



ARCADIA MINERALS LTD

Financial Report
31 December 2022

Registration Number 68211
(Incorporated in Guernsey)
ARBN 646 114 749

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Board of Directors

Mr Jurie Hendrik Wessels - Executive Chairman

Mr Philip Le Roux - Chief Executive Officer and Director

Mr Johan Le Roux - Non-Executive Director

Mr Michael Davy - Non-Executive Director

Mr Andrew Law - Non-Executive Director

Local Agent & Australian Company Secretary

Onyx Corporate Pty Ltd, Ms Kyla Garic

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Guernsey Corporate Secretary

Oak Securities Limited

Registered office in Guernsey

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Auditors

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The Directors of Arcadia Minerals Limited (“**the Company**”) present their report, together with the financial statements on the consolidated entity consisting of Arcadia Minerals Limited and its controlled entities for the half-year ended 31 December 2022 (“**the Period**”).

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2022 and considered together with any public announcements made by the Company during the Period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office from 1 July 2022 until the date of this report are set out below. The Directors were in office for this entire period unless otherwise stated:

Name	Status	Appointment/ Resignation
Mr Jurie Hendrik Wessels	Executive Chairman	Appointed on 6 October 2020
Mr Philip Le Roux	Chief Executive Officer and Director	Appointed on 1 December 2020
Mr Johan Le Roux	Non-Executive Director	Appointed on 6 October 2020
Mr Michael Davy	Non-Executive Director	Appointed on 6 October 2020
Mr Andrew Law	Non-Executive Director	Appointed 24 September 2021

2. REVIEW OF OPERATIONS AND ACTIVITIES

Arcadia Minerals is a Namibia-focused diversified metal exploration company, which is domiciled in Guernsey. The Company explores for a suite of Gold and new-era metals (Lithium, Tantalum, Palladium, Nickel and Copper). The projects acquired by the Company were developed over a period of time by the prior owners of the projects.

Most of the Company's projects are located in the neighbourhood of established mining operations and significant discoveries, and all the projects holds significant potential to host economic quantities of minerals that may be capable of further development and extraction. The mineral exploration project include:

1. The Swanson Project – advanced tantalum project undergoing a feasibility study, and which contains a potentially expanding JORC Mineral Resource within the Swanson Project area and neighbouring tenements held by the Company.
2. Kum-Kum Project – prospective for nickel, copper, and platinum group elements.
3. Karibib Project – prospective copper and gold.
4. Bitterwasser Lithium in Clays Project – which project contains a potentially expanding JORC Mineral Resources for lithium-in-clays.
5. Bitterwasser Lithium in Brines Project – which is prospective for lithium-in-brines within the Bitterwasser Basin area.

The Company's strategy is to bring the advanced Swanson Tantalum project into production and then to use the cashflows (which may be generated) to drive exploration and development at the potentially company transforming exploration assets. As such, the first two pillars of Arcadia's development strategy (a potential cash generator and company transforming exploration assets) are established through a third pillar, which consists of utilising the Company's human capital of industry specific experience, tied with a history project generation and bringing project to result, and thereby, to create value for the Company and its shareholders.

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Detailed of exploration activities during the half-year ended 31 December 2022 are set out below;

Swanson Tantalum/ Lithium Project (Swanson)

During the half year, the Company had secured the supply of essential utilities (water and electricity) and entered into an agreement with respect to the use of land over the mining license area, which have been procured in anticipation of the conclusion of a successful definite feasibility study (DFS).

The Company's subsidiary, Orange River Pegmatite (Pty) Ltd (**ORP**), concluded a water supply agreement with Namibia Water Corporation Limited, a corporation established in terms of section 2(1) of the Namibia Water Corporation Act, 1997 (NamWater). In terms of the water supply agreement, NamWater is to supply 210 cubic meters of water per day from NamWater boreholes at Warmbad (approximately 21km north of the Swanson Tantalum/Lithium Project) utilising the proposed Swanson Mine Water Supply Scheme. The Supply Scheme will be constructed by ORP to provision the supply of water to the Mining Licence.

The Company also received confirmation that the South-West-Africa Water and Electricity Corporation, now commonly known as "NamPower", holds sufficient capacity at its Warmbad substation for the transmission up to 2.7MVA power, without violations. ORP will construct a 33kV line of 21km in length to the proposed Swanson mine licence.

ORP had also concluded a land use compensation agreement in terms of section 52(1) of the Namibian Mineral Act with Tantalite Valley Estates (Pty) Ltd. In terms of the land use agreement, it was agreed that the land-use agreement will last 20 years or until final termination of the Mining License or until ORP terminates the land-use agreement.

Further, as announced on 28 November 2022¹ the Company received a letter of intent (LOI) from HeBei Xinjian Construction CC (HeBei) to negotiate and possibly enter into an agreement with Arcadia in terms of which:

- a) an ever-green off-take of Tantalum Pentoxide concentrate min. 25% metal content and Li₂O with min. 1% Li₂O metal content may be granted to HeBei, and
- b) in terms of which HeBei is to provide funding to construct and commission a Tantalum Multi-Gravity-Separation concentrate plant and a Lithium concentrate plant (through Dense Media Separation or Flotation), in return for sharing in the profit of the operations.

The proposed transactions between HeBei and the Company relates only to ore mined from the Swanson Tantalum/Lithium Project located in, on and under Mining License ML 223 (**ML223**) in the Karas Region of the Republic of Namibia. The exploration potential of Arcadia's EPL 5047 and EPL 7295 is excluded from the proposed transaction.

The aim of the proposed transaction² is to embark on a program exploiting the existing JORC Mineral Resource at Swanson, which consists of an Indicated Mineral Resource of 1,439Mt at an average grade of 498 ppm Ta₂O₅, 72 ppm Nb₂O₅ and 0.14 % Li₂O and an Inferred Mineral Resource of 1,145Mt at an average grade of 472 ppm Ta₂O₅, 75 ppm Nb₂O₅ and 0.17 % Li₂O. The D1 pegmatite is expected to be the focus for the purposes of Lithium production as it contains the highest Lithium grade with a total Mineral Resource of 573 Mt at an average grade of 349 ppm Ta₂O₅, 95 ppm Nb₂O₅ and 0.38 % Li₂O.

The Transaction is proposed to commence at signature of a binding agreement, or at the fulfillment of conditions precedent, and will endure until ML 223 is lawfully terminated or the project becomes permanently uneconomical, whichever comes first.

¹ Refer to ASX announcement dated 28 November 2022, "Off-take & funding LOI Swanson Tantalum/Lithium Project"

² Refer to ASX announcement dated 6 May 2022 "JORC Mineral Resources at Swanson Tantalum Project Doubles in Size"

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Kum Kum Nickel and PGE Project

During the half year period, a follow up detailed mapping program by Arcadia's geologist and personnel from the University of Stellenbosch was undertaken in the Tantalite Valley Complex with the aim of identifying ultra-mafic outcrops. Samples were taken for mineralogical investigation at Stellenbosch University. The results are expected to be received by March 2023, which will allow Arcadia to plan a drilling program.

Karibib Copper-Gold Project

The Karibib exploration project is situated near the mining town of Karibib, Namibia. The Project is held through the Company's 80% owned subsidiary (see-through 68%) Karibib Pegmatite Exploration (Pty) Ltd.

The drilling program commenced in August 2022 at the Karibib Copper-Gold Project³ which focused on lithologies known to contain mineralisation following comprehensive mapping and from previously attained grab sampling data⁴. 551m (10-hole) Reverse Circulation (RC) Drilling program completed in September 2022, Refer to Table 1 Drill Table.

The drilling program⁵ consisted of 10 drill holes drilled at a -60 and -75 degree inclination and at varied azimuths and depths dependent on the inferred geometry and geology of the targeted zone (refer to table 1). Visual mineralisation was successfully encountered in 8 of the 10 drill holes KRC01, KRC02, KRC03, KRC07, KRC09, KRC10, KRC11 and KRC13. As a consequence, an additional hole was drilled to intersect mineralisation at deeper depth. Drilling only covered a 3km x 1km section of the 20km x 2km metasedimentary structure previously defined by a grab sampling program. A location map of the drilled holes is included at Figure 1. 240 samples were taken from lithologies that are known to contain mineralisation in the area, and dispatched to Scientific Services in South Africa for analyses.

Hole ID	Hole Diameter (mm)	Coordinate Reference System	Eastings (X-cord)	Northings (Y-cord)	Collar Azimuth (°)	Collar Inclination (°)	EOH (m)
KRC01	133	WGS84_UTM33S	580608	7533954	329	-60	48
KRC02	133	WGS84_UTM33S	580697	7534188	290	-60	43
KRC03	133	WGS84_UTM33S	580359	7534247	90	-60	36
KRC05	133	WGS84_UTM33S	580786	7534555	295	-60	60
KRC07	133	WGS84_UTM33S	580593	7534434	310	-60	67
KRC08	133	WGS84_UTM33S	580555	7534453	255	-60	24
KRC09	133	WGS84_UTM33S	580332	7534480	79	-60	46
KRC10	133	WGS84_UTM33S	580767	7534965	282	-60	70
KRC11	133	WGS84_UTM33S	580709	7535065	285	-60	72
KRC13	133	WGS84_UTM33S	580956	7535286	110	-75	85

Table 1: Drill table

³ Refer to ASX announcement dated 29 August 2022 "Drilling commenced at Karibib Copper-Gold Project.

⁴ Refer to ASX announcement dated 7 September 2021 "High Grade Sampling Result at Karibib Copper-Gold Project"

⁵ Refer to ASX announcement dated 23 September 2022 "Drilling completed at Karibib Copper-Gold Project"

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Karibib Copper-Gold Project

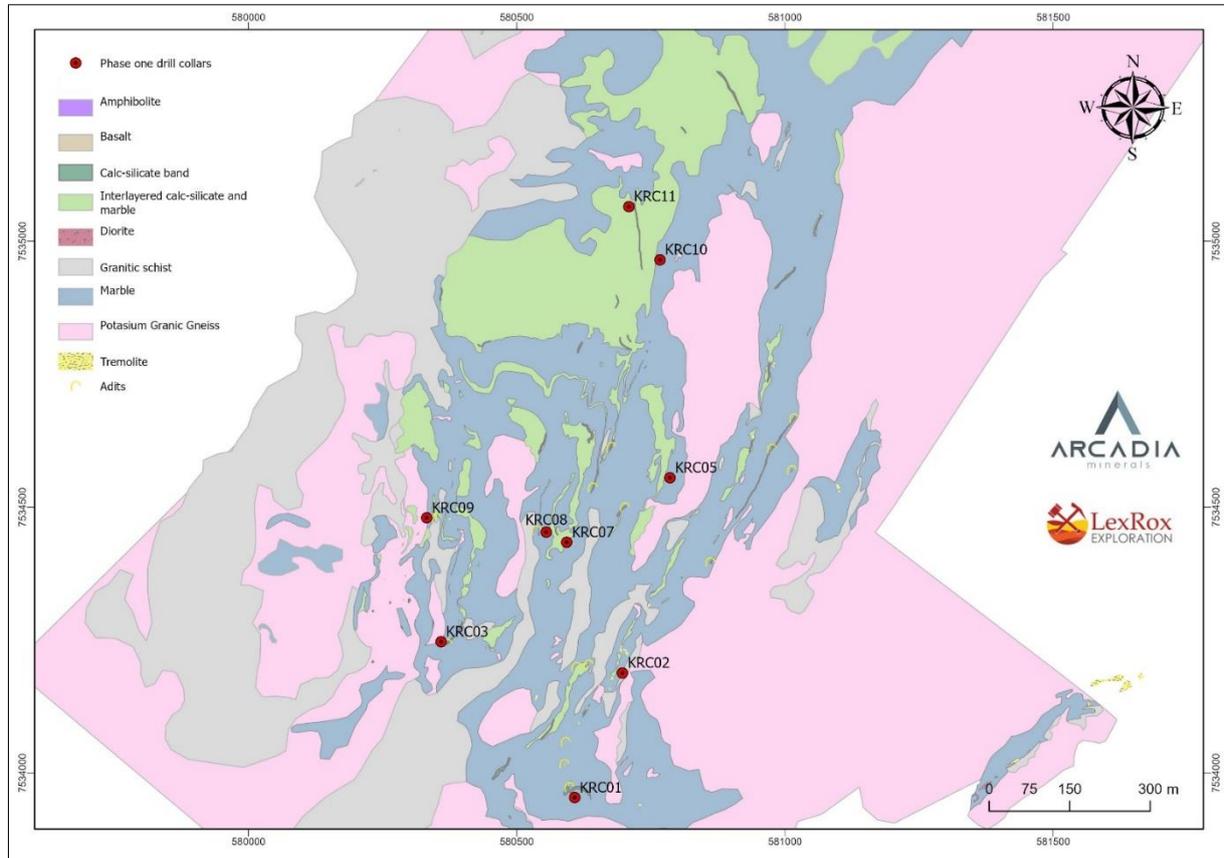


Figure 1: Location map showing drilled holes

Bitterwasser Lithium Clays Project

Cyclone Test Work Result

During the period, Multotec Process Equipment (Pty) Ltd was appointed to conduct cyclone test work of 800 kg Bitterwasser representative clay samples from the Eden Pan⁶. The aim of the program was to identify if the fine clay fraction of <10µ fraction could be separated from the remaining larger material that consist mainly to calcite, dolomite and quartz, and by doing so, if the lithium grade in the feedstock material could be increased.

The cyclone results indicated that 30.4% of the feed material reported to the underflow (coarse material) and 69.6% of the material to the overflow (fine material). The overflow is showing a cumulative % passing 10µm of 96.9%, which states that the majority of the -10µm material is reporting to the underflow stream.

⁶ Refer to ASX announcement dated 19 August 2022 “Positive Cyclone & Leach result from Bitterwasser Lithium Clay”

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Multotec sent the three feed, overflow and underflow samples from the steady stage cyclone products to UIS Analytical Services in Pretoria, South Africa for ICP-OES analytical analyses. The Li content for the three samples is listed below:

Sample	1	2	3	Average
Feed (Li ppm)	640	620	620	633
Overflow (Li ppm)	820	820	790	810
Underflow (Li ppm)	150	140	150	147

From the results it is observed that the underflow sample resulted in a 27.9% increase in the grade compared to the ore fed sample. The cyclone test work has therefore confirmed that using a 14-micron cut off, the cyclone overflow results in a 30% reduction in volume with a concomitant increase of 28% in the lithium grade compared to the ore material. Total lithium recovery could be 89.6%.

Cyclones could therefore be a viable option to increase the Bitterwasser clay deposit grades before leach take place.

Leach Test Work Results

Initial leach test work was conducted using six organic and sulphuric acids. Four test cycles were completed for each acid. Two cycles at room temperature were done using no oxidants and 1% vol H₂O₂.

The following parameters were used during the test:

- Acid concentration - 1M
- Pulp density - 20 g/L
- Temperature - 25 and 60 OC
- Leach time - up to 7 hours

Organic acid 1 followed a very similar trend to that of Sulphuric acid at 25C but outperformed sulphuric acid at 60C and 1 hour leach time. The organic acid exhibited leach recoveries of 82% of the lithium within 1 hour at a temperature of 60C.

The second phase of leach test work is currently underway and will include various acid doses, varying PH's, temperatures and leach resident times. Based on these results an acid will be selected to conduct bulk leach test work.

During the period, auger drilling was undertaken at the Madube Pan (517 hectares in size), which is the second of fourteen exposed clay pans located at Bitterwasser⁷. This exploration work was the first drilling campaign conducted over the Madube Pan. The Madube Pan intersected similar lithology of green clay units as encountered in Eden Pan. Visual analysis of core revealed that holes drilled in the centre of the pan intersected the green clay unit, as was the case with Eden Pan.

⁷ Refer to ASX announcement dated 10 October 2022 "Further drilling indicates potential to grow Bitterwasser Lithium resource"

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

The assay results⁸ of the first hole drilled at Madube pan, MDB01, indicated grades within the green clay units intersected are similar to the grades of the green clays at Eden pan. Previous drilling over the Eden pan, resulted in an Inferred JORC2 Mineral Resource for the green clays of 85.2 million tons at 633 ppm Li for 286,909-ton Lithium Carbonate using a 500 ppm Li cut-off. Utilising a similar cut-off at the Madube Pan, drill hole MDB01 resulted in a 9.6m mineralised intersection at an average grade of 605 ppm Li. On confirmation of the Lithium mineralisation at Madube Pan, the Company increased the planned drill program from 15 to 24 holes.

Subsequently in January 2023, the result of the final assays confirms that the central portion of the Madube Pan returned elevated lithium levels from green clay lithological units, which is similar to what is encountered at the Eden Pan where a JORC Mineral Resource was defined of 286,909t Li₂CO₃ using a 500ppm Li cut-off. In applying a cut-off of 500ppm at the Madube Pan, eight of the holes drilled intersected clays of more than 500 ppm Lithium content⁹.

Bitterwasser Lithium Clays Project

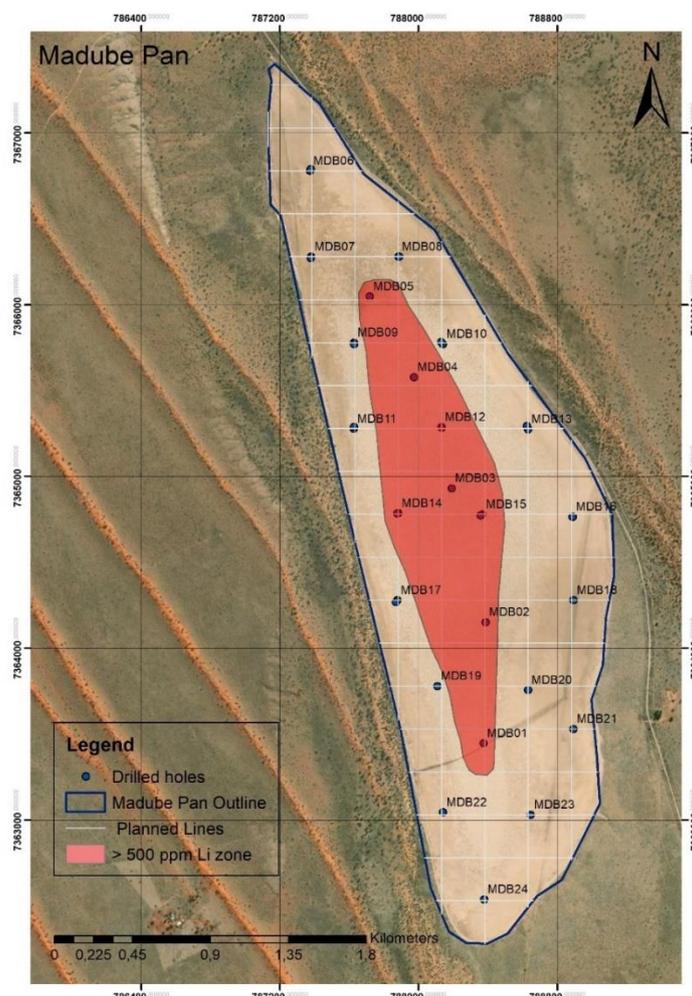


Figure 2: Map showing the location of the holes drilled and + 500 ppm Li mineralisation at the Madube pan (the red shaded zone indicates grades >500 Li mineralization).

⁸ Refer to ASX announcement dated 22 November 2022 “Lithium confirmed at Madube Pan with 44% thicker green clay unit than Eden Pan”

⁹ Refer to ASX announcement dated 2 February 2023 “Positive lithium drill assays received at the Madube Pan”

2. REVIEW OF OPERATIONS AND ACTIVITIES (continued)

Bitterwasser Lithium in Brines Project

A helicopter airborne survey commenced in October 2022 consisting of 52 lines on a 1 km grid. This was completed over the southern and central portion of the Bitterwasser Lithium in Brine project area in central Namibia. A total of 2,122 electromagnetic line-kilometres was flown using geophysical instrumentation. Initial observations of raw uninterpreted renditions of data from the recently completed regional electromagnetic survey over the Bitterwasser Lithium Brines, have revealed the existence of large geophysical anomalies displaying features representing highly conductive aqueous brine pools. High conductivity indicates brines with elevated levels of total dissolved solids.

3. MINERAL RESOURCE ESTIMATES

Swanson Tantalum Project Mineral Resource (JORC 2021)

At Swanson a revised JORC Mineral Resource of 2.59Mt at an average grade of 486g/t Ta₂O₅, 73g/t Nb₂O₅ and 0.15% Li₂O was announced on the 6 May 2022, which was derived from 52 drillholes drilled over 10 pegmatites.

D, E and F Classification	Area	Tonnes (kt)	Ta ₂ O ₅ Content (Tonnes)	Ta ₂ O ₅ ppm	Nb ₂ O ₅ ppm	Li ₂ O %
Indicated	Total D	568	207	365	87	0.27
Indicated	Total EF	577	334	578	65	0.07
Subtotal Indicated		1,145	541	472	76	0.17
Indicated	Total D	444	162	365	79	0.34
Indicated	Total EF	995	554	557	69	0.00
Subtotal Inferred		1,439	716	498	72	0.14

Bitterwasser Lithium in Clays Project Mineral Resource (JORC 2021)

On 24 August 2022, it was announced that the previous JORC Mineral Resource released on 3 November 2021 has been revised following the Phase 2 drilling program and comprises an updated JORC Mineral Resource defined over Eden Pan of 85.2 million tonnes @ 633ppm for 286,909t Li₂CO₃ (LCE) wholly classified in the Inferred Category. This updated resource represents a ~560% increase in resource and 430% increase in metal content.

3. MINERAL RESOURCE ESTIMATES (continued)

Category	Unit	Tonnage ton	Grade Li ppm	Contained Li ton
Cut-off Grade of 0 ppm Li				
Indicated	Upper	-	-	-
	Middle	-	-	-
	Total Indicated	-	-	-
Inferred	Upper	61 518 571	464.60	28 582
	Middle	92 382 945	568.85	52 552
	Total Inferred	153 901 516	527.18	81 134
Cut-off Grade of 500 ppm Li				
Indicated	Upper	-	-	-
	Middle	-	-	-
	Total Indicated	-	-	-
Inferred	Upper	28 192 877	556.86	15 699
	Middle	56 955 751	670.72	38 201
	Total Inferred	85 148 628	633.03	53 900
Cut-off Grade of 600 ppm Li				
Indicated	Upper	-	-	-
	Middle	-	-	-
	Total Indicated	-	-	-
Inferred	Upper	2 878 041	634.69	3 659
	Middle	21 292 230	729.82	28 282
	Total Inferred	44 516 575	717.50	31 941
Cut-off Grade of 650 ppm Li				
Indicated	Upper	-	-	-
	Middle	-	-	-
	Total Indicated	-	-	-
Inferred	Upper	-	-	-
	Middle	29 572 282	761.84	22 529
	Total Inferred	29 572 282	761.84	22 529

4. COMPETENT PERSONS STATEMENT & PREVIOUSLY REPORTED INFORMATION

The Company confirms that the information in this Directors Report that relates to Exploration Results at the Company's projects have previously been released to the ASX as disclosed in the referenced footnotes and continue to apply and have not materially changed, and that it is not aware of any new information or data that materially affects the information that has been included in this Directors Report. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

5. MINERAL RESOURCES

The Company confirms it is not aware of any new information or data that materially affects the information included in the 6 May 2022 Arcadia Mineral Resource estimate and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 6 May 2022 (*JORC Mineral Resource at Swanson Tantalum project doubles in size*). The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

The Company confirms it is not aware of any new information or data that materially affects the information included in the 24 August 2022 *Over 500% increase in Lithium Resource with 287kt of LCE declared at Bitterwasser* and all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed when referring to its resource announcement made on 24 August 2022. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

6. SIGNIFICANT CHANGES TO THE STATE OF AFFAIRS

There were no significant changes in the state of affairs of the consolidated entity during the period.

7. FINANCIAL RESULTS

The financial results of the consolidated entity for the half-year ended 31 December 2022 are:

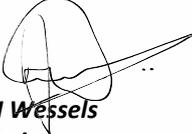
	31 December 2022	31 December 2021
Cash and cash equivalents (\$)	1,196,865	4,183,125
Net assets (\$)	12,335,026	14,669,269
Net loss after tax (\$)	(1,702,295)	(1,419,257)
Loss per share (cents)	(1.51)	(1.66)

8. EVENTS OCCURRING AFTER REPORTING DATE

On 27 February 2023, the Company received initial assay and stratigraphic results of the first two holes drilled at the Stryfontein pan. The Stryfontein pan is the third pan in the Bitterwasser Pan district to be confirmed containing Lithium mineralisation to a similar tenor as is seen at the Eden Pan, and where a Lithium-in-Clay JORC Mineral Resource of 286,909-ton Lithium Carbonate using a 500ppm Li cut-off has been defined.

There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

This report is signed in accordance with a resolution of the Board of Directors.


JH Wessels
Chairman
14 March 2023

ARCADIA MINERALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 31 DECEMBER 2022

	Notes	Consolidated 31 December 2022 \$	Consolidated 31 December 2021 \$
Revenue from continuing operations			
Other income		32,067	229
Expenses			
Company secretary and financial management		(24,018)	(20,030)
Consulting and legal fees		(5,418)	(22,024)
Depreciation		(2,630)	(2,656)
Directors' fees		(192,013)	(53,200)
Exploration costs		(1,187,292)	(1,104,779)
Share of losses of associates accounted for using the equity method		(1,544)	-
Other expenses		(231,218)	(169,102)
Professional fees		(50,423)	(39,340)
Share and company registry fees		(39,806)	(8,355)
Loss before income tax for the period		(1,702,295)	(1,419,257)
Income tax expense		-	-
Loss after income tax for the period		(1,702,295)	(1,419,257)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive loss for the period		(1,702,295)	(1,419,257)
Total comprehensive loss for the period attributable to:			
Owners of Arcadia Minerals Limited		(1,290,140)	(1,145,020)
Non-controlling interest	5	(412,155)	(274,237)
		(1,702,295)	(1,419,257)
Loss per share for the period			
Basic loss per share (cents)		(1.51)	(1.66)
Diluted loss per share (cents)		(1.51)	(1.66)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the notes to the financial statements.

ARCADIA MINERALS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	31 December 2022	30 June 2022
		\$	\$
ASSETS			
Non-Current Assets			
Plant and equipment		6,397	9,280
Investments accounted for using the equity method		81,138	84,905
Other receivables		73,886	65,622
Exploration and evaluation assets		11,068,739	10,783,221
Total Non-Current Assets		11,230,160	10,943,028
Current Assets			
Trade and other receivables		56,553	75,791
Cash and cash equivalents		1,196,865	2,840,406
Total Current Assets		1,253,418	2,916,197
TOTAL ASSETS		12,483,578	13,859,225
EQUITY AND LIABILITIES			
Equity			
Issued capital	3	16,076,578	16,158,016
Reserves	4	1,227,822	860,866
Accumulated losses		(3,968,005)	(2,677,865)
Equity attributable to the owners of Arcadia Minerals Limited		13,336,395	14,341,017
Non-controlling interest	5	(1,001,369)	(589,214)
Total Equity		12,335,026	13,751,803
Current Liabilities			
Trade and other payables		148,552	107,422
Total Current Liabilities		148,552	107,422
TOTAL EQUITY AND LIABILITIES		12,483,578	13,859,225

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

ARCADIA MINERALS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 31 DECEMBER 2022

	Issued Capital	Reserves	Non-controlling Interest	Accumulated Losses	Total Equity
	\$	\$	\$	\$	\$
Balance at 1 July 2022	16,158,016	860,866	(589,214)	(2,677,865)	13,751,803
Loss after income tax for the period	-	-	(412,155)	(1,290,140)	(1,702,295)
Total comprehensive loss for the period	-	-	(412,155)	(1,290,140)	(1,702,295)
Transactions with owners in their capacity as owners:					
Share issue costs	(81,438)	81,438	-	-	-
Share-based payments	-	285,518	-	-	285,518
Balance at 31 December 2022	16,076,578	1,227,822	(1,001,369)	(3,968,005)	12,335,026
Balance at 1 July 2021	16,319,565	132,939	(55,602)	(593,893)	15,803,009
Loss after income tax for the period	-	-	(274,237)	(1,145,020)	(1,419,257)
Total comprehensive loss for the period	-	-	(274,237)	(1,145,020)	(1,419,257)
Transactions with owners in their capacity as owners:					
Share issue costs	(81,438)	-	-	-	(81,438)
Share-based payments	-	366,955	-	-	366,955
Balance at 31 December 2021	16,238,127	499,894	(329,839)	(1,738,913)	14,669,269

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

	Consolidated 31 December 2022	Consolidated 31 December 2021
		\$
Cash flows used in operating activities		
Payments to suppliers and employees	(497,979)	(877,374)
Payments for exploration expenditure	(1,169,705)	(1,104,779)
Interest received	31,077	229
Net cash flows used in operating activities	(1,636,607)	(1,981,924)
Cash flows used in financing activities		
Payments to associate for long term loan	(6,934)	-
Net cash flows used in financing activities	(6,934)	-
Net decrease in cash and cash equivalents	(1,643,541)	(1,981,924)
Cash and cash equivalents at the beginning of the period	2,840,406	6,165,049
Cash and cash equivalents at the end of the period	1,196,865	4,183,125

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These general-purpose financial statements for the interim half-year reporting period ended 31 December 2022 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting*, as appropriate for for-profit oriented entities.

These general-purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period.

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

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. As disclosed in the financial statements, the consolidated entity incurred a loss of \$1,702,295 and had net cash outflows from operating activities of \$1,636,607 for the half-year ended 31 December 2022. As at that date, the consolidated entity had net current assets of \$1,104,866 and net assets of \$12,335,026, including a cash balance of \$1,196,865.

The Directors believe that it is reasonably foreseeable that the consolidated entity will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- the Group consolidated entity the ability to scale down its operations during the next 12 months, in order to curtail expenditure, to ensure the consolidated entity has sufficient cash available; and
- the consolidated entity has the ability to the issue additional shares to raise further working capital.

NOTE 2: SEGMENT INFORMATION*Identification of reportable operating segments*

The consolidated entity operates in two operating segments being, exploration activities in Namibia, and resources allocated to administration in Australia. This is the basis in which internal reports are provided to the Directors (who are identified as the Chief Operating Decision Makers ("CODM")) for assessing performance and determining the allocation of resources within the consolidated entity.

The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

Consolidated	Australia	Namibia	Total
For the half-year ended 31 December 2022	\$	\$	\$
Other revenue	1,614	30,453	32,067
Total segment revenue	1,614	30,453	32,067
EBITDA	(326,006)	(1,405,726)	(1,731,732)
Depreciation			(2,630)
Interest revenue			32,067
Loss before income tax expense			(1,702,295)
Income tax expense			-
Loss after income tax expense			(1,702,295)
Segment assets	354,788	12,128,790	12,483,578
Segment liabilities	(47,383)	(101,169)	(148,552)

NOTE 2: SEGMENT INFORMATION (continued)

Consolidated	Australia	Namibia	Total
For the half-year ended 31 December 2021	\$	\$	\$
Other revenue	229	-	229
Total segment revenue	229	-	229
EBITDA	(259,416)	(1,157,414)	(1,416,830)
Depreciation			(2,656)
Interest revenue			229
Loss before income tax expense			(1,419,257)
Income tax expense			-
Loss after income tax expense			(1,419,257)
Segment assets	14,237,183	489,547	14,726,730
Segment liabilities	(57,030)	(431)	(57,461)

NOTE 3: ISSUED CAPITAL

Consolidated

	31 December 2022	31 December 2022	30 June 2022	30 June 2022
	No. of shares	\$	No. of shares	\$
Issued capital				
Ordinary shares fully paid	85,500,100	16,076,578	85,500,100	16,158,016

Movement in ordinary shares on issue

Details	Date	Shares	Issue price	\$
Balance	1 July 2021	85,500,100	-	16,319,565
Share issue costs		-	-	(161,549)
Balance	30 June 2022	85,500,100	-	16,158,016
Share issue costs		-	-	(81,438)
Balance	31 December 2022	85,500,100		16,076,578

NOTE 4: RESERVES

	Consolidated 31 December 2022	Consolidated 30 June 2022
	\$	\$
Share-based payments reserve	1,227,822	860,866
Movement reconciliation of share-based payments reserve		
	No. of securities	\$
Balance at 1 July 2022	13,550,000	860,866
Amortisation of options issued in prior periods	-	81,438
Amortisation of performance shares issued in prior periods	-	285,518
Balance at 31 December 2022	13,550,000	1,227,822

NOTE 5: NON-CONTROLLING INTEREST

	Consolidated 31 December 2022	Consolidated 30 June 2022
	\$	\$
Non-Controlling Interest Reserve	1,001,369	589,214
Movement reconciliation of non-controlling interest reserve		
	\$	
Balance at 1 July 2022	589,214	
Loss for the period attributable to non-controlling interest	412,155	
Balance at 31 December 2022	1,001,369	

NOTE 6: DIVIDENDS

No dividends were paid or proposed to be paid to members during the half-year ended 31 December 2022 (31 December 2021: nil).

NOTE 7: CONTINGENCIES

There were no material changes to contingent assets or liabilities since 30 June 2022.

NOTE 8: COMMITMENTS

There were no material changes to commitments since 30 June 2022.

NOTE 9: EVENTS OCCURRING AFTER REPORTING DATE

On 27 February 2023, the Company received initial assay and stratigraphic results of the first two holes drilled at the Stryfontein pan. The Stryfontein pan is the third pan in the Bitterwasser Pan district to be confirmed containing Lithium mineralisation to a similar tenor as is seen at the Eden Pan, and where a Lithium-in-Clay JORC Mineral Resource of 286,909-ton Lithium Carbonate using a 500ppm Li cut-off has been defined.

There are no other matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.



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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF ARCADIA MINERALS LIMITED

Report on the Half-Year Financial Report

Conclusion

We have reviewed the accompanying half-year financial report of Arcadia Minerals Limited and its controlled entities (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2022, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended 31 December 2022, notes comprising a summary of significant accounting policies and other explanatory information.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the accompanying half-year financial report of Arcadia Minerals Limited does not give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the half-year then ended in accordance International Accounting Standard 34 *Interim Financial Reporting*.

Basis for Conclusion

We conducted our review in accordance with ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Half-Year Financial Report section of our report. We are independent of the consolidated entity in accordance with the International Ethics Standard Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) that are relevant to our review of the half-year financial report. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Directors' Responsibility for the Half-Year Financial Report

The directors of Arcadia Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with International Accounting Standard 34 *Interim Financial Reporting*, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

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RSM Australia Pty Ltd ABN 36 965 185 036

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Auditor's Responsibility for the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with International Accounting Standard 34 *Interim Financial Reporting*.

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 International 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.

A handwritten signature of 'RSM' in a stylized, cursive font.

RSM AUSTRALIA PTY LTD

A handwritten signature of 'Tutu Phong' in a cursive font.

TUTU PHONG
Director

Perth, WA
Dated: 14 March 2023