

# **Nex Metals Explorations Limited**

ABN: 63 124 706 449

Interim Financial Report

for the half-year ended 31 December 2025

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## **Corporate Directory**

### **DIRECTORS**

Thomas F Percy KC  
Kenneth M Allen  
Hock Hoo Chua  
Greg Barns SC  
Raja Mohd Azmi bin Raja Razali (Alternate Director to Hock Hoo Chua)

### **COMPANY SECRETARY**

Kenneth M Allen  
Sonny Didugu (Appointed 9 Dec 2025)

### **PRINCIPAL OFFICE**

45 Guthrie Street  
OSBORNE PARK WA 6017

### **REGISTERED OFFICE**

45 Guthrie Street  
OSBORNE PARK WA 6017

### **AUDITORS**

Armada Audit and Assurance Pty Ltd  
18 Sangiorgio Court  
OSBORNE PARK WA 6017

### **SOLICITORS**

Lawton Gillon  
Level 7, 16 St George's Terrace  
PERTH WA 6000

### **SHARE REGISTRY**

Automic Group  
Level 5, 126 Phillip Street  
Sydney, NSW 2000  
Ph. 1300 288 664

### **STOCK EXCHANGE LISTING**

Australian Securities Exchange  
Home Exchange: PERTH, Western Australia  
Code: NME

## Directors' Report

The directors of Nex Metals Explorations Limited (“Nex Metals” or “the Company”) (ASX: NME) and its controlled entity (“Group”) submit herewith the financial report for the half-year ended 31 December 2025. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### Directors

The names of the directors who held office during or since the end of the half-year are:

Thomas F Percy KC

Kenneth M Allen

Hock Hoo Chua

Gregory Barns SC (Appointed July 7, 2025)

Raja Mohd Azmi Bin Raja Razali (Alternate Director to Hock Hoo Chua)

### Operating Results

The operating loss of the Group for the half-year after providing for income tax amounted to \$376,892 (31 December 2024 – \$421,215).

### Review of Operations

#### Exploration

##### **Kookynie Tailings Project progress update**

NME is the 100% owner and operator of the Kookynie Tailings Project. The Company has entered into a profit-sharing and empowerment agreement with the Wangkatja Tjungula Aboriginal Corporation (**WTAC**) to jointly develop the project.

Early-stage metallurgical test work is scheduled to commence this week at the Kookynie Tailings Project. The test work is designed to assess potential processing pathways for the historic tailings material and will inform the Company's development strategy.

NME is evaluating a processing pathway that would allow the Company to establish its own beneficiation capability rather than relying on third-party toll treatment.

The Company believes that improved processing techniques applied to existing NME and WTAC equipment may deliver higher recoveries than historic beneficiation methods, without significant capital expenditure.

In parallel, the Company is progressing permitting and approvals to support a drilling programme planned to commence in May 2026, aimed at improving geological understanding of the tailings material and supporting development planning. The Company is targeting completion of these works by October 2026.

##### **Strategic collaboration with WTAC**

Earlier this year, the Company executed a Memorandum of Understanding with WTAC formally expanding collaboration beyond the Kookynie Tailings Project.

Under the MoU, NME and WTAC are evaluating additional gold exploration and development opportunities across the Western Australian goldfields. These opportunities are expected to involve structures where WTAC holds project ownership interests, with NME acting as project developer and operator, providing technical, operational and strategic expertise.

The arrangement builds on the partnership established through the Kookynie Tailings Project, which operates under an empowerment and profit-sharing framework with WTAC, and reflects the parties' shared objective of developing gold projects while supporting local participation, employment and long-term economic outcomes for WTAC members.

### **Evaluation of entry to Egypt's Eastern Desert continues**

On 22 September 2025 Nex Metals Explorations Ltd (ASX:NME) (NME or the Company), a gold project explorer and developer, announced the execution of a Binding Heads of Agreement (HOA) which will see NME become the operator of a currently-producing gold project in Egypt's Eastern Desert on favourable terms, with significant production process improvement and exploration upside potential. This forms the first step in a broader push into one of the world's most under-explored prospective mining districts.

HOA executed for NME to be the Operator of the North Hennai Concession in Southern Egypt (North Hennai). NME continues to advance its evaluation of opportunities in Egypt, including the North Henai Concession production block and a larger exploration block currently under negotiation.

Due to the evolving geopolitical situation in the Middle East, the Company's team has continued to defer travel to Egypt and associated on-ground exploration activities.

Despite these constraints, the Company remains actively engaged with its Egyptian partners and continues to progress due diligence and negotiations remotely in relation to both the North Henai Concession and the expanded exploration opportunity.

The Company considers the North Henai Concession to represent a potential near-term production opportunity, while the adjacent exploration block offers district-scale exploration potential within the Eastern Desert, a region widely regarded as one of the world's most underexplored gold provinces despite its long history of gold mining.

### **Proposed Divestment of Arika Joint Venture Interest**

The Company, via its 20% interest in the Kookynie and Yundamindra Gold projects with Arika Resources Ltd (ASX:ARI) (previously known as Metalicity Ltd) advises that Arika has announced on the ASX platform of both NME and ARI exploration results relating to drilling at the Yundamindra Gold project.

As previously announced, the Company has entered into an agreement to divest its interest in the Arika Joint Venture to Arika Resources Limited (ASX:ARI), subject to shareholder approval and other conditions precedent (ASX Release 2 February 2026 for further information).

Under the proposed transaction, NME will receive the following consideration

- \$2,500,000 in cash less the amount that Arika has funded the Company in respect of its Joint Venture interest contributions as at the date of the agreement capped at \$2,000,000;
- 58,823,529 fully paid ordinary shares in the capital of Arika Resources Limited value at 31 December 2025 \$1,764,705; and
- 12,000,000 ASX:ARI shares on a deferred basis, payable upon the earlier of five years from completion or Arika's achievement of certain exploration milestones.

An Extraordinary General Meeting is expected to be convened in April 2026 to seek shareholder approval for the transaction. If completed, the divestment will allow NME to unlock value from the asset while retaining exposure to future exploration success at the Kookynie and Yundamindra projects through its shareholding in Arika Resources

## **Corporate**

### **Appointment of Director**

Mr Gregory Barns SC as Non-Executive Director, effective 7 July 2025.

Greg's mining experience has been as a non-executive director of a number of companies (previously listed and non-listed) in the mineral exploration sector, including among others, Republic Gold Ltd, Richmond Mining and Australian American Mining Corporation NL. He was, from 2000-02, the inaugural CEO of the former gold industry body, the Australian Gold Council and was, until last year a director of a private agri-business labour hire company.

The Company held its Annual General meeting with shareholders on 28 November 2025 with all resolutions passing via Polls.

### **Issue of Securities**

On 28 July 2025, the Company issued 1,176,470 to a consultant for services received.

On 14 October 2025 the Company issued 4,000,000 options to a consultant for corporate advisory services.

### **Subsequent Events**

On 2 February 2026, entered in an agreement to divest its 20% interest in the Yundamindra and Kookynie Gold Projects. The Company has entered into an agreement (announced to the ASX on 2nd February 2026) to divest its remaining 20% interest in the Arika Joint Venture to Arika Resources Limited (ASX:ARI), subject to shareholder approval and other conditions precedent. Under the proposed transaction, NME will receive the following consideration

- \$2,500,000 (Cash Consideration) less the amount that Arika has funded the Company in respect of its Joint Venture interest contributions as at the date of the agreement capped at \$2,000,000. The \$2,000,000 being Nex Metals share of the exploration costs will be deducted from the cash consideration component.
- 58,823,529 fully paid ordinary shares (Consideration Shares) in the capital of Arika Resources Limited value at 31 December 2025 \$1,764,705
- 12,000,000 ASX:ARI shares (Deferred Consideration) on a deferred basis, payable upon the earlier of five years from
- completion or Arika's achievement of certain exploration milestones
- An Extraordinary General Meeting is expected to be convened in April 2026 to seek shareholder approval for the transaction. If completed, the divestment will allow NME to unlock value from the asset while retaining exposure to future exploration success at the Kookynie and Yundamindra projects through its shareholding in Arika Resources

### **Responsibility Statement**

The information in this report that relates to Exploration Results for the Kookynie Gold Project is based on, and fairly represents, information compiled and released by Arika Resources (JV partner) and has been reviewed by Mr Steven Nicholls, a Competent Person who is a Member of the Australian Institute Geoscientists (AIG). Mr Nicholls is a fulltime employee of Australia Geological Services Pty Ltd (trading as Apex Geoscience). Mr Nicholls has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Nicholls consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Information relating to Previous Disclosure**

The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements noted above and or in any footnotes or references and that all material assumptions and any technical parameters underpinning those previous market announcements continue to apply and have not materially changed.

**Auditor's Independence Declaration**

The Auditor's Independence Declaration under section 307C of the *Corporations Act 2001* has been received and is included on the following pages.

Signed in accordance with a resolution of the Board of Directors.

On behalf of the Directors



*Kenneth Allen*  
Managing Director  
Perth, 13 March 2026

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF**

**NEX METALS EXPLORATIONS LIMITED**

As lead auditor for the review of Nex Metals Explorations Limited for the half-year ended 31 December 2025, I declare that, to the best of my knowledge and belief there have been:

- i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii) No contraventions of any applicable code of professional conduct in relation to the review.

*Armada Audit  
& Assurance*

**ARMADA AUDIT & ASSURANCE PTY LTD**



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**NIGEL DIAS**

**DIRECTOR**

**Perth, Dated 13 March 2026**

## **Consolidated Condensed Statement of Profit or Loss and Other Comprehensive Income**

### **For the half-year ended 31 December 2025**

	<b>31 December 2025 \$</b>	<b>31 December 2024 \$</b>
Other income	-	5,000
Occupancy expenses	-	(92,407)
Administration expenses	(52,584)	(63,697)
Consultants expenses	(129,112)	(77,355)
Depreciation	(27,693)	(3,612)
Employment and contractor expenses	(157,591)	(188,823)
Borrowing expenses	(9,662)	(139)
Travel expenses	(250)	(182)
Exploration and evaluation expenses	-	-
<b>Loss before income tax expense</b>	<b>(376,892)</b>	<b>(421,215)</b>
Income tax benefit	-	-
<b>Loss for the period</b>	<b>(376,892)</b>	<b>(421,215)</b>
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive loss attributable to owners of Nex Metals Explorations Limited</b>	<b>(376,892)</b>	<b>(421,215)</b>
<b>Loss Per Share</b>	<b>(0.001)</b>	<b>(0.002)</b>

The accompanying notes form part of this interim financial report.

## Consolidated Condensed Statement of Financial Position

### As at 31 December 2025

	Note	31 December 2025 \$	30 June 2025 \$
<b>Current assets</b>			
Cash and cash equivalents		16,499	150,905
Other current assets		2,722	2,721
<b>Current Assets (Excluding Asset Held for Sale)</b>		<b>19,221</b>	<b>153,626</b>
Assets held for sale	7/2	2,578,802	-
<b>Total current assets</b>		<b>2,598,023</b>	<b>153,626</b>
<b>Non-current assets</b>			
Plant and equipment		28,217	31,026
Capitalised exploration and evaluation expenditure	2	-	578,802
Right use of asset		223,944	-
<b>Total non-current assets</b>		<b>252,161</b>	<b>609,828</b>
<b>Total assets</b>		<b>2,850,184</b>	<b>763,454</b>
<b>Current liabilities</b>			
Payables	3	3,948,656	1,865,872
Borrowings	4	161,451	137,837
Employee Provisions		193,096	187,002
Lease liability		74,154	-
<b>Total current liabilities</b>		<b>4,377,357</b>	<b>2,190,711</b>
<b>Non-Current Liabilities</b>			
Lease Liability		183,680	-
<b>Total Non-Current Liabilities</b>		<b>183,680</b>	-
<b>Total liabilities</b>		<b>4,561,037</b>	<b>2,190,711</b>
<b>Net liabilities</b>		<b>(1,710,853)</b>	<b>(1,427,257)</b>
<b>Equity</b>			
Issued capital	5	29,688,356	29,653,062
Option reserve	6	2,318,245	2,260,245
Accumulated losses		(33,717,454)	(33,340,564)
<b>Total deficiency in equity</b>		<b>(1,710,853)</b>	<b>(1,427,257)</b>

The accompanying notes form part of this interim financial report.

## Consolidated Condensed Statement of Cash Flows

### For the half-year ended 31 December 2025

	31 December 2025	31 December 2024
	\$	\$
<b>Cash flows from operating activities</b>		
R&D rebate received	-	-
Other receipts	-	14,833
Payments to suppliers and employees	(181,191)	(278,194)
Net cash (used in) operating activities	<b>(181,191)</b>	<b>(263,361)</b>
<b>Cash flows from financing activities</b>		
Share Subscriptions received in advance	-	698,373
Proceeds from borrowings	46,785	-
Repayment of borrowings	-	(254,482)
Net cash provided by financing activities	<b>46,785</b>	<b>443,891</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	(134,406)	180,530
<b>Cash and cash equivalents at the beginning of the period</b>	150,905	292,286
<b>Cash and cash equivalents at the end of the period</b>	<b>16,499</b>	<b>472,816</b>

The accompanying notes form part of this interim financial report.

## Consolidated Condensed Statement of Changes in Equity For the half year ended 31 December 2025

	Consolidated			
	Attributable to equity holders			
	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total Deficiency in Equity \$
Balance at 1 July 2024	27,915,804	2,260,245	(31,495,989)	(1,319,940)
Loss for the period	-	-	(421,215)	(421,215)
<i>Total comprehensive loss for the period</i>	-	-	(421,215)	(421,215)
Shares Issued	-	-	-	-
Balance at 31 December 2024	27,915,804	2,260,245	(31,917,204)	(1,741,155)

	Consolidated			
	Attributable to equity holders			
	Issued Capital \$	Option Reserve \$	Accumulated Losses \$	Total Deficiency in Equity \$
Balance at 1 July 2025	29,653,062	2,260,245	(33,340,562)	(1,427,255)
Loss for the period	-	-	(376,892)	(376,892)
<i>Total comprehensive loss for the period</i>	-	-	(376,892)	(376,892)
<i>Shares Issued</i>	35,294	-	-	35,294
<i>Options Issued</i>	-	58,000	-	58,000
Balance at 31 December 2025	29,688,356	2,318,245	(33,717,454)	(1,710,853)

The accompanying notes form part of this interim financial report.

## **Notes to the Condensed Interim Financial Statements For the half-year ended 31 December 2025**

### **1. Basis of preparation**

The interim financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The interim financial report does not include full disclosures of the type normally included in an annual financial report. It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2025 and any public announcements made by Nex Metals Explorations Limited during the half-year in accordance with continuous disclosure requirements arising under the *Corporations Act 2001*.

The interim financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable by the measurement at fair value for certain classes of assets. The accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial report.

#### **Standards and Interpretations in issue not yet adopted**

The Directors have reviewed all new Standards and Interpretations in issue not yet adopted for the half-year ended 31 December 2025. As a result of this the Directors have determined that there is no impact, material or otherwise, of the standards and interpretations in issue not yet adopted on the Group's business and, therefore, no change is necessary to the Group's accounting policies.

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current period.

#### **Statement of Compliance**

The interim financial statements were authorised for issue on 13 March 2026.

#### **Significant estimates and judgements**

The preparation of the interim financial statements requires management to make judgements and estimates that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The judgements and estimates applied in the interim financial statements were the same as those applied to the Company's last annual report for the year ended 30 June 2025.

For purposes of preparing the interim financial statements, the half-year has been treated as a discrete reporting period.

## Notes to the condensed interim financial statements For the half-year ended 31 December 2025 (cont'd)

### 1. Basis of preparation (cont'd)

#### Going Concern

The interim financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business. As disclosed in the interim financial report, the Group incurred a loss of \$376,892 and had net cash outflows from operating activities of \$181,191 for the half-year ended 31 December 2025. As at that date, the Group had net current liabilities of \$1,779,334, including an asset held for sale of \$2,578,802 (Refer to Note 2 and 7) and net liabilities of \$1,710,853. Notwithstanding this deficiency of net assets as at the balance date, the Directors believe that there are reasonable grounds to believe that the Consolidated Entity will be able to continue as a going concern after consideration of the following events that have occurred after the balance date, resulting in a reduction of net current liabilities of \$1,997,245 as follows:

The total amount owing to Allens Business Group at 31 December 2025 is \$161,451. Mr Ken Allen from Allens Business Group Pty Ltd has agreed in writing to not seek cash payments for its unpaid balances until the Group is in a financial position to pay.	\$161,451
The total unpaid directors fees at 31 December 2025 was \$1,023,582. The directors have agreed not to seek cash payments for its unpaid balances until the Group is in a financial position to pay.	\$1,023,582
Accrued rent and accounting fees owed to Allen's Business Group of \$544,962 . The Company has received written confirmation these payables will not be called for repayment until the Company is in a financial position to pay.	\$544,962
Lease Liability owing to Allen's Business Group of \$74,154. The Company has received written confirmation these payables will not be called for repayment until the Company is in a financial position to pay.	\$74,154
Annual leave liability of \$193,096 owing to Director Ken Allen. The director has provided a written confirmation to the Company to defer payment until at least 31 March 2027.	\$193,096
<b>Total</b>	<b>\$1,997,245</b>

Furthermore, other factors leading to the decision that the Consolidated Entity will be able to continue as a going concern include:

- Allens Business Group Pty Ltd, an entity controlled by the Director, Ken Allen, has agreed in writing to continue to cover any short-term funding needs up to a further \$750,000 to assist with payment of current payables. The \$750,000 line of credit is in addition to the \$161,451 that has been drawn down to 31 December 2025
- The Directors have prepared a cash flow forecast reducing any discretionary expenditure as well planned further capital raisings.
- As previously announced, the Company has entered into an agreement to divest its interest in the Arika Joint Venture to Arika Resources Limited (ASX: ARI), subject to shareholder approval and other conditions precedent (ASX Release 2 February 2026 for further information). Under the proposed transaction, NME will receive the following consideration
  - \$2,500,000 in cash less the amount that Arika has funded the Company in respect of its Joint Venture interest contributions as at the date of the agreement capped at \$2,000,000. Net cash of \$500,000
  - 58,823,529 fully paid ordinary shares in the capital of Arika Resources Limited value at 31 December 2025 \$1,764,705

## Notes to the condensed interim financial statements For the half-year ended 31 December 2025 (cont'd)

### Going Concern (Continued)

- 12,000,000 ASX:ARI shares on a deferred basis, payable upon the earlier of five years from completion or Arika's achievement of certain exploration milestones.

An Extraordinary General Meeting is expected to be convened in April 2026 to seek shareholder approval for the transaction. If completed, the divestment will allow NME to unlock value from the asset while retaining exposure to future exploration success at the Kookynie and Yundamindra projects through its shareholding in Arika Resources

The Directors of the Company have considered the material uncertainties that exists regarding going concern. In the event of one or a combination of these events occurring, the Company may not be able to continue as a going concern:

- If further capital raisings are not successful and/or the Company is unable to raise funds from other sources.
- If the directors are not willing to defer payment of outstanding amounts or accept payment via shares; and/or
- If Allens Business Group Pty Ltd is unable to provide further financial support.

Based on the factors above there is a material uncertainty that may cast significant doubt about whether the Consolidated Entity will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report ended 31 December 2025.

### 2. Capitalised exploration and evaluation expenditure

	31 December 2025 \$	30 June 2025 \$
Opening balance	578,802	572,076
Current year expenditure*	2,000,000	831,936
Transfer to Asset Held for Sale (Note 7)*	(2,578,802)	
Exploration Cost Expensed	-	(825,210)
Closing balance	<u>-</u>	<u>578,802</u>

**Proposed Divestment of Kookynie and Yundamindra Gold projects\*** The \$2,000,000 is the Company's 20% share of the exploration expenditure on the Kookynie and Yundamindra Gold projects funded by Arika Resources Ltd (ASX:ARI) that holds an 80% interest in the project (previously known as Metalicity Ltd). The Company has entered into an agreement (announced to the ASX on 2nd February 2026) to divest its remaining 20% interest in the Arika Joint Venture to Arika Resources Limited (ASX: ARI), subject to shareholder approval and other conditions precedent. Under the proposed transaction, the Company will receive the following consideration:-

- \$2,500,000 (Cash Consideration) less the amount that Arika has funded the Company in respect of its Joint Venture interest contributions as at the date of the agreement, capped at \$2,000,000. The \$2,000,000, being Nex Metals' share of the exploration costs, will be deducted from the cash consideration component.
- 58,823,529 fully paid ordinary shares (Consideration Shares) in the capital of Arika Resources Limited value at 31 December 2025, \$1,764,705
- 12,000,000 ASX: ARI shares (Deferred Consideration) on a deferred basis, payable upon the earlier of five years from

## Notes to the condensed interim financial statements For the half-year ended 31 December 2025 (cont'd)

### Capitalised Exploration and Evaluation Expenditure (Continued )

- completion or Arika's achievement of certain exploration milestones
- An Extraordinary General Meeting is expected to be convened in April 2026 to seek shareholder approval for the transaction. If completed, the divestment will allow NME to unlock value from the asset while retaining exposure to future exploration success at the Kookynie and Yundamindra projects through its shareholding in Arika Resources
- As such the asset has been reclassified as a asset held for sale under AASB 5.

### 3. Payables

	<b>31 December 2025</b>	<b>30 June 2025</b>
	<b>\$</b>	<b>\$</b>
Trade payables and accruals (i)	2,597,074	631,612
Accrued director fees (ii)	1,023,582	906,260
Shares application monies(iii)	328,000	328,000
	<b>3,948,656</b>	<b>1,865,872</b>

### Payables (Cont'd)

- (i) Trade payables are non-interest-bearing and are normally settled on 30-60 day terms. Included in the trade and other payable is \$544,962 relating to accounting fees and rent payable to Allens Business Group Pty Ltd a Company related to the director Ken Allen. Allen's Business Group has confirmed that these amounts will not be called for repayment until at least 31 March 2027. Included in the trade and other payables is the 2,000,000 owing to Arika Resources Limited for the divestment of the 20% interest in the Kookynie and Yundamindra Gold projects. The \$2,000,000 will be deducted from the \$2,500,000 in cash consideration under the sale agreement (Refer to Note 2).
- (ii) Directors have agreed not to call on Directors fees payable until at least 31 March 2027. Amount owing to Mr HH Chua will be converted to issued capital, but is subject to shareholder approval. Additionally, if a shareholder resolution is unsuccessful, the Directors and related parties have agreed to defer repayment until at least 31 March 2027.
- (iii) This represents share application monies from Raja Mohd Azmi bin Raja Razali. Mr Ken Allen has provided a written confirmation that he will cover the payment of this amount

### 4. Borrowings

Borrowings	161,451	137,837
	<b>161,451</b>	<b>137,837</b>

- (i) This loan is interest free and is with Allens Business Group Pty Ltd, an entity controlled by Mr Ken Allen. Allens Business Group Pty Ltd has agreed to not seek cash payments for its unpaid balances until the Group is in a financial position to settle.

## Notes to the condensed interim financial statements For the half-year ended 31 December 2025 (cont'd)

### 5. Issued Capital

Movements in share capital were as follows:

**Year ended 30 June 2025**

		<b>Fully Paid Ordinary Shares</b>	<b>\$</b>
1 July 2024	Opening balance	<b>363,643,639</b>	<b>27,915,803</b>
	Shares issued	61,827,845	1,737,259
	Shares Cancellation	(91,365,685)	
30 June 2025	Closing balance	<b>334,105,799</b>	<b>29,653,062</b>

**Period ended 31 December 2025**

		<b>Fully Paid Ordinary Shares</b>	<b>\$</b>
1 July 2025	Opening balance	<b>334,105,799</b>	<b>29,653,062</b>
	Shares Issued	1,176,470	35,294
31 December 2025	Closing balance	<b>335,282,269</b>	<b>29,688,356</b>

On 28 July 2025, the Company issued 1,176,470 to a consultant for services received. The resulting \$35,294 has been recorded as a consulting expense in the statement of profit or loss.

### 6. Option Reserves

**Period ended 31 December 2025**

		<b>\$</b>
1 July 2025	Opening balance	<b>2,260,245</b>
	Options issued	58,000
31 December 2025	Closing balance	<b>2,318,245</b>

## Notes to the condensed interim financial statements For the half-year ended 31 December 2025 (cont'd)

On 14 October 2025, the Company issued 4,000,000 options to a consultant for services rendered. \$58,000 has been recorded as a share-based payment expense in consulting expenses. The inputs used in the valuation model are as follows:

Grant Date	17 September 2025
Expiry Date	17 September 2027
Exercise Price	\$0.04
Share Price on Grant Date	\$0.028 (or 2.8 cents) as at the grant date
Risk Free Rate	3.34% per annum
Volatility	114%
Fair value	\$58,000

### 7. Asset Held for Sale

	31 December 2025 \$	30 June 2025 \$
Opening balance	-	-
Transfer From Exploration Assets*	2,578,802	-
	<u>-</u>	<u>-</u>
Closing balance	<u>2,578,802</u>	<u>-</u>

Refer to Note 2 for further details regarding the proposed Proposed Divestment of Kookynie and Yundamindra Gold projects

### 8 Segment Reporting

The Directors have considered the requirements of AASB 8 “Operating Segments” and the internal reports that are reviewed by the chief operating decision maker, the board of directors, in allocating resources and have concluded that at this time there are no separately identifiable segments.

Throughout the half-year, the Group remained focused on mineral exploration over a number of areas of interest in Western Australia.

### 9 Contingencies

There are no other known significant contingencies as at 31 December 2025.

## **10 Subsequent Events**

On 2 February 2026, entered in an agreement to divest its 20% interest in the Yundamindra and Kookynie Gold Projects. The Company has entered into an agreement (announced to the ASX on 2nd February 2026) to divest its remaining 20% interest in the Arika Joint Venture to Arika Resources Limited (ASX:ARI), subject to shareholder approval and other conditions precedent. Under the proposed transaction, NME will receive the following consideration

- \$2,500,000 (Cash Consideration) less the amount that Arika has funded the Company in respect of its Joint Venture interest contributions as at the date of the agreement capped at \$2,000,000. The \$2,000,000 being Nex Metals share of the exploration costs will be deducted from the cash consideration component.
- 58,823,529 fully paid ordinary shares (Consideration Shares) in the capital of Arika Resources Limited value at 31 December 2025 \$1,764,705
- 12,000,000 ASX:ARI shares (Deferred Consideration) on a deferred basis, payable upon the earlier of five years from
- completion or Arika's achievement of certain exploration milestones
- An Extraordinary General Meeting is expected to be convened in April 2026 to seek shareholder approval for the transaction. If completed, the divestment will allow NME to unlock value from the asset while retaining exposure to future exploration success at the Kookynie and Yundamindra projects through its shareholding in Arika Resources

Other than the matters disclosed above there are no matters or circumstances that have arisen since 31 December 2025 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial periods.

## **Directors' Declaration**

The directors of the Company declare that:

- The attached financial statements and notes comply with the *Corporations Act 2001*, Australian Accounting Standard *AASB 134 Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- The attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.



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Kenneth Allen  
Managing Director  
Perth, 13 March 2026

## Independent Auditor's Review Report to the Members of Nex Metals Explorations Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the accompanying Condensed Consolidated Half-Year Financial Report of Nex Metals Explorations Limited ("the Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2025, the condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of material accounting policies, other explanatory notes and the directors' declaration of the Group comprising the Company and the entities it controlled at half-year end from time to time during the half-year.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the Condensed Consolidated Half-Year Financial Report of Nex Metals Explorations Limited is not in accordance with the *Corporations Act 2001* including:

- (a) Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- (b) Complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*;

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibility for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the 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. We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Company incurred a net loss of \$376,892 during the half-year ended 31 December 2025, as of that date, the Company's had a net liability position of \$1,710,853. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year financial report ended 31 December 2025. Our review conclusion is not modified in respect of this matter.

### Directors' Responsibility for the Half-Year Financial Report

The Directors of the Group are responsible for the preparation of the Condensed Consolidated 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 Condensed Consolidated Half-Year Financial report that gives a true and fair view is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Review of the Half-Year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the Condensed Consolidated 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 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*. A review of a 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.

*Armada Audit  
& Assurance*

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**Nigel Dias Director, Dated 13 March 2026, Perth Western Australia.**