Tranche 2 Placement and Funding Update

Innovative project developer Neometals Ltd (ASX: NMT) (**Neometals** or **Company**) provides an update on settlement of Tranche 2 of the placement announced on 20 April 2026 and approved by shareholders on 29 May 2026 (**Tranche 2 Placement**), as well as the standby debt facility foreshadowed in Neometals' announcement dated 10 August 2026.

As at the date of this announcement, Neometals has not received the $5 million subscription monies owing from Omaha Value Holdings, Inc. (**Omaha**) under the Tranche 2 Placement, or the $2.5 million payable by Mr Michael S. Luther under the personal guarantee called by the Company in respect of the subscription monies owing from Omaha. Mr Luther has indicated his intention to satisfy his obligations under the personal guarantee and that Omaha continues to intend to provide outstanding amounts. While Mr Luther has indicated that steps are being taken to facilitate payment, no amounts have been received to date and the timing and receipt of any such amounts remains uncertain. Neometals has reserved all rights and remedies against Omaha and Mr Luther in relation to the non-payment and is progressing its enforcement options.

Further to its announcement dated 10 August 2026, Neometals has now entered into a binding term sheet with Coal Holdings Pty Ltd (**CHPL**), a company owned by former Neometals Chairman David Reed, for a standby debt facility of up to $2 million (**Facility**). The Facility provides the Company with additional funding flexibility for its working capital requirements in light of the non-receipt of the Omaha subscription monies (including the guaranteed amount from Mr Luther).

The parties have agreed to use their best endeavours to negotiate and execute definitive facility and security documentation reflecting the terms and conditions set out in the binding term sheet. As at the date of this announcement, drawdown under the Facility remains subject to satisfaction or waiver of the applicable conditions precedent.

Key terms of the Facility:

Lender	Coal Holdings Pty Ltd (**CHPL**), a company owned by former Neometals Chairman David Reed.
Facility amount	A standby debt facility of up to $2 million.
Facility Status	The Facility is documented under a binding term sheet. Definitive facility and security documentation is to be progressed, with drawdown subject to satisfaction or waiver of the applicable conditions precedent.
Purpose	To support financing Neometals' working capital requirements
Availability / Conditions Precedent	Drawdown under the Facility is subject to customary conditions precedent, including execution and perfection of the agreed security, receipt of a waiver from ASX Listing Rule 10.1 or requisite shareholder approval (as related to the perfection of the security), receipt of required corporate, regulatory and other approvals, and no event of default subsisting.

Interest	Amounts drawn under the Facility bear interest at 10% per annum, payable monthly in arrears. At CHPL's election, interest may be capitalised, with further interest accruing on the capitalised amount. There is a 3% per annum fee on any undrawn balance of the Facility payable 6 monthly in arrears.
Fees and costs	Neometals will reimburse CHPL's reasonable legal and transaction costs incurred in connection with the Facility.
Security	Secured by a first-ranking mortgage over Neometals' shareholding in Avanti Exploration Pty Ltd. Any enforcement sale to CHPL or an associate requires prior shareholder approval under ASX Listing Rule 10.1; otherwise, the shares must be sold to an unrelated third party on arm's-length commercial terms.
Repayment	Amounts drawn under the Facility are repayable on 31 August 2029, subject to any earlier repayment requirement under the Facility.
Early repayment / cancellation	CHPL may, on 90 days' notice, cancel the Facility and require repayment following specified events, including: (a) failure to obtain or implement the convertible note approval; (b) a change of control of Neometals; (c) without the prior written consent of CHPL (not to be unreasonably withheld): (i) Christopher Reed is removed as a director; (ii) there is a material change to the composition of the Board; or (iii) new debt capital is raised (other than trade debts and commitments in the ordinary course of business). Neometals may raise equity capital without CHPL's consent provided it gives CHPL prior notice of any material equity raising.
Convertible notes	Subject to shareholder approval under ASX Listing Rule 10.11 and any other required approvals, either Neometals or CHPL may, within one month after shareholder approval, require the issue of secured convertible notes to CHPL in satisfaction of all or part of the amount outstanding under the Facility.
Convertible note terms	The notes will be issued at a face value of $1.00 per note, bear interest at 10% per annum payable monthly in arrears and be secured under the same form of security as provided in connection with the Facility. A maximum of 2,000,000 notes may be issued.
Conversion	CHPL may elect to convert the convertible notes into fully paid ordinary shares in Neometals at a conversion price of $0.025 per share, provided that the notes may only be issued in an amount that would not result in CHPL and its associates holding more than 20% of Neometals' issued share capital. *[Company note: The conversion price of $0.025 per share represents a premium of 25.9% to the 30-day VWAP of Neometals securities leading up to the date on which CHPL concluded negotiations with Neometals and agreed in principle to commit to the Facility.]*
Redemption	Convertible notes not converted into Neometals shares must be redeemed at face value on 31 August 2029. Any amount outstanding under the Facility that is not satisfied by the issue of convertible notes remains repayable under the Facility.

Approval timing	Shareholder approval for the issue of convertible notes is not a condition precedent to drawdown. However, if the required approval is not obtained by 30 November 2026, CHPL may require repayment of all amounts drawn within 90 days.
Other provisions	The Facility contains customary representations, warranties, undertakings, events of default and other provisions for a facility of this nature.

This announcement has been authorised for release by the Board of the Company.

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About Neometals Ltd

Neometals' purpose is to deliver stakeholder value by enabling the sustainable production of valuable and critical materials essential for a cleaner future. The Company is advancing a portfolio of high-quality mineral assets and commercialising proprietary lower-cost, sustainable processing technologies. The Company's upstream mineral assets comprise:

- **Barrambie Gold (100% NMT)** – Camp-scale gold project in the Murchison Goldfield with strong brownfields upside. An updated Mineral Resource Estimate, Scoping Study and a JV with a mining contractor provide a potentially funded pathway to near-term development of the Ironclad deposit with 50:50 profit sharing.
- **Utah Brine Project (51% NMT)** – controlling interest in a >80,000-acre lithium and potassium brine project in Utah, USA. Exclusive access to and use of inactive gas wells, with existing infrastructure supporting the potential for rapid, capital-efficient exploration and evaluation. Strong alignment with U.S. critical minerals policy and potential for streamlined federal permitting and grant funding.
- **Barrambie Titanium and Vanadium (100% NMT)** – one of the world's highest grade hard-rock titanium deposits, currently in a divestment process.

The Company's processing technology portfolio comprises:

- **Lithium Chemicals (70% NMT)** patented ELi Process™, targeting lowest quartile cost production of battery-grade lithium chemicals utilising electrolysis. Strategic MoU with Rio Tinto for testing support and licensing discussion, in collaboration with electrolyser supplier, De Nora.
- **Vanadium Recovery (86.1% NMT via Novana Oy)** – wholly owned hydrometallurgical processing technology targeting production of low-cost, high-purity vanadium pentoxide from steel by-products. Novana Oy advancing project financing for its first commercial plant in Pori, Finland.