

**ARC MINERALS LIMITED**  
**Interim Financial Statements**  
**30 June 2025**

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the period ended 30 June 2025

	Notes	Six Months to 30 June 2025 (Unaudited) £ 000's	Six Months to 30 June 2024 (Unaudited) £ 000's
Administrative expenses		(2,117)	(514)
<b>Operating loss</b>		<b>(2,117)</b>	<b>(514)</b>
Share of loss from associate		(160)	(24)
<b>Non-operating Loss</b>		<b>(160)</b>	<b>(24)</b>
<b>Loss from continuing operations</b>		<b>(2,277)</b>	<b>(538)</b>
Income tax expense		-	-
<b>Loss for the period</b>	3	<b>(2,277)</b>	<b>(538)</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Unrealised losses		-	-
Effect of currency translation		21	4
<b>Other comprehensive income for the period, net of tax</b>		<b>21</b>	<b>4</b>
<b>Total comprehensive loss for the period</b>		<b>(2,256)</b>	<b>(534)</b>
<b>Income / (Loss) attributable to:</b>			
Equity holders of the parent		(2,134)	(631)
Non-controlling interest		(143)	93
		(2,277)	(538)
<b>Total comprehensive income / (loss) attributable to:</b>			
Equity holders of the parent		(2,118)	(628)
Non-controlling interest		(138)	94
		(2,256)	(534)
<b>Loss per share attributable to the owners of the parent during the period (expressed in pence per share)</b>			
- Basic	3	(0.16)	(0.04)

The notes on pages 5 to 9 are an integral part of these consolidated financial statements.

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	As at 30 June 2025 (Unaudited) £ 000's	As at 31 December 2024 (Audited) £ 000's
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	4	2,323	2,370
Investment in Associate		752	912
Long-term receivable	5	5,902	6,261
<b>Total non-current assets</b>		<b>8,977</b>	<b>9,543</b>
<b>Current assets</b>			
Trade and other receivables	6	1,763	1,988
Cash and cash equivalents		682	1,635
<b>Total current assets</b>		<b>2,445</b>	<b>3,623</b>
<b>TOTAL ASSETS</b>		<b>11,422</b>	<b>13,166</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	7	(1,394)	(1,667)
<b>Total current liabilities</b>		<b>(1,394)</b>	<b>(1,667)</b>
<b>Non-current liabilities</b>			
Long term payables	8	(98)	(103)
<b>Total non-current liabilities</b>		<b>(98)</b>	<b>(103)</b>
<b>TOTAL LIABILITIES</b>		<b>(1,492)</b>	<b>(1,770)</b>
<b>NET ASSETS</b>		<b>9,930</b>	<b>11,396</b>
<b>EQUITY</b>			
Share capital	9	-	-
Share premium		68,508	68,508
Share based payments reserve		843	-
Warrant reserve		111	111
Foreign exchange reserve		(139)	(102)
Retained earnings		(59,427)	(57,293)
<b>Equity attributable to equity holders of the parent</b>		<b>9,896</b>	<b>11,224</b>
Non-controlling interest		34	172
<b>TOTAL EQUITY</b>		<b>9,930</b>	<b>11,396</b>

The notes on pages 5 to 9 are an integral part of these consolidated financial statements.

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF CASH FLOWS

for the period ended 30 June 2025

	Notes	As at 30 June 2025 (Unaudited) £ 000's	As at 30 June 2024 (Unaudited) £ 000's
<b>Cash flows from operating activities</b>			
Loss for the period	3	(2,277)	(538)
Depreciation		-	-
Currency losses / (gains)		757	(54)
Fair value losses / (gains)		-	(28)
Unwinding of interest on Anglo receivable		(188)	
Share of loss of associate		160	24
Share based payments expense		843	(251)
<b>Operating loss before changes in working capital</b>		<b>(705)</b>	<b>(847)</b>
Decrease/(Increase) in trade and other receivables (i)		34	(40)
Increase / (Decrease) in trade and other payables		(281)	(548)
<b>Net cash used in operating activities</b>		<b>(952)</b>	<b>(1,435)</b>
<b>Cash flows used in investing activities</b>			
Additions to intangible assets	4	(1)	(137)
Proceeds from disposal of short-term investments		-	96
<b>Net cash used in investing activities</b>		<b>(1)</b>	<b>(41)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares net of share issue cost		-	4,005
Repurchase of shares		-	(406)
Long term payables	8	-	(1)
<b>Net cash generated from financing activities</b>		<b>-</b>	<b>3,598</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(953)</b>	<b>2,122</b>
Cash and cash equivalents at beginning of period		1,635	281
<b>Cash and cash equivalents at end of period</b>		<b>682</b>	<b>2,403</b>

The notes on pages 5 to 9 are an integral part of these consolidated financial statements.

(i) The movement in trade and other receivables include the movement in both long- and short-term receivables.

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 30 June 2025

	Share capital	Share premium	Foreign exchange reserve	Share based payment reserve	Warrant Reserve	Retained earnings	Total	Non-controlling interest	Total equity
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
<b>As at 1 January 2024</b>	-	64,464	(78)	126	84	(54,046)	10,550	(3)	10,547
Loss for the period	-	-	-	-	-	(631)	(631)	93	(538)
<i>Items that may be reclassified subsequently to profit or loss:</i>									
Currency translation differences	-	-	3	-	-	-	3	1	4
<b>Total comprehensive loss for the period</b>	-	-	3	-	-	(631)	(628)	94	(534)
Share capital issued net of share issue costs	-	4,005	-	-	-	-	4,005	-	4,005
Cancellation of repurchased shares	-	(406)	-	-	-	-	(406)	-	(406)
Warrants and options expired	-	-	-	(42)	-	42	-	-	-
Effect of foreign exchange on the opening balance	-	-	(39)	-	-	23	(16)	3	(13)
<b>Total transactions with owners, recognised directly in equity</b>	-	3,599	(39)	(42)	-	65	3,583	3	3,586
<b>As at 30 June 2024</b>	-	68,063	(114)	84	84	(54,612)	13,505	94	13,599
<b>As at 1 January 2025</b>	-	68,508	(102)	-	111	(57,293)	11,224	172	11,396
Loss for the period	-	-	-	-	-	(2,134)	(2,134)	(143)	(2,277)
<i>Items that may be reclassified subsequently to profit or loss:</i>									
Currency translation differences	-	-	16	-	-	-	16	5	21
<b>Total comprehensive loss for the period</b>	-	-	16	-	-	(2,134)	(2,118)	(138)	(2,256)
Share capital issued net of share issue costs	-	-	-	-	-	-	-	-	-
Share based payments expense during the period	-	-	-	843	-	-	843	-	843
Effect of foreign exchange on the opening balance	-	-	(53)	-	-	-	(53)	-	(53)
<b>Total transactions with owners, recognised directly in equity</b>	-	-	(53)	843	-	-	790	-	790
<b>As at 30 June 2025</b>	-	68,508	(139)	843	111	(59,427)	9,896	34	9,930

The notes on pages 5 to 9 are an integral part of these consolidated financial statements.

# NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the period ended 30 June 2025

## **1. Basis of preparation**

The condensed consolidated interim financial statements have been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards and IFRIC interpretations adopted for use in the European Union (“IFRS”) and those parts of the BVI Business Companies Act applicable to companies reporting under IFRS.

The condensed consolidated interim financial statements contained in this document do not constitute statutory accounts. In the opinion of the directors, the condensed consolidated interim financial statements for this period fairly presents the financial position, result of operations and cash flows for this period.

The Board of Directors approved this Interim Financial Report on 24 September 2025.

### **Statement of compliance**

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 “Interim Financial Statements” in preparing these interim condensed consolidated interim financial statements. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which have been prepared in accordance with IFRS as adopted by the European Union.

### **Accounting policies**

The condensed consolidated interim financial statements for the period ended 30 June 2025 have not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory annual financial statements for the year ended 31 December 2024.

### **Going concern**

The Directors have reviewed a forecast prepared by the executive and have a reasonable expectation that the Group has sufficient funds to continue in operation and satisfy liabilities for the foreseeable future. The Directors therefore consider it appropriate for the Company to continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

### **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy,

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### For the period ended 30 June 2025

described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

## 2. Financial Risk Management

### Risks and uncertainties

The Board continually assesses and monitors the key risks of the business. The key risks that could affect the Group's medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's December 2024 Annual Report and Financial Statements, a copy of which is available from the Group's website: [www.arcminerals.com](http://www.arcminerals.com). The key financial risks are market risk, currency risk, and liquidity.

## 3. Loss per share

	Notes	Six Months to 30 June 2025 (Unaudited) £ 000's	Six Months to 30 June 2024 (Unaudited) £ 000's
Loss for the period		(2,277)	(538)
Weighted average number of ordinary shares used in calculating basic loss per share (000's)		1,448,108	1,348,712
Basic loss per share (expressed in pence)		(0.16)	(0.04)

As the inclusion of outstanding warrants and options would result in a decrease in the earnings per share, they are considered anti-dilutive and, as such, a diluted loss per share is not included.

## 4. Intangible Assets

	Alvis-Crest Prospecting & Exploration rights £ 000's	Foreland Deferred Exploration Costs £ 000's	Total £ 000's
As at 1 January 2025	1,312	1,058	2,370
Additions	-	1	1
Foreign exchange	-	(48)	(48)
<b>As at 30 June 2025</b>	<b>1,312</b>	<b>1,011</b>	<b>2,323</b>
As at 31 December 2024	1,312	1,058	2,370

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
For the period ended 30 June 2025

**5. Long-term receivables**

	Group 30 June 2025 £ 000's	Group 31 Dec 2024 £ 000's
Receivable – Anglo JV (USD 9.09M)	5,902	6,261
<b>Total</b>	<b>5,902</b>	<b>6,261</b>

**6. Trade and other receivables**

	Group 30 June 2025 £ 000's	Group 31 Dec 2024 £ 000's
Receivable – Anglo JV (USD 1M)	730	798
Receivable – Casa Sale (USD 1.25M)	930	999
Other Receivables	103	191
Prepayments	-	-
<b>Total</b>	<b>1,763</b>	<b>1,988</b>

**7. Trade and Other Payables**

	Group 30 June 2025 £ 000's	Group 31 December 2024 £ 000's
<b>Trade and Other Payables</b>		
Surrendered share options payable	886	1,181
Minority shareholder loans	53	53
Trade and other payables	455	433
	<b>1,394</b>	<b>1,667</b>

*Surrendered Share Options Payable*

The surrendered share options payable is in relation to the surrendered share options as announced on 16 March 2021.

*Minority shareholder loans*

The minority shareholder loans represent the loan from the 33% minority shareholder to Unico Minerals Limited. The Company has also provided a loan to this company on similar terms which had a balance on the reporting date of c.£1.46 million.

**8. Long Term Payables**

	Group 30 June 2025 £ 000's	Group 31 December 2024 £ 000's
<b>Long term payables</b>		
Minority shareholder loan	98	103
	<b>98</b>	<b>103</b>

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

For the period ended 30 June 2025

The minority shareholder loans are payable to the minority shareholder Alvis-Crest (Proprietary) Limited in the amount of BWP 1,797,430 (GBP 98k), as 30 June 2025 (31 December 2024: BWP 1,797,430 (GBP 103k)). The loans are unsecured and loan holders have agreed to roll forward the loans until a liquidity event occurs.

### 9. Share Capital

The authorised share capital of the Company and the called up and fully paid amounts at 30 June 2025 were as follows:

A) Authorised	£ 000's		£ 000's	
Unlimited ordinary shares of no par value	-		-	
	Number of shares	Nominal value	Price per share (pence)	Gross Consideration value GBP'000
<b>B) Called up, allotted, issued and fully paid</b>				
As at 1 January 2025	1,448,108,263	-	-	-
<b>Additions:</b>				
There were no additions during the period.				
As at 30 June 2025	1,448,108,263	-		-

### 10. Share based payments

#### Share options

During the period the following share options were issued and valued using the Black Scholes method:

	Weighted Avg Price (pence)	Number	Exercise Price (pence)	Share price at grant (pence)	Weighted Avg Term (years)	Value (000s) **
<b>1 January 2024</b>	<b>4.56</b>	<b>8,933,334</b>			<b>0.52</b>	<b>126</b>
Expired		(8,933,334)	-	-	-	(126)
Exercised during the year		-	-	-	-	-
Granted		-	-	-	-	-
<b>31 December 2024</b>	<b>-</b>	<b>-</b>			<b>-</b>	<b>-</b>
<b>1 January 2025</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Expired		-	-	-	-	-
Exercised during the period		-	-	-	-	-
Nil Cost Share Options granted		43,712,988	2.5	1.45	4.8	634
Share Options granted		36,427,488	2.5	1.45	4.8	209
<b>30 June 2025</b>	<b>2.5</b>	<b>80,140,476</b>			<b>4.8</b>	<b>843</b>

As announced on 7 April 2025, the Company granted a combination of Nil Cost Share Options ("RSUs") and Share Options, equating to 5.5% of the issued share capital (being 3% of the issued share capital in respect of LTIPs issued to directors).

The 43,712,988 RSUs granted to the executive director and senior management are performance-based, have a five-year term, and will vest in three equal tranches, subject to the achievement of share price targets of 2.5p, 4p, and 6p over a three-year period, with the following additional performance-based acceleration milestones:

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### For the period ended 30 June 2025

- in relation to the Anglo JV, Anglo exercising their option to accelerate Phase 1; or
- a Zambia Discovery, defined as a new resource where at least three holes drilled each assayed more than 50m% CuEq. (100m @ 0.5% Cu; 25m @ 2% Cu); or
- a Botswana Discovery, defined as a new resource where at least three holes drilled each assayed more than 25m% CuEq. (10m @ 2.5% Cu).

The 36,427,488 Share Options were issued to directors and senior management as set in the announcement of 7 April 2025. These options have an exercise price of 2.5p, will vest equally over three years and will be exercisable at any time after vesting and during the term of five years.

Options can be settled in cash and are typically granted for a term between three and five years at the discretion of the Board of Directors upon recommendation by the Remuneration Committee.

Under IFRS 2 “Share-based Payments”, the Company determines the fair value of options issued to Directors, Employees and other parties as remuneration and recognises the amount as an expense in the Statement of Comprehensive Income with a corresponding increase in equity.

In the Black-Scholes model the key inputs for the options granted in 2025 were Volatility as 64%, the Risk Free Interest Rate as 0% and the dividend yield as 0%. The charge incurred during the period in relation to share based payments was £209,045.

The weighted average exercise price of the options outstanding at 30 June 2025 is 2.5 pence.

#### **11. Events after the reporting date**

There were no post balance sheet events in addition to those disclosed in the 31 December 2024 Annual Report.

#### **12. Other Matters**

The condensed consolidated interim financial statements set out above do not constitute the Group’s statutory accounts for the period ended 30 June 2025 or for earlier periods but are derived from those accounts where applicable.

A copy of this interim statement is available on the Company’s website: [www.arcminerals.com](http://www.arcminerals.com).