RNS Number : 1669Z
European Metals Holdings Limited
12 September 2025

The information contained within this announcement is deemed by the Company to constitute inside information under the Market Abuse Regulation (EU) No. 596/2014 ("MAR") as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

For immediate release

12 September 2025

EUROPEAN METALS HOLDINGS LIMITED

Interim Financial Report for the six months ended 30 June 2025

The Directors of European Metals Holdings Limited (**ASX & AIM: EMH, OTCQX: EMHXY, ERPNF and EMHLF**) ("European Metals" or the "Company") are pleased to release its interim financial report for the half-year ended 30 June 2025.

A copy of the European Metals Half Year Report is also available from the Company's website at www.europeanmet.com.

ENQUIRIES:

European Metals Holdings Limited	
Keith Coughlan, Executive Chairman	Tel: +61 (0) 419 996 333 Email: keith@europeanmet.com
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Sujana Karthik, Company Secretary	Tel: +61 8 6245 2050 Email: cosec@europeanmet.com
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The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of European Metals Holdings 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 30 June 2025.

Directors

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

Mr Keith Coughlan	Executive Chairman
Mr Richard Pavlik	Executive Director
Mr Kiran Morzaria	Non-Executive Director
Ambassador Lincoln Bloomfield, Jr	Non-Executive Director
Ms Merrill Gray	Non-Executive Director

Company secretary

Mr Henko Vos (Resigned 14th July 2025)

Mr Vos was appointed as Company Secretary on 2 February 2024. Mr Vos is a graduate member of the Australian Institute of Company Directors (AICD), Governance Institute of Australia and Chartered Accountants Australia & New Zealand. He holds similar secretarial roles in various other listed public companies in both industrial and resource sectors. Mr Vos resigned as Company Secretary on 14 July 2025.

Ms Sujana Karthik (Appointed 14th July 2025)

Ms Karthik was appointed as Company Secretary on 14 July 2025. Ms. Karthik is a Certified Practicing Accountant (CPA), Chartered Secretary (CS) and holds a Bachelor of Commerce in Accounting. She is also an Associate Member of the Governance Institute of Australia (AGIA). Ms. Karthik is a seasoned corporate executive with expertise in financial management, financial reporting services, corporate governance, risk and compliance management. Ms. Karthik has over a decade of experience in accounting and corporate compliance. Ms. Karthik has previously served as Chief Financial Officer and Company Secretary for a number of ASX-listed and unlisted Companies.

Principal activities

The Group is primarily involved in the exploration activities of the Cinovec lithium project in the Czech Republic.

Results of Operations

The loss for the Group after providing for income tax amounted to 2,754,685 (31 December 2024: 1,250,604).

Significant changes in the state of affairs

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

Review of operations

European Metals Holdings Limited ("the Group") achieved significant progress during the half year in advancing the Cinovec Lithium Project ("Cinovec" or "the Project"), the largest hard rock lithium deposit in Europe. Alongside steady technical development, the Project benefited from a rapidly strengthening macroeconomic and policy environment that supports the strategic importance of securing domestic European lithium supply. This combination of favourable market tailwinds and strong project execution is positioning Cinovec as a cornerstone of Europe's battery materials supply chain.

Growing Macro Tailwinds for Lithium

The global transition to electric mobility and renewable energy storage continues to drive unprecedented demand for lithium. Within Europe, government and industry commitments to carbon neutrality, accelerated by the European Green Deal and the Fit for 55 package, are creating a strong policy environment for the rapid expansion of lithium-ion battery production. The European Union is forecast to require more than 18 times its current lithium supply by 2030 to meet battery demand.

In parallel, the implementation of the EU Critical Raw Materials Act (CRMA) has placed a clear focus on establishing secure, domestic supply chains for critical minerals. Lithium has been identified as essential for the green and digital transition, and projects such as Cinovec are expected to play a central role in achieving these targets. These macro tailwinds provide a favourable backdrop for the Project, underpinning long-term demand and pricing outlooks.

Cinovec Declared a Strategic Project under EU CRMA

In March 2025, the European Commission designated Cinovec as a Strategic Project under the CRMA. This milestone recognition underscores Cinovec's importance in supplying battery-grade lithium chemicals to Europe's rapidly expanding battery supply chain.

Strategic Project status brings explicit support from European institutions, including access to funding programs, and ensures that permitting is subject to accelerated and simplified timelines. This designation significantly de-risks the Project and highlights its centrality to Europe's green energy transition, securing lithium supply for automotive, energy storage, and defence sectors.

Cinovec Declared a Strategic Deposit by Czech Government

The Czech Government has further reinforced Cinovec's importance by designating it as a Strategic Deposit under the Czech Construction Code. This classification simplifies and expedites permitting, reduces bureaucratic burdens, and prioritises environmental reviews. It ensures that Cinovec's development will proceed with greater predictability and speed, supporting the Czech Republic's industrial strategy and the European Union's energy security goals.

USD 36 million Just Transition Fund Grant

In April 2025, Cinovec was awarded a CZK 800 million (US 36 million) grant under the European Union's Just Transition Fund (JTF). The grant represents a clear endorsement of Cinovec by both Czech and European authorities and provides non-dilutive capital to accelerate development.

The funding will be applied to fast-track critical path items and ensure timely progress towards construction. Conditions tied to the grant, including submission of the Environmental Impact Assessment (EIA) by 31 December 2025 and approval by 30 June 2026, align with the Project's existing permitting timetable. The JTF grant is not only a financial benefit but also a powerful signal of institutional support for Cinovec.

Definitive Feasibility Study and Environmental Permitting

The DFS, led by DRA Global, is advancing across all workstreams and remains on track, targeted for completion in October 2025. Technical progress includes flowsheet optimisation, test work indicating potential reagent and waste reductions, and bulk materials handling studies. Importantly, these enhancements are not delaying the DFS timetable.

Preparatory work for the EIA is underway, with submission targeted for year end. The EIA is a central component of both Czech permitting requirements and the conditions attached to the JTF grant. Together, the DFS and EIA represent critical milestones in transitioning Cinovec from development into construction readiness.

Preliminary Mining Permit Secured for Cinovec South

Following the reporting period, Geomet, the Company's subsidiary, was granted a Preliminary Mining Permit covering Cinovec South. Valid for eight years until 2033, the permit secures priority rights to apply for a Final Mining Permit and, when consolidated with existing permits, provides complete coverage of the Cinovec orebody.

This milestone ensures Cinovec is legally positioned to progress seamlessly into mining once construction is approved, consolidating development rights across the deposit.

Funding Pathway Secured to Complete DFS

During August 2025, Geomet issued an €11.0 million cash call to fund the completion of the DFS. EMH's share of €5.39 million (~A 9.67 million) has been secured through a combination of a targeted A 3.0 million placement and proactive refinancing of the Dukla loan and/or land sales.

This approach ensures that Cinovec remains fully funded through DFS completion while minimising shareholder dilution. The funding pathway reflects prudent financial management and reinforces the Company's commitment to delivering value from the Project.

Outlook

Cinovec continues to advance at a time when macro tailwinds, policy support, and market demand for lithium are intensifying. With Strategic Project and Strategic Deposit designations, EU and Czech funding support, and a clear permitting and financing pathway, the Project is ideally positioned to transition into Europe's first major domestic producer of battery-grade lithium chemicals.

The Board believes that Cinovec's scale, location, ESG credentials, and institutional support combine to make it one of the most important critical minerals projects currently in development globally. The coming period will focus on completing the DFS, advancing permitting, and preparing for the construction phase, all against a backdrop of unprecedented lithium demand growth.

Matters subsequent to the end of the financial half-year

On 14 July 2025, Mr Henko Vos resigned as Company Secretary and was replaced by Ms Sujana Karthik, who was appointed to the position effective the same date.

On 18 August 2025, the Company announced that Geomet a.s. (the Cinovec project company) had issued a €11 million Cash Call to fund completion of the DFS. Under the project ownership structure, the Group's share of this cash call is €5.39 million (~A 9.67 million), payable by 10 October 2025.

To support its funding obligations, the Company completed a placement of 18.75 million ordinary shares at an issue price of 0.16 per share, raising 3 million (before costs).

In addition, subsequent to the end of the financial half year, the Group executed a sale agreement for Dukla loan originally advanced to Geomet in 2023 for the acquisition of land at Dukla, which had been contemplated as the site of the Lithium Chemical Plant. Following the decision to relocate the plant to Prunéřov, most of the Dukla land is no longer required. Consistent with the Group's strategy to minimise shareholder dilution, the sale agreement had been signed prior to the reporting date and the proceeds applied to the Cash Call.

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

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

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

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Keith Coughlan
EXECUTIVE CHAIRMAN

12 September 2025

European Metals Holdings Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 30 June 2025

	Note	Consolidated 30 June 2025	 31 December 2024
Finance Income		406,643	377,490
Expenses			
Share of loss of equity accounted investee	4	(1,410,400)	(1,486,398)
Foreign exchange gain/(loss)		76,852	98,769
Share based payments		-	1,366,048
Employee benefits expense		(332,164)	(309,418)
Directors' fees		(133,301)	(148,404)
Depreciation and amortisation expense		(25,722)	(25,736)
Share registry and listing expenses		(83,560)	(70,067)
Professional fees		(812,531)	(503,457)
Audit fees		(48,751)	(58,160)
Insurance expense		(34,409)	(35,293)
Travel and accommodation		(11,757)	(95,263)
Advertising and promotion		(176,452)	(168,260)
Facility, advance fee and finance costs		(5,872)	(6,826)
Other expenses		(163,261)	(185,629)
Loss before income tax expense		(2,754,685)	(1,250,604)
Income tax expense		-	-
Loss after income tax expense for the half-year		(2,754,685)	(1,250,604)
Other comprehensive profit			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		720,158	(370,368)
Exchange difference on translating investment in Geomet	4	2,009,100	836,346
Other comprehensive profit for the half-year, net of tax		2,729,258	465,978
Total comprehensive loss for the half-year		(25,427)	(784,626)
		Cents	Cents
Basic loss per share	3	(1.33)	(0.60)
Diluted loss per share	3	(1.33)	(0.60)

European Metals Holdings Limited
Statement of financial position
As at 30 June 2025

	Note	Consolidated 30 June 2025	 31 December 2024
Assets			
Current assets			
Cash and cash equivalents		996,340	3,524,484
Trade and other receivables		793,289	349,385
Other assets		59,208	144,429
Total current assets		1,848,837	4,018,298
Non-current assets			
[illegible]		[illegible]	[illegible]

	Note		
Other assets		30,785	30,075
Right-of-use assets		116,351	141,281
Investment in associate	4	26,074,527	22,881,546
Advances to associate	7	8,766,132	8,052,790
Property, plant and equipment		3,615	4,407
Total non-current assets		34,991,410	31,110,099
Total assets		36,840,247	35,128,397
Liabilities			
Current liabilities			
Trade and other payables	8	2,183,504	325,624
Employee benefits		227,603	326,350
Lease liabilities		52,271	49,086
Total current liabilities		2,463,378	701,060
Non-current liabilities			
Lease liabilities		69,729	94,770
Total non-current liabilities		69,729	94,770
Total liabilities		2,533,107	795,830
Net assets		34,307,140	34,332,567
Equity			
Issued capital	5	58,886,707	58,886,707
Reserves	6	5,540,299	2,811,041
Accumulated losses		(30,119,866)	(27,365,181)
Total equity		34,307,140	34,332,567

European Metals Holdings Limited
Statement of changes in equity
For the half-year ended 30 June 2025

Consolidated	**Issued capital**	**Share based payment reserve**	**Foreign currency translation reserve**	**Accumulated losses**	**Total equity**
Balance at 1 July 2024	58,886,707	6,996,449	688,148	(30,088,063)	36,483,241
Loss after income tax expense for the half-year	-	-	-	(1,250,604)	(1,250,604)
Other comprehensive profit for the half-year, net of tax	-	-	465,978	-	465,978
Total comprehensive profit/(loss) for the half-year	-	-	465,978	(1,250,604)	(784,626)
Transactions with owners in their capacity as owners:					
Transfer from performance rights/options reserve	-	(3,973,486)	-	3,973,486	-
Share-based payments	-	(1,366,048)	-	-	(1,366,048)
Balance at 31 December 2024	58,886,707	1,656,915	1,154,126	(27,365,181)	34,332,567

Consolidated	**Issued capital**	**Share based payment reserve**	**Foreign currency translation reserve**	**Accumulated losses**	**Total equity**
Balance at 1 January 2025	58,886,707	1,656,915	1,154,126	(27,365,181)	34,332,567
Loss after income tax expense for the half-year	-	-	-	(2,754,685)	(2,754,685)
Other comprehensive profit for the half-year, net of tax	-	-	2,729,258	-	2,729,258

Consolidated	Issued capital	Share based payment reserve	Foreign currency translation reserve	Accumulated losses	Total equity
Total comprehensive profit/(loss) for the half-year	-	-	2,729,258	(2,754,685)	(25,427)
Balance at 30 June 2025	58,886,707	1,656,915	3,883,384	(30,119,866)	34,307,140

European Metals Holdings Limited
Statement of cash flows
For the half-year ended 30 June 2025

	Note	Consolidated 30 June 2025	31 December 2024
Cash flows from operating activities			
Payments to suppliers and employees		(1,702,056)	(1,652,575)
Interest received		215,892	378,390
Recharges for management services		1,486,927	-
Net cash from/(used in) operating activities		763	(1,274,185)
Cash flows from investing activities			
Payments for investments in associate	4	(2,594,281)	-
Net cash used in investing activities		(2,594,281)	-
Cash flows from financing activities			
Repayment of lease liabilities		(16,507)	(43,514)
Net cash used in financing activities		(16,507)	(43,514)
Net decrease in cash and cash equivalents		(2,610,025)	(1,317,699)
Cash and cash equivalents at the beginning of the financial half-year		3,524,484	4,727,375
Effects of exchange rate changes on cash and cash equivalents		81,881	114,808
Cash and cash equivalents at the end of the financial half-year		996,340	3,524,484

European Metals Holdings Limited
Notes to the financial statements
30 June 2025

Note 1. Basis of preparation

a. Statement of compliance

The half year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the annual report for the transitional year ended 31 December 2024 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.

b. Basis of preparation

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

The accounting policies and methods of computation adopted in the preparation of the half year financial report are consistent with those adopted and disclosed in the Group's 2024 transitional annual financial report for the six-month period ended ended 31 December 2024, except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards. The classification of comparative figures has been changed where the change improves the understandability of the financial information.

c. Going concern

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

At30 June 2025, theGrouphad a cash position of 996,340 (31 December 2024: 3,524,484) and a working capital surplus of 614,541 (31 December 2024: surplus of 3,317,238). For the half-year, the Group recorded a loss of 2,754,685 (6 month period ended 31 December 2024: loss of 1,250,604) and had net cash outflows of 2,610,025 (6 month period ended 31 December 2024: cash outflows of 1,317,699).

TheGroup's cash flow forecast to 30 September 2026 indicates that theGroupwill have sufficient funds to meet its current level of operating costs. However. theGroupwill be required to raise additional funds to support its investment activities in order to maintain its current level of ownership in Geomet. As at 30 June 2025, no binding commitment existed; however, subsequent to the reporting date, on 28 July 2025, Geomet issued a cash call of €8.96 million, of which the Group's share is €5.39 million (~A 9.67 million), payable by 10 October 2025. The Group has paid €1 million (~A 1.78 million) towards this obligation in August 2025, and a further EUR 4.39 million will be paid on or before 10 October 2025 including the proceeds from the sale of the Dukla loan. Should the Group not be able to meet its proportional share of any cash calls, its interest in Geomet may be diluted under the terms of the Shareholders' Agreement. The Group intends to maintain its current investment strategy to maintain its current investment in Geomet, and as a result, there is a material uncertainty that may cast significant doubt over the entity's ability to continue as a going concern in respect to the current investment strategy.

The Directors nevertheless consider it appropriate to prepare the financial report on a going concern basis, having regard to the following:

- the Group has a net asset position of 34,307,140 and a cash balance of 996,340 as at reporting date;
- the Group continues its focus on maintaining an appropriate level of corporate overheads in line with the available cash resources;
- the Group's demonstrated ability to raise capital, including the 3 million raised subsequent to period end; and
- the completion of the refinancing of the Dukla loan, which will provide funding in time to meet the Group's cash call obligations.

Based on these factors, the directors believe that it is appropriate to prepare the30 June 2025 financial statements on a going concern basis.

In the event that theCompany is not able to successfully complete any one or more of the aforementioned activities, it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts, nor to the amounts and classification of liabilities that might be necessary should theCompany and theGroup not continue as a going concern.

d. Changes in accounting policies, accounting standards and interpretations

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's transitional annual consolidated financial statements for the year ended 31 December 2024. All applicable new standards and interpretations effective since 1 January 2025 have been adopted. There was no significant impact on the Group.

e. Critical accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and consultants by reference to the estimated fair value of the equity instruments at the date at which they are granted. These are expensed over the estimated vesting periods. Judgement has been exercised on the probability and timing of achieving milestones related to performance rights granted to Directors.

Recognition of deferred tax assets

Deferred tax assets relating to temporary differences and unused tax losses have not been recognised as the Directors are of the opinion that it is not probable that future taxable profit will be available against which the benefits of the deferred tax assets can be utilised.

Investment in associate

Control exists where the parent entity is exposed or has the rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when it has existing rights to direct the relevant activities of the investee which are those which significantly affect the investee's returns. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Significant influence exists if the Group holds 20% or more of the voting power of an investee and has the power to participate in the financial and operating policy decisions of the entity.

Judgements are required by the Group to consider the existence of control, joint control or significant influence over an investee. The Group has considered its investment in Geomet concluding the Group has significant influence but not control or joint control. Control and joint control do not exist as the Group does not direct and does not have the power to direct the relevant activities of Geomet, this lies with the Geomet board, of which there are only 2 directors out of 5 in common with the Group, and Geomet CEO and CFO who are employed and work directly for Geomet.

Note 2. Operating segments

The accounting policies used by the Group in reporting segments are in accordance with the measurement principles of Australian Accounting Standards.

The Group has identified its operating segments based on the internal reports that are provided to the Board of Directors. According to AASB 8 Operating Segments, two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects:

- The nature of the products and services;
- The nature of the production processes;
- The type or class of customer for their products and services;
- The methods used to distribute their products or provide their services; and
- If applicable, the nature of the regulatory environment, for example; banking, insurance and public utilities.

Effective 28 April 2020, the Group has a 49% interest in Geomet s.r.o. which is accounted for in accordance with AASB 128 Investment in Associates and Joint Venture. Therefore, the Group has only one operating segment based on geographical location. The Australian segment incorporates the services provided to Geomet s.r.o. in relation to the Cinovec project development along with head office and treasury function. Consequently, the financial information for the sole operating segment is identical to the information presented in these financial reports.

Note 3. Loss per share

	Consolidated	
	30 June 2025	31 December 2024
Loss after income tax	(2,754,685)	(1,250,604)
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	207,444,705	207,444,705
Weighted average number of ordinary shares used in calculating diluted loss per share	207,444,705	207,444,705

	Cents	Cents
Basic loss per share	(1.33)	(0.60)
Diluted loss per share	(1.33)	(0.60)

Potential ordinary shares of the Company consist of 6,000,000 options which were considered as being potentially dilutive at balance date.

In accordance with AASB 133 'Earnings per Share' these options have been excluded from the calculation of diluted loss per share due to their antidilutive effect and as such, diluted loss per share is equal to basic loss per share.

Note 4. Investment in associate

	Consolidated	
	30 June 2025	31 December 2024
Investments accounted for using equity method	26,074,527	22,881,546

Reconciliation
Reconciliation of the carrying amounts at the beginning and end of the current half-year and previous financial period are set out below:

Opening carrying amount	22,881,546	23,531,598
Share of loss - associates	(1,410,400)	(1,486,398)
Share of the movement in foreign currency translation reserve - associates	2,009,100	836,346
Increase in investment[1]	2,594,281	-
Closing carrying amount	26,074,527	22,881,546

(1) On 2 May 2025 the Company made EUR 1,470,000 additional contributions to the equity outside of the registered capital of its associate to maintain its 49% shareholding.

Note 5. Issued capital

(a) Issued and paid up capital

	Consolidated			
	30 June 2025 Shares	31 December 2024 Shares	30 June 2025	31 December 2024
Issued capital	207,444,705	207,444,705	58,886,707	58,886,707

(b) Movements in shares

There have been no movements in shares during the half-year.

Note 6. Reserves

	Consolidated	
	30 June 2025	31 December 2024
Options reserve 6(a)	716,290	716,290
Loan shares reserve 6(c)	940,625	940,625
Foreign currency translation reserve 6(d)	3,883,384	1,154,126
	5,540,299	2,811,041

(a) Option reserve

	Consolidated	
	30 June 2025	31 December 2024
Balance at the beginning of the half-year	716,290	418,000
Share based payment expense	-	298,290
Balance at the end of the half-year	716,290	716,290

Consolidated 30 June 2025 31 December 2024

The following options existed as at 31 December 2024 and 30 June 2025:

	Expiry date	Balance at 31 December 2024	Issued during the half-year	Exercised during the half-year	Expired/ cancelled during the half-year	Balance at 30 June 2025
Options @ 80 cents	31/12/2025	1,000,000	-	-	-	1,000,000
Options @ 25 cents	30/06/2026	5,000,000	-	-	-	5,000,000
		6,000,000	-	-	-	6,000,000

(b) Performance rights reserve

	30 June 2025 Number	30 June 2025	31 December 2024 Number	31 December 2024
Balance at the beginning of the half-year	7,600,000	-	7,300,000	1,664,338
Granted	-	-	300,000	-
Cancelled/Expired	(7,400,000)	-	-	-
Movement[1]	-	-	-	(1,664,338)
Balance at the end of the half-year	200,000	-	7,600,000	-

(1) Movement relates to reassessment of probability of performance rights by management during the 6 month period ended 31 December 2024.

(c) Loan shares reserve

	30 June 2025 Number	30 June 2025	31 December 2024 Number	31 December 2024
Balance at the beginning of the half-year	1,350,000	940,625	1,350,000	1,442,667
Transfer to retained earnings	-	-	-	(502,042)
Balance at the end of the half-year	1,350,000	940,625	1,350,000	940,625

Loan shares granted in prior years and existed during the financial half-year ended 30 June 2025:

	31 December 2024 Number	Repaid during the half-year	30 June 2025 Number
Director Loan shares	1,350,000	-	1,350,000
	1,350,000	-	1,350,000

No loan shares were granted/repaid during the financial half-year.

(d) Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiary and the Group's share of foreign exchange movement in Geomet s.r.o.

	Consolidated	
	30 June 2025	31 December 2024
Balance at the beginning of the half-year	1,154,126	688,148
Movement during the half-year	2,729,258	465,978
Balance at the end of the half-year	3,883,384	1,154,126

Balance at the end of the half year	[illegible]	[illegible]

	Consolidated	
	30 June 2025	31 December 2024

Note 7. Advances to associate

	Consolidated	
	30 June 2025	31 December 2024
Advances to associate	8,766,132	8,052,790

On 31 May 2023 an unsecured loan of 8,418,872 (initial value of CZK121,000,000) was advanced to Geomet s.r.o by the Company. The loan is due for repayment on 31 December 2028 and carries a fixed interest rate at 8.8% per annum. The movement in the loan is due to foreign exchange.

Note 8. Trade and other payables

	Consolidated	
	30 June 2025	31 December 2024
Trade payables	390,940	165,745
Other payables	1,792,564	159,879
	2,183,504	325,624

Note 9. Related party transactions

Transactions between related parties are at arms' length and on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

During the half-year, the Company received a total of 1,486,927 (31 December 2024: 488,438) from its associate, Geomet s.r.o. These amounts related mainly to recharges for management services provided for the Cinovec project. The balance owing from Geomet s.r.o at 30 June 2025 is 275,736 (31 December 2024: 94,802). The Company's Executive Chairman also received remuneration of 10,336 from Geomet s.r.o during the financial period.

The Company paid 403,636 as remuneration to directors and key management personnel of the Company during the half-year.

From January to March 2025, the Company received company secretarial, accounting and bookkeeping services of 42,390 plus GST from Nexia, a company at which the spouse of Executive Chairman, Keith Coughlan, was acting as key management personnel.

On 31 May 2023, an unsecured loan of 8,418,872 (initial value of CZK 121,000,000) was advanced to Geomet s.r.o by the Company. The loan is due for repayment on 31 December 2028 and carries a fixed interest rate at 8.8% per annum. Interest charged for the half-year was 377,435 (CZK 5,353,578), 182,053 was paid and the remainder is sitting as receivable. There have been no further loan advancements or repayments made during the half-year. Closing balance of the loan is 8,766,132 (See note 7).

There were no other transactions with related parties during the financial year.

Note 10. Contingent liabilities and commitments

Note 10. Contingent liabilities and commitments

Commitment - Geomet a.s. Cash Call

Subsequent to the reporting date, on 28 July 2025, the Board of Geomet a.s. issued a Cash Call Notice to the Company and other shareholders under Clause 13.2 of the Shareholders' Agreement, requiring a pro rata contribution of €8,960,000 in aggregate. The Group's share of this cash call is €5.39 million (~A 9.67 million), payable by 10 October 2025.

The Group made a payment of €1 million (~A 1.78 million) Cash Call in August 2025. In addition, the proceeds from the sale of the Dukla loan will be applied against the Cash Call and any remaining amount of the Cash Call will be paid before 10 October 2025.

Accordingly, as at 30 June 2025, the Group was not yet committed to fund the cash call. The obligation arose subsequent to reporting date and represents a non-adjusting event after the reporting period.

The Group has disclosed this as a commitment rather than recognising a liability in the financial statements as at 30 June 2025.

Contingent Liability - Dilution Risk

Under the Shareholders' Agreement, should the Group fail to meet its proportional share of any future cash calls from Geomet, its ownership interest in Geomet may be diluted in favour of those shareholders that do contribute, based on the fair market value of the shares represented by the unpaid cash call. As at the date of this report, no such dilution has occurred.

Other Commitments and Contingent Liabilities

There have been no other material changes in the Group's contingent liabilities or commitments since the last reporting date, other than those disclosed above.

Note 11. Events after the reporting period

On 14 July 2025, Mr Henko Vos resigned as Company Secretary and was replaced by Ms Sujana Karthik, who was appointed to the position effective the same date.

On 18 August 2025, the Company announced that Geomet a.s. (the Cinovec project company) had issued a €11 million Cash Call to fund completion of the DFS. Under the project ownership structure, the Group's share of this cash call is €5.39 million (~A 9.67 million), payable by 10 October 2025.

To support its funding obligations, the Company completed a placement of 18.75 million ordinary shares at an issue price of 0.16 per share, raising 3 million (before costs).

In addition, subsequent to the end of the financial half year, the Group executed a sale agreement for Dukla loan originally advanced to Geomet in 2023 for the acquisition of land at Dukla, which had been contemplated as the site of the Lithium Chemical Plant. Following the decision to relocate the plant to Prunéřov, most of the Dukla land is no longer required. Consistent with the Group's strategy to minimise shareholder dilution, the sale agreement had been signed prior to the reporting date and the proceeds applied to the Cash Call.

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

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 Group's financial position as at 30 June 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

Keith Coughlan
EXECUTIVE CHAIRMAN

12 September 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of European Metals Holdings Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of European Metals Holdings Limited (the Company) and its subsidiaries (the Group), which comprises the statement of financial position as at 30 June 2025, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

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

i. Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the half-year ended on that date; and
ii. 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 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 the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Material uncertainty relating to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

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 is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the Group's financial position as at 30 June 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.

BDO Audit Pty Ltd

Glyn O'Brien
Director

Perth, 12 September 2025

END

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