



ARCADIA MINERALS LTD

Financial Report

For the period 7 October 2020 to 30 June 2021

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

Registered office in Australia and Local Agent Address

Suite 7, 63 Shepperton Road

Victoria Park WA 6100

Telephone: + 61 8 6158 9990

Guernsey Corporate Secretary

Oak Securities Limited

Registered office in Guernsey

Oak House, Hirzel Street

St Peter Port

Guernsey GY1 3RH

Auditors

RSM Australia Partners

Level 32, Exchange Tower

2 The Esplanade

Perth WA 6000

Share Registry

Automic Share Registry

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Perth WA 6000

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The Directors of Arcadia Minerals Limited have the pleasure in presenting their first Directors report since listing on the ASX, together with the consolidated financial statements for Arcadia Minerals Limited (“Arcadia” or “the Company”) and its subsidiaries (together “the Group”) for the period 7 October 2020 to 30 June 2021.

The names of the Company’s Directors who held office from incorporation date on 7 October 2020 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
Mr Joseph Van Den Elsen	Non-Executive Director	Appointed 6 October 2020 Resigned 24 September 2021

INFORMATION ON DIRECTORS

Mr Jurie Wessels

Executive Chairman

Qualifications

BA, LLB

Experience

Mr Jurie Wessels has 23 years’ experience in the exploration industry and co-founded a number of exploration and mining companies, including Bauba Resources Ltd (BAU.J), GoldStone Resources Ltd (GRL.L) and Vanadium Resources Ltd (VR8.Asx). Mr Wessels has significant experience in the sourcing and assessment of exploration and exploitation projects and in the governance, funding and management of resource companies. Mr Wessels explored for various minerals in Africa, South America and Europe and practised as a minerals lawyer up to 2003 but still is admitted as an attorney (non-practising) and a notary of the High Court of South Africa.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

4,099,353 Chess Depositary Interests

685,619 Performance Shares

Directorships held in other listed entities (last 3 years)

Vanadium Resources Limited (current) (ASX Listed)

Bauba Resources Limited (current) (JSE Listed)

Mr Philip Le Roux

Chief Executive Officer and Director

Qualifications

B.Sc. (Hons) (Geology)

Experience

Philip has 30 years' experience in exploration, mining and economic geology, with extensive exposure in different geological terrains worldwide. He commenced his career as a Mine Geologist for Gencor Limited, then became a Mining Analyst for the Industrial Development Corporation of South Africa and operated as an independent consultant to several junior and mid-tier mining companies. Philip has progressed numerous projects from greenfields to feasibility and into production. Philip was responsible for progressing the projects that are the subject of the Acquisition Agreement from a technical point of view. Philip is a member of the Geological Society of South Africa and holds an Honours Degree in Geology from the University of Stellenbosch.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

4,099,353 Chess Depositary Interests

685,619 Performance Shares

Directorships held in other listed entities (last 3 years)

Nil

Mr Michael Davy

Non Executive Director

Qualifications

BCom (Acc)

Experience

Mr Michael Davy is an Australian executive and Accountant with over 16 years' experience across a range of industries. Mr Davy previously held a senior management role in Australia for Songa Offshore (listed Norwegian Oil and Gas drilling company), where he assisted with the start-up of the Australian operations and managed the finance team for a two rig operation with multi-hundred million dollar revenues. Prior to that Mr Davy had worked in Australia and London for other large organisations overseeing various finance functions.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

1,016,150 Chess Depositary Interests

Nil Performance Shares

Directorships held in other listed entities (last 3 years)

Raiden Resources Limited (Chairman) (Current)

Vanadium Resources Limited (Current)

Riversgold Limited (resigned 24 June 2020)

Jadar Lithium Limited (resigned 15 April 2019)

Mr Johan Le Roux

Non Executive Director

Qualifications

B.Com (Management accounting), MBA

Experience

Johan is a business development executive with an accounting background. For the past 12 years, he has been the Business Development Manager of SPH Kundalila (Pty) Ltd, a leading mining services provider that is a wholly owned subsidiary of JSE-listed Raubex Group Limited. Johan holds a Bachelor of Commerce degree from Stellenbosch University and a Master of Business Administration from the University of Stellenbosch Business School.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

Nil Chess Depositary Interests

Nil Performance Shares

Directorships held in other listed entities (last 3 years)

Bauba Resources Limited (current) (JSE Listed)

Mr Andrew Law

Non Executive Director

Qualifications

MBA, MMin, FAusIMM(CP), FIQ(Aus), MAICD, AFAIM

Experience

Andrew Law has over 35 years' experience in the mining and Resources industry in Australia, Africa and South America. Andrew's extensive technical and management experience ranges from deep level underground mining environments to large open pit environments and large mineral sands mining and dredging environments. Executive Management experience has been gained at both the Corporate and Executive operational levels at Anglo American, Plutonic Resources, Downer Group, Placer Dome, Mundo Minerals and Optiro Limited. Until recently, Andrew was the Executive Director – Projects at Relentless Resources Limited. Andrew's specialist skills are in Corporate strategic business planning, execution, and governance across a wide range of mineral commodities; project management; management of feasibility studies; Ore Reserve compliance and auditing (ASX, TSX, SEC, SGX, JSE); project acquisitions, valuations and due diligence; operational performance management and optimisation; mentoring executive corporate personnel and operational management, as well as peer reviewing mining studies and projects.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

Nil Chess Depositary Interests

Nil Performance Shares

Directorships held in other listed entities (last 3 years)

Nil

Mr Joseph van den Elsen

Non Executive Director

Qualifications

GradDip in Environment, Energy and Resources Law

GradDip in Mineral Exploration Geoscience

Bachelor of Laws & Bachelor of Arts

Experience

In addition to his position as the Managing Director of Ookami, Mr van den Elsen currently serves as the Executive Chairman of Ronin Resources Ltd, a public exploration and development company advancing a coal project in Colombia. Prior to joining Ronin Resources Ltd, he held executive positions with MHM Metals and Hampshire Mining. Previously, he was an Associate Director with UBS and held a comparable position with Goldman Sachs JB Were.

Interest in Chess Depositary Interests (CDIs) and Performance Shares at the date of this report

Nil Chess Depositary Interests

Nil Performance Shares

Directorships held in other listed entities (last 3 years)

Oar Resources Limited (current)

Ookami Limited (Current)

Ms Kyla Garic | Local Agent & Company Secretary

BCom (Info. Systems and Electronic Commerce), MAcc, GradDipCA,
(Appointed 6 October 2020)

Ms Garic is a Chartered Accountant and Director of Onyx Corporate. Onyx Corporate provides financial reporting, accounting, company secretarial and other services primarily to ASX listed companies. Ms Garic has acted as a Non-Executive Director and Company Secretary for a number of ASX listed companies.

PRINCIPAL ACTIVITIES

The principal activities of the Group are continued exploration of the Swanson Project and advancement of the exploration of the Kum-Kum, Karibib and Bitterwasser Project. The Group also seeks to investigate additional exploration opportunities within Namibia which may present themselves from time to time.

REVIEW OF OPERATIONS AND ACTIVITIES

The loss after income tax of the Group for the period ended 30 June 2021 is \$593,893.

The Company is a Guernsey incorporated entity registered on 7 October 2020 under section 20 of The Companies (Guernsey) Law 2008, with registration number 68211. The Company is also registered as a foreign company under the Corporations Act, with Australian Registered Body Number (ARBN) 646 114 749.

The Company is an exploration company and was established for the purpose of acquiring and developing resource assets in Namibia through the companies that owns these assets (Namibian entities). The Company's intention was to acquire the Projects through the raising of capital from an Initial Public Offer of securities to the general public. The resource assets identified were four advanced exploration projects. Ranked in order of development these projects were ('The Projects'):

- a) the Swanson Project – prospective for tantalum and lithium;
- b) the Kum-Kum Project – prospective for nickel, copper and platinum group elements;
- c) the Karibib Project – prospective for copper and gold; and
- d) the Bitterwasser Project – prospective for lithium-in-brines and lithium-in-clays.

REVIEW OF OPERATIONS AND ACTIVITIES (continued)

The Company commenced the acquisition process with a seed raising in 2020 to raise \$350,000 (before costs) through the issue of 3,500,000 Shares at an issue price of \$0.10 per security. Funds raised were used to conduct minimal exploration over the licenses and to cover the costs of preparing the Company for a listing on the Australian Stock Exchange (ASX).

On 24 March 2021, the Company entered into formal agreements to acquire the Projects through acquiring:

- a) an 80% interest in the Swanson Tantalite/Lithium Project and Kum-Kum Nickel-Cu-PGE Project from Orange River Pegmatite (Proprietary) Limited. The Company acquired its interest in these projects by acquiring that number of shares which is equal to 80% of the issued share capital of ORP;
- b) a 68% see-through interest in a copper and gold exclusive prospecting licence located in the Karibib Gold Belt. The Company acquired this interest by acquiring that number of shares which is equal to 80% of the issued share capital of Karibib Pegmatite Exploration (Proprietary) Limited; and
- c) a 50% interest in the Bitterwasser Lithium Project which comprised of five exclusive prospecting licences that hold lithium-in-brines and lithium-in-clays potential. The Company acquired this interest by acquiring that number of shares which is equal to 50% of the issued share capital of Brines Mining Exploration Namibia (Proprietary) Limited.

Coincident with receipt of a decision to admit AM7 to the Official List of the ASX and to quote its securities, the Company completed the project acquisitions on the 17 June 2021 through the satisfaction of certain conditions precedent (as detailed in the Company's Replacement Prospectus dated 15 April 2021). In acquiring the Projects, the Company gained the opportunity to explore for metals that are colloquially known to be "battery-metals" (Lithium, Copper and Nickel), for precious metals (Gold) and for a critical metal (Tantalum). The Swanson project is an advanced project as drilling and other invasive exploration techniques had been completed over the project that indicated the promise of the declaration of resources and possible advancement to exploitation to possibly become a cash generator. Tantalum is considered vital for the world economy as it is used in the capacitors within the electronics and telecommunications industry. Battery metals such as Lithium, Copper and Nickel have gained prominence in the resources industry due to universal acceptance that electric vehicles could be the most environmentally friendly and effective form of vehicular propulsion in future. The Nickel and Lithium battery metal projects are considered to have company transforming potential due to both showing signs of complying with the requisite first order geological characteristics to possibly uncover significant geological potential. The precious metals project is prospective because it lies within a fertile copper/gold belt that is known to host economic deposits in similar geological environments.

On the 15 April 2021, the Company issued its Prospectus which provided for an offer of a minimum of 29,580,000 Chess Depositary Interests (CDIs) and a maximum of 32,000,000 CDIs at an issue price of \$0.20 per CDI to raise between \$5,900,000 and \$6,400,000. Following completion of the acquisitions, 45,000,000 Chess Depositary Interests (CDIs) and 8,550,000 Performance Shares were issued to Vendors. Other secondary offers completed under the prospectus included, 5,000,000 CDIs issued to the lenders of seed capital (or their nominee(s)) in consideration for the extinguishment of loans extended to the Namibian entities, 4,500,000 lead manager options issued to CPS Capital in part consideration for the provision of lead manager services and 500,000 options to Raubex Australia in consideration for its role as cornerstone investor in the Public Offer.

The Company was admitted to the Official List of ASX Limited ('ASX') on Wednesday, 23 June 2021 and official quotation of the Company's CDIs commenced on Friday, 25 June 2021.

There were no substantive exploration activities at the projects by the Company during the reporting period.

FINANCIAL RESULTS

The financial results of the Group for period 7 October 2020 to 30 June 2021 are summarised below and set out on the pages following the Directors Report. The Group's financial results were consistent with a mining exploration company, the Group remained well funded at the end of period:

	30 June 2021
Cash and cash equivalents (\$)	6,165,049
Net assets (\$)	15,803,009
Net loss after tax (\$)	(593,893)

SHARE CAPITAL

The Company's issued share capital as at 30 June 2021 consisted of 85,500,100 shares at \$0.185. All shares hold equal rights, with 51,300,100 shares held on escrow, and no shares carry special rights with regard to the control of the Company. Further information is contained in the Additional Shareholders Information at the end of this report.

During the period ended 30 June 2021 and up to the date of approval of these financial statements the Company has not purchased any Ordinary Shares for cancellation.

MAJORITY SHAREHOLDING IN THE COMPANY

As at 30 June 2021, the following shareholders had an interest of greater than 5% in the Company's issued share capital:

Holder Name	Holding Balance	% IC
SPH Kundalila (Pty) Ltd	16,314,688	19.08%
Russell Brooks Ltd	10,317,097	12.07%
Raubex Pty Ltd	6,610,000	7.73%

DIVIDENDS

There were no dividends paid or recommended during the financial period ended 30 June 2021.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Refer to the Review of Operations and Activities. There were no other significant changes in the state of affairs during the financial period.

EVENTS OCCURRING AFTER REPORTING DATE

Pursuant to the Prospectus upon listing on the ASX the Company immediately commenced with exploration over all its projects. The Swanson Tantalum/Lithium Project showed early promise with the declaration of a maiden JORC resource of 1,2Mt in the Indicated and Inferred categories at an average grade of 412ppm Ta₂O₅, 76ppm Nb₂O₅ and 0.29% Li₂O over sections of 4 outcropping LCT pegmatites at Swanson Project. Drilling over parts of the remaining 11 known pegmatites over the Swanson project area is ongoing and is expected to increase the resource. Earlier in the financial year, experts were appointed to conduct specialist hydrological studies and a minerals system approach respectively of Bitterwasser and Kum-Kum. A geophysical ground large loop TDEM survey was also launched with the appointment of experts in order to possibly identify geophysical anomalies that may represent massive sulphide bodies at the Kum-Kum Nickel project. The Karibib Copper and Gold project also procured compelling grab sample results over the exposed portions of the structural feature, which exhibited similar mineralogical characteristics than that of the nearby Navachab Gold Mine and the Twin Hills exploration project.

The Company's board also welcomed Mr Andrew Law as a non-executive director when Mr Joseph van den Elsen resigned due to other work commitments. Mr Law is an experienced Mining Engineer his appointment is expected to bolster the Company's essential skillsets to investigate and develop its projects.

There are no other matters or circumstances which have arisen since the end of the reporting date which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial periods.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

The Group's principal continuing activity is mineral exploration. The Company's future developments, prospects and business strategies are to continue mineral exploration.

DIRECTORS' MEETINGS

The following table sets out the number of Directors' meetings held during the financial period and the number attended by each Director. During the financial period, two board meetings were held. In addition, a number of matters were approved by circular resolution.

Director	Number Eligible to Attend	Number Attended
Mr Jurie Hendrik Wessels	2	2
Mr Philip Le Roux	2	2
Mr Johan Le Roux	2	2
Mr Michael Davy	2	2
Mr Joseph Van Den Elsen	2	2
Mr Andrew Law	-	-

Due to the size and scale of the Company, there is no separate Remuneration Committee, Nomination Committee or Audit and Risk Committee at present. Matters typically dealt with by these Committees are, for the time being, managed by the Board. For details of the function of the Board, refer to the Corporate Governance Statement.

INDEMNITY OF OFFICERS AND AUDITORS

The Company's Articles of Incorporation include indemnities in favour of persons who are or who have been officers of the Company. To the extent permitted by law the company indemnifies every person who has been an officers against:

- Any liability to any person (other than to the Company or related entities) incurred while acting in their official capacity and in good faith;
- Costs and expenses incurred by the officer in successfully defending legal proceedings and ancillary matters.

For this purpose, "officer" means any director or secretary of the Company. The Company has given indemnities by deed of indemnity in favour of certain officers in respect of liabilities incurred by them whilst acting as an officer of the company. No claims under the abovementioned indemnities have been made against the Company during or since the end of the financial period.

The Company has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial period, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

ENVIRONMENTAL REGULATIONS

The Group's operations are subject to the environmental risks inherent in the mining industry. There have been no known significant breaches of environmental regulations during the period and up until the date of this report.

AUDITOR

RSM Australia Pty Ltd were appointed to the office as the Company's independent auditors. A resolution to authorise their appointment will be proposed at the Company's forthcoming annual general meeting.

DISCLOSURE OF INFORMATION TO AUDITORS

The Directors who were members of the Board at the time of approving this Report are listed on page 3. Each of those Directors confirms that:

- to the best of his knowledge and belief, there is no information relevant to the preparation of their report which RSM Australia Pty Ltd is unaware; and
- he has taken all steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's Auditor is aware of that information.

NON-AUDIT SERVICES

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company are important.

Details of the amounts paid or payable to the auditor for non-audit services provided during the period by the auditor are outlined in Note 18 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial period, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors.

SHARES (CDIs) UNDER OPTION

At the date of this report there were the following unissued shares for which options were outstanding:

500,000 unlisted options expiring 17 June 2024 exercisable at \$0.20 cents and 4,500,000 unlisted options expiring 17 June 2024 exercisable at \$0.20.

SHARES (CDIs) ISSUED ON THE EXERCISE OF OPTIONS

There were no shares of Arcadia Minerals Limited issued during or since the period ended 30 June 2021 on the exercise of options.

SHARES (CDIs) UNDER PERFORMANCE SHARES

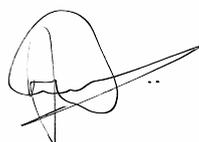
At the date of this report 8,550,000 performance shares with a nil exercise price were outstanding:

Expiry	Milestones
23/06/2024 (36 months from issue date)	<p>A Performance Share will be able to be converted into a Share by a Holder subject to the Company completing a positive Feasibility Study in relation to the Swanson Project as accepted by the Independent Directors of the Company and announcement of the same to the ASX, within 36 months of the date of admission of the Company to the Official List (Milestone).</p> <p>For the purposes of the above:</p> <p>(a) a “Feasibility Study” shall mean means a feasibility study that confirms economic extraction and processing of tantalum ore to produce a concentrate, that is compliant with the JORC Code and has been signed off by an independent third party technical firm; and (b) the “Independent Directors” shall be those directors of the Company at the time who do not have an entitlement to any Performance Shares.</p>

SHARES (CDIs) ISSUED ON THE EXERCISE OF PERFORMANCE SHARES

At or since the period ended 30 June 2021, no performance share milestone has been met.

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



JH Wessels
Chairman

30 September 2021

ARCADIA MINERALS LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2021

	Notes	7 October to 30 June 2021 \$
Revenue from continuing operations		
Other income	4	25
Expenses		
Professional fees		(72,000)
Other expenses		(98,783)
Share and company registry fees		(108,600)
Consulting and legal fees		(263,349)
Directors fees		(9,000)
Company secretary and financial management		(42,186)
Loss before income tax for the period		
Income tax expense	5	-
Loss after income tax for the period		(593,893)
Other comprehensive income for the period, net of tax		-
Total comprehensive loss for the period		(593,893)
Total comprehensive loss for the period attributable to:		
Owners of Arcadia Minerals Limited		(593,893)
Non-controlling interest		-
		(593,893)
Loss per share for the year		
Basic loss per share (cents)	6	(14.54)
Diluted loss per share (cents)	6	(14.54)

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 30 JUNE 2021

	Notes	30 June 2021 \$
ASSETS		
Non-Current Assets		
Plant and equipment		14,499
Exploration and evaluation assets	7	10,216,843
Total Non-Current Assets		10,231,342
Current Assets		
Trade and other receivables	8	40,398
Cash and cash equivalents	9	6,165,049
Total Current Assets		6,205,447
TOTAL ASSETS		16,436,789
EQUITY AND LIABILITIES		
Equity		
Issued capital	10	16,319,565
Reserves	11	132,939
Accumulated losses		(593,893)
Equity attributable to the owners of Arcadia Minerals Limited		15,858,611
Non-controlling interest	12	(55,602)
Total Equity		15,803,009
Current Liabilities		
Trade and other payables	13	633,780
Total Current Liabilities		633,780
TOTAL EQUITY AND LIABILITIES		16,436,789

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 PERIOD ENDED 30 JUNE 2021

	Issued Capital	Reserves	Accumulated Losses	Non-controlling Interest	Total Equity
	\$	\$	\$	\$	\$
Balance at 7 October 2020 (Incorporation)	-	-	-	-	-
Loss after income tax for the period	-	-	(593,893)	-	(593,893)
Total comprehensive loss for the period	-	-	(593,893)	-	(593,893)
Transactions with owners in their capacity as owners:					
Contributions of equity, net of transaction costs (note 10)	6,319,565	-	-	-	6,319,565
Issue of unlisted options, net of transaction costs (note 11)	-	112,767	-	-	112,767
Issue of performance shares, net of transaction costs (note 11)	-	20,172	-	-	20,172
Purchase of 80% shareholding in Orange River Pegmatite (Pty) Ltd (note 7)	8,750,000	-	-	-	8,750,000
Purchase of 80% shareholding in Karibib Pegmatite Exploration (Pty) Ltd (note 7)	1,000,000	-	-	-	1,000,000
Purchase of 50% shareholding in Brines Mining Exploration Namibia (Pty) Ltd (note 7)	250,000	-	-	-	250,000
Non-controlling interest on acquisition date (note 7, note 12)	-	-	-	(55,602)	(55,602)
Balance at 30 June 2021	16,319,565	132,939	(593,893)	(55,602)	15,803,009

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

	Note	7 October to 30 June 2021 \$
Cash flows used in operating activities		<u> </u>
Payments to suppliers and employees		(353,472)
Interest received	4	<u> 25</u>
Net cash flows used in operating activities		<u> (353,447)</u>
Cash flows from investing activities		
Cash consideration for acquisition of subsidiaries	7	(977)
Cash acquired on acquisition		<u> 86,161</u>
Net cash flows used in investing activities		<u> 85,184</u>
Cash flows from financing activities		
Proceeds from the issue of shares (net)		6,750,181
Share issue costs		(317,896)
Payments received for issue of options		50
Payments received for conversion of share-options		<u> 977</u>
Net cash flows provided by financing activities		<u> 6,433,312</u>
Net increase in cash and cash equivalents		6,165,049
Cash and cash equivalents at the beginning of the period		<u> -</u>
Cash and cash equivalents at the end of the period	9	<u> 6,165,049</u>

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(a) Reporting Entity**

Arcadia Minerals Limited (referred to as the “Company” or “parent entity”) is a company domiciled in Guernsey and listed on the Australian Stock Exchange (ASX). The address of the Company’s registered office and principal place of business is disclosed in the Corporate Directory of the Report. The consolidated financial statements of the Company as at and for the period ended 30 June 2021 comprise the Company and its subsidiaries (together, the “Group” or “consolidated entity”).

(b) Basis of Preparation*i. Statement of compliance*

These general purpose financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee, applicable to companies reporting under IFRS, Companies (Guernsey) Law 2008, and the Listing Requirements of the Australian Securities Exchange.

*ii. Basis of measurement***Historical Cost Convention**

The financial statements have been prepared under the historical costs convention, except for where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

iii. Parent entity information

These financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 19.

iv. New or amended International Financial Reporting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended International Financial Reporting Standards and Interpretations that are mandatory for the current reporting period. The adoption of these did not have a material impact on the consolidated entity.

v. New International Financial Reporting Standards and Interpretations not yet mandatory or early adopted

International Financial Reporting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2021.

vi. Significant Judgements and Estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2.

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities controlled by Arcadia Minerals Limited at the end of the reporting period. A controlled entity is any entity over which Arcadia Minerals Limited has the power to govern the financial and operating policies so as to obtain benefits from the entity's activities. Control will generally exist where the parent owns, directly or indirectly through subsidiaries, more than half of the voting power of an entity. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are also considered.

Where controlled entities have entered or left the consolidated entity during the year, the financial performance of those entities are included only for the period of the year that they were controlled.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated entity have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

Non-controlling interests, being the equity in a subsidiary not attributable, directly or indirectly, to a parent, are shown separately within the Equity section of the statement of financial position and statement of profit or loss and other comprehensive income. The non-controlling interests in the net assets comprise their interests at the date of the original business combination and their share of changes in equity since that date.

(d) Foreign Currency Translation

The financial statements are presented in Australian dollars, which is Arcadia Minerals Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the transaction at the financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

(e) Other Income*i. Interest*

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial interest to the net carrying amount of the financial asset.

ii. Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

(f) Income Tax

The income tax expense (revenue) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at the end of the reporting period. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(g) Exploration and evaluation expenditure

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

(h) Cash and Cash Equivalents

Cash on hand and in bank and short-term deposits are stated at nominal value. For the purpose of the statement of cash flows, cash includes cash on hand and in bank, and bank securities readily convertible to cash, net of outstanding bank overdrafts.

(i) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets. The consolidated entity has applied the simplified approach to measuring the expected credit losses, which uses a lifetime expected loss allowance. To measure expected credit losses, trade receivables have been grouped on days overdue. Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(j) Impairment of Assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows. Where an impairment loss subsequently reverses, the carrying amount of the asset, other than goodwill, is increased to the revised estimate of its recoverable amount, but only to the extent the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(k) Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received whether or not billed to the consolidated entity. Trade payables are usually settled within 30 days of recognition.

(l) Employee Benefits*i. Short-term employee benefits*

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

ii. Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to the expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(m) Share-based Payments

Equity-settled and cash-settled share-based compensation benefits are provided to Key Management Personnel and employees. Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate valuation model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying an appropriate valuation model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- During the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- From the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

(n) Issued Capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(o) Segment reporting

A business segment is identified for a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is identified when products or services are provided within a particular economic environment subject to risks and returns that are different from those of segments operating in other economic environments.

(p) Financial instruments

Financial assets and financial liabilities are recognised in the consolidated entity's statement of financial position when the consolidated entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

At each reporting date, the financial assets are assessed for impairment.

(q) Earnings Per Share*i. Basic earnings per share*

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

ii. Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) Current and Non-Current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

(s) Dividends

Dividends are recognised when declared during the financial year and no longer at the discretion of the Company.

NOTE 2: CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Share based payments

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using an appropriate valuation model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

(b) Exploration and evaluation costs

Exploration and evaluation costs have been capitalised and are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Key judgements are applied in considering the costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

(c) Coronavirus (COVID-19) pandemic

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

NOTE 3: SEGMENT INFORMATION

For the financial period ended 30 June 2021 and following the acquisition of an 80% interest in Orange River Pegmatite (Pty) Ltd and Karibib Pegmatite Exploration (Pty) Ltd, and 50% interest in Brines Mining Exploration Namibia (Pty) Ltd, all located in Namibia, on 17 June 2021, it was determined that the Group 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 for assessing performance and determining the allocation of resources within the Group.

For the period 7 October 2020 to 30 June 2021	Australia	Namibia	Total
Other revenue	25	-	25
Loss before income tax expense	593,893	-	593,893
Total Segment Assets	6,115,535	10,321,254	16,436,789
Total Segment Liabilities	(608,294)	(25,486)	(633,780)
Net Segment Assets	5,507,241	10,295,768	15,803,009

The Board considers its business operations in mineral exploration to be its primary reporting function. Results are analysed as a whole by the CODM. Consequently, revenue, profit or loss, net assets, total assets and total liabilities for the operating segment are reflected in this financial report.

NOTE 4: REVENUE

	30 June-2021
	\$
Other income	
Interest income	25

NOTE 5: INCOME TAX

The Company is incorporated and domiciled in Guernsey and is not tax resident in Australia. There are currently no withholding taxes or exchange control regulations in Guernsey applicable to the Company. The subsidiaries of the Company are all domiciled and tax resident in Namibia. The combined accumulated gross loss available for set-off against future profits is N\$13,637,804.

NOTE 6: LOSS PER SHARE

Basic loss per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share amounts are calculated by dividing the net loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	30 June 2021
	\$
Net loss for the period	<u>(593,893)</u>
Weighted average number of ordinary shares for basic and diluted loss per share	<u>4,084,722</u>
Options on issue are considered anti-dilutive to the earnings per share as the Company is in a loss-making position.	
Continuing operations	
- Basic and diluted loss per share (cents)	<u>(14.54)</u>

NOTE 7: EXPLORATION AND EVALUATION ASSETS

	\$
Opening balance	-
Expenditure acquired during the period	<u>10,216,843</u>
Closing balance	<u>10,216,843</u>

Acquisitions

On 17 June 2021 the Group acquired an 80% interest in Orange River Pegmatite (Pty) Ltd, a Namibian domiciled exploration company holding exclusive Prospecting Licences under EPL5047 (Swanson Project) and EPL5047, EPL6940 and EPL7295 (Kum-Kum Project), which provides exclusive rights allowing systematic prospecting for a period of 3 years. On the same date the Group acquired an 80% interest in Karibib Pegmatite Exploration (Pty) Ltd, a Namibian domiciled exploration company holding an 85% interest in Goas Pegmatite Exploration (Pty) Ltd. Also on the same date the Group acquired an 50% interest in Brines Mining Exploration Namibia (Pty) Ltd, a Namibian domiciled exploration company.

Purchase Consideration	\$
Cash payment	977
Share-options issued	-
Payments received for conversion of share-options	(977)
Shares issued on conversion of share-options	9,000,000
Performance shares issued	20,172
Shares issued on extinguishment of loan on acquisition	<u>1,000,000</u>
	<u>10,020,172</u>

NOTE 7: EXPLORATION AND EVALUATION ASSETS (continued)

The consideration for the acquisition consists of the following:

1. Total cash consideration of \$977 to the vendors of the Orange River Pegmatite (Pty) Ltd, Karibib Pegmatite Exploration (Pty) Ltd and Brines Mining Exploration Namibia (Pty) Ltd.
2. A total of 45,000,000 share-options that consist of options to subscribe for 45,000,000 Arcadia shares (CDIs) at \$0.20 as follows:
 - (i) 41,250,000 shares issued to Orange River Pegmatite (Pty) Ltd vendors;
 - (ii) 2,500,000 shares issued to Karibib Pegmatite Exploration (Pty) Ltd vendors; and
 - (iii) 1,250,000 shares issued to Brines Mining Exploration Namibia (Pty) Ltd vendors.

The share-options converted immediately into Arcadia shares following their issue through payment of the Subscription Price to Arcadia. The Subscription price is equal to the cash consideration paid to the vendors.

3. A total of 8,550,000 performance shares were issued on 17 June 2021 to the vendors of Orange River Pegmatite (Pty) Ltd. The performance shares were issued on the following basis: a performance share will be able to be converted into a share by a holder subject to the company completing a positive feasibility study in relation to the Swanson Project as accepted by the independent directors of the company and announcement of the same on the ASX, within 36 months of the date of admission of the company to the official list.
4. Between June and October 2018, an aggregate of \$90,000 was advanced by way of loan to Orange River Pegmatite (Pty) Ltd (ORP) and Karibib Pegmatite Exploration (Pty) Ltd (Karibib) by several parties under auspices and custodianship of Davy Corp Pty Ltd (an entity controlled by Director, Michael Davy) (Lenders). These funds were applied to set up ORP and Karibib and for initial working capital. As part of the ORP Acquisition and the Karibib Acquisition, it has been agreed that this loan will be assigned to Arcadia and then repaid with 5,000,000 Arcadia shares (CDIs).

Net Assets Acquired

	\$
Cash and cash equivalents	86,161
Trade and other receivables	6,524
Property, plant and equipment	14,499
Exploration and evaluation assets	10,216,843
Trade and other payables	(359,457)
Non-controlling interest	55,602
	10,020,172

Management has determined that the acquisitions do not meet the definition of a business within IFRS 3 Business Combinations. The transactions have been accounted for as an asset acquisition under IAS 16.

NOTE 8: TRADE AND OTHER RECEIVABLES

	30 June 2021
	\$
Trade receivables	700
Prepayments	39,698
	40,398

Prepayments

Prepayments relates to amounts prepaid for annual expenditure.

Allowance for expected credit losses

No expected credit losses have been recognised by the Group for the period ended 30 June 2021.

NOTE 9: CASH AND CASH EQUIVALENTS

	30 June-2021
	<u>\$</u>
Cash at bank and in hand	<u>6,165,049</u>

Cash and bank balances are denominated in A\$ except the net exposure to foreign currency detailed below:

	N\$
Balance with banks and cash on hand (Namibian Dollars)	<u>924,113</u>

Cash at bank earns interest at floating rates based on daily deposit rates. Short-term deposits are made in varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

The Group's exposure to interest rate and credit risks is disclosed in Note 14.

	30 June-2021
	<u>\$</u>
(a) Reconciliation of cash flow from operations with loss before income tax	
Loss for the financial period	(593,893)
<i>Changes in assets and liabilities:</i>	
- Trade and other receivables	(367,873)
- Trade and other payables	608,319
Cash flow from operations	<u>(353,447)</u>
(b) Non-cash investing and financing activities	
Shares issued for asset acquisition	10,000,000
Performance shares issued for asset acquisition	20,172
Options issued to lead manager and investors	112,767
	<u>10,132,939</u>

NOTE 10: ISSUED CAPITAL

	No of shares	30 June-2021 \$
Issued Capital		
Ordinary Shares Fully Paid	85,500,100	16,319,565
	No of Shares	\$
Movement in ordinary shares on issue		
Balance at incorporation (7 October 2020)	100	181
Issue of shares - \$0.10 placement (22 December 2020 – 28 January 2021)	3,500,000	350,000
Consideration for Orange River Pegmatite (Pty) Ltd - \$0.20 placement (17 June 2021)	43,750,000	8,750,000
Consideration for Karibib Pegmatite Exploration (Pty) Ltd - \$0.20 placement (17 June 2021)	5,000,000	1,000,000
Consideration for Brines Mining Exploration Namibia (Pty) Ltd - \$0.20 placement (17 June 2021)	1,250,000	250,000
Issue of shares for IPO (23 June 2021)	32,000,000	6,400,000
Capital raising costs	-	(430,616)
Balance at the end of period	85,500,100	16,319,565

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the share held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Share buy-back

There is no current on-market share buy-back.

NOTE 11: RESERVES

	30 June-2021
	\$
Movement reconciliation of share-based payments reserve	
Balance at incorporation (7 October 2020)	-
Issue of options	112,767
Issue of performance shares	20,172
Balance at the end of the period	132,939

	Number of performance shares	Number of unlisted options	\$
On issue at incorporation	-	-	-
Performance share issued during the period	8,550,000	-	-
Recognition of share-based payment expense for performance shares issued to Vendors on Acquisition (Note 15)	-	-	20,172
Issue of unlisted options during the period	-	5,000,000	-
Recognition of share-based payment expense for unlisted options issued (Note 15)	-	-	112,767
	8,550,000	5,000,000	132,939

The share-based payment reserve is used to record the value of share-based payments provided to outside parties, and share-based remuneration provided to employees and directors.

NOTE 12: NON-CONTROLLING INTEREST

Non-Controlling Interest on Acquisition Date	(55,602)
Accumulated losses	-
	(55,602)

NOTE 13: TRADE AND OTHER PAYABLES

Trade payables	584,780
Accrued expenses	49,000
	633,780

Trade payables

Trade payables are non-interest bearing and are normally settled on 30-day terms.

NOTE 14: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of the financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses different methods to measure and manage different types of risks to which it is exposed. These include monitoring levels of exposure to interest rate and foreign exchange risk and assessments of market forecasts for interest rate and foreign exchange prices. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through the development of future cash flow forecasts.

Risk management is carried out by Management and overseen by the Board of Directors with assistance from suitably qualified external advisors. The main risks arising for the Group are foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

The carrying values of the Group's financial instruments are as follows:

	30 June-2021
	<u>\$</u>
Financial Assets	
Trade and other receivables	40,398
Cash and cash equivalents	6,165,049
	<u>6,205,447</u>
Financial Liabilities	
Trade and other payables	<u>(633,780)</u>

(a) Market risk*i. Foreign exchange risk*

The currency risk is the risk that the value of financial instruments will fluctuate due to change in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. The Group is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the Australian Dollar (AUD), the Group's functional currency. The Group's policy is not to enter into any currency hedging transactions.

ii. Interest rate risk

The Group is exposed to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in the market interest rates on interest bearing financial instruments. The Group's exposure to this risk relates primarily to the Group's cash and any cash on deposit. The Group does not use derivatives to mitigate these exposures. The Group manages its exposure to interest rate risk by holding certain amounts of cash in fixed and floating interest rate facilities. At the reporting date, the interest rate profile of the Group's interest-bearing financial instruments was:

	Weighted average interest rate *	Balance
Cash and cash equivalents	0.00%	6,165,049

Movements in the changes to interest rates will not have material effect on the profit or loss of the Group.

NOTE 14: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)**(b) Credit risk**

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables and other financial assets. The Group's exposure to credit risk arises from potential default of the counterparty, with maximum exposure equal to the carrying amount of the financial assets.

The Group's policy is to trade only with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms will be subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk within the Group.

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

The Group manages liquidity risk by maintaining adequate cash reserves from funds raised in the market and by continuously monitoring forecast and actual cash flows. The Group does not have any external borrowings.

The following are the contractual maturities of financial liabilities:

	6 months \$	6-12 months \$	1-5 years \$	> 5 years \$	Total \$
2021					
Trade and other payables	633,780	-	-	-	633,780

(d) Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Given the stage of the Company's development there are no formal targets set for return on capital. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements. The net equity of the Company is equivalent to capital. Net capital is obtained through capital raisings on the Australian Securities Exchange ("ASX").

NOTE 15: SHARE-BASED PAYMENTS

Recognised share-based payment transactions	30 June-2021 \$
Performance shares issued to Vendors of Acquisition (Note 7)	20,172
Options issued to lead manager and investor	112,767
	132,939
Represented by:	
Capitalised exploration assets (Note 7)	20,172
Share issue costs	112,767
	132,939

Summary of options granted during the period:

Options	Issue Date	Date of Expiry	Exercise Price	Balance at the start of the period	Granted during the period	Exercised during the period	Expired during the period	Balance at the end of the period
Lead managers options (1)	17/06/2021	17/06/2024	0.200	-	4,500,000	-	-	4,500,000
Investor options (2)	17/06/2021	17/06/2024	0.200	-	500,000	-	-	500,000
				-	5,000,000	-	-	5,000,000

- 4,500,000 Lead Manager Options to CPS Capital in part consideration for the provision of lead manager services (Lead Manager Offer). The options will be exercisable at \$0.20 each on or before the date that is three years from the date of issue. The Options will vest in two equal tranches, upon the Company's 30-Day VWAP being equal to or greater than \$0.40 and \$0.50 respectively. The Options will be issued at an issue price of \$0.00001 per Option.
- 500,000 Raubex Options to Raubex Australia in consideration for its role as cornerstone investor in the Public Offer (Raubex Offer). These options vest immediately and are exercisable at \$0.20 each on or before the date that is three years from the date of issue. The Options will be issued at an issue price of \$0.00001 per Option.

NOTE 15: SHARE-BASED PAYMENTS (continued)

The options issued during the period ended 30 June 2021 to CPS Capital and Raubex, have been valued using the Black-Scholes model. The model, vesting conditions and assumptions are as follow:

	Lead manager options - Tranche 1	Lead manager options - Tranche 2	Investor options
Grant date share price	0.200	0.200	0.200
Exercise price	0.200	0.200	0.200
Vesting conditions	30-day VWAP exceed \$0.40	30-day VWAP exceed \$0.40	immediate
Expected volatility	100%	100%	100%
Grant date	11 February 2021	11 February 2021	15 April 2021
Expiry date	17 June 2024	17 June 2024	17 June 2024
Dividend yield	0.00%	0.00%	0.00%
Risk free rate	0.16%	0.16%	0.16%
Black-Scholes Valuation	0.1213	0.1191	0.1025
Total Fair Value of Options	\$272,903	\$267,953	\$51,245
Number of Options Issued	2,250,000	2,250,000	500,000
Share-based payment expense for the period	\$31,043	\$30,479	\$51,245

Summary of performance shares granted during the period:

Issue Date	Date of Expiry	Exercise Price	Balance at the start of the period	Granted during the period	Exercised during the period	Expired during the period	Balance at the end of the period
17/06/2021	23/06/2024	0.200	-	8,550,000	-	-	8,550,000

On 17 June 2021, the Company issued 8,550,000 Performance Shares issued to Vendors of the Orange River Pegmatite (Pty) Ltd acquisition which will each convert into a share on a one for one basis of the company completing a positive feasibility study in relation to the Swanson Project as accepted by the independent directors of the company and announcement of the same on the ASX, within 36 months of the date of admission of the company to the official list. Based on management assessment, percentage of a share-based payment expense has been recognised in the Statement of Financial Position as capitalised exploration assets on acquisition. The performance shares issued during the period ended 30 June 2021 to the vendors of the Orange River Pegmatite (Pty) Ltd, have been valued using the Black-Scholes model. The model, vesting conditions and assumptions are as follows:

Acquisition Performance Shares	Inputs
Grant date share price	\$0.200
Exercise price	\$0.00
Expected volatility	100%
Grant date	17 June 2021
Expiry date	23 June 2024
Dividend yield	0.00%
Risk free rate	0.16%
Black-Scholes Valuation	\$0.200
Total Fair Value of Performance Shares	\$1,710,000
Number of Options Issued	8,550,000
Share-based payment expense for the period	\$20,172

NOTE 16: RELATED PARTY DISCLOSURE**(a) Key Management Personnel Compensation**

The total remuneration paid to key management personnel of the Company and the Group during the year are as follows:

	30 June-2021
	<u>\$</u>
Short-term employee benefits	40,354
Post-term employee benefits	-
Equity benefits	4,388
	<u>44,742</u>

Details relating to Key Management Personnel, including remuneration paid, are below.

Directors	Reason	\$
Mr Jurie Hendrik Wessels	Director salary	14,500
Mr Philip Le Roux	Director salary	14,500
Mr Johan Le Roux	Director salary	3,000
Mr Michael Davy	Director salary	3,000
Mr Joseph Van Den Elsen	Director salary	3,000
* Mr Lias Pius	Director salary	2,354

* Mr Lias Pius is a director of Brines Mining Exploration Namibia (Pty) Ltd, GOAS Pegmatite Exploration (Pty) Ltd, Karibib Pegmatite Exploration (Pty) Ltd and Orange River Pegmatite (Pty) Ltd.

Shares issued to key management personnel during the period:

Director	Shares issued	Value of Shares \$	Reason for issue
Mr Jurie Hendrik Wessels	4,099,353	819,871	Consideration for acquisition
Mr Philip Le Roux	4,099,353	819,871	Consideration for acquisition
Mr Johan Le Roux	-	-	-
Mr Michael Davy	871,150	174,230	Loan extinguished on acquisition
Mr Michael Davy	145,000	29,000	Participation in IPO
Mr Joseph Van Den Elsen	-	-	-
* Mr Lias Pius	2,760,581	552,116	Consideration for acquisition

NOTE 16: RELATED PARTY DISCLOSURE (continued)

Performance shares issued to key management personnel during the period:

Director	Performance shares issued	Value of Performance Shares \$	Reason for issue
Mr Jurie Hendrik Wessels	685,619	1,618	Consideration for acquisition
Mr Philip Le Roux	685,619	1,618	Consideration for acquisition
Mr Johan Le Roux	-	-	-
Mr Michael Davy	-	-	-
Mr Joseph Van Den Elsen	-	-	-
* Mr Lusias Pius	488,571	1,153	Consideration for acquisition

(b) Other Transactions with related parties

Details relating to transactions with related parties, are below:

Related parties	Reason	\$
Lexrox Management Services (Pty) Ltd*	Equipment leasing charges	2,825
Brines Mining Exploration Namibia (Pty) Ltd*	Capitalised exploration funding	6,838
Karibib Pegmatite Exploration (Pty) Ltd*	Capitalised exploration funding	32,704
Orange River Pegmatite (Pty) Ltd*	Capitalised exploration funding	84,653
GOAS Pegmatite Exploration (Pty) Ltd**	Loan for exploration funding	2,819

Entities were acquired on 17 June 2021. Related party transactions occurred prior to acquisition, as the following directors of the Company hold directorships in the acquired entities from the start of the period 7 October 2020 as follows:

* JH Wessels, P Le Roux and L Pius are directors of the company.

** GOAS Pegmatite Exploration (Pty) Ltd is 85% owned by Karibib Pegmatite Exploration (Pty) Ltd, of which JH Wessels, P Le Roux and L Pius are directors.

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

NOTE 17: CONTINGENCIES AND COMMITMENTS

During the year, the Company acquired a 50% interest in Brines Mining Exploration Namibia (Pty) Ltd and a 80% interest in both Karibib Pegmatite Exploration (Pty) Ltd and Orange River Pegmatite (Pty) Ltd. As part of the acquisitions, the Company will be responsible for the sole funding of the minimum work programs, being:

- (a) in respect of the Swanson project held in Orange River Pegmatite (Pty) Ltd, drilling, bulk sampling, metallurgical test work, feasibility studies and infrastructure development up to a maximum of \$3,695,000;
- (b) in respect of the Kum-Kum project held in Orange River Pegmatite (Pty) Ltd, geological mapping, geochemical sampling and geophysical surveys up to a maximum of \$714,000;
- (c) in respect of the Karibib project held through Karibib Pegmatite Exploration (Pty) Ltd, geological mapping, geochemical sampling, geophysical surveys and scout drilling up to a maximum of \$489,191; and
- (d) in respect of the Bitterwasser Lithium project held through Brines Mining Exploration Namibia (Pty) Ltd, drilling, geochemical analysis and metallurgical test work up to a maximum of \$468,015.

There are no other contingent assets or contingent liabilities as at 30 June 2021.

NOTE 18: AUDITOR'S REMUNERATION

	30 June-2021
	\$
<i>Amounts received or due and receivable by RSM Australia Pty Ltd for:</i>	
Audit and review of financial statements	30,000
Other services – Investigative Accountants Report	25,000
<i>Amounts received by SGA Chartered Accountants and Auditors for:</i>	
Audit of financial statements	6,088
	61,088

NOTE 19: PARENT ENTITY

Assets	
Current assets	6,115,535
Non-current assets	10,295,768
Total assets	16,411,303
Liabilities	
Current liabilities	608,294
Total liabilities	608,294
Equity	
Contributed equity	16,319,565
Reserves	132,939
Accumulated losses	(649,495)
Total equity	15,803,009
Loss for the year	(649,495)
Total comprehensive loss	(649,495)

NOTE 19: PARENT ENTITY (continued)*Contingent assets and liabilities*

The parent entity had no contingent assets or liabilities as at 30 June 2021.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 1.

Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

NOTE 20: INVESTMENT IN CONTROLLED ENTITIES

Entity	Principal Activities	Country of Incorporation	Ownership interest
			2021 %
Orange River Pegmatite (Pty) Ltd	Exploration	Namibia	80
Brines Mining Exploration Namibia (Pty) Ltd	Exploration	Namibia	50
Karibib Pegmatite Exploration (Pty) Ltd	Exploration	Namibia	80
Goas Pegmatite Exploration (Pty) Ltd	Exploration	Namibia	68

NOTE 21: EVENTS OCCURRING AFTER REPORTING DATE

Pursuant to the Prospectus upon listing on the ASX the Company immediately commenced with exploration over all its projects. The Swanson Tantalum/Lithium Project showed early promise with the declaration of a maiden JORC resource of 1,2Mt in the Indicated and Inferred categories at an average grade of 412ppm Ta₂O₅, 76ppm Nb₂O₅ and 0.29% Li₂O over sections of 4 outcropping LCT pegmatites at Swanson Project. Drilling over parts of the remaining 11 known pegmatites over the Swanson project area is ongoing and is expected to increase the resource. Earlier in the financial year, experts were appointed to conduct specialist hydrological studies and a minerals system approach respectively of Bitterwasser and Kum-Kum. A geophysical ground large loop TDEM survey was also launched with the appointment of experts in order to possibly identify geophysical anomalies that may represent massive sulphide bodies at the Kum-Kum Nickel project. The Karibib Copper and Gold project also procured compelling grab sample results over the exposed portions of the structural feature, which exhibited similar mineralogical characteristics than that of the nearby Navachab Gold Mine and the Twin Hills exploration project.

The Company's board also welcomed Mr Andrew Law as a non-executive director when Mr Joseph van den Elsen resigned due to other work commitments. Mr Law is an experienced Mining Engineer his appointment is expected to bolster the Company's essential skillsets to investigate and develop its projects.

There are no other matters or circumstances which have arisen since the end of the reporting date which significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.



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

Opinion

We have audited the financial report of Arcadia Minerals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period 7 October 2020 to 30 June 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial report of the Group presents fairly, in all material respects, the financial position of the Group as at 30 June 2021 and of its financial performance for the period 7 October 2020 to 30 June 2021 in accordance with International Financial Reporting Standards and Companies (Guernsey) Law 2008.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group 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 audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

THE POWER OF BEING UNDERSTOOD
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RSM Australia Pty Ltd is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Pty Ltd ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed this matter
Acquisition of Exploration and Evaluation Assets Refer to Note 7 in the financial statements	
<p>On 17 June 2021, Arcadia Minerals Limited acquired 80% of Orange River Pegmatite (Pty) Ltd, 50% of Brines Mining Exploration Namibia (Pty) Ltd and 80% of Karibib Pegmatite Exploration (Pty) Ltd for a total consideration of \$10,020,172.</p> <p>Accounting for these acquisitions is a key audit matter as it involves management judgements in determining the acquisition date, the acquisition accounting treatment, the fair value of net assets acquired and the fair value of the purchase consideration.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Reviewing the acquisition agreements to understand the transaction, acquisition date and the related accounting considerations; • Evaluating management's determination that the acquisitions did not meet the definition of a business within IFRS 3 <i>Business Combinations</i> and therefore was an asset acquisition as opposed to a business combination; • Assessing management's determination of the acquisition date, fair value of consideration paid and the fair value of the net assets acquired; and • Reviewing the adequacy and accuracy of the relevant disclosures in the financial statements.
Exploration and Evaluation Assets Refer to Note 7 in the financial statements	
<p>The Group has capitalised exploration and evaluation expenditure with a carrying value of \$10,216,843 as at 30 June 2021.</p> <p>We considered this to be a key audit matter due to the significant management judgments involved in assessing the carrying value of the asset including:</p> <ul style="list-style-type: none"> • Determination of whether the exploration and evaluation expenditure can be associated with finding specific mineral resources and the basis on which that expenditure is allocated to an area of interest; • Assessing whether exploration activities and evaluation have reached a stage at which the existence of economically recoverable reserves may be determined; and • Assessing whether any indicators of impairment are present and if so, judgement applied to determine and quantify any impairment loss. 	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Obtaining evidence that the Group has valid rights to explore in the specific area of interest; • Assessing and evaluating management's assessment of whether indicators of impairment existed as at 30 June 2021; • Assessing management's determination that exploration and evaluation activities have not yet reached a stage where the existence or otherwise of economically recoverable reserves may be reasonably determined; and • Enquiring with management and reviewing budgets and other documentation as evidence that active and significant operations in, or relation to, the area of interest will be continued in the future.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the period 7 October 2020 to 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with International Financial Reporting Standards and Companies (Guernsey) Law 2008 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



RSM AUSTRALIA PTY LTD



TUTU PHONG
Director

Perth, WA
Dated: 30 September 2021

Additional Shareholder Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. The information is effective as at 15 September 2021.

Corporate Governance

The Company's 2021 Corporate Governance Statement can be accessed at: <https://arcadiaminerals.global>

CHESSE Depository Interests

The Company has CHESSE Depository Interests (CDIs) quoted on the Australian Securities Exchange (ASX) trading under the ASX code AM7. Each CDI represents an interest in one share of Common Stock of the Company (Share). Legal title to the Shares underlying the CDIs is held by CHESSE Depository Nominees Pty Ltd (CDN), a wholly owned subsidiary of the ASX. The Company's securities are not quoted on any other exchange. All information provided below is current as at 15 September 2021 except as otherwise stated. To avoid double-counting, the holding of Shares by CHESSE Depository Nominees Pty Limited (underpinning the CDIs on issue) have been disregarded in the presentation of the information below, unless otherwise stated.

85,500,100 CHESSE Depository Interests are held by 461 individual holders.

Place of Incorporation

The Company is incorporated in the Bailiwick of Guernsey, United Kingdom with registration number 68211.

Application of Chapters 6, 6A, 6B and 6C of the Corporations Act

The Company is not subject to chapters 6, 6A, 6B and 6C of the Corporations Act 2001 (Cth) dealing with the acquisition of its shares, including substantial holdings and takeovers.

Limitations on the acquisition of securities

There are no limitations on the acquisition of securities imposed by regulations of the Guernsey Financial Services Commission or the Companies (Guernsey) Law 2008.

There are no limitations (including pre-emption rights) on the acquisition of securities imposed by the Company's Articles of Association.

Voting Rights

CDI Holders may attend and vote at Arcadia's shareholder meetings. The Company must allow CDI Holders to attend any meeting of Shareholders unless relevant law at the time of the meeting prevents CDI Holders from attending those meetings. In order to vote at such meetings, CDI Holders may:

- instruct CDN, as the legal owner, to vote the Shares underlying their CDIs in a particular manner. A voting instruction form will be sent to CDI Holders with the notice of meeting or proxy statement for the meeting and this must be completed and returned to the Registry before the meeting;
- inform Arcadia that they wish to nominate themselves or another person to be appointed as CDN's proxy for the purposes of attending and voting at the general meeting; or
- convert their CDIs into a holding of Shares and vote these at the meeting. Afterwards, if the former CDI Holder wishes to sell their investment on the ASX it would need to convert the Shares back to CDIs. In order to vote in person, the conversion from CDIs to Shares must be completed before the record date for the meeting.

One of the above steps must be undertaken before CDI Holders can vote at Shareholder meetings.

CDI voting instruction forms and details of these alternatives will be included in each notice of meeting or proxy statement sent to CDI Holders by Arcadia.

Twenty Largest CDI Holders

Rank	Name	Holding	%
1	SPH KUNDALILA (PTY) LTD	16,314,688	19.08%
2	RUSSELL BROOKS LTD	10,317,097	12.07%
3	RAUBEX PTY LTD	7,394,000	8.65%
4	PHILIP LE ROUX	4,099,353	4.79%
5	JURIE HENDRIK WESSELS	4,099,353	4.79%
6	LISIAS PIUS	2,760,581	3.23%
7	ALBERTUS LOUBSER PEPLER	2,681,250	3.14%
8	MORNING-STAR NDAPANDULA OMAGANO CHAMPION	1,561,607	1.83%
9	DC & PC HOLDINGS PTY LTD <DC & PC NEESHAM SUPER A/C>	1,400,000	1.64%
10	LAUBSER PEPLER	1,355,357	1.59%
11	ROMFAL SIFAT PTY LTD <THE FIZMAIL FAMILY A/C>	1,274,441	1.49%
12	DAVY CORP PTY LTD <DAVY INVESTMENT A/C>	1,016,150	1.19%
13	MS CHUNYAN NIU	1,000,000	1.17%
14	BENEFICO PTY LTD	1,000,000	1.17%
15	MR JEREMY PETTER-BOWYER & MRS CHARLEEN PETTER-BOWYER	900,000	1.05%
16	ARKYN PTY LTD <KOVANI A/C>	840,034	0.98%
17	FOOTHILLS SECURITIES INC	825,000	0.96%
18	TELLARO PTY LTD <TELLARO A/C>	798,893	0.93%
19	HENDRIK SCHLOEMANN	750,000	0.88%
20	SUNSET CAPITAL MANAGEMENT PTY LTD <SUNSET SUPERFUND A/C>	725,000	0.85%
Total top 20 holders of CDI's		61,112,804	71.48%
Total remaining holders balance		24,387,296	28.52%

Substantial CDI Holders

The names of the substantial CDI holders and number of CDI'S in which each has a relevant interest, as disclosed in substantial holding notices received by Arcadia Minerals as at 15 September 2021, are listed below:

Holder Name	Holding Balance	% IC
SPH KUNDALILA (PTY) LTD	16,314,688	19.08%
RUSSELL BROOKS LTD	10,317,097	12.07%
RAUBEX PTY LTD	6,610,000	7.73%

Distribution of CDI's

A distribution schedule of the number of holders of CDI's is set out below.

Range	No. Holders	Total Units	CDI Holdings
			%
above 0 up to and including 1,000	8	1,202	0.00%
above 1,000 up to and including 5,000	45	162,634	0.19%
above 5,000 up to and including 10,000	84	797,859	0.93%
above 10,000 up to and including 100,000	255	11,111,210	13.00%
above 100,000	69	73,427,195	85.88%
Totals	461	85,500,100	100.00%

Unquoted Securities and Distribution

As at 15 September 2021 the Company has on issue 5,000,000 Unlisted Options.

5,000,000 Unquoted options expiring 17/06/2024 at \$0.20 – 8 holders

Unlisted Options exercisable at \$0.20 each on or before 17 June 2024			
Range	No. Holders	Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	8	5,000,000	100.00%
Total	8	5,000,000	100.00%

As at 15 September 2021 the Company has on issue 8,550,000 Unlisted Options.

8,550,000 performance shares – 10 holders

Performance Shares			
Range	No. Holders	Total Units	%
1 – 1,000	0	0	0.00%
1,001 – 5,000	0	0	0.00%
5,001 – 10,000	0	0	0.00%
10,001 – 100,000	0	0	0.00%
100,001 and Over	10	8,550,000	100.00%
Total	10	8,550,000	100.00%

Restricted Securities

As at 15 September 2021 the following securities are restricted:

The following CDI's are restricted:

- 142,425 CDI's are restricted to 22 December 2021
- 125,000 CDI's are restricted to 30 December 2021
- 450,000 CDI's are restricted to 26 January 2022
- 75,075 CDI's are restricted to 28 January 2022
- 11,705,392 CDI's are restricted to 17 June 2022
- 38,802,208 CDI's are restricted to 25 June 2023

The following performance shares are restricted:

- 1,868,786 performance shares are restricted to 17 June 2022
- 6,681,214 performance shares are restricted to 25 June 2023

All the 5,000,000 options on issue are restricted to 25 June 2023

Unmarketable Parcels

Holdings of less than a marketable parcel of CDI's:

Holders: 9

On-market Buy Back

There is currently no on-market buy-back program.

ASX Listing Rule 4.10.19

The Company has used cash and assets in a form readily convertible to cash that it had at the time of the Company's securities being admitted to the official list on the 23 June 2021 (quotation of the securities occurred on 25 June 2021) and the end of the reporting period in a way consistent with its business objectives.

Schedule of Tenements

Permit Name	Permit Number	Registered Holder	Area In Hectares	Permit Status	Permit Expiry	Interest
Tantalite Project, Karas Region - Namibia						
Swanson	EPL5047	Orange River Pegmatite (Pty) Ltd	14 672	Active	03/06/2023	80%
Nickel Project, Karas Region - Namibia						
Kum-Kum	EPL7295	Orange River Pegmatite (Pty) Ltd	29 738	Active	28/04/2022	80%
Keimusmund	EPL6940		20 119	Pending Renewal	17/09/2021	
Copper Gold Project, Karibib Region - Namibia						
Goas	EPL4663	Goas Pegmatite Exploration (Pty) Ltd	40 979	Active	03/06/2023	68%
Lithium Brines Project, Hardap Region - Namibia						
Mbela	EPL7614	Brines Mining Exploration Namibia (Pty) Ltd	12 578	Active	18/11/2022	50%
Blokwater	EPL8101		87 902	Active	15/11/2023	
Lekkerwater	EPL8102		95 561	Active	16/11/2023	
Kentani	EPL8103		92 745	Active	15/11/2023	
Meerkat	EPL8104		55 108	Active	10/02/2024	