



ARROW MINERALS

ARROW MINERALS LIMITED

(ABN 49 112 609 846)

AND CONTROLLED ENTITIES

HALF-YEAR FINANCIAL REPORT
For the period ended 30 June 2025

CORPORATE DIRECTORY

DIRECTORS

Mr Jeff Dowling
Mr David Flanagan
Mr Tommy McKeith
Mr Chris Tuckwell

Non-Executive Chair
Managing Director
Non-Executive Director
Non-Executive Director

AUDITORS

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

COMPANY SECRETARY

Ms Catherine Grant-Edwards
Ms Melissa Chapman

BANKERS

National Australia Bank Limited
Level 14, 100 St Georges Terrace
Perth WA 6000

PRINCIPAL & REGISTERED OFFICE

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SHARE REGISTRY

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STOCK EXCHANGE LISTING

Arrow Minerals Limited shares (**AMD**) are listed on the Australian Securities Exchange (**ASX**)

Operating Review

During the half year ended 30 June 2025, the Company advanced exploration and development activities across two key West African projects, the Niagara Bauxite Project and the Simandou North Iron Project, both located in Guinea.

Efforts have been focussed on establishing high-quality mineral resources and advancing studies necessary for early-stage project development.

Tenement Status

During May 2025, media announcements by government spokespersons in Guinea concerning the potential cancellation of numerous exploration permits were made. The permits associated with the Niagara Bauxite (Niagara) and Simandou North Iron (Simandou North) Projects were included in two consecutive media announcements as pending cancellation or withdrawal.

Despite these reports, as at the date of this report, the Company has not received any formal communication from the Guinean government regarding changes to the status of its exploration permits. The Company remains actively engaged with the Ministry of Mines and Geology, as well as other relevant authorities, to seek clarification on the status of the permits.

The Company's shares were placed in a trading halt on 19 May 2025, followed by a voluntary suspension on 21 May 2025. The shares remain suspended while the Company investigates the status of the permits and will release an update as soon as further information becomes available.

In light of the uncertain regulatory environment, Arrow has prioritised capital preservation by suspending all project-based activities, reducing corporate costs, and maintaining active engagement with relevant Guinean stakeholders. While the Company remains confident in the quality of its projects and has undertaken substantial technical work to support their development, further progress remains dependent on the resolution of tenement status with the Guinean government.

Niagara Bauxite Project

On 1 August 2024, the Company announced it had executed an agreement providing an option to acquire the Niagara Project¹. The proximity of Niagara relative to the Trans-Guinean Railway (TGR) provides significant benefits to the development of the project as a result of future access to multi-user rail and port infrastructure (Figure 1). Niagara is well serviced by other infrastructure, being located some 70km North East of the city of Mamou, with the country's main national highway, the N1, passing approximately 20km South West of the project (Figure 1).

Arrow commenced fieldwork in October 2024 and completed a drill program of 184 holes over 3 plateaux (Boussoura North, Boussoura North West, and the main Boussoura plateau) targeting high grade mineralisation intercepted in historical drilling completed by Vale in 2007. Eleven (11) of Arrow's holes were used to assess regional prospectivity on a fourth plateau, Boussoura South West. The drill program was highly successful and succeeded in its objective of determining geological and assay continuity sufficient to support the estimation of Mineral Resources that could subsequently be used as a basis for the Company's

¹ Refer to ASX Announcement dated 1 August 2024 titled "Arrow Expands Bulks Presence with Major Bauxite Transaction" The option relating to the Niagara Bauxite Project is exercisable following the Niagara Bauxite Project exploration permit being renewed for a period of not less than two years which remains at the discretion of the Guinean mining administration. The Company is yet to exercise the option for the Niagara Bauxite Project.

2025 Scoping Study. The Company has previously reported results from all drill holes results ^{2,3,4,5,6,7}, and the Mineral Resource Estimate⁸ during the December 2024 and March 2025 quarters.

Exploration Permit Renewal

As a result of various statements in May 2025 by government spokespersons in Guinea which were reported in the media, there is significant uncertainty regarding the status of the Niagara Project exploration permit. The completion and announcement of the results of the Scoping Study for the Niagara Project is subject to the Company obtaining clarification on the status of the exploration permit.

Scoping Study

The Company engaged SRK Consulting (UK) Limited (SRK)⁹ to complete the majority of the Niagara Scoping Study.

As at 30 June 2025, all major components of the Scoping Study for the Niagara Project have been completed.

In line with the Company's development strategy, the objective of the Scoping Study is to demonstrate the viability of a typical Guinea bauxite mining operation in terms of production processes at a "starter project" scale, that has the potential to be expanded once in production. The intent of a smaller-scale starter project is to reduce capital expenditure and shorten the project execution and approval timeline (by simplifying the project) to production and maximising near term cash flows.

The study covered all the typical inclusions of a Scoping Study. The main areas of relevance and work for Niagara was in the areas of:

- product transport logistics;
- mine infrastructure;
- mine planning;
- product characterisation; and
- financial evaluation.

² Refer to ASX Announcement dated 25 November 2024 titled "High grade assays confirm bauxite discovery"

³ Refer to ASX Announcement dated 27 November 2024 titled "More high grade bauxite assays extend known mineralisation to >5km"

⁴ Refer to ASX Announcement dated 9 December 2024 titled "Latest high grade bauxite assays extend known mineralisation to 5km²"

⁵ Refer to ASX Announcement dated 16 December 2024 titled "Exceptional High Grade Bauxite Intercepts & Increasing Scale Underscore Potential for a Globally Significant Project"

⁶ Refer to ASX Announcement dated 23 December 2024 titled "Niagara High Grade Bauxite discovery grows to 12sqkm"

⁷ Refer to ASX Announcement dated 2 January 2025 titled "High Grade Bauxite discovery grows to over 14sqkm"

⁸ Refer to ASX Announcement dated 25 March 2025 titled "Premium DSO Potential in Maiden Mineral Resource". Note, the Company has not yet acquired the Niagara Bauxite Project.

⁹ Refer to ASX Announcement dated 29 April 2025 titled "March 2025 Quarterly Activities Report"

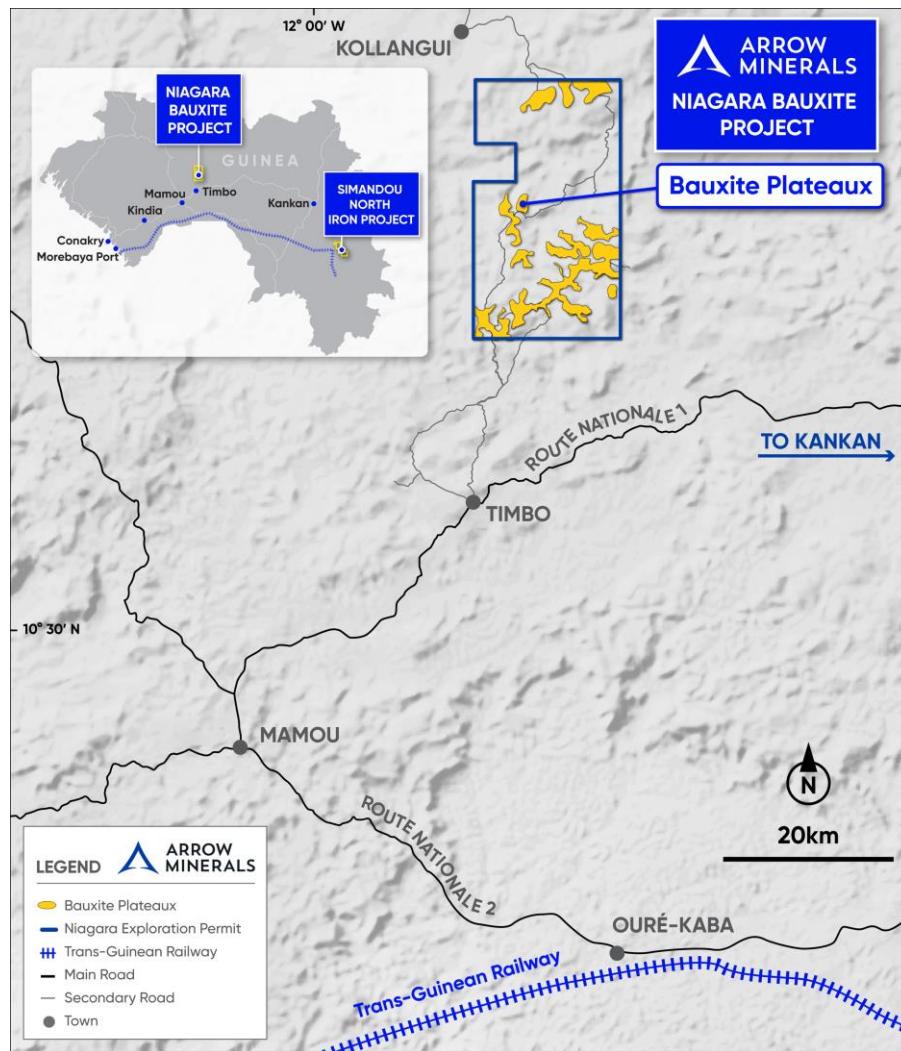


Figure 1. Location map of Niagara Bauxite Project showing Bauxite Plateaux within the Project

Simandou North Iron Project

Arrow's Simandou North project is located immediately north of Simandou, the world's largest high grade iron ore project under development (Figure 2). Approximately 40 kilometres of strike of the prospective Simandou Formation is interpreted to extend into the Company's Simandou North license (Figure 2) which has been validated by an extensive field mapping and rock chip sampling campaign.

Arrow's Simandou North project comes within 25km of the rail construction corridor (Figure 2) which presents a unique opportunity for Arrow to gain future access to this rail infrastructure under the government's mandate that the rail will be available for third party use.

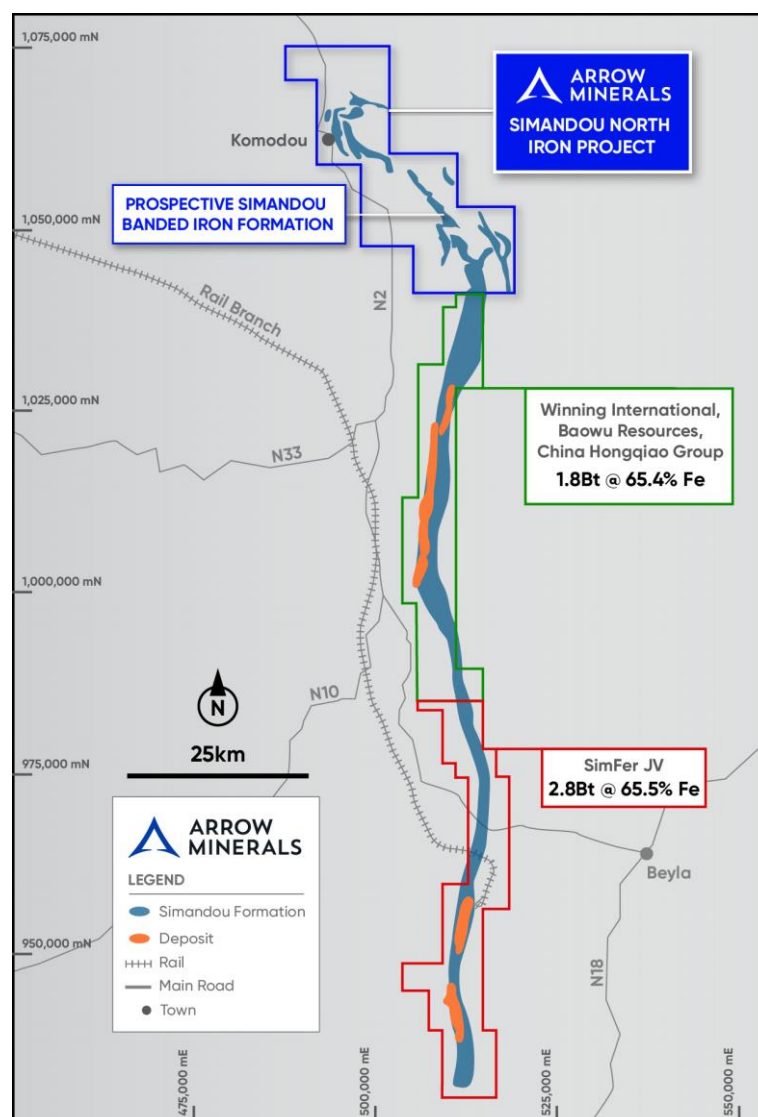


Figure 2. Simandou North Iron Project and adjacency to the combined Simandou Project and associated rail infrastructure (Trans-Guinean Railway – TGR) under construction.

The Company has previously announced an Exploration Target¹⁰ for the Simandou North Iron Project.

Cautionary Statement: The potential quantity and grade of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource. It is uncertain if further exploration will result in the estimation of a Mineral Resource.

On 21 October 2024 the Company announced the signing of a Memorandum of Understanding (**MoU**) with Baosteel Resources Holding (shanghai) Co., Ltd. (**Baosteel**)¹¹, providing a framework for potential mine gate sales of iron ore from Simandou North to Baosteel¹². The MoU is non-binding and remains subject to Arrow's resource and reserve estimation, completion of studies on the project, project development, and negotiation and execution of definitive agreements. This important strategic partnership will leverage complementary strengths and resources, including future access to the Simandou port, rail, and markets, to advance the potential development of Arrow's iron ore and bauxite projects.

¹⁰ Refer to ASX Announcement dated 6 August 2024 titled "Exploration Target for Hematite Fines Project."

¹¹ Baosteel Resources Holding (shanghai) Co. Ltd is a wholly owned subsidiary of Baowu Group

¹² Refer to ASX Announcement 21 October 2024 titled "Baosteel and Arrow sign Iron Ore Development MoU."

Exploration Permit Renewal

As a result of various statements in May 2025 by government spokespersons in Guinea which were reported in the media, there is significant uncertainty regarding the status of the Simandou North Iron Project tenement. The completion and announcement of the results of the scoping study level estimate of process plant capital cost and operating cost for the Simandou North Iron Project is subject to the Company obtaining clarification on the status of its exploration permit.

Metallurgy

As at 30 June 2025, the Company completed the next phase of metallurgical testwork for Simandou North. This testwork is an extension of testwork completed in December 2024 (announced January 2025¹³), whereby production scale spiral testwork has been completed along with product characterisation work on the resulting spiral streams, for each of the friable and intact oxide BIF mineralisation types.

Process Plant Scoping Study Work

Mineral Technologies have completed a scoping study package of work for the plant. Key deliverables included mass balance, process description, preliminary block flow diagrams, and Class 5 capital and operating cost estimates. The study utilised results from testwork completed to date.

The study has determined the capital and operating costs for the processing component for the production of a high-grade hematite fines product at varying production rates.

Exploration

Exploration work for the half year ended 30 June 2025 focused on the collection of bulk density data from drill core, the ongoing interpretation of existing drilling and geochemical data, and the refinement of geological models for targeting of ongoing drilling.

Corporate

On 2 January 2025, Shareholders of the Company approved the consolidation of issued capital on the basis of every 20 shares consolidated into 1 share.

On 8 April 2025, the Company completed a two tranche Placement announced on 29 January 2025. Under the Placement, 190,276,318 fully paid ordinary shares were issued at a price of \$0.038 per share, raising \$7.231 million. In addition, 94,809,212 free attaching unlisted options (Placement Options) were issued on the basis of one (1) option for every two (2) new shares issued. The Placement Options are exercisable at A\$0.055 and expire on 8 October 2026.

On 30 June 2025, the Company issued 23,809,524 fully paid ordinary shares to the vendors of Company's Simandou North Iron Project as settlement of the \$500,000 deferred consideration of under the Acquisition Agreement¹⁴.

A further 2,250,000 shares were also issued on the exercise of zero exercise price options.

¹³ Refer to ASX Announcement 16 January 2025 titled "Testwork achieves extremely high quality hematite fines at Simandou North Project."

¹⁴ Refer to ASX Announcement dated 27 March 2024 titled "Arrow Completes Acquisition of 100% Interest in Simandou North Iron Project"

Forward Looking Statements

This report contains “forward-looking statements” within the meaning of securities laws of applicable jurisdictions.

Forward-looking information include, but are not limited to, statements preceded by words such as “planned”, “expected”, “projected”, “estimated”, “may”, “scheduled”, “intends”, “anticipates”, “believes”, “potential”, “could”, “nominal”, “conceptual” and similar expressions.

Forward-looking statements, opinions and estimates included in this report are based on assumptions and contingencies which are subject to change without notice. Such forecasts, projections and information are not a guarantee of future performance and involve known and unknown risks and uncertainties. Actual results and developments will almost certainly differ materially from those expressed or implied. There are a number of risks, both specific to Arrow, and of a general nature which may affect the future operating and financial performance of Arrow, and the value of an investment in Arrow including and not limited to title risk, renewal risk, economic conditions, stock market fluctuations, commodity demand and price movements, timing of access to infrastructure, timing of environmental approvals, regulatory risks, operational risks, reliance on key personnel, mineral estimations, native title risks, foreign currency fluctuations, and mining development, construction and commissioning risk.

DIRECTORS' REPORT

The Directors of Arrow Minerals Limited (Arrow or the Company) submit their report, together with the consolidated financial statements comprising Arrow and its controlled entities (together the Group) for the half-year ended 30 June 2025.

DIRECTORS

The names and particulars of the Directors of the Company during or since the end of the half-year are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Name	Title	Dates
Jeff Dowling	Independent Non-Executive Chair	Appointed 15 February 2024
David Flanagan	Managing Director	Appointed 15 February 2024
Thomas McKeith	Independent Non-Executive Director	Appointed 26 August 2019
Chris Tuckwell	Independent Non-Executive Director	Appointed 29 May 2024

COMPANY SECRETARY

Name	Title
Catherine Grant-Edwards	Joint Company Secretary
Melissa Chapman	Joint Company Secretary

PRINCIPAL ACTIVITIES

The principal activities of the Group during the course of the financial year were mineral exploration and evaluation and there have been no significant changes in the nature of those activities during the year.

OPERATING AND FINANCIAL REVIEW

The Directors of the Company present the Operating and Financial Review of the Group, prepared in accordance with section 299A of the *Corporations Act 2001* for the half-year ended 30 June 2025. This review forms part of the Directors' Report and provides information to assist users in assessing the operations, financial position and business strategies of the Company (refer to pages 3 to 7).

The Company's financial statements have been prepared on a going concern basis. Refer to Note 1(c) for further information.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Except as outlined in the Operating and Financial Review, there were no other significant changes in the state of affairs of the Group during the period.

DIVIDENDS

No dividends were declared or paid for the half-year ended 30 June 2025. The Directors have not recommended the payment of a dividend.

EVENTS SUBSEQUENT TO REPORTING DATE

On 21 July 2025, the Company agreed an amendment to its Share Purchase Option Agreement (Agreement), to acquire the Niagara Bauxite Project. The amendments to the Agreement include:

- the First Milestone Payment, being A\$2,000,000 in the form of 42,424,243 Shares (being A\$1,400,000 at an issue price of \$0.033 per Share) subject to shareholder approval, and cash of A\$600,000, is deferred until the permit for the Niagara Bauxite Project is either renewed or granted to an Arrow-related entity for not less than 2 years and expiring after June 2027 (Permit Renewal);
- the Second Milestone Payment is also conditional on the Permit Renewal; and
- if the Permit Renewal is granted to an Arrow-related entity and Arrow elects to proceed with the project within 12 months of the Permit Renewal, the vendor of the Niagara Bauxite Project will remain entitled to the \$2,000,000 consideration (payable in cash or Arrow shares, subject to shareholder approval) and the grant of the royalty as if Arrow had exercised its option to acquire the Niagara Bauxite Project under the

Agreement. This will also be payable if Arrow acquires any other type of interest in the Niagara Bauxite Project within 5 years from the date of the Agreement.

Except as outlined above, no matters or circumstances have arisen since the end of the reporting period that have or may significantly affect the operations or state of affairs of the Group in subsequent financial years.

AUDITOR INDEPENDENCE

The auditor's independence declaration for the half-year ended 30 June 2025 has been received and is included in this half-year financial report.

Signed in accordance with a resolution of the Directors



David Flanagan
Managing Director
8 September 2025

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the consolidated financial report of Arrow Minerals Limited for the half-year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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



Perth, Western Australia
8 September 2025

B G McVeigh
Partner

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the half-year ended 30 June 2025

	Note	30 June 2025 \$	30 June 2024 \$
Continuing Operations			
Income		73,905	21,587
Net loss on financial assets/liabilities measured at fair value through profit or loss		-	(11,737)
Employee benefits expenses		(1,280,577)	(376,257)
Amortisation of right of use assets		(20,963)	(9,523)
Exploration and evaluation expenditure		(2,119,036)	(6,859,391)
Finance costs		(5,335)	(55,688)
Depreciation		(18,403)	(11,920)
Share-based payments	4	(360,703)	(5,284,501)
Borrowing costs		-	(3,890,000)
Impairment acquired exploration and evaluation	2	(5,376,726)	-
Administration and other expenses		(738,947)	(1,352,421)
Loss before tax		(9,846,785)	(17,829,851)
Income tax expense		-	-
Loss after tax		(9,846,785)	(17,829,851)
Other Comprehensive Income			
<i>Items that may be classified subsequently to profit or loss</i>			
Movement in foreign currency translation reserve		(353,374)	85,538
Share of foreign currency translation reserve relating to equity accounted investment		-	(8,120)
Other comprehensive (loss)/income for the period		(353,374)	77,418
Total comprehensive loss for the period attributable to members of the Company		(10,200,159)	(17,752,433)
Loss per share for the period attributable to the members of Arrow Minerals Limited			
Basic loss per share (cents per share) ¹		(1.39)	(4.66)
Diluted loss per share (cents per share) ¹		(1.39)	(4.66)

The above Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

¹ Adjusted for the 20 to 1 share consolidation as approved by shareholders on 2 January 2025.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>As at 30 June 2025</i>	Note	30 June 2025	31 December 2024
		\$	\$
Current Assets			
Cash and cash equivalents		4,505,294	2,207,307
Trade and other receivables		55,638	161,186
Prepayments		207,838	156,756
Total Current Assets		4,768,770	2,525,249
Non-Current Assets			
Acquired exploration and evaluation assets	2	-	5,376,737
Right of use assets		38,800	59,764
Property, plant and equipment		206,071	251,108
Total Non-Current Assets		244,871	5,687,609
Total Assets		5,013,641	8,212,858
Current Liabilities			
Trade and other payables		1,873,209	2,435,473
Lease liabilities		21,486	42,343
Total Current Liabilities		1,894,695	2,477,816
Non-Current Liabilities			
Lease liabilities		17,910	17,910
Total Non-Current Liabilities		17,910	17,910
Total Liabilities		1,912,605	2,495,726
Net Assets		3,101,036	5,717,132
Equity			
Issued capital	3	77,321,923	70,098,563
Reserves		11,605,021	11,597,692
Accumulated losses		(85,825,908)	(75,979,123)
Total Equity		3,101,036	5,717,132

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the half-year ended 30 June 2025

	Note	30 June 2025	30 June 2024
			\$
Cash Flows from Operating Activities			
Payments to suppliers and employees		(1,824,698)	(968,247)
Payment for exploration and evaluation activities		(2,512,823)	(5,984,465)
Interest income received		73,905	21,587
Interest expense paid		(5,335)	(40,880)
Net cash (used in) operating activities		(4,268,951)	(6,972,005)
Cash Flows from Investing Activities			
Investment in term deposits		-	(500,000)
Payments for deposits		-	(11,541)
Payments for property, plant and equipment		(126,702)	(181,512)
Acquisition of Amalgamated Minerals Pte Ltd		-	(2,000,000)
Cash acquired on acquisition of Amalgamated Minerals Pte Ltd		-	206,942
Net cash (used in) investing activities		(126,702)	(2,486,111)
Cash Flows from Financing Activities			
Proceeds from issue of shares		7,230,500	13,550,000
Capital raising transaction costs		(507,140)	(836,600)
Principal payments on lease liabilities		(20,857)	-
Net cash from financing activities		6,702,503	12,713,400
Net increase in cash and cash equivalents		2,306,850	3,255,284
Effect of exchange rate movements		(8,863)	(8,758)
Cash and cash equivalents at the beginning of the year		2,207,307	701,139
Cash and cash equivalents at the end of the year		4,505,294	3,947,665

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the half-year ended 30 June 2025

	Issued Capital	Share-Based Payment Reserve	Foreign Currency Translation Reserve	Accumulated Losses	Total
	\$	\$	\$	\$	\$
Balance at 1 January 2024	51,606,728	3,236,987	(492,496)	(52,105,672)	2,245,547
Loss after tax for the period	-	-	-	(17,829,851)	(17,829,851)
Other comprehensive gain	-	-	77,418	-	77,418
Total comprehensive gain/(loss) for the period	-	-	77,418	(17,829,851)	(17,752,433)
Issue of shares, net costs	13,873,400	-	-	-	13,873,400
Share-based payments	-	9,174,501	-	-	9,174,501
Balance at 30 June 2024	65,480,128	12,411,488	(415,078)	(69,935,523)	7,541,015
Balance at 1 January 2025	70,098,563	12,704,228	(1,106,536)	(75,979,123)	5,717,132
Loss after tax for the period	-	-	-	(9,846,785)	(9,846,785)
Other comprehensive loss	-	-	(353,374)	-	(353,374)
Total comprehensive loss for the period	-	-	(353,374)	(9,846,785)	(10,200,159)
Issue of shares, net costs	7,223,360	-	-	-	7,223,360
Share-based payments	-	360,703	-	-	360,703
Balance at 30 June 2025	77,321,923	13,064,931	(1,459,910)	(85,825,908)	3,101,036

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

INDEX TO THE FINANCIAL STATEMENTS

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2	Impairment of acquired exploration
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4	Share-based payments
5	Contingent assets and liabilities
6	Segment note
7	Subsequent events

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Summary of Material Accounting Policies

(a) Statement of Compliance

This half-year consolidated financial statements are general purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 Interim Financial Reporting, Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board (AASB). Compliance with AASB 134 ensures compliance with IAS 34 Interim Financial Reporting.

The half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as in the full financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 31 December 2024 and any public announcements made by Arrow Minerals Limited and its subsidiaries during the half year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

(b) Basis of Preparation

The accounting policies and methods of computation adopted are consistent with those of the previous financial year and corresponding half year. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

The half-year financial report has been prepared on a historical cost basis, except for the revaluation of certain financial instruments to fair value. Cost is based on the fair value of the consideration given in exchange for assets. The company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the half-year financial report, the half-year has been treated as a discrete reporting period.

(c) Going Concern

The half-year financial statements have been prepared on a going concern basis, which assumes that the Group will continue its normal business activities, realise its assets, and meet its obligations as and when they fall due for a period of at least twelve months from the date of this report.

For the half-year ended 30 June 2025, the Group recorded a net loss after tax of \$9.8 million. Net cash inflows from operating, investing, and financing activities totalled \$2.3 million. As at 30 June 2025, the Group held cash and cash equivalents of \$4.5 million and reported net assets of \$3.1 million.

With no operating revenue, the Group's ability to continue as a going concern beyond the next twelve months is dependent on securing additional funding to support its exploration activities and meet ongoing operational and corporate expenditure.

As at the date of this report, the Company's shares remain suspended from quotation on the ASX due to uncertainty surrounding the status of its project exploration permits in Guinea. This suspension significantly limits the Group's ability to raise capital or secure debt funding. The going concern assumption is therefore contingent upon the successful reinstatement of the Company's securities to quotation on the ASX, which would enable the Group to access additional sources of funding.

In response to this uncertainty, the Group has implemented a range of cost-reduction measures aimed at preserving cash and extending its financial runway. These include the suspension of all on-ground exploration activities in Guinea, significant reductions in corporate overheads, the deferral of director salaries, reductions in key management salaries, and the renegotiation or termination of non-essential supplier contracts.

The Directors are actively engaging with the Guinean authorities to seek clarity regarding the status of the permits. While the outcome remains uncertain, they are focused on ensuring that the Group is well-positioned to meet the necessary conditions for reinstatement.

Subject to a successful resolution, the Directors believe the Group will be able to secure adequate funding to support its planned activities beyond the next twelve months.

However, these events and conditions give rise to a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern beyond twelve months from the date of this report.

Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of asset amounts, or the amounts and classification of liabilities, that might be necessary should the Group be unable to continue as a going concern.

Should the Group be unable to raise further debt or capital beyond the next twelve months, a material uncertainty would exist as to whether the Group will be able to continue as a going concern, and it may be required to realise assets and extinguish liabilities other than in the ordinary course of business, with amounts realised potentially differing from those stated in the financial statements.

(d) Adoption of New and Revised Standards

In the half year ended 30 June 2025, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the half-year reporting periods beginning on or after 1 January 2025. As a result of this review, the Directors have applied all new and amended Standards and Interpretations that were effective as at 1 January 2025 with no material impact on the amounts or disclosures included in the financial report.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and directors have reviewed and determined they have no material effect.

(e) Significant Accounting Judgements and Key Estimates

The preparation of the half-year financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 31 December 2024, in addition management made judgements, estimates and assumptions in relation to:

i. Impairment of Acquired Exploration

The application of the exploration and evaluation accounting policy necessarily requires management to make certain estimates and assumptions as to future events and circumstances. Any such estimates and assumptions may change as new information becomes available. If, after having capitalised expenditure under the policy, it is concluded that the expenditures are unlikely to be recovered by future exploitation or sale, then the relevant capitalised amount will be written off to the Statement of Comprehensive Income.

ii. Share-based payments

The fair values of Options and Performance Rights are determined using option pricing models that consider the exercise price, the term of the option or right, the impact of dilution, the share price at valuation date, expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Judgement has been exercised on the probability and timing of achieving the performance metrics related to the Options and Performance Rights.

(f) Comparative Information

Certain comparative amounts in the financial statements have been reclassified or restated to improve the relevance and clarity of the presentation. These changes have been made to enhance the readability and usefulness of the financial statements and do not impact the prior period net assets, profit or loss, or cash flows.

Where applicable, the comparative disclosures have been updated to align with the current period's presentation.

2. Impairment of Acquired Exploration

	30 Jun 2025 \$	30 Jun 2024 \$
Acquired exploration and evaluation	5,376,726	-

During the half-year ended 30 June 2025, the Company became aware of media announcements by Guinean government spokespersons regarding the cancellation of numerous exploration permits. The permits relating to the Niagara Bauxite and Simandou North Iron (Simandou North) Projects were included in two separate media announcements as pending cancellation or withdrawal. The Company continues to investigate these reports and is actively seeking formal clarification from the relevant authorities.

As a result of the uncertainty over tenure, the Company has made the decision to scale down all exploration activities in Guinea. This includes a substantial reduction in associated exploration overheads. Consequently, no substantive expenditure on further exploration for mineral resources is neither budgeted nor planned.

The acquired exploration and evaluation asset relates to the Simandou North project. Due to the uncertainty over tenure and the absence of planned substantive exploration activities, the carrying value has been assessed for impairment. As a result, a full impairment has been recognised, reducing the carrying value of the asset to \$nil.

3. Issued Capital

		30 Jun 2025 \$	31 Dec 2024 \$
Ordinary shares issued and fully paid		77,321,923	70,098,563
	Notes	No. Shares	\$
Movement in ordinary shares on issue:			
At 31 December 2024 ¹		661,180,749	70,098,563
Placement Tranche 1	1	157,078,840	5,968,996
Placement Tranche 2	1	33,197,478	1,261,504
Exercise of Options	2	2,500,000	-
Deferred Consideration	3	23,809,524	500,000
Share transaction costs		n/a	(507,140)
At 30 June 2025		877,766,591	77,321,923

¹ On 2 January 2025, Shareholders of the Company approved the consolidation of issued capital on the basis of every 20 shares consolidated into 1 share. The 31 December 2024 comparative has been adjusted to reflect the consolidated share capital.

- The two-tranche placement was announced on 29 January 2025 and resulted in the issue of 190,276,318 fully paid ordinary shares at an issue price of \$0.038.
- On 7 February 2025, 2,500,000 zero priced options were exercised.
- Under the Amalgamated Minerals Pty Ltd acquisition agreement, the Company settled the \$500,000 deferred consideration by the issue of 23,809,524 fully paid ordinary shares to the vendors of the Simandou North project.¹⁵

¹⁵ Refer to ASX Announcement dated 27 March 2024 titled "Arrow Completes Acquisition of 100% Interest in Simandou North Iron Project"

4. Share-based Payments

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	30 Jun 2025 \$	30 Jun 2024 \$
Share-based payments	(360,703)	(5,284,501)

Share-based payments are provided to Directors, employees, consultants and other advisors.

The issue to each individual director, employee, consultant or advisor is determined by the Board and governed by the ASX Listing Rules. Terms and conditions of the payments, including the grant date, vesting date, exercise price and expiry date are set by the Board, subject to shareholder approval where required.

Director Options

On 30 May 2025, the Company issued the following Director options:

- 20,000,000 unlisted options with an exercise price of \$0.033 expiring 31 December 2028. These options have a vesting condition of remaining employed/engaged through to 30 May 2026 (Director E Options).

The options were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table details the inputs to the valuation.

Director E Options	
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	3.270%
Exercise price (\$)	\$0.033
Marketability discount (%)	Nil
Expected life of options (years)	3.5
Share price at grant date (\$)	\$0.02
Expiry date	31 Dec 2028
Value per option (\$)	\$0.0117
Number issued	20,000,000

Advisor Options

On 8 April 2025, the Company issued the following options to its Advisor:

- 8,000,000 unlisted options with an exercise price of \$0.055 expiring 8 April 2028 were issued to Advisors (**Advisor Options**).

These options vested immediately and were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table details the inputs to the valuations for each option class:

Advisor Options	
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	3.684%
Exercise price (\$)	\$0.055
Marketability discount (%)	Nil
Expected life of options (years)	3
Share price at grant date (\$)	\$0.0335
Expiry date	9 Apr 2028
Value per option (\$)	\$0.0183
Number issued	8,000,000

Employee Securities Incentive Scheme

The Company provides benefits to employees (including directors) in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The Company currently provides benefits under an Employee Securities Incentive Scheme (Scheme). This Scheme was approved by shareholders on 23 April 2024.

Under the terms of the Scheme, the Board may offer equity securities (i.e., options, performance or service rights) at no consideration to full-time or part-time employees (including persons engaged under a consultancy agreement) and executive and non-executive directors.

Options Issued under the Employee Securities Incentive Scheme

On 31 March 2025, the Company issued the following Employee options:

- 8,050,000 unlisted options with an exercise price of \$0.053 expiring 31 December 2028 were issued to Employees and Consultants (or their nominee) (**Employee Options**). These options have a vesting condition of remaining employed/engaged until 31 March 2026.

These options were valued by applying a Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. The following table details the inputs to the valuations for each option class:

	Employee Options
Dividend yield (%)	Nil
Expected volatility (%)	100%
Risk free interest rate (%)	3.689%
Exercise price (\$)	\$0.053
Marketability discount (%)	Nil
Expected life of options (years)	3.75
Share price at grant date (\$)	\$0.034
Expiry date	31 Dec 2028
Value per option (\$)	\$0.0209
Number issued	8,050,000

Options Issued as part of Equity Raisings

On 8 April 2025, the Company issued 94,809,212 unlisted options at an exercise price of \$0.055 with an expiry date of 8 October 2026, pursuant to the two-tranche placement announced on 29 January 2025. These options vest immediately and have a nil fair value at grant date.

No share-based payment expenditure was recognised as the options were classified as free attaching securities to the two-tranche placement.

Options on Issue

Grant Date	Number under Option (post share consolidation)	Exercise Price	Expiry Date	Future Vesting Date
05 Aug 2022	495,000	\$0.12	05 Aug 2025	Vested
30 Nov 2022	750,000	\$0.12	05 Aug 2025	Vested
30 Nov 2022	125,000	\$0.14	24 Oct 2025	Vested
25 Nov 2021	125,000	\$0.22	25 Nov 2025	Vested
05 Apr 2023	2,000,000	\$0.14	31 Dec 2026	Vested
15 Feb 2024	38,750,000	\$0.00	15 Feb 2027	Vested
15 Feb 2024	3,000,000	\$0.00	15 Feb 2028	Not vested
15 Feb 2024	1,500,000	\$0.00	15 Feb 2028	Vested
23 Apr 2024	6,000,000	\$0.18	01 May 2027	Vested
1 May 2024	21,750,000	\$0.00	23 Apr 2028	Not vested
14 Oct 2024	114,318,146	\$0.064	28 Feb 2027	Vested
08 Apr 2025	94,809,212	\$0.055	08 Oct 2026	Vested
08 Apr 2025	8,000,000	\$0.055	09 Apr 2028	Vested
28 Mar 2025	7,900,000	\$0.053	31 Dec 2028	Not vested
30 May 2025	20,000,000	\$0.033	31 Dec 2028	Not vested

Performance Rights Issued under the Employee Securities Incentive Scheme

The number of performance rights on issue is as follows:

	30 Jun 2025 Number of Rights	30 Jun 2024 Number of Rights ¹
As at 1 January	1,050,000	4,800,000
Granted during the period	22,525,000	-
Forfeited/lapsed during the period	(725,000)	(1,500,000)
Vested/exercised during the period	-	-
Cash settled during the period	-	-
As at 30 June	22,850,000	3,300,000

¹ Adjusted for the 20 to 1 share consolidation as approved by shareholders on 2 January 2025.

There is nil expenditure (30 June 2024: nil) in the statement of comprehensive income for the half year ended 30 June 2025.

Each performance right represents a right to be issued an ordinary share at a future point in time, subject to the satisfaction of any vesting conditions. Unless determined otherwise by the Board, performance rights are subject to lapsing if the conditions are not met by the relevant measurement date or expiry date (if no other measurement date is specified) or if employment is terminated.

No exercise price is payable and eligibility to receive performance rights is at the Board's discretion. The performance rights cannot be transferred and are not quoted on the Australian Securities Exchange. There are no voting rights attached to performance rights.

The performance rights on issue are subject to the following vesting conditions:

Performance Rights	No. (post share consolidation)	Expiry Date	Performance Milestone Deadline	Performance Milestone
Tranche 2	350,000	31 December 2026	31 December 2025	Release of an ASX announcement of a positive Scoping Study that recommends moving to pre-feasibility study (PFS) by 31 December 2025.
Tranche 3	350,000	31 December 2026	31 December 2025	AMD's share price (calculated at the 5-day VWAP) exceeding five (5) times the 30-day VWAP (calculated at 24 October 2022) (Share Price Hurdle) over a consecutive 20-day period (trading days) by 31 December 2025. Based on a calculation date of 24 October 2022, the Share Price Hurdle has been determined to be \$0.52.
Employee Performance Rights Tranche 1	8,900,000	31 December 2028	31 December 2027	Financial Investment Decision on a Company Project by 31 December 2027
Employee Performance Rights Tranche 2	13,250,000	31 December 2028	31 December 2027	First Commercial Sale of an Arrow Product by 31 December 2027

5. CONTINGENT ASSETS AND LIABILITIES

Contingent Assets

There were no contingent assets at 30 June 2025.

Contingent Liabilities

Simandou North Iron Project

On 26 March 2024, the Company completed the acquisition of the remaining 66.7% interest, held beneficially, in Amalgamated Minerals Pte Ltd with the vendors to retain a US\$1/t royalty on tonnes mined and sold from its subsidiary's tenement (Simandou North).

Niagara Bauxite Project

On 21 July 2025, the Company amended the Share Purchase Option Agreement, originally entered into and announced on 1 August 2024, whereby the Vendor granted a 12-month option to acquire the Niagara Bauxite Project.

The initial option fee consists of \$75,000 in cash and 6,622,807 fully paid ordinary shares. This initial option fee is payable to the Vendor following the renewal of the Mining Permit associated with this project, for at least 2 years. The 12-month option period commences upon payment of the Option fee.

Within the 12-month option period, the Company may elect to exercise the option to purchase the project from the Vendor by completing the following:

1. Payment of \$2,000,000 in cash, which the Company can elect to settle partially or fully in shares, with the issue of up to 33,333,333 fully paid ordinary shares, at an issue price of \$0.060 per share. Any shares issued will require shareholder approval and contain voluntary escrow arrangements.
2. The grant of a 1% gross sales royalty on bauxite produced from the permit area.

Conditional on the permit for the Niagara Bauxite Project being either renewed or granted to an Arrow-related entity for not less than 2 years and expiring after June 2027 (Permit Renewal), the Company has further agreed to pay the Vendor up to \$4,000,000 in two equal payments upon the satisfaction of the following:

1. \$2,000,000 in the form of 42,424,243 Shares (being A\$1,400,000 at an issue price of \$0.033 per Share) subject to shareholder approval, and cash of A\$600,000 payable upon the Company announcing a JORC Mineral Resource estimate of at least 150Mt of bauxite at an average grade of at least 42% Al₂O₃ from the project; and
2. \$2,000,000 in cash, which the Company can elect to settle partially or fully in shares, payable upon the Company announcing a JORC Mineral Resource estimate of at least 300Mt of bauxite at an average grade of at least 42% Al₂O₃ from the project. Any shares issued will require shareholder approval and contain voluntary escrow arrangements.

The Group had no other contingent assets or liabilities at reporting date.

6. SEGMENT NOTE

The Group is organised into one operating segment being exploration. This is based on the internal reports that are being reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. As a result, the operating segment information is as disclosed in the statements and notes to the financial statements through the report.

7. SUBSEQUENT EVENTS

On 21 July 2025, the Company agreed an amendment to its Share Purchase Option Agreement (Agreement), to acquire the Niagara Bauxite Project. The amendments to the Agreement include:

- the First Milestone Payment, being A\$2,000,000 in the form of 42,424,243 Shares (being A\$1,400,000 at an issue price of \$0.033 per Share) subject to shareholder approval, and cash of A\$600,000, is deferred until the permit for the Niagara Bauxite Project is either renewed or granted to an Arrow-related entity for not less than 2 years and expiring after June 2027 (Permit Renewal);
- the Second Milestone Payment is also conditional on the Permit Renewal; and
- if the Permit Renewal is granted to an Arrow-related entity and Arrow elects to proceed with the project within 12 months of the Permit Renewal, the vendor of the Niagara Bauxite Project will remain entitled to the \$2,000,000 consideration (payable in cash or Arrow shares, subject to shareholder approval) and the grant of the royalty as if Arrow had exercised its option to acquire the Niagara Bauxite Project under the Agreement. This will also be payable if Arrow acquires any other type of interest in the Niagara Bauxite Project within 5 years from the date of the Agreement.

Except as outlined above, no matters or circumstances have occurred subsequent to balance date that have or may significantly affect the operations or state of affairs of the Group in subsequent financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the Board of Directors, I state that:

In the opinion of the Directors:

- (a) The financial statements and notes of the Group for the half-year ended 30 June 2025 are in accordance 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 performance for the half-year ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting, International Financial Reporting Standard, IAS 34 Interim Financial Reporting and the Corporations Regulations 2001, and other mandatory professional reporting requirements.
- (b) Subject to the matters set out in Note 1(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 Board of Directors.

On behalf of the Board



David Flanagan
Managing Director

Perth, 8 September 2025

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Arrow Minerals Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Arrow Minerals Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes, and the directors' declaration, for the Group comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(c) in the financial report, which indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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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 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.

Independence

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



HLB Mann Judd
Chartered Accountants

Perth, Western Australia
8 September 2025



B G McVeigh
Partner