director and major shareholder related entities		-	100,000
Proceeds from borrowings		-	441,935
Repayment of borrowings		-	(441,935)
Repayment of lease liabilities		-	(55,589)
		<u>167,058</u>	<u>22,009</u>
Net cash from financing activities			
Net decrease in cash and cash equivalents		(74,427)	(590,509)
Cash and cash equivalents at the beginning of the financial period		<u>74,774</u>	<u>594,900</u>
Cash and cash equivalents at the end of the financial period		<u><u>347</u></u>	<u><u>4,391</u></u>

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

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 any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the annual report for the year ended 30 June 2025

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

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.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

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

Going concern

For the period ended 31 December 2025, the Group incurred a net loss from continuing operations of \$291,545, had operating cash outflows of \$241,485, net current liabilities of \$281,546, and a cash and cash equivalents balance of \$347. These conditions indicate a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

On 13 March 2026, the Company executed a loan agreement with Ovay Pty Ltd (Ovay) which formalised the financing arrangements required to support the Company's operational obligations and the progression of its recapitalisation and restructuring activities. Refer to note 6 'Borrowings'.

Noting the matters referred to below, the financial statements have been prepared on a going concern basis.

The Directors are confident of their capacity to both source a new project or material asset and raise the necessary funding, whether as debt or equity after taking into consideration the following factors:

- The Directors are planning for the Company to be removed from ASX suspension to facilitate future capital raising;
- The ability to raise capital for a quality new project or material asset acquisition is a condition precedent to such a purchase;
- Careful cashflow management, including the ongoing support of Ovay, controlling discretionary spending and prioritisation of capital expenditure; and
- Proven Board capacity to access the capital markets, as required.

The failure to identify a new project or material asset, raise the necessary funding, whether as debt or equity, could result in the delay or indefinite postponement of its business strategy. There can be no assurance that additional funding or other types of financing will be available if needed or that, if available, the terms of such funding will be available on favourable terms.

Note 2. Critical accounting judgements, estimates and assumptions

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

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Discontinued operations

Following the Company's exit from external administration, all previous operations are classified as discontinued, Judgement was used to determine the amounts included in the disposal of assets and liabilities associated with discontinued operations. Refer to note 4 'Discontinued operations'.

Consideration of historical R&D tax claims

The Company has successfully claimed from the Australian Taxation Office credits for its research and development program in previous periods. The ATO has the right, extending back 4 tax years to investigate, audit and potentially clawback amounts in the event that the claims failed to meet the necessary criteria as established under the research and development credit claim legislation and regulations. Whilst noting that the ATO cannot pursue a pre-DOCA debt, they may be able to apply offsets to future income tax refunds. The directors' judgement is that the likelihood of any exposure to prior period research and development claims is minimal based on their understanding of the governance and professional advisory processes followed.

Treatment of the fair value of converting note on initial recognition

Judgement was exercised to determine the fair value of the fixed equity settlement (conversion) component of the convertible note facility. Refer to note 6.

Non-recognition of tax losses

Income tax losses are not recognised as an asset, as the recovery of such losses does not meet the test of virtual certainty. The factors considered in making this determination, include the probability of generating future assessable income together with other same business and ownership tests applicable to carry forward tax losses.

Note 3. Operating segments

Based on the information used for internal reporting purposes by the chief operating decision maker (directors of the Company) the Company operated in one reportable segment during the period which was to identify and assess potential material asset acquisition and business opportunities.

The reportable segment financial information is therefore the same as the statement of financial position and the statement of profit or loss and other comprehensive income.

Note 4. Discontinued operations

Description

On 18 July 2025, the Administrators advised that the DOCA was effectuated, the Company had exited from external administration and control had been returned to the directors. Effectuation released the Company from all creditor claims which were transferred to the ChemX Materials Creditor Trust together with residual company assets.

On 18 July 2025, shareholders resolved to appoint Nigel Purves, Francis Douglas and Robert Whitton as directors and also resolved to a share issue to raise \$178,000 (refer also to note 7). The purpose of the capital raising was to pay for Voluntary Administration and DOCA costs, an Independent Expert's Report, other costs relating to the general meeting and to provide the Company with approximately \$10,000 working capital.

Thereafter, the principal activity of the Company was to identify and assess potential material asset and business acquisition opportunities. Consequently, all previous operations and activities are considered to be discontinued.

ChemX Materials Limited
Notes to the financial statements
31 December 2025

Note 4. Discontinued operations (continued)

Financial performance information

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Gain on remeasurement of convertible note embedded derivative	-	7,983
Discontinued interest income	541	1,115
Total other income	<u>541</u>	<u>9,098</u>
Impairment of assets	-	(4,868,339)
Employment benefits	-	(616,534)
Corporate expenses	-	(454,393)
Research and development expense	-	(456,293)
Finance costs	-	(800,063)
Total expenses	<u>-</u>	<u>(7,195,622)</u>
Profit/(loss) before income tax expense	541	(7,186,524)
Income tax expense	<u>-</u>	<u>-</u>
Profit/(loss) after income tax expense	<u>541</u>	<u>(7,186,524)</u>
Gain on transfer to creditors trust	2,585,006	-
Income tax expense	<u>-</u>	<u>-</u>
Gain on disposal after income tax expense	<u>2,585,006</u>	<u>-</u>
Profit/(loss) after income tax expense from discontinued operations	<u><u>2,585,547</u></u>	<u><u>(7,186,524)</u></u>

Cash flow information

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Net cash used in operating activities	(11,344)	(611,323)
Net cash used in investing activities	(183,430)	(1,195)
Net cash from financing activities	<u>120,000</u>	<u>22,009</u>
Net decrease in cash and cash equivalents from discontinued operations	<u><u>(74,774)</u></u>	<u><u>(590,509)</u></u>

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Notes to the financial statements
31 December 2025

Note 4. Discontinued operations (continued)

Carrying amounts of assets and liabilities transferred to the ChemX Materials Creditor Trust

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Cash and cash equivalents	183,430	-
Other receivables	50,529	-
Distribution receivable from Deed of Company Arrangement - HiPura	1,178,270	-
Other non-current assets	20,000	-
Total assets	1,432,229	-
Trade and other payables	3,872,235	-
Other liabilities (DOCA Proposer contributions)	145,000	-
Total liabilities	4,017,235	-
Net liabilities	(2,585,006)	-

Details of the disposal

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Carrying amount of net liabilities disposed	2,585,006	-
Gain on disposal before income tax	2,585,006	-
Gain on disposal after income tax	2,585,006	-

Note 5. Other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Distribution receivable from Deed of Company Arrangement - HiPura ⁽ⁱ⁾	-	1,178,270
Goods and services input tax credit receivable ⁽ⁱ⁾	-	50,414
Goods and services input tax credits receivable	21,079	-
	21,079	1,228,684

(i) On 18 July 2025, the DOCA was effectuated and the receivable balances held at the time were transferred to the ChemX Materials Creditor Trust. Refer to note 4 'Discontinued operations'.

Note 6. Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liability</i>		
Unsecured convertible note ⁽ⁱ⁾	220,488	-

Note 6. Borrowings (continued)

(i) On 13 March 2026, an agreement was executed to formalise the borrowing arrangements.

The facility is classified as a convertible note due to the equity settlement components of the agreement. Pursuant to the relevant accounting standard (*AASB 132 Financial Instruments*) the conversion feature of the note meets the "fixed for fixed" test and is therefore classified as an equity component due to having a fixed conversion price of \$0.50 per share. As the interest rate charged is considered equivalent to a market interest rate, the equity component is valued at nil and the carrying value of the liability is equivalent to its fair value.

The key terms of the agreement are set out below:

Lender: **OVAY PTY LTD** ACN 613 612 589 as trustee for The Zadar Trust.
 Purpose: The Borrower is undertaking a restructure and proposed re-compliance listing on the Australian Securities Exchange (ASX), including the acquisition of property assets and associated capital raising activities (the **Transaction**).

In connection with the Transaction, the Lender has advanced, and may continue to advance, funds to or on behalf of the Borrower to meet costs and expenses associated with the Transaction, including but not limited to advisory fees, legal costs, accounting fees, ASX compliance costs, due diligence expenses, and general working capital requirements.

The Lender is likely to participate in the Transaction through licencing intellectual property and the sale of property assets.

Facility limit: \$1,200,000

Maturity date: 12 months from the date of the agreement.

Interest: Interest accrues on a simple interest basis at 15% pa and is not capitalised or compounded. Accrued interest is payable together with the principal outstanding on the Maturity Date or upon conversion, whichever occurs first.

Interest continues to accrue on the principal outstanding after the Maturity Date at the Interest Rate plus 2% per annum (the Default Rate) until all amounts owing are repaid or converted in full.

Settlement (equity conversion) The loan (including accrued interest) will automatically convert into fully paid ordinary shares at the same price as the Capital Raising on completion of the Re-Listing, without the need for any election by either Party.

The Borrower must take all steps necessary and do all things reasonably required to ensure that the shares issued on conversion are not subject to any voluntary or mandatory escrow.

Nature of relationship: Commercial relationship at arm's length.

Note 7. Issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	1,290,223,210	129,022,321	12,686,777	12,563,312
Listed loyalty options ¹	-	-	-	113,465
Total issued capital	1,290,223,210	129,022,321	12,686,777	12,676,777

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Notes to the financial statements
31 December 2025

Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2025	129,022,321		12,563,312
Consolidate paid up capital for expired listed options ⁽¹⁾	13/07/2025			113,465
Issue shares to new investors ⁽²⁾	18/07/2025	1,161,200,889	\$0.00015	178,000
Cost of issuing equity ⁽²⁾		-		(168,000)
Balance	31 December 2025	<u>1,290,223,210</u>		<u>12,686,777</u>

(1) On 11 July 2025, 22,693,038 listed options under the trading symbol of CMXO expired.

(2) On 18 July 2025, shareholders resolved to authorise a \$178,000 capital raising through the issue of 90,315,624 shares to Bennelong Capital Partner Pty Ltd and 1,070,885,265 shares Erth Raffle Pty Ltd an entity controlled by director Nigel Purves.

The purpose of the capital raising was to pay for Voluntary Administration and DOCA costs, an Independent Expert's Report, other costs relating to the general meeting and to provide the Company with approximately \$10,000 working capital.

Note 8. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2025 or as at 30 June 2025.

Note 9. Commitments

The Company had no commitments as at 31 December 2025 or as at 30 June 2025.

Note 10. Events after the reporting period

No matter or circumstance has arisen since 31 December 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 years.

ChemX Materials Limited
Directors' declaration
31 December 2025

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 Company's financial position as at 31 December 2025 and of its performance for the financial period 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



Director

15 May 2026

Independent auditor's review report to the members of ChemX Materials Limited

Report on the half-year financial report



Our conclusion

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 ChemX Materials Limited (the Company), does not comply with the *Corporations Act 2001*, including:

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

What was reviewed?

We have reviewed the accompanying half-year financial report of the Company, which comprises:

- the statement of financial position as at 31 December 2025,
- the statement of profit or loss and other comprehensive income for the half-year then ended,
- the statement of changes in equity for the half-year then ended,
- the statement of cash flows for the half-year then ended,
- notes to the financial statements, including material accounting policy information, and
- the directors' declaration.

Basis for conclusion

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

Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss from continuing operations of \$291,545 and had net cash outflows from operations of \$241,485 during the half-year ended 31 December 2025 and as of that date, the Company's current liabilities exceeded its current assets by \$281,546. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Responsibilities 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.

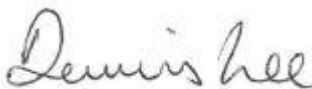
Auditor's responsibilities for the review of the financial report

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 Company'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.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



W. H. D. Lee

Director

Melbourne, 15 May 2026