



ARIKA RESOURCES

Arika Resources Limited

ABN: 92 086 839 992

**Interim Financial Report
For the half year ended 31 December 2025**

Directors

Justin Barton – Managing Director
Roger Steinepreis – Non-Executive Chairman
Steven Wood – Independent Non-Executive Director
Steve Vallance – Technical Director

Company Secretary

Kate Breadmore – Joint Company Secretary
Aaron Gates – Joint Company Secretary

Auditors

Pitcher Partners BA&A Pty Ltd
Level 11
12-14 The Esplanade
PERTH WA 6000

Solicitors

Steinepreis Paganin
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Share Registry

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Stock Exchange

Securities of Arika Resources Limited are listed on the Australian Securities Exchange (ASX).
ASX Code: ARI

Website

www.arika.com.au

Contents

	Page
Directors' report	3
Auditor's independence declaration	6
Interim financial statements	
Condensed consolidated statement of profit or loss and other comprehensive income	7
Condensed consolidated statement of financial position	9
Condensed consolidated statement of changes in equity	10
Condensed consolidated statement of cash flows	11
Notes to the condensed consolidated financial statements	12
Directors' declaration	22
Independent auditor's review report	23

Arika Resources Limited

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 Arika Resources Limited (the 'Company', 'Arika' 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 the Company during the whole of the half-year and up to the date of this report, unless otherwise stated:

Name	Particulars
Justin Barton	Managing Director
Roger Steinepreis	Non-Executive Chairman
Steven Wood	Independent Non-Executive Director
Steve Vallance	Executive Technical Director (appointed 31 July 2025)

Principal Activities

During the half-year, the principal continuing activities of the Consolidated Entity consisted of mineral exploration and development of the Kookynie and Yundamindra Gold Projects, that the Company has an 80% joint venture interest in with Nex Metals Exploration Ltd ('Nex').

Review of Operations

Arika is committed to delivering shareholder value through the discovery, acquisition and development of high-quality gold deposits.

The Company's flagship projects are the 80%-owned Yundamindra and Kookynie Gold Projects, located within the exceptionally well-endowed Laverton Greenstone Belt of the Northeastern Goldfields of Western Australia. On 2 February 2026, the Company announced an agreement to acquire the balance of the 20% Joint Venture, which will see Arika consolidate 100% ownership of these highly prospective gold projects¹.

Arika is continuing to build both projects by working collaboratively with industry-leading geoscientific consultants to expand known mineralisation and make new discoveries by systematically assessing a growing pipeline of high-priority brownfield and greenfield targets.

¹ Please refer ASX announcement dated 2/2/2026

Arika Resources Limited Directors' Report



Figure 1: Location Map of Kookynie and Yundamindra Projects

During the six months to 31 December 2025, Arika undertook extensive exploration activities at both the Kookynie and Yundamindra Gold Projects. Primary exploration activities, including drilling, were focused on drilling on the Yundamindra Project. Please refer to the Company's ASX announcements (ARI) for details of the exceptional results returned during this period.

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

Matters Subsequent to reporting date

On 2 February 2026 the Company announced it had entered into a binding Heads of Agreement with Nex Metals Explorations Limited to acquire the remaining 20% interest in the Yundamindra and Kookynie Gold Projects, which is currently held under joint venture arrangements.

Consideration for the transaction comprises:

- A cash payment of A\$2,500,000, net of certain funding contributions already provided by Arika (capped at \$2 million and expected to be a net \$500,000 at completion);
- 58,823,529 fully paid ordinary shares in Arika – subject to voluntary escrow restrictions, with 25% released every 3 months over a 12-month period; and
- 12,000,000 deferred consideration shares upon the earlier of 5 years or the achievement of certain defined indicated JORC-compliant resource milestones (total indicated resource of 250,000 ounces with a cut-off grade of 0.5 gm/t for the issue of 6 million shares and a total indicated resource of 500,000 ounces with a cut-off grade of 0.5 gm/t for the issue of the balance of 6 million shares).

Arika Resources Limited Directors' Report

Completion of the transaction is subject to customary conditions, including Arika shareholder approval, Nex shareholder approval, regulatory approvals, and formal agreements. Upon completion, all prior joint venture agreements in relation to the Project will be terminated.

Following shareholder approval on 13 February 2026, the Company completed the following on 25 February 2026:

- Tranche 2 of a placement of 31,333,332 fully paid ordinary shares to sophisticated investors at \$0.024 per share, raising \$752,000 (before costs). This included 27,083,333 shares issued to Directors for \$650,000, comprising 5,000,000 shares to Justin Barton, 20,833,333 shares to Roger Steinepreis, 833,333 shares to Steven Wood and 416,667 shares to Steve Vallance.
- The issue of 3,333,334 fully paid ordinary shares to Directors in lieu of fees and accrued annual leave totalling \$80,000 (Justin Barton \$40,000 and Steven Wood \$40,000) for the period up to 30 November 2025, at a deemed issue price of \$0.024 per share.

Subsequent to the end of the half-year, the Company issued 2,513,900 fully paid ordinary shares on the exercise of options.

On 21 February 2026, 600,000 Performance Rights expired unvested.

No other matters or circumstances have arisen since the end of the half-year 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 future financial years.

Rounding of amounts

The Group 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



Justin Barton
Managing Director
Perth, Western Australia

6 March 2026

**AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF ARIKA RESOURCES LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I declare to the best of my knowledge and belief in relation to the review of the financial report of Arika Resources Limited for the half-year ended 31 December 2025, there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* in relation to the review.

This declaration is in respect of Arika Resources Limited and the entities it controlled during the period.

PITCHER PARTNERS BA&A PTY LTD

PITCHER PARTNERS BA&A PTY LTD



MICHAEL LIPRINO
Executive Director
Perth, 6 March 2026

Arika Resources Limited
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive
Income
for the half-year ended 31 December 2025

		31 December 2025	31 December 2024
	Note	\$	\$
Continuing operations			
Interest		34,203	20,599
Other income	3	108,826	22,842
Fair Value movement on financial assets at fair value through profit & loss		-	365,463
Impairment expense		-	(178,683)
Expenses		(891,271)	(809,639)
Loss before income tax expense		(748,242)	(579,418)
Income tax expense		-	-
Loss after income tax from continuing operations		(748,242)	(579,418)
Discontinued operations			
Net profit/(loss) from discontinued operations	5	960,646	(81,972)
Profit/(loss) for the half year		212,404	(661,390)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation gain (loss)		-	-
Other comprehensive income (loss) for the period, net of tax		-	-
Total comprehensive profit/(loss) for the year		212,404	(661,390)
Profit/(loss) attributable to:			
Owners of the Company		90,079	(569,655)
Non-controlling interest		122,325	(91,735)
		212,404	(661,390)
Profit/(loss) attributable to equity holders of the company:			
Loss from continuing operations, net of tax		(748,242)	(602,259)
Profit from discontinued operations, net of tax		838,321	9,761
		90,079	(579,418)
Profit/(loss) attributable to non-controlling interest relates to:			
Profit/(loss) from continuing operations, net of tax		-	-
Profit/(loss) from discontinued operations, net of tax		122,325	(91,735)
		122,325	(91,735)
Total comprehensive profit/(loss) attributable to:			
Owners of the Company		90,079	(569,655)
Non-controlling interest		122,325	(91,735)
		212,404	(661,390)
Total comprehensive profit / (loss) attributable to equity holders of the company:			
Total comprehensive loss from continuing operations, net of tax		(748,242)	(579,416)
Total comprehensive profit from discontinued operations, net of tax		838,321	9,761
		90,079	(569,655)

Arika Resources Limited
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive
Income
for the half-year ended 31 December 2025

	31 December 2025	31 December 2024
Note	\$	\$
Total comprehensive profit / (loss) attributable to non-controlling interest relates to:		
Total comprehensive loss from continuing operations, net of tax	-	-
Total comprehensive profit / (loss) from discontinued operations, net of tax	122,325	(91,735)
	122,325	(91,735)
Loss per share from continuing operations attributable to the equity holders of the company:		
Basic loss per share (cents)	(0.08)	(0.11)
Diluted loss per share (cents)	(0.08)	(0.11)
Earnings / (Loss) per share from discontinued operations attributable to the equity holders of the company:		
Basic earnings / (loss) per share (cents)	0.11	(0.02)
Diluted earnings / (loss) per share (cents)	0.11	(0.02)
Earnings / (Loss) per share attributable to the equity holders of the company:		
Basic earnings / (loss) per share (cents)	0.02	(0.13)
Diluted earnings / (loss) per share (cents)	0.02	(0.13)

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

Arika Resources Limited
Condensed Consolidated Statement of Financial Position
As at 31 December 2025

		31 December 2025	30 June 2025
	Note	\$	\$
Current assets			
Cash and cash equivalents		4,875,004	3,621,791
Trade and other receivables		340,860	164,420
Prepayments		25,699	31,431
Total current assets		5,241,563	3,817,642
Non-current assets			
Exploration and evaluation expenditure	6	23,175,314	16,402,320
Plant and equipment		69,624	51,917
Total non-current assets		23,244,938	16,454,237
Total assets		28,486,501	20,271,879
Current liabilities			
Trade and other payables		1,471,598	1,467,241
Provisions		53,138	126,476
Total current liabilities		1,524,736	1,593,717
Total liabilities		1,524,736	1,593,717
Net assets		26,961,765	18,678,162
Equity			
Issued capital	7	81,280,432	73,213,821
Reserves	9	6,643,885	6,671,797
Accumulated losses		(63,660,115)	(63,782,694)
Parent Entity Interest		24,264,202	16,102,924
Non-Controlling Interest		2,697,563	2,575,238
Total equity		26,961,765	18,678,162

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

Arika Resources Limited
Condensed Consolidated Statement of Changes in Equity
As at 31 December 2025

	Issued capital	Share Based Payments Reserve	Accumulated Losses	Non- Controlling Interest	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2025	73,213,821	6,671,797	(63,782,694)	2,575,238	18,678,162
Profit for the half-year	-	-	90,079	122,325	212,404
Total comprehensive gain for the half-year	-	-	90,079	122,325	212,404
Issue of shares (placement)	1,618,415	-	-	-	1,618,415
Issue of shares (in lieu of fees)	169,500	-	-	-	169,500
Issue of shares (exercise of options)	987,426	-	-	-	987,426
Issue of shares (Iris Consideration)	690,000	-	-	-	690,000
Issue of shares (placement)	4,980,000	-	-	-	4,980,000
Expense of performance rights	-	4,588	-	-	4,588
Performance rights lapsed	-	(32,500)	32,500	-	-
Capital raising costs	(378,730)	-	-	-	(378,730)
Total transactions with owners during the half-year	8,066,611	(27,912)	32,500	-	8,071,199
Balance at 31 December 2025	81,280,432	6,643,885	(63,660,115)	2,697,563	26,961,765
Balance at 1 July 2024	66,050,351	6,100,516	(62,563,575)	(168,259)	9,419,038
Loss for the half-year	-	-	(569,655)	(91,735)	(661,390)
Total comprehensive loss for the half-year	-	-	(569,655)	(91,735)	(661,390)
Non-controlling interest on consolidation	-	-	-	2,835,232	2,835,232
Issue of shares	4,353,483	-	-	-	4,353,483
Issue of broker options	-	114,469	-	-	114,469
Issue of director options	-	265,734	-	-	265,734
Expense of performance rights	-	8,324	-	-	8,324
Capital raising costs	(384,823)	-	-	-	(384,823)
Total transactions with owners during the half-year	3,968,660	388,527	-	2,835,232	7,192,419
Balance at 31 December 2024	70,019,011	6,489,043	(63,133,230)	2,575,238	15,950,067

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

Arika Resources Limited
Condensed Consolidated Statement of Cash Flows
for the half-year ended 31 December 2025

	31 December 2025	31 December 2024
Note	\$	\$
Cash flows from operating activities		
Payments to suppliers and employees	(828,728)	(379,156)
Payments for exploration and evaluation	-	(60,000)
Interest received	38,109	20,599
	<u>(790,619)</u>	<u>(418,557)</u>
Net cash (used in) operating activities		
Cash flows from investing activities		
Payment for exploration and evaluation	(5,151,160)	(1,207,762)
Payment to acquire exploration assets	(435,000)	-
Proceeds from disposal of exploration assets	1,279,511	-
Payments for purchase of plant and equipment	(24,021)	-
	<u>(4,330,670)</u>	<u>(1,207,762)</u>
Net cash (used in) investing activities		
Cash flows from financing activities		
Proceeds from shares issued	5,748,436	4,200,000
Loan repayment	-	(150,000)
Proceeds from exercise of options	975,095	-
Transaction costs in relation to share issue	(349,029)	(270,354)
	<u>6,374,502</u>	<u>3,779,646</u>
Net cash provided by financing activities		
Net increase in cash and cash equivalents	1,253,213	2,153,327
Cash and cash equivalents at the beginning of the half-year	3,621,791	172,368
Cash and cash equivalents at the end of the half-year	4,875,004	2,325,695

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

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

1. Material accounting policies

(a) Corporate information and basis of preparation

The half-year financial report covers Arika Resources Limited (the 'Company', 'Arika' or 'Parent Entity') and its controlled entities (the 'Group' or 'Consolidated Entity').

These general purpose financial statements for the 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 profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*.

The half-year financial report does not include all the notes of the type 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

The company is of a kind referred to in *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this half-year financial report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

(b) New or amended Accounting Standards and Interpretations adopted

The Group 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. There are no material impacts.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. There are no material impacts.

(c) Going concern

The financial statements have been prepared on the going concern basis which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business. For the half-year ended 31 December 2025 the Group incurred a profit after tax of \$212,404 (31 December 2024: loss \$661,390) and a net cash outflow from operating and investing activities of \$5,121,289 (31 December 2024: \$1,626,319). At 31 December 2025, the Group has working capital surplus of \$3,716,827 (30 June 2025: working capital of \$2,223,925) and current cash holding was \$4,875,004 (30 June 2025: \$3,621,791).

In the view of the Directors the Group has sufficient funds to meet its commitments as and when they fall due in the next 12 months. The Directors will continue to monitor cash reserves and reduce exploration and evaluation expenditure accordingly should the need arise.

In forming this view, the Directors have taken into consideration the following:

- The Group's ability to reduce expenditure as and when required including, but not limited to, reviewing all expenditure for deferral or elimination, until the Group has sufficient funds;
- Asset sales, including sale of tenure; and
- Ability of the Group to raise further funds through further capital raisings

On this basis no adjustments have been made to the financial report relating to the recoverability and classification of the carrying amount of assets or the amount and classification of liabilities that might be necessary should the Group not continue as a going concern.

Should the Group be unsuccessful with the initiatives detailed above then, there is a material uncertainty as to whether the Group will be able to continue as a going concern and may therefore

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statements.

2. Segment information

Identification of reportable operating segments

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

The Group has two geographic segments being Australia and Canada and operates in one industry being the exploration of minerals. The Canada based operations has been discontinued and is reflected in Note 5.

3. Other Income

An analysis of the Group's other income for the half-year is as follows:

	31 December 2025	31 December 2024
	\$	\$
Interest earned	34,203	20,599
Joint venture management fee	108,826	22,842
	143,029	43,441

4. Significant Expenses

Profit before income tax from continuing operations includes the following specific expenses:

		31 December 2025	31 December 2024
		\$	\$
Net foreign exchange gains		(14,204)	(2,837)
Share based payment expense	14	4,588	274,058
Impairment of loans		-	93,874
Impairment of exploration	9	-	84,809

5. Discontinued operations

	31 December 2025	31 December 2024
	\$	\$
Gain on sale of Admiral Bay Project (see below)	1,279,511	-
Kimberley Mining Limited – Admiral Bay Project	(318,865)	(81,972)
Net profit from discontinued operations	960,646	81,972

During the year ended 30 June 2021, following an extensive process to divest the Admiral Bay project, which is currently held by the ~80.3% owned subsidiary, Kimberley Mining Limited, a company incorporated in Canada, the Board elected to put the Admiral Bay project on care and maintenance and impair the carrying value of the Project to nil.

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

During the half-year, the Company completed the divestment of its non-core Admiral Bay Zinc Project (the "Transaction").

Key terms of the agreement were as follows:

- Upfront 30 day exclusivity fee of \$50,000 cash, non refundable;
- Cash consideration of \$1,200,000, less the above exclusivity fee;
- Reimbursement of (up to) \$70,000 of tenement expenditure incurred;
- Reimbursement of (up to) \$100,000 in tenement holding costs; and
- Pay a sum of \$5,000,000, in cash, upon satisfactory completion of a Bankable Feasibility Study ('BFS payment').

The consideration received in relation to the divestment in the non-core Admiral Bay Zinc Project was as follows:

Cash Consideration	\$ 1,200,000
Contingent consideration – BFS payment	\$ NIL
Reimbursed exploration and holding costs	\$ 79,511
	<u>\$ 1,279,511</u>
Less Carrying amount of Admiral Bay Zinc Project	<u>\$ NIL</u>
Gain on sale of Admiral Bay Zinc Project	<u>\$ 1,279,511</u>

At the time of the time of Transaction completion, the Group has assessed that the likelihood of receiving the BFS payment is uncertain, hence a \$NIL value attributed to this component of consideration.

(i) Financial performance information

	31 December 2025	30 June 2025
	\$	\$
Impairment of exploration and expenditure assets	-	(224,749)
Gain on foreign currency translation	-	2,837
Loss after income tax of discontinued operations	-	(221,912)

(ii) Cash flow information

	31 December 2025	31 December 2024
	\$	\$
Net cash used in investing activities	-	(84,809)
Net cash outflow	-	(84,809)

(iii) Carrying amount of assets and liabilities

	31 December 2025	30 June 2025
	\$	\$
Other receivables	-	21,780
Asset classified as held for sale	-	21,780
Liabilities held for sale*	-	(1,100,929)
Net liabilities attributable to discontinued operations	-	(1,079,149)

* Intercompany payables that are eliminated on consolidation

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

6. Exploration and evaluation expenditure

	31 December 2025	30 June 2025
	\$	\$
Exploration at cost at the beginning of the period	16,402,320	7,424,117
Acquisition costs - Iris ⁽¹⁾	1,215,909	-
Acquisition costs - Nex	-	5,525,999
Exploration and evaluation expenditure	5,557,085	3,701,252
Impairment of exploration expenditure	-	(224,749)
Write off exploration expenditure	-	(24,299)
Closing balance	<u>23,175,314</u>	<u>16,402,320</u>

⁽¹⁾ **Iris Metals**

On 28 August 2025, the Company announced it entered into a binding agreement with Iris Metals (ASX: IR1) to acquire ~108km² of highly prospective exploration tenure in the Leonora district, adjacent to the Company's Kookynie Gold Project. The consideration paid to Iris Metals for the acquisition of its Kookynie Project was as follows:

Cash Consideration	\$ 400,000
15,000,000 Arika shares ¹	\$ 690,000
Reimbursed exploration costs	\$ 35,000
Deferred Consideration ²	\$ 90,909
	<u>\$ 1,215,909</u>

- 15,000,000 Fully paid ordinary shares with a deemed issued price of \$0.046 issued on 15 October 2025, being the share price of the Company as at completion of the acquisition.
- Deferred consideration of \$100,000 cash is due and payable 12 months after completion.

The recoverability of the carrying amount of the exploration development expenditure is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas of interest.

7. Issued capital

(a) Issued share capital

	31 December 2025	30 June 2025
	\$	\$
1,116,536,732 fully paid ordinary shares (30 June 2025: 782,862,938)	<u>81,280,432</u>	<u>73,213,821</u>
	<u>81,280,432</u>	<u>73,213,821</u>

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

(b) Movement in ordinary share capital

Date	Details	Number of shares	\$
01/07/2025	Opening balance	782,862,938	73,213,818
18/07/2025	Placement ^(a)	70,365,870	1,618,415
18/07/2025	Shares issued in lieu of fees ^(b)	7,369,564	169,500
25/07/2025	Option Conversion	926,019	27,781
28/08/2025	Option Conversion	682,500	20,475
28/08/2025	Option Conversion	1,511,583	37,790
09/09/2025	Option Conversion	1,166,667	29,167
09/10/2025	Option Conversion	466,667	11,667
09/10/2025	Option Conversion	1,445,438	43,363
15/10/2025	Acquisition of tenements ^(c)	15,000,000	690,000
15/10/2025	Option Conversion	4,972,857	149,186
29/10/2025	Option Conversion	12,581,949	377,458
11/12/2025	Option Conversion	9,684,668	290,540
11/12/2025	Placement ^(d)	207,500,012	4,980,000
	Capital raising costs		(378,730)
	Balance at the end of the period	1,116,536,732	81,280,430

- (a) Following shareholder approval on 17 July 2025, the Company completed Tranche 2 of a placement to sophisticated investors at \$0.023 per share raising \$1,618,415 (before costs) which included a placement of 30,495,652 shares to Directors for \$701,400. 8,695,652 shares issued to Justin Barton and 21,800,000 shares issued to Roger Steinepreis.
- (b) 7,369,564 shares were issued to Directors as payment in lieu of fees and annual leave owing of \$169,500 (Justin Barton \$70,000, Roger Steinepreis \$59,500 and Steven Wood \$40,000) for the period up to 31 May 2025, at a deemed issue price of \$0.023 per share as approved by shareholders on 17 July 2025.
- (c) 15,000,000 Fully paid ordinary shares with a deemed issued price of \$0.046 issued on 15 October 2025 as consideration for the acquisition of Iris Project. Refer Note 6.
- (d) The Company completed a capital raise to sophisticated investors at \$0.024 per share raising \$4,980,000 (before costs).

8. Options, Performance Rights and Warrants

(a) (i) Options

As at 31 December 2025, the Company had 90,632,303 options over ordinary shares under issue (30 June 2025: 132,225,612). These options are exercisable as follows:

Issue Date	Date of Expiry	Exercise Price \$	No of Options
24/05/2023	24/05/2026	0.06	11,055,616
24/05/2023	24/05/2026	0.09	11,055,616
19/09/2024	19/03/2026	0.025	29,921,071
Various	20/10/2027	0.04	5,000,000
18/12/2024	18/12/2027	0.05	10,500,000
18/12/2024	18/12/2027	0.06	10,500,000
10/06/2025	18/12/2027	0.05	6,300,000
10/06/2025	18/12/2027	0.06	6,300,000
			<u>90,632,303</u>

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

(a) (ii) Free attaching options

Included in the tables in 10(a)(i) are the following free attaching options. These are not recognised in the share-payment reserve as they do not constitute a share-based payment under accounting standards.

Details	No of Options	Grant Date	Date of Expiry	Conversion Price \$
Other Options	11,055,616	24/05/2023	24/05/2026	0.060
Other Options	11,055,616	24/05/2023	24/05/2026	0.090
Other Options	29,921,071	19/09/2024	19/03/2026	0.025
Balance at end of period	52,032,303			

(a) (iii) Movements in options

Movements in options during the half-year are as follows:

Date	Details	Number of options
01/07/2025	Opening balance	132,225,612
	Exercised during the year	(33,438,348)
	Forfeited/expired/cancelled during the period	(8,154,961)
	Balance at the end of the period	90,632,303

(b) (i) Performance Rights

As at 31 December 2025, the Company had 600,000 performance rights over ordinary shares under issue (30 June 2025: 1,600,000). Each represent a conditional right for the holder to acquire one fully paid ordinary share in the Company and are subject to meeting specified vesting conditions. These performance rights are exercisable as follows:

Grant Date	Date of Expiry	Hurdle Price \$	No. of Performance Rights	No. Vested
15/02/2023	15/02/2026	0.1350	200,000	-
15/02/2023	15/02/2026	0.1800	200,000	-
15/02/2023	15/02/2026	0.0750	100,000	-
15/02/2023	15/02/2026	0.1000	100,000	-
			600,000	-

(b) (ii) Movements in Performance Rights

Movements in performance rights during the half-year are as follows:

Date	Details	Number of performance rights
01/07/2025	Opening balance	1,600,000
19/12/2025	Forfeited/expired/cancelled during the period	(1,000,000)
	Balance at the end of the period	600,000

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

(c) Kimberly Mining Limited Warrants

As at 31 December 2025, there were 31,128,738 in issued common shares in Kimberly Mining Limited (An entity incorporated in Canada of which Arika has an 80.3% interest) and 8,461,000 under warrants (30 June 2025: 31,128,738 common shares and 8,461,000 warrants). These warrants are exercisable/convertible as follows:

Details	No of Warrants	Date of Expiry	Conversion Price \$
Founder Warrants – Tranche 1	5,317,250	None	0.05
Founder Warrants – Tranche 2	3,143,750	None	0.05
Balance at the end of the period	8,461,000		

Founder warrants are convertible to 1 ordinary share in Kimberly Mining Limited upon exercise.

9. Reserves

	31 December 2025	30 June 2025
	\$	\$
Shared based payment reserve	6,643,885	6,671,797
	<u>6,643,885</u>	<u>6,671,797</u>

Movement of Shared based payment reserve

Date	Details	\$
01/07/2025	Opening balance	6,671,797
	Expensing of performance rights	4,588
	Performance rights lapsed, unvested, and amount transferred to accumulated losses	(32,500)
31/12/2025	Balance at the end of the period	<u>6,643,885</u>

10. Share based payments

Share-based payments during the half-year ended 31 December 2025 are summarised below:

(a) Recognised share-based payment expense

The expense recognised for options, performance rights and shares issued during the half-year or issued in prior periods is shown in the table below”

	31 December 2025	31 December 2024
	\$	\$
Performance rights issued to employees ^(b)	4,588	8,324
Options issued to employees	-	265,734
Recognised as a share-payment expense	<u>4,588</u>	<u>274,058</u>

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

	31 December 2025 No.	31 December 2024 No.
Broker Options	-	114,469
Recognised as capital raising costs	-	114,469

(b) Options granted during the half year

There were no options granted during the period ended 31 December 2025.

(c) Performance rights granted during the half year

There were no performance rights granted during the period ended 31 December 2025.

During the period the Company recognised an expense of \$4,588, for part expense of performance rights issued in the prior period.

(d) Performance rights expired during the half year

During the period, 1,000,000 performance rights with various vesting conditions, previously issued to Managing Director Justin Barton, expired unexercised due to the vesting conditions not being satisfied. \$32,500 in relation to these performance rights was transferred from reserves to accumulated losses upon their expiry.

11. Key management personnel disclosures

On 31 July 2025, highly experienced exploration geologist and mining executive Steve Vallance was appointed to the Board of the Company as Executive Technical Director.

For the period 31 December 2025, there were no other material changes to the Group's contracts and arrangements to those disclosed in the 30 June 2025 Annual Report.

Other transactions with Key Management Personnel

During the half-year, Directors participated in the Company's share capital placements, upon receipt of shareholder approval. Directors were also issued shares in lieu of fees owing for remuneration from past services provided. Refer to Note 9 for further information.

There were no other transactions with Key Management Personnel other than as disclosed above.

12. Dividends

No dividends have been paid or declared since the start of the half-year, and none are recommended.

13. Commitments

There are no material commitments that the Group has entered into during the half-year under review other than below.

Exploration Commitments

The Group has certain obligations to expend minimum amounts on exploration in tenement areas. These are not materially different from those disclosed in the 30 June 2025 Annual Report.

14. Contingent assets and liabilities

The Group has no contingent assets or liabilities as at 31 December 2025 (30 June 2025: Nil).

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

15. Related Party transactions

(a) Other transactions with key management personnel

Corporate law firm Steinepreis Paganin completed \$91,752 in legal work for the Group during the period (31 December 2024: \$56,129). Non-executive Chairman of the Group Roger Steinepreis, is the Executive Chairman of Steinepreis Paganin.

(b) Transaction with related parties

There were no transactions with related parties, other than those with key management personnel as included in Note 11.

(c) Outstanding balances arising from sales / purchases of goods and services

There are no balances owing to or from related parties at 31 December 2025.

16. Subsequent events

On 2 February 2026 the Company announced it had entered into a binding Heads of Agreement with Nex Metals Explorations Limited, to acquire the remaining 20% interest in the Yundamindra and Kookynie Gold Projects currently held under joint venture arrangements.

Consideration for the transaction comprises:

- A cash payment of \$2.5 million, net of certain funding contributions already provided by Arika (capped at \$2 million and expected to be a net \$500,000 at completion);
- 58,823,529 fully paid ordinary shares in Arika – subject to voluntary escrow restrictions, with 25% released every 3 months over a 12-month period; and
- 12,000,000 deferred consideration shares upon the earlier of 5 years or the achievement of certain defined indicated JORC-compliant resource milestones (total indicated resource of 250,000 ounces with a cut-off grade of 0.5 gm/t for the issue of 6 million shares and a total indicated resource of 500,000 ounces with a cut-off grade of 0.5 gm/t for the issue of the balance of 6 million shares).

Completion of the transaction is subject to customary conditions, including Arika shareholder approval, Nex shareholder approval, regulatory approvals, and formal agreements. Upon completion, all prior joint venture agreements in relation to the Project will be terminated.

Following shareholder approval on 13 February 2026, the Company completed the following on 25 February 2026:

- Tranche 2 of a placement of 31,333,332 fully paid ordinary shares to sophisticated investors at \$0.024 per share, raising \$752,000 (before costs). This included 27,083,333 shares issued to Directors for \$650,000, comprising 5,000,000 shares to Justin Barton, 20,833,333 shares to Roger Steinepreis, 833,333 shares to Steven Wood and 416,667 shares to Steve Vallance.
- The issue of 3,333,334 fully paid ordinary shares to Directors in lieu of fees and accrued annual leave totalling \$80,000 (Justin Barton \$40,000 and Steven Wood \$40,000) for the period up to 30 November 2025, at a deemed issue price of \$0.024 per share.

Subsequent to the end of the half-year, the Company issued 2,513,900 fully paid ordinary shares on the exercise of options.

On 21 February 2026, 600,000 Performance Rights expired unvested.

Apart from the above, no matters or circumstances have arisen since the end of the half-year 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 future financial years.

Arika Resources Limited
Notes to the Condensed Consolidated Financial Statements
for the half-year ended 31 December 2025

17. Financial Instruments

The Directors consider that the carrying amount of other financial assets and liabilities recognised in the consolidated financial statements approximate their fair value.

Arika Resources Limited Director's Declaration

In the directors' opinion:

- (a) 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;
- (b) 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
- (c) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Directors.



Justin Barton
Managing Director
Perth, Western Australia

6 March 2026

ARIKA RESOURCES LIMITED

ABN 92 086 839 992

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ARIKA RESOURCES LIMITED**

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Arika Resources Limited (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of material accounting policies and other 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:

- (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 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.

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1c to the half-year financial report which indicates that the Group incurred a profit after tax of \$212,404 (31 December 2024: loss after tax \$661,390 and a net cash outflow from operating and investing activities of \$5,121,289 (31 December 2024: \$1,626,319). At 31 December 2025, the Group has working capital surplus of \$3,716,827 (30 June 2025: \$2,223,925) and current cash holding was \$4,875,004 (30 June 2025: \$3,621,791). As at the date of this report there is a material uncertainty that the Group can meet its administrative and other committed expenditure for a period of at least the next 12 months. These conditions, along with other matters as set forth in Note 1c to the half-year financial report, indicate that a material uncertainty exists that may cast significant doubt about the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

ARIKA RESOURCES LIMITED
ABN 92 086 839 992
INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF ARIKA RESOURCES LIMITED

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.

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.

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Michael Liprino
Executive Director
Perth, 6 March 2026