



Arizona Lithium Limited
Interim Financial Report
for the half-year ended 31 December 2024

ABN 15 008 720 223

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Corporate directory

Directors	Mr Barnaby Egerton-Warburton Non-Executive Chairman
	Mr Paul Lloyd Managing Director
	Mr Matthew Blumberg Executive Director
	Mr Zachary Maurer Executive Director
	Mr LaVern Lund Non-Executive Director
Company Secretary	Mr Shaun Menezes
Registered Office	Level 2, 10 Outram Street West Perth WA 6005
Share register	Automic Registry Services Level 5, 191 St Georges Terrace Perth, WA 6000
Auditor	Grant Thornton Australia Level 43 Central Park 152-158 St Georges Terrace Perth, WA 6000
Securities exchange listing	Australian Securities Exchange Level 40, Central Park 152 – 158 St Georges Terrace Perth Western Australia 6000 Code: AZL

Directors' Report

The Directors present their interim financial report, together with the consolidated financial statements of Arizona Lithium Limited ("the Company") and its controlled entities ("the Group"), for the half-year ended 31 December 2024.

DIRECTORS

The following directors held office during and since the end of the half-year, unless otherwise stated:

- Mr Barnaby Egerton-Warburton
- Mr Paul Lloyd
- Mr Matthew Blumberg
- Mr Zachary Maurer
- Mr LaVern Lund

PRINCIPAL ACTIVITIES

The Company is a mineral exploration entity focussing on the Prairie Lithium, Big Sandy and Lordsburg Projects in North America exploring for lithium.

REVIEW OF OPERATIONS

PRAIRIE LITHIUM PROJECT (100%)

\$11 million Non-Dilutive Cash Raised

In October 2024, the Company sold non-core acreage and data at the Prairie Project to Homestead Energy Inc. for \$11 million. In total, AZL divested approximately 40,000 acres of Crown Mineral Title and approximately 11,600 net acres of Freehold Mineral Title, alongside data from the Prairie Project. The divestment represents a small undeveloped portion of the total AZL landholding.

\$21 million Investment Incentive

In July 2024, Pad #1 at the Prairie Lithium Project was conditionally approved for up to \$21.6 million in transferable royalty credits under the Oil & Gas Processing Investment Incentive (OPGII) Program in Saskatchewan. The OPGII credits are earned on eligible expenditures and can be claimed once the Prairie Lithium Project (Prairie Project) becomes commercially operational. As the credits are transferable, there is an opportunity for the Company to generate early cashflow by selling these credits to other companies that pay royalties in Saskatchewan.

Exploration Drilling Completed at Pads #2 and #3

In November 2024, AZL completed exploration drilling at Pad #2 and Pad #3, targeting the Souris River and Dawson Bay Formations that underlay the Duperow Formation. Drilling wells on each pad are a key part of the path to production by the end of 2025. The Company can convert the well on Pad #3 into a future production or disposal well for future production at Pad #3, a key element of reaching commercial production at the Well Pad.

New Lithium Discoveries

In July 2024, the Company discovered a new lithium rich formation at the Prairie Lithium Project. Well #1 was drilled into the Souris River Formation at Pad #1 before being converted into a Duperow Formation production well. The Souris River Formation directly underlies the Duperow Formation across the entire project area.

Directors' Report

Samples of brine from the Souris River indicate a lithium concentration of 86 mg/L. This is an entirely new discovery and would complement the existing resource in the Duperow Formation.

In September 2024, AZL discovered an additional new lithium enriched formation at the Prairie Project. Well #2 on Pad #1 was drilled into the Dawson Bay Formation and then converted into a disposal well. The Dawson Bay directly underlies the Souris River Formation across the entire project area. Samples of brine from the Dawson Bay indicate a lithium concentration of 60 mg/L Li. This is similarly an entirely new discovery and would complement the existing resource in the Duperow Formation.

Battery Grade Lithium Carbonate Produced

In August 2024, the Company announced it had produced battery grade lithium carbonate from the Prairie Project in Saskatchewan, Canada, which was independently verified by Saltworks.

BIG SANDY LITHIUM PROJECT (100%)

Approval for Exploration Drilling

In July 2024, the Company received approval for the Exploration Plan at the Big Sandy Lithium Project (Big Sandy or Big Sandy Project).

In August 2024, AZL completed the collection of a bulk sample at the Big Sandy Project. The collection of 100 tonnes of mineralised material enabled process testing to commence at the Lithium Research Centre in Tempe, Arizona.

Court Action

In August 2024, the Company was provided with a copy of a "complaint" by the Hualapai Tribe lodged in the United States District Court for the District of Arizona. The Company was not a party to the complaint however the Company's motion to intervene was successful and it has been added as a party to the action and can assist with the defence of the complaint.

On 5 November 2024, the Court handed down its decision and granted a preliminary injunction to halt the approval granted by the BLM for the Exploration Plan at Big Sandy until the case is fully resolved.

On 17 February 2025, AZL confirmed it had rescinded its approved Plan of Operations for the Sandy Valley Exploration Project (Phase 3) AZAZ106236937 (AZA-037487) as lodged on 26 April 2024 and approved by the BLM on 9 July 2024. The Company plans to develop the Big Sandy Project in a slightly modified fashion, after input from all stakeholders, including the Navajo Transitional Energy Company (NTEC), a major AZL shareholder.

EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 17 January 2025, the Company raised \$1,300,000 (inclusive of costs) by the issue of 88,000,000 fully paid ordinary shares at 1.48 cents per share.

On 11 February 2025, the Company entered into an agreement with Koch Technology Solutions ("KTS") to deploy at Li-Pro commercial-scale Direct Lithium Extraction unit for Phase 1 production at the Prairie Project. The Company has also entered into a non-binding Memorandum of Understanding for a commercial license to use KTS's Li-Pro technology beyond Phase 1.

Directors' Report

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 is included within this financial report.

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

On behalf of the Board of Directors,

A handwritten signature in black ink, appearing to be 'B. Egerton-Warburton', enclosed within a circular stamp or seal.

Mr Barnaby Egerton-Warburton
Non-Executive Chairman

Dated this 12th day of March 2025

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Auditor's Independence Declaration

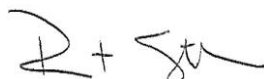
To the Directors of Arizona Lithium Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Arizona Lithium Limited for the half-year ended 31 December 2024. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B P Steedman
Partner – Audit & Assurance
Perth, 12 March 2025

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Condensed consolidated statement of profit or loss and other comprehensive income for the half-year ended 31 December 2024

		31 December 2024	31 December 2023
	Note	\$	\$
Other income	2	14,295,739	436,444
Share-based payments expense		(489,947)	(7,593,447)
Corporate and regulatory expenses		(1,218,790)	(733,694)
Exploration and evaluation		(1,229,078)	(3,393,156)
Foreign exchange gain / (loss)		(1,951)	(279,496)
Loss on financial asset		(292,665)	-
Administrative expenses		(1,985,018)	(1,648,457)
Profit/(Loss) before income tax expense		9,078,290	(13,211,806)
Income tax expense		-	-
Profit/(Loss) after income tax		9,078,290	(13,211,806)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of foreign controlled entities, net of tax		(242,526)	(2,325,458)
Total comprehensive profit/(loss) for the period		8,835,764	(15,537,264)
Profit/(Loss) per share attributable to the ordinary equity holders of the Company			
Basic profit/(loss) per share in cents	7	0.20	(0.42)
Diluted profit/(loss) per share in cents	7	0.20	(0.42)

The accompanying notes form part of these financial statements.

Condensed consolidated statement of financial position as at 31 December 2024

	Note	31 December 2024 \$	30 June 2024 \$
CURRENT ASSETS			
Cash and cash equivalents		2,267,249	11,952,889
Trade and other receivables		43,205	61,597
Prepayments		263,101	261,259
TOTAL CURRENT ASSETS		2,573,555	12,275,745
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	3	82,129,809	68,346,093
Plant and equipment	4	7,840,628	7,569,058
Right of use assets	5	1,631,526	1,828,535
Other financial assets		507,066	714,844
TOTAL NON-CURRENT ASSETS		92,109,029	78,458,530
TOTAL ASSETS		94,682,584	90,734,275
CURRENT LIABILITIES			
Trade and other payables		162,737	2,227,129
Lease liability		388,974	700,808
Provisions		68,995	34,298
Other		-	3,138,883
TOTAL CURRENT LIABILITIES		620,706	6,101,118
NON-CURRENT LIABILITIES			
Lease liability		1,653,467	1,550,457
TOTAL NON-CURRENT LIABILITIES		1,653,467	1,550,457
TOTAL LIABILITIES		2,274,173	7,651,575
NET ASSETS		92,408,411	83,082,700
EQUITY			
Contributed equity	6	173,583,426	173,583,426
Reserves		31,243,934	30,996,513
Accumulated losses		(112,418,949)	(121,497,239)
TOTAL EQUITY		92,408,411	83,082,700

The accompanying notes form part of these financial statements.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2024

	Issued capital	Share based payment reserve	Foreign currency translation reserve	Accumulated losses	Total
	\$	\$	\$	\$	\$
At 1 July 2024	173,583,426	33,032,647	(2,036,134)	(121,497,239)	83,082,700
Comprehensive Profit/(Loss)					
Profit for period	-	-	-	9,078,290	9,078,290
Other comprehensive income for the period, net of tax	-	-	(242,526)	-	(242,526)
Total comprehensive profit/(loss) for the period	-	-	(242,526)	9,078,290	8,835,764
Transactions with owners, in their capacity as owners, and other transfers					
Share-based payments	-	489,947	-	-	489,947
At 31 December 2024	173,583,426	33,522,594	(2,278,660)	(112,418,949)	92,408,411

The accompanying notes form part of these financial statements.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2024

	Issued capital \$	Share based payment reserve \$	Foreign currency translation reserve \$	Accumulated losses \$	Total \$
At 1 July 2023	152,030,292	22,228,179	1,290,200	(98,680,151)	76,868,520
Comprehensive Loss					
Loss for period	-	-	-	(13,211,806)	(13,211,806)
Other comprehensive income for the period, net of tax	-	-	(2,325,458)	-	(2,325,458)
Total comprehensive loss for the period	-	-	(2,325,458)	(13,211,806)	(15,537,264)
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the period	26,690,578	-	-	-	26,690,578
Share issue costs	(1,562,337)	229,360	-	-	(1,332,977)
Share-based payments	-	7,593,447	-	-	7,593,447
At 31 December 2023	177,158,533	30,050,986	(1,035,258)	(111,891,957)	94,282,304

The accompanying notes form part of these financial statements.

Condensed consolidated statement of cash flows for the half-year ended 31 December 2024

	31 December 2024 \$	31 December 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payments to suppliers and employees	(4,717,363)	(6,675,161)
Grant income	287,132	1,402,508
Interest received	82,953	53,832
Net cash used in operating activities	(4,347,278)	(5,218,821)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for acquisition of plant and equipment	(345,797)	(1,469,019)
Payments for exploration and evaluation	(15,858,929)	-
Proceeds from disposal of plant and equipment	-	554,442
Proceeds from disposal of non-current assets	10,955,900	196,862
Net cash used in investing activities	(5,248,826)	(717,715)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds of share issues	-	26,666,669
Cost of share issues	-	(984,416)
Repayment of borrowings	(57,511)	-
Net cash provided by / (used in) financing activities	(57,511)	25,682,253
Net increase / (decrease) in cash and cash equivalents	(9,653,615)	19,745,717
Cash and cash equivalents at the beginning of the period	11,952,889	3,303,842
Effects of exchange rate changes on cash and cash equivalents	(32,025)	(453,422)
Cash and cash equivalents at the end of the period	2,267,249	22,596,137

The accompanying notes form part of these financial statements.

Notes to the financial statements

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The interim financial report is a general purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable Accounting Standards including AASB 134 "Interim Financial Reporting", Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards.

The interim financial report covers Arizona Lithium Limited ("the Company") and controlled entities ("the Group"). The Company is a for-profit entity limited by shares, and incorporated and domiciled in Australia.

The interim financial report has been prepared on an accruals basis and is based on historical cost modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied. All amounts are presented in Australian Dollars.

The interim report does not include full disclosures of the type normally included in an annual financial report.

The interim financial report, including comparatives, should be read in conjunction with the annual Financial Report of Arizona Lithium Limited for the year ended 30 June 2024 and any public announcements made by the Company during the half year in accordance with the continuous disclosure obligations arising under the Australian Securities Exchange Listing Rules and Corporations Act 2001.

Significant Accounting Policies

The significant accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2024 and have been consistently applied by the entities in the Group. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Going concern

The interim consolidated financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group incurred a net profit of \$9,078,290 (2023: loss of \$13,211,806), operating cash outflows of \$4,347,278 (2023: outflow of \$5,218,821) and investing cash outflows of \$5,248,826 (2023: \$717,715). These cash outflows were funded by existing cash and financing cash inflows of \$57,511 (2023: \$25,682,253). The cash flow projections of the Group indicate that it may require additional capital to meet planned but uncommitted exploration and investment activities.

To meet the capital and operating expenditure budgets for the next twelve month the Directors intend to raise further capital for the Group. The directors believe that there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable given its past history of successfully raising new equity and current market capitalisation of the Company.

Notes to the financial statements

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Should the Company be unable to raise the required capital to fund the next 12 months planned capital and operating expenditure, there is material uncertainty on its ability to continue as a going concern it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements.

New and Amended Accounting policies adopted by the Group

The Group has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board that are mandatory for the current reporting period. The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the Group's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Group. The Directors have determined that there is no material impact of these standards and interpretations.

Significant accounting estimates and judgements

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

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2024 unless otherwise disclosed in the interim financial statements.

2 INCOME

	31 December 2024 \$	31 December 2023 \$
Interest received	430,797	67,945
Government grants	-	368,499
Sale of rights to tax deductions	3,138,883	-
Profit on sale of tenements (i)	10,726,059	-
Total	14,295,739	436,444

(i) During the period, the Company divested approximately 40,000 acres of Crown Mineral Title and approximately 11,600 net acres of Freehold Mineral Title, alongside data from the Prairie Project.

Notes to the financial statements

3 EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2024 \$	30 June 2024 \$
Balance at the beginning of the period	68,346,093	67,875,471
Additions	15,552,617	3,492,104
Disposals	(722,171)	-
Foreign exchange gain/(loss)	(1,046,730)	(3,021,482)
	82,129,809	68,346,093

The value of the exploration tenements carried forward is dependent upon:

- (a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;
- (b) The results of future exploration; and
- (c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

All of these criteria have been met.

4 PLANT AND EQUIPMENT

	31 December 2024 \$	30 June 2024 \$
<i>Building improvements</i>		
Cost	718,715	673,375
Accumulated depreciation	(257,706)	(171,541)
	461,009	501,834
<i>Plant and equipment</i>		
Cost	5,782,223	2,767,313
Accumulated depreciation	(1,283,060)	(677,585)
	4,499,163	2,089,728
<i>Capital work-in-progress</i>		
Cost	2,880,456	4,977,496
Total Plant and Equipment	7,840,628	7,569,058
Movement in:		
<i>Building improvements</i>		
Balance at the beginning of the period	501,834	494,404
Additions	-	142,927
Depreciation expense	(71,265)	(132,549)
Foreign exchange movement	30,440	(2,948)
Balance at the end of the period	461,009	501,834
<i>Plant and equipment</i>		
Balance at the beginning of the period	2,089,728	2,480,147
Additions	2,632,769	732,728
Disposals	-	(501,065)
Depreciation expense	(532,161)	(543,563)
Foreign exchange movement	308,827	(78,519)
Balance at the end of the period	4,499,163	2,089,728

Notes to the financial statements

5 RIGHT OF USE ASSETS

	31 December 2024 \$	30 June 2024 \$
At cost	3,593,145	3,369,279
Accumulated depreciation	(1,961,619)	(1,540,744)
Total	1,631,526	1,828,535

6 CONTRIBUTED EQUITY

	31 December 2024 \$	30 June 2024 \$
Issued shares	173,583,426	173,583,426
Total	173,583,426	173,583,426

Ordinary Shares	Number of shares Half Year to 31/12/24	Number of shares Year to 30/06/24	Half-year to 31/12/24 \$	Year to 30/06/24 \$
Opening balance	4,473,814,528	2,749,676,710	173,583,426	139,453,340
Issue of shares on exercise of performance rights	-	120,000,000	-	-
Placement – August 2023	-	400,000,000	-	10,000,000
Placement – December 2023	-	328,356,469	-	12,838,913
Issue of shares for NTEC Mining Services Agreement released from escrow	-	11,523,491	-	276,564
Issue of shares on retraction of Exchangeable Shares	-	251,538,925	-	12,576,946
NTEC Escrowed Shares on issue	-	412,718,933	-	-
At-the-market share issue	-	200,000,000	-	-
Capital raising costs	-	-	-	(1,562,337)
Closing balance	4,473,814,528	4,473,814,528	173,583,426	173,583,426

7 PROFIT/(LOSS) PER SHARE

	31 December 2024	31 December 2023
Weighted average number of ordinary shares used in the calculation of basic/diluted profit/(loss) per share (number)	4,473,814,528	3,179,653,495
Basic/diluted profit/(loss) (\$)	9,078,290	(13,211,806)
Basic/diluted profit/(loss) per share (cents)	0.20	(0.42)
Basic/diluted profit/(loss) per share from continuing operations (cents)	0.20	(0.42)

The diluted profit/(loss) per share is equal to the basic profit/(loss) per share because there were no dilutive potential ordinary shares.

Notes to the financial statements

8 SEGMENT INFORMATION

During the half year, the Group's operations consisted of exploration for lithium in North America and corporate functions.

The Board is the chief operating decision maker. All amounts reported to the Board are determined in accordance with accounting policies that are consistent with financial reporting requirements. Intra-group loans are valued in Australian dollars with no interest charged. There are no intragroup eliminations because assets used across the Group and all trade payables are allocated to the Australian segment, with all assets, liabilities and transactions controlled from Australia.

(i) Segment performance

	Australia Half-year ended 31 December		North America Half-year ended 31 December		Consolidated Half-year ended 31 December	
	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$
Other income	3,143,216	54,613	11,152,523	381,831	14,295,739	436,444
Total income	3,143,216	54,613	11,152,523	381,831	14,295,739	436,444
Segment result:						
Profit/(Loss) after income tax	890,220	(8,937,550)	8,188,070	(4,274,256)	9,078,290	(13,211,806)

(ii) Segment financial position

	Australia		North America		Consolidated	
	As at 31 Dec 2024	As at 30 June 2024	As at 31 Dec 2024	As at 30 June 2024	As at 31 Dec 2024	As at 30 June 2024
	\$	\$	\$	\$	\$	\$
Segment assets	761,472	11,643,371	93,921,112	88,996,158	94,682,584	100,639,529
Segment liabilities	(678,698)	(3,574,028)	(1,595,475)	(4,077,547)	(2,274,173)	(7,651,575)
Segment net assets	82,774	8,069,343	92,325,637	84,918,611	92,408,411	92,987,954

9 FINANCIAL INSTRUMENTS

Fair Value Measurement

The fair value of financial assets and financial liabilities approximate their carrying amounts. There were no transfers between Level 1 and Level 2 during the six month period to 31 December 2024 or the year to 30 June 2024.

Notes to the financial statements

10 EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 17 January 2025, the Company raised \$1,300,000 (inclusive of costs) by the issue of 88,000,000 fully paid ordinary shares at 1.48 cents per share.

On 11 February 2025, the Company entered into an agreement with Koch Technology Solutions (“KTS”) to deploy at Li-Pro commercial-scale Direct Lithium Extraction unit for Phase 1 production at the Prairie Project. The Company has also entered into a non-binding Memorandum of Understanding for a commercial license to use KTS’s Li-Pro technology beyond Phase 1.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

11 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31 December 2024, there were no contingent liabilities or contingent assets.

Directors' declaration

In accordance with a resolution of the Directors of Arizona Lithium Limited, we state that:

- 1) In the opinion of the Directors:
 - a) the interim financial statements and supplementary notes, are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the financial position of the Group as at 31 December 2024 and of its performance, as represented by the results of its operations and its cash flows, for the period ended on that date; and
 - (ii) complying with Accounting Standards AASB 134: *Interim Financial Reporting and the Corporations Regulations 2001*; and
 - b) subjects to the matters set out in Note 1(a) 'Going concern', there are reasonable grounds to believe that Arizona Lithium Limited will be able to pay its debts as and when they become due and payable.
- 2) The Directors have been given the declarations required by section s.303(5) of the *Corporations Act 2001*.

Signed in accordance with a resolution of the Directors:



Mr Barnaby Egerton-Warburton
Non-Executive Chairman

Dated this 12th day of March 2025

Independent Auditor's Review Report

To the Members of Arizona Lithium Limited

Report on the half year financial report

Conclusion

We have reviewed the accompanying half year financial report of Arizona Lithium Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, including material accounting policy information, other selected explanatory notes, and the directors' declaration.

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

- a giving a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the half year ended on that date; and
- b complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

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

Material uncertainty related to going concern

We draw attention to Note 1(a) in the financial statements, which indicates that the Group incurred a net profit of \$9,078,290 during the half-year ended 31 December 2024, and as of that date, the Group's net cash outflows from operating and investing activities totalled \$9,596,104. As stated in Note 1(a), these events or conditions, along with other matters as set forth in Note 1(a), indicate that a material uncertainty exists that may cast doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Directors' responsibility for the half-year financial report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

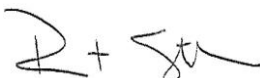
Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



B P Steedman
Partner – Audit & Assurance

Perth, 12 March 2025