



SOLARA

MINERALS LIMITED

SOLARA MINERALS LIMITED (FORMERLY, LYCAON RESOURCES LIMITED)

ANNUAL REPORT

30 JUNE 2025

ABN: 80 647 829 749



CONTENTS

Corporate Directory	3
Directors' Report	4
Auditor's Independence Declaration	22
Consolidated Statement of Profit or Loss and Other Comprehensive Income	23
Consolidated Statement of Financial Position	24
Consolidated Statement of Changes in Equity	25
Consolidated Statement of Cash Flows	26
Notes to the Financial Statements	27
Consolidated Entity Disclosure Statement	42
Directors' Declaration	43
Independent Auditor's Report	44
Additional Information	49

DIRECTORS

Mr Adrian Di Menna	Non-Executive Chairman
Mr Anthony Rovira	Executive Director
Mr James Robinson	Executive Director

COMPANY SECRETARIES

Ms Melanie Ross
Ms Anthea Acomb

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Level 2, 22 Mount Street
PERTH WA 6000
Ph: +61 8 6188 8181

SOLICITORS

Steinepreis Paganin
Level 14, QV1 Building
250 St Georges Terrace
PERTH WA 6000
Ph: +61 8 9321 4000
Fax: +61 8 9321 4333

AUDITORS

Criterion Audit Pty Ltd
Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007
Ph: +61 8 9466 9009

SHARE REGISTRY

Automic Pty Ltd
Level 5, 191 St Georges Terrace
PERTH WA 6000
Ph: +61 2 8072 1400

STOCK EXCHANGE

Australian Securities Exchange (ASX)
Code: SLA

WEBSITE

<https://solaraminerals.com.au/>

SOLARA MINERALS LIMITED

DIRECTORS' REPORT

30 JUNE 2025



The Directors present their report, together with the financial statements on the consolidated entity (referred to hereafter as the 'consolidated entity'), consisting of Solara Minerals Limited (formerly, Lycaon Resources Limited) (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the financial year ended 30 June 2025.

DIRECTORS

The following persons were Directors of Solara Minerals Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

NAME OF PERSON	POSITION
Mr Adrian Di Menna	Non-Executive Chairman
Mr James Robinson	Executive Director (appointed 10 December 2024)
Mr Anthony Rovira	Executive Director (appointed 1 January 2025)
<i>Mr Thomas Langley</i>	<i>Technical Director (resigned 10 December 2024)</i>
<i>Mr Ranko Matic</i>	<i>Non-Executive Director (resigned 1 January 2025)</i>

PRINCIPAL ACTIVITIES

During the financial year, the principal activities of the consolidated entity consisted of mineral exploration in Western Australia.

REVIEW OF OPERATIONS

Operating result

The loss from continuing operations for the consolidated entity after providing for tax amounted to \$1,216,093 (2024: \$776,679).

Corporate

During the year, the company underwent a number of significant changes at the corporate level. There was a change in the strategic direction of the company and there were meaningful changes at the management and executive level.

Personnel Changes

Ms Anthea Acomb was appointed as Joint Company Secretary on 19 July 2024.

Mr James Robinson was appointed as a Non-Executive Director, with the appointment effective 10 December 2024. Simultaneously, Mr Thomas Langley resigned from his position as Technical Director.

Mr James Robinson transitioned from a Non-Executive Director to the position of Executive Director on 1 January 2025. Mr Ranko Matic resigned as a Non-Executive Director, effective 1 January 2025. Also, effective 1 January 2025, Mr Tony Rovira was appointed as a Non-Executive Director. Mr Rovira brings over 40 years of experience in the mining industry, including his tenure as Managing Director of Azure Minerals Limited, where he oversaw the discovery of the Andover Lithium Deposit and was awarded the "Dealer of the Year Award" in 2024 and the "Prospector of the Year Award" in 2000.

Mr Tony Rovira transitioned to the position of Executive Director effective 1 June 2025.

Subsequent to the financial year end, Ms Jennifer Neild was appointed as General Manager on 1 July 2025. Ms Neild is a highly experienced professional geologist and geophysicist with over 20 years in mineral exploration. As part of her remuneration, Ms Neild was issued 500,000 unlisted options (exercisable at \$0.30 each, expiring 3 years from issue), subject to a 12-month vesting condition.

Capital Structure

In a show of support for the company's future direction, Mr Rovira, Mr Robinson, and Mr Di Menna participated in a placement to Directors, raising a total of \$450,000. Mr Rovira committed \$360,000 (4,000,000 full paid ordinary shares), Mr Robinson committed \$67,500 (750,000 fully paid ordinary shares), and Mr Di Menna committed \$22,500 (250,000 fully paid ordinary shares), all at an issue price of \$0.09 per share. This placement required shareholder approval. The company also proposed to issue 4,000,000 unlisted options (exercisable at \$0.20 each, expiring 3 years from issue) to the Directors as an equity-based incentive, which was also subject to shareholder approval.

Both the placement and option issues were considered at a General Meeting held on 27 February 2025.

On 24 February 2025, 11,900,000 options expired, which included 600,000 options held by the Non-Executive Chairman, Mr Di Menna.

At the General Meeting held on 27 February 2025, all 7 resolutions presented to shareholders were successfully passed. These resolutions included:

- The approval and completion of the \$450,000 placement to Directors, resulting in the issuance of 5,000,000 fully paid ordinary shares.
- The approval and issuance of 4,000,000 unlisted options to Directors as part of their remuneration.
- The approval to change the company's name from 'Lycaon Resources Ltd' to 'Solara Minerals Ltd' to better reflect its strategic direction.

The Australian Securities and Investments Commission (ASIC) processed the name change on 27 February 2025.

The ASX implemented the company's change of name and ASX code to 'SLA', effective from the commencement of trading on 6 March 2025.

Project Acquisition

On 21 July 2025, Solara announced it had entered into a binding agreement to acquire 100% of OD4 Tom Price Pty Ltd ('OD4TP'), which holds a 310km² portfolio of gold and copper projects in the Bryah Basin, Western Australia.

The consideration for the OD4TP acquisition included a cash payment of \$130,000 (after an initial \$20,000 exclusivity fee) and the issuance of 1,250,000 fully paid ordinary shares to OD4TP shareholders upon completion. An additional 1,500,000 fully paid ordinary shares will be issued if Solara achieves a specific drilled mineralised intersection (not less than 20 CuEq% x interval in metres, with a minimum cut-off grade of 0.5% CuEq%) within three years of completion, subject to shareholder approval. Both the consideration shares and deferred consideration shares will be subject to a 6-month voluntary escrow period. The acquisition was subject to customary conditions precedent. The acquisition was completed on 12 August 2025.

Exploration

Bryah Basin – OD4TP Project Portfolio (Gold-Copper in the Bryah Basin)

Subsequent to the financial year end, the company announced the acquisition of OD4TP, which holds gold and copper projects in the Bryah Basin (see details under Corporate). The Bryah Basin district is highly prospective for gold and copper-gold mineralisation and recently has been the focus of several substantial mining operations, including Westgold Resources Ltd's multi-million ounce Fortnum and Peak Hill gold mining projects and Sandfire Resources Ltd's high-grade Degussa and Monty copper-gold mines.

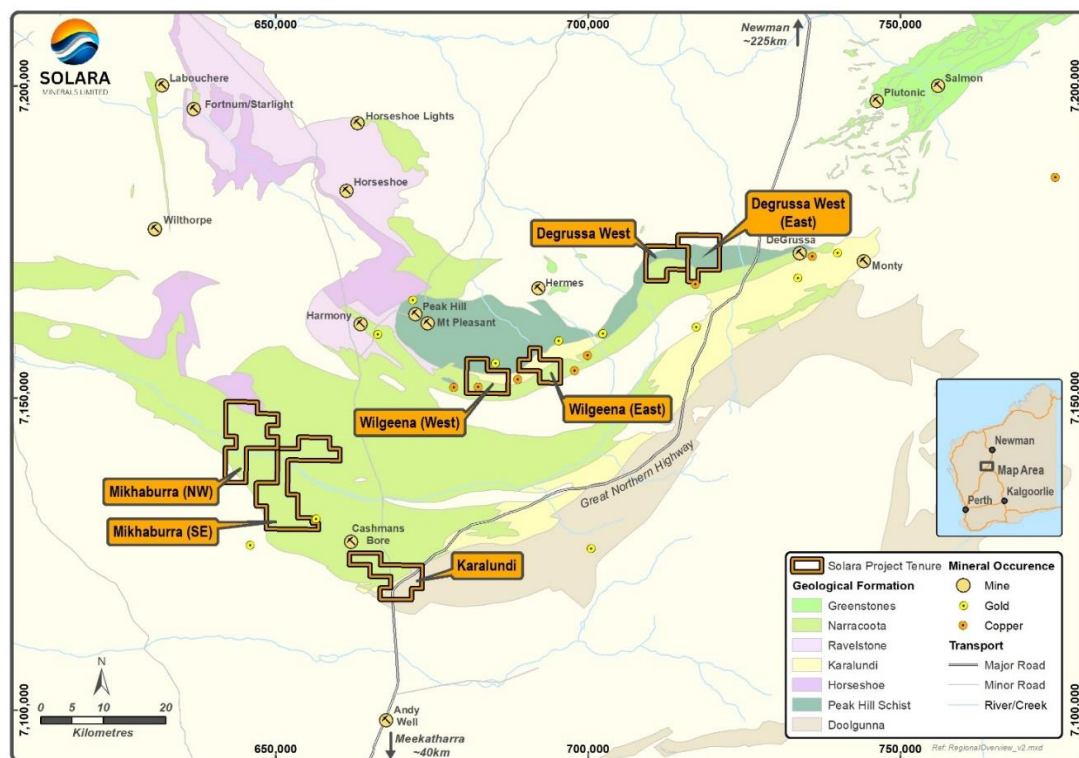


Figure 1. Project locations with regional geology, gold mines and gold occurrences.

The portfolio of projects acquired as part of the company's acquisition of ODTP include:

E52/4313 & E52/4438 - Degruessa West Project

Located 17kms along strike from Sandfire Resources Ltd's Degruessa Copper Gold Mine (13.8Mt @ 4.8% Cu & 1.8g/t Au), and 10kms from the Old Highway Gold Deposit (206Koz Au) recently purchased by Catalyst Metals Ltd. The property is characterised by a strong magnetics features and untested conductors along prospective stratigraphy with anomalous indicator elements in historic soils.

After reviewing historic VTEM and magnetics data as part of the due diligence process, the company took the step of completing a MLEM survey. The Degruessa West anomalies are coincident with a strong magnetic anomaly and was a highly ranked VTEM target at the time of a survey completed by Sandfire Resources Ltd in 2009, that detected bedrock-hosted conductors in the same geological sequences as the Degruessa Mine. This was not followed up with drilling or further sampling. A widely spaced soil sampling program across E52/4313 was undertaken by Barrick Gold 2003-2005 finding values of 345ppb and 7.1ppb gold along the same trend as conductive plates.

The MLEM survey identified subtle conductive features which show a north dipping response modelled as plates broken into western (~700m in length) and eastern (~1300m in length) domains. These EM conductors crosscut the strongly conductive Bryah basin stratigraphy which is moderately to steeply south-dipping and are coincident with both a strong magnetic anomaly and the position where a NE trending fault intersects the stratigraphy (Figures 2 and 3).

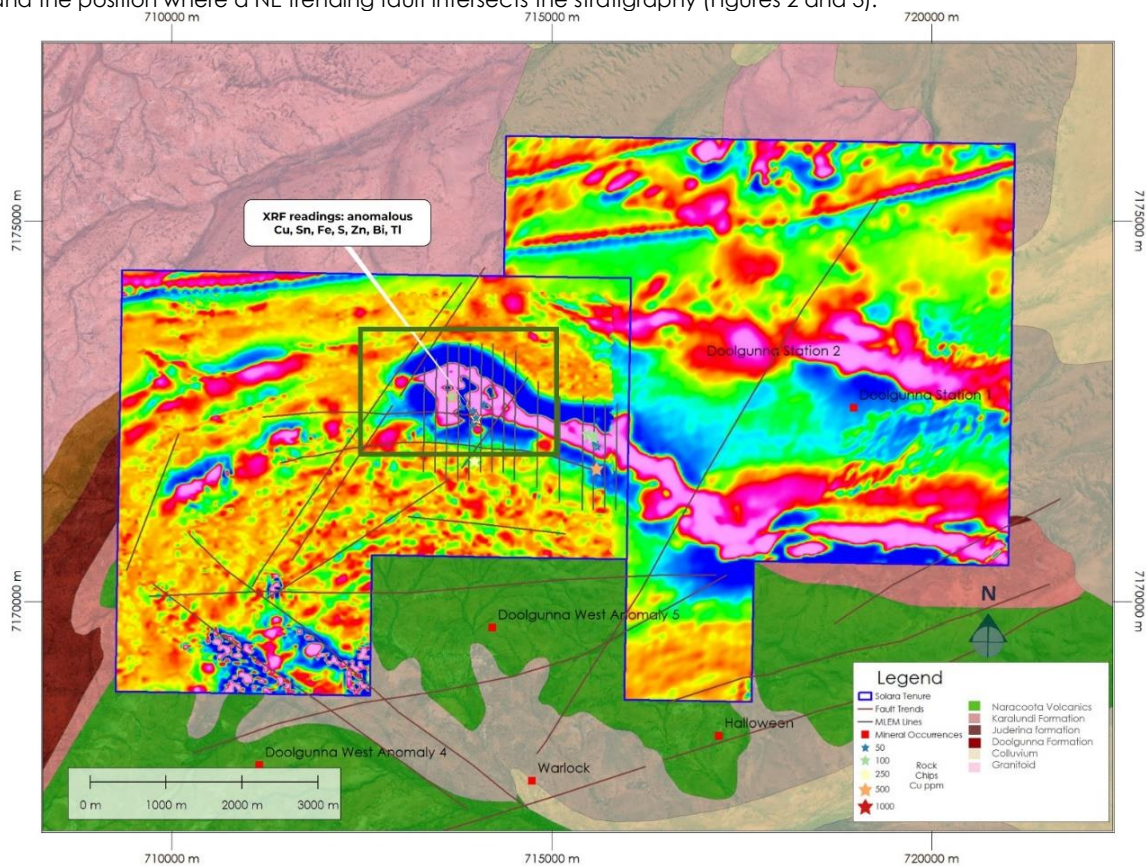


Figure 2. RTP 1VD reprocessed magnetics data with recent rock chip data measured with XRF, MLEM lines shown over the magnetic feature. Historic gold values in soils stand out to background is 1-2 ppb.

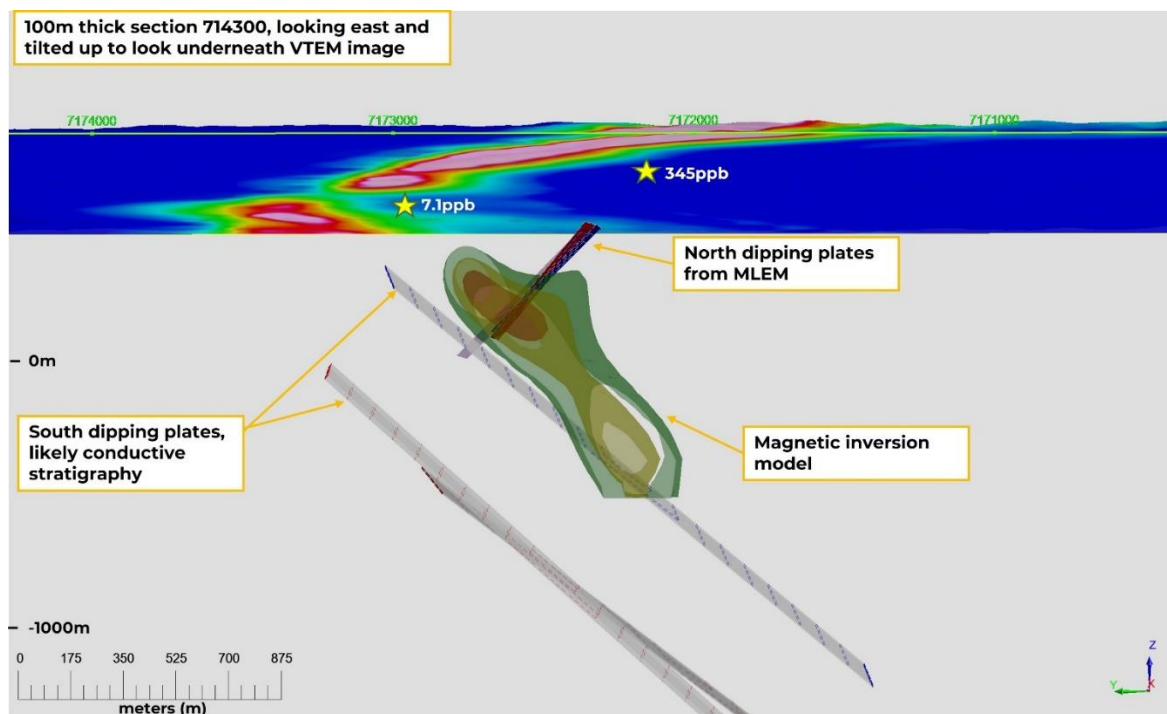


Figure 3. Section 714300 looking east and from underneath VTEM image. Magnetic susceptibility 3D inversion model shown Large, south dipping plates are thought to be stratigraphic in nature, a set of plates dipping to the north were modelled from the MLEM. Historic gold values in soils stand out to background is 1-2 ppb.

E52/4369 & E52/4370 - Wilgeena Project

Located 1.5km south of Hermes South gold deposit (JORC resources of 114koz Au) and 15km south of the Hermes gold deposit (historical production in 2016-2019 of 65koz and current NI43-101 resources of 243koz). The property is also proximal to Westgold Resources Ltd's Peak Hill Gold Mine (JORC resources of 481koz) 15km to the northwest.

The project area has regions with no soil sampling or drilling with strong magnetics and VTEM targets. The compilation and reprocessing of this information will focus on identifying coincident structural and geophysical features.

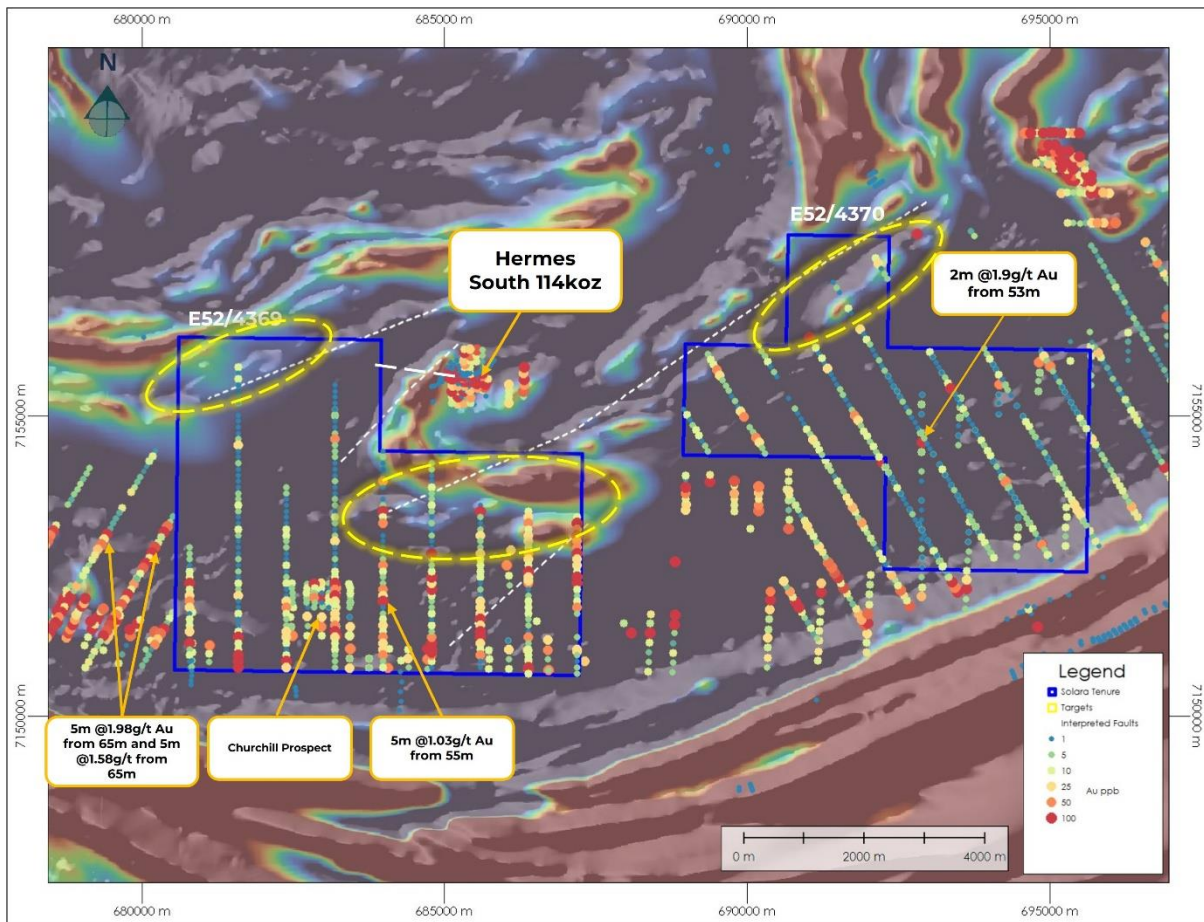


Figure 4. Wilgeena tenements showing RTP Magnetics with existing drilling and Au anomalism. Target areas are circled in yellow.

E52/4265 & E51/2164 – Mikhaburra Project

The two adjoining EL's covering 148.8sqkm and are located on the southern side of the Bryah Basin along the Murchison structural corridor.

E51/2165 - Karalundi Project

The single EL covering 43.4sqkm is transected by the Great Northern Highway and therefore is a highly accessible tenement, which prospective geology and geochemical indicators. Multiple airborne EM bedrock conductors have been identified and remain untested.

Bow River Prospect (Ni/Cu/Co±PGE)

A diamond drilling program was completed at the Bow River Project in the East Kimberley region of Western Australia during Q3 of 2023. The drill program consisted of two diamond drillholes to a depth of 800m and 786m each, with both drillholes intersecting visual Ni-Cu sulphides, Tables 1 and 2.

Sulphide mineralisation intersected in both drillholes shows a strong correlation to the upper limit of the modelled gravity anomaly between approximately 330-360m depth, with the remainder of the gravity anomaly untested over the >1km strike extent, Figure 5. Downhole electromagnetic (DHEM) surveys were completed on both diamond drillholes to a depth of 690m (BRDD001) and 760m (BRDD002) during Q4 of 2023. The DHEM survey results identified weak off-hole anomalies within close proximity of the drillholes.

Drilling was planned to target the deeper more primitive part of the intrusion thought to be related to the highest density gravity anomaly, however market conditions and company's change of focus means that Bow River is not a priority at this time.



Figure 5. Photos showing examples disseminated and blebby sulphides in hole BRDD002.
(Left) Nickel-Copper sulphides at 348m, (Right) Disseminated sulphides 338 – 342m
Note core is NQ2 being 2 inches or 50mm in diameter

Table 1: Significant Sulphide Intervals – Visual Estimates

Hole ID	From (m)	To (m)	Interval (m)	Mineralisation Style	Sulphide Type	Sulphide %	Prospect
BRDD001	364.7	377.5	12.8	Disseminated/Blebby	Pyrrhotite, Pentlandite, Chalcopyrite	1 -5	Bow River
BRDD001	394.1	402.2	8.1	Disseminated/Blebby	Pyrrhotite, Pentlandite, Chalcopyrite	1 -5	Bow River
BRDD002	330.1	375.3	45.2	Disseminated/Blebby	Pyrrhotite, Pentlandite, Chalcopyrite	1 -5	Bow River

Table 2: Drillhole Collar Data (GDA94 MGAz52)

Hole ID	Easting	Northing	RL	Dip	Azimuth	EOH	Type	Prospect
BRDD001	427597	8134664	170	-70	0	800	Diamond	Bow River
BRDD002	427839	8134722	170	-75	120	786.3	Diamond	Bow River

Stansmore Project (Niobium/REE/IOCG)

The 100% owned West Arunta Stansmore Niobium-REE Project granted tenure extends over 173km² and is approximately 90km north of WA1 Resources Limited's (ASX: WA1) Luni and P2 discoveries, Figure 6. The project hosts three potentially significant magnetic anomalies (Stansmore, Volt and Ions), and three secondary targets (Edi, Earl and Menlo) interpreted to be prospective for carbonatite-hosted Nb-REE and intrusion-related gold copper mineralisation.

The Stansmore prospect was the focus of the company in the first half of the year. Stansmore is represented by a regionally prominent 500m diameter magnetic anomaly. The company also planned to test a larger ~3km wide magnetic anomaly which includes the Volts and Ion prospects.

The maiden drill program was planned for November 2024 and therefore the company concentrated on further defining the drill target using geophysical modelling. The work was completed by geophysical expert Terry Hoschke, building on an initial review by Southern Geoscience Consultants (SGC). This included re-processing magnetic data and a 3D inversion.

The 3D inversion results defined the Stansmore magnetic anomaly as a pipelike body approximately 500m in diameter, starting from around 120m depth and dipping to the south. Drilling was planned to target 320m into this main magnetic anomaly. Review of historical data showed that BHP Minerals had tested the magnetic feature but did not reach the necessary depths to adequately test the target. Furthermore, geophysical processing techniques have advanced significantly since 1983 improving the ability to constrain depths.

Prior to execution of the program, in October 2024, the company secured an EIS exploration incentive of up to \$180,000 towards drilling costs at Stansmore.

The maiden drill program was completed in December 2024, consisting of a single reverse circulation (RC) drillhole, STRC01, drilled to a depth of 324m in order to test the geophysical target beneath the surficial cover for copper, gold, niobium and rare earth mineralisation. Assay results from the maiden drill program were received and reported in January 2025. The drillhole intersected a variably magnetic mafic intrusive with trace sulphides, but no lithologies characteristic of carbonatites. Elevated silver (Ag) and copper (Cu) assays were found at the base of the weathering profile. The best result was 1m @ 425ppm Nb+Nd+Pr and 217ppm Y+Yb from 302-303m, associated with sulphide mineralisation (12% S), Table 3.

This result was interpreted as shear-related and at the time not deemed significant enough to warrant further work.

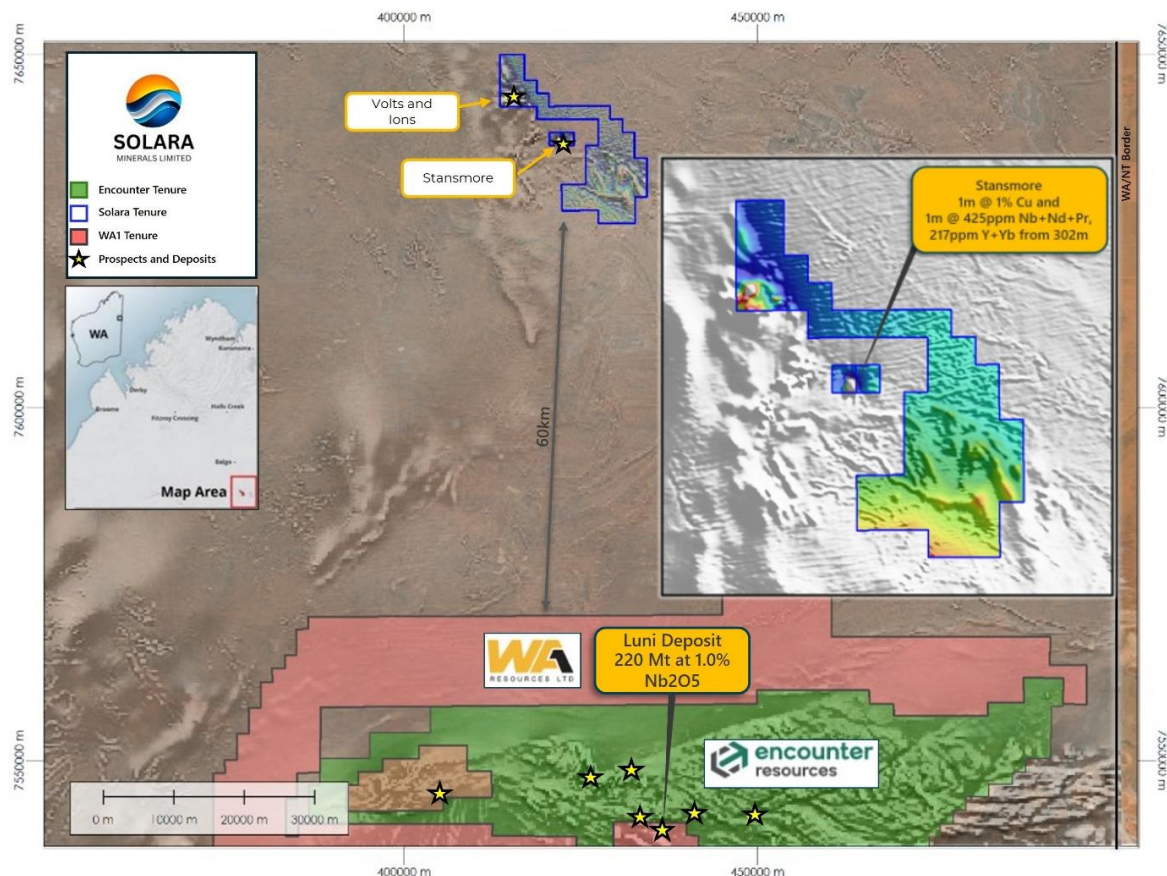


Figure 6. Location of the West Arunta Project and specific prospects. Inset is the Reduced to Pole Magnetics (TMI grid) highlighting the prominent magnetic anomaly at Stansmore Prospect and other magnetic targets.

Table 3: Drilling Results - Anomalous Intercepts

Hole ID	Sample ID	From (m)	To (m)	Interval (m)	Nb+Nd+Pr (ppm) c/o 200ppm	Y+Yb (ppm) c/o 200ppm	Ag (ppm) c/o 0.4ppm	Cu (ppm) c/o 5000ppm	S (%) c/o 5%
STRC01	LYN0179	79	80	1	49	51	0.5	10,777	0.8
STRC01	LYN0185	85	86	1	42	38	1.49	1894	0.3
STRC01	LYN0402	302	303	1	425	217	0.4	1507	12

Myrnas Hill (Cu/Au/Lithium)

Subsequent to the financial year end, the company was granted the exploration licence E45/6809 (Myrnas Hill) located in the Pilbara region of Western Australia, Figure 7. The company executed a land access agreement (LAA) as part of the application process for E45/6809 with the Coongan Aboriginal Corporation and Strelley Pastoral Pty Ltd.

The tenement is located adjacent to the Marble Bar and DOM's Hill projects held by Kali Metals Limited (ASX: KM1) and Sociedad Química y Minera de Chile (NYSE: SQM), which are subject to an earn-in arrangement under which SQM has the right to earn up to 70% by funding A\$12M over four years.

The tenement covers the historic copper-gold prospect, Myrnas Hill, which has returned up to 42.8% Cu, 7.05% Cu and 6.49g/t Au in rock chip samples. The focus remains on the prospectivity for copper and gold mineralisation and investigating the potential for lithium, with a detailed geological review underway.

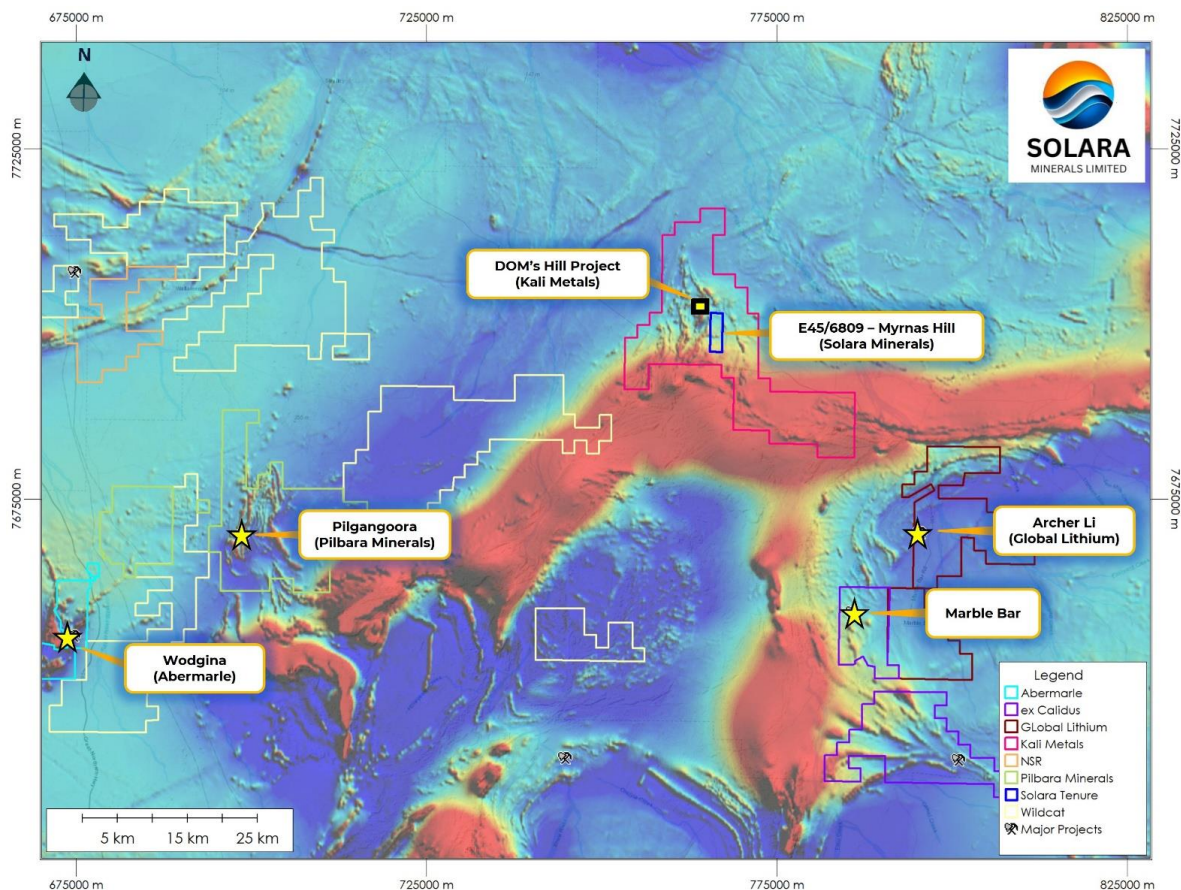


Figure 7. Myrnas Hill prospect on tenement E45/6809

References

- ASX: LYN, Recipient of \$180K EIS Co-Funded Program, 1 May 2024
- ASX: LYN, Assay Results from West Arunta Drilling, 29 January 2025
- ASX: LYN, West Arunta Refined Geophysical Modelling, 5 September 2024
- ASX: SLA, Tony Rovira Appointed Executive Director, 10 June 2025
- ASX: SLA, Management Changes, 1 July 2025
- ASX: SLA, Tony Rovira appointed Executive Director, 10 June 2025
- ASX: SLA, Solara to acquire portfolio of Gold and Copper projects, WA, 17 July 2025
- ASX: SLA, Compelling Drill Targets Identified at Degruessa West Au Cu, 30 July 2025
- ASX: SLA, Quarterly Activities/Appendix 5B Cash Flow Report, 31 July 2025
- ASX: SLA, Significant Gold Potential Identified at Wilgeena Project, 27 August 2025

Competent Person's Statement

The information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Ms. Jennifer Neild who is a member of the Australian Institute of Geoscientists (MAIG). Ms. Jennifer Neild is an employee of Solara Minerals Ltd and holds options in the company and accordingly has a vested interest in the company's performance. Ms Neild has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Ms Neild consents to the inclusion in this document of the matters based on her information in the form and context in which it appears.

Information in this report that relates to previously reported Exploration Results has been cross-referenced in this report to the date that it was reported to ASX.

The company confirms that it is not aware of any new information or data that materially affects the information in the original reports, and that the form and context in which the Competent Person's findings are presented have not been materially modified from the original reports.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

In the opinion of the Directors, there were no significant changes in the state of affairs of the consolidated entity during the financial year which have not been disclosed elsewhere in the Annual Report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

On 1 July 2025, the company announced the appointment of Ms Jennifer Neild to the role of General Manager, effective 1 July 2025. As part of Ms Neild's appointment, the company agreed to issue Ms Neild (and/or her nominees) 500,000 unlisted options exercisable at \$0.30 each on or before the date that is three (3) years from the date of issue. The options are subject to a vesting condition that Ms Neild remains in continuous employment or service with the company for a period of 12 months commencing on the date of issue of the options. The options were issued on 29 August 2025 under the company's Employee Securities Incentive Plan (ESIP).

The company announced on 21 July 2025 that it has entered into a binding agreement to acquire 100% of the issued share capital of OD4 Tom Price Pty Ltd (OD4TP) from the shareholders of OD4TP. OD4TP holds a 100% interest in seven highly prospective granted exploration licences, all located in the Bryah Basin, in the Murchison region of Western Australia.

In consideration for the acquisition (subject to satisfaction (or waiver) of the conditions precedent), the company agrees:

- (a) at completion, to make a payment of \$150,000 less \$20,000 (already paid exclusivity fee) in cash, as reimbursement for expenditure incurred on the tenements and issue 1,250,000 fully paid ordinary shares in the capital of the company to the shareholders of OD4TP (the 'Consideration Shares'); and
- (b) subject to the company obtaining prior approval of its shareholders in a general meeting, to issue to the shareholders of OD4TP, 1,500,000 fully paid ordinary shares in the capital of the company ('Deferred Consideration Shares') if the company achieves a drilled mineralised intersection of not less than 20 CuEq% x interval in metres using a minimum cut-off grade of 0.5% CuEq% within the area of the tenements within three (3) years from the date of completion.

The Consideration Shares and the Deferred Consideration Shares are subject to voluntary escrow for a period of 6 months from the date of issue.

The company completed the acquisition on 12 August 2025.

Apart from the matters as discussed above, no other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

MATERIAL BUSINESS RISKS

The consolidated entity's exploration and evaluation operations will be subject to the normal risks of mineral exploration. The material business risks that may affect the consolidated entity are summarised below.

Future capital raisings

The consolidated entity's ongoing activities may require substantial further financing in the future. The consolidated entity will require additional funding to continue its exploration and evaluation operations on its projects with the aim to identify economically mineable reserves and resources. Any additional equity financing may be dilutive to shareholders, may be undertaken at lower prices than the current market price and debt financing, if available, may involve restrictive covenants which limit the consolidated entity's operations and business strategy. Although the Directors believe that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to the consolidated entity or at all. If the consolidated entity is unable to obtain additional financing as needed, it may be required to reduce, delay or suspend its operations and this could have a material adverse effect on the consolidated entity's activities and could affect the consolidated entity's ability to continue as a going concern.

Exploration risk

The success of the consolidated entity depends on the delineation of economically mineable reserves and resources, access to required development capital, movement in the price of commodities, securing and maintaining title to the consolidated entity's exploration and mining tenements and obtaining all consents and approvals necessary for the conduct of its exploration activities. Exploration on the consolidated entity's existing tenements may be unsuccessful, resulting in a reduction in the value of those tenements, diminution in the cash reserves of the consolidated entity and possible relinquishment of the tenements. The exploration costs of the consolidated entity are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions.

Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the consolidated entity's viability. If the level of operating expenditure required is higher than expected, the financial position of the consolidated entity may be adversely affected.

Feasibility and development risks

It may not always be possible for the consolidated entity to exploit successful discoveries which may be made in areas in which the consolidated entity has an interest. Such exploitation would involve obtaining the necessary licences or clearances from relevant authorities that may require conditions to be satisfied and/or the exercise of discretions by such authorities. It may or may not be possible for such conditions to be satisfied. Further, the decision to proceed to further exploitation may require participation of other companies whose interests and objectives may not be the same as the consolidated entity's.

Regulatory risk

The consolidated entity's operations are subject to various Commonwealth, State and Territory and local laws and plans, including those relating to mining, prospecting, development permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, mine safety and occupational health. Approvals, licences and permits required to comply with such rules are subject to the discretion of the applicable government officials.

No assurance can be given that the consolidated entity will be successful in maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, the consolidated entity may be limited or prohibited from continuing or proceeding with exploration. The consolidated entity's business and results of operations could be adversely affected if applications lodged for exploration licences are not granted. Mining and exploration tenements are subject to periodic renewal. The renewal of the term of a granted tenement is also subject to the discretion of the relevant Minister.

Renewal conditions may include increased expenditure and work commitments or compulsory relinquishment of areas of the tenements comprising the consolidated entity's projects. The imposition of new conditions or the inability to meet those conditions may adversely affect the operations, financial position and/or performance of the consolidated entity.

Mineral resource estimate risk

Mineral resource estimates are expressions of judgement based on knowledge, experience and industry practice. These estimates were appropriate when made but may change significantly when new information becomes available.

There are risks associated with such estimates. Mineral resource estimates are necessarily imprecise and depend to some extent on interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to resource estimates could affect the consolidated entity's future plans and ultimately its financial performance and value. Nickel, Cobalt, Niobium, Gold, Copper and Lithium price fluctuations, as well as increased production costs or reduced throughput and/or recovery rates, may render resources containing relatively lower grades uneconomic and may materially affect resource estimations.

Environmental risk

The operations and activities of the consolidated entity are subject to the environmental laws and regulations of Australia. As with most exploration projects and mining operations, the consolidated entity's operations and activities are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. The consolidated entity attempts to conduct its operations and activities to the highest standard of environmental obligation, including compliance with all environmental laws and regulations. The consolidated entity is unable to predict the effect of additional environmental laws and regulations which may be adopted in the future, including whether any such laws or regulations would materially increase the consolidated entity's cost of doing business or affect its operations in any area. However, there can be no assurances that new environmental laws, regulations or stricter enforcement policies, once implemented, will not oblige the consolidated entity to incur significant expenses and undertake significant investments which could have a material adverse effect on the consolidated entity's business, financial condition and performance.

Economic and market risk

General economic conditions such as, laws relating to taxation, new legislation, trade barriers, movement in interest and inflation rates, national and international political circumstances, natural disasters, quarantine restrictions, epidemics and pandemics, may have an adverse effect on the consolidated entity's operations and financial performance, including its exploration activities and the ability to fund those activities.

ENVIRONMENTAL REGULATION

The consolidated entity is subject to and is compliant with all aspects of environmental regulation of its exploration and mining activities. The Directors are not aware of any environmental law that is not being complied with.

INFORMATION ON DIRECTORS

Name:	Adrian Di Menna
Title:	Non-Executive Chairman
Qualifications:	LLB, BCom
Experience and expertise:	Mr Di Menna is a corporate lawyer with over 12 years' experience advising private and public companies operating in Australia and overseas, particularly in the mining and resources sector. Mr Di Menna has a wide range of experience in equity capital markets (including initial public offerings and secondary capital raisings), mergers and acquisitions, divestments, joint ventures, corporate governance and general corporate and commercial law.
	Mr Di Menna holds a Bachelor of Laws and a Bachelor of Commerce from Murdoch University and is currently a lawyer at Steinepreis Paganin, a corporate and commercial law firm.
Other current directorships:	None
Former directorships (last 3 years):	None
Interests in shares:	375,000 fully paid ordinary shares
Interests in options:	1,000,000 unlisted options

Name: **James Robinson**

Title: Executive Director (appointed 10 December 2024)

Qualifications: B.Ec

Experience and expertise: Mr Robinson has extensive capital markets, advisory and management experience developed during his career at some of Australia's leading funds management, corporate advisory and stockbroking firms.

Mr Robinson has previously served as a director of multiple ASX listed companies and currently is a non-executive director of Avira Resources Limited (ASX:AVW).

Mr Robinson is the founding Managing Director of Singapore based investment firm Cicero International Pte Ltd, and has established relationships with stockbroking, banking, private equity and family office enterprises which underpin both listed and private companies which he is involved with.

Other current directorships: Non-Executive Director of Avira Resources Limited (ASX:AVW) (since 17 March 2023)

Former directorships (last 3 years): None

Interests in shares: 1,000,000 fully paid ordinary shares

Interests in options: 1,000,000 unlisted options

Name: **Anthony Rovira**

Title: Executive Director (appointed 1 January 2025)

Qualifications: B.Sc; B.Sc (Hons)

Experience and expertise: Mr Rovira has over 40 years technical and management experience in the mining industry, as an exploration and mining geologist, and as a company executive at board level. Mr Rovira was most recently the Managing Director of Azure Minerals Limited where he oversaw the discovery of the world class Andover Lithium Deposit in the Pilbara in joint venture with Mr Mark Creasy, and which ultimately culminated in the \$1.7 billion cash takeover of the company by Hancock Prospecting Pty Ltd and Sociedad Quimica y Minera de Chile S.A. (SQM). For this transaction, Azure and Mr Rovira were awarded the prestigious "Dealer of the Year Award" at the 2024 Diggers & Dealers Mining Forum.

Mr Rovira was also awarded the "Prospector of the Year Award" in 2000 as General Manager of Exploration with Jubilee Mines, during which time he led the team that discovered and developed the world class Cosmos and Cosmos Deeps nickel sulphide deposits in Western Australia.

Other current directorships: Cannindah Resources Limited (ASX: CAE) (since 26 February 2025)

Former directorships (last 3 years): Azure Minerals Limited (ASX: AZS) (3 December 2003 – 9 May 2024)

Interests in shares: 4,000,000 fully paid ordinary shares

Interests in options: 2,000,000 unlisted options

Ms Melanie Ross Chief Financial Officer and Company Secretary

Ms Ross is an accounting and corporate governance professional with over 20 years' experience in financial accounting and analysis, audit, business and corporate advisory services in public practice, commerce and state government. Ms Ross holds a Bachelor of Commerce and is a member of the Institute of Chartered Accountants in Australia and New Zealand and an associate member of the Governance Institute of Australia. Ms Ross is currently a director of a corporate advisory company based in Perth, Western Australia that provides corporate management and other advisory services to public listed companies.

Ms Anthea Acomb Company Secretary (appointed 19 July 2024)

Ms Acomb is a Chartered Accountant with over 7 years' experience in the areas of accounting, external audit and corporate governance. Ms Acomb has a Bachelor of Commerce and Graduate Diploma in Applied Corporate Governance & Risk Management.

MEETING OF DIRECTORS

The number of meetings of the consolidated entity's Board of Directors ("the Board") held during the financial year ended 30 June 2025, and the number of meetings attended by each director were:

Name	Number eligible to attend	Number attended
Adrian Di Menna	6	6
James Robinson	4	4
Anthony Rovira	3	3
Thomas Langley	2	2
Ranko Matic	3	3

There were six Directors meetings held during the financial year, however many board matters were dealt with via circular resolutions. The consolidated entity does not have a formally constituted audit committee or remuneration committee as the Board considers that the consolidated entity's size and type of operation do not warrant such committees.

REMUNERATION REPORT (AUDITED)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following headings:

- A Principles used to determine the nature and amount of remuneration
- B Service agreements
- C Details of remuneration
- D Share-based compensation
- E Related party disclosures

The information provided under the headings A-E includes remuneration disclosures that are required under Accounting Standards AASB 124 *Related Party Disclosures*. These disclosures have been transferred from the financial report and have been audited.

The remuneration arrangements detailed in this report relate to the following Directors and key management personnel as follows:

Mr Adrian Di Menna	Non-Executive Chairman
Mr James Robinson	Executive Director (appointed 10 December 2024)
Mr Anthony Rovira	Executive Director (appointed 1 January 2025)
Mr Thomas Langley	Technical Director (resigned 10 December 2024)
Mr Ranko Matic	Non-Executive Director (resigned 1 January 2025)

A. Principles used to determine the nature and amount of remuneration

In determining competitive remuneration rates, the Board, acting in its capacity as the remuneration committee, seeks independent advice on local and international trends among comparative companies and industry generally. It examines terms and conditions for employee incentive schemes benefit plans and share plans. Independent advice should be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices. The Board recognises that Solara Minerals Limited operates in a global environment. To prosper in this environment we must attract, motivate and retain key executive staff.

Market comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentive and bonus payments. The Board will continue to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the consolidated entity's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the committee to reward key employees when they deliver consistently high performance.

Board remuneration

The total maximum remuneration of Non-Executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of shareholders in general meeting in accordance with the Constitution, the *Corporations Act 2001* and the ASX Listing Rules, as applicable. The determination of Non-Executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value of the consolidated entity of the respective contributions by each Non-Executive Director. The current amount has been set an amount not to exceed \$300,000 per annum. The Board determines actual payments to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of Directors.

A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits. There was no use of external consultants for remuneration advice for the financial year ended 30 June 2025.

Performance based remuneration

The consolidated entity has adopted an employee securities incentive plan ('ESIP') to provide ongoing incentives to Directors, executives and employees of the consolidated entity.

The objective of the ESIP is to provide the consolidated entity with a remuneration mechanism, through the issue of securities in the capital of the consolidated entity, to motivate and reward the performance of the Directors, executives and employees in achieving specified performance milestones within a specified performance period. The Board will ensure that the performance milestones attached to the securities issued pursuant to the ESIP are aligned with the successful growth of the consolidated entity's business activities.

The Directors, executives and employees of the consolidated entity have been, and will continue to be, instrumental in the growth of the consolidated entity. The Directors consider that the ESIP is an appropriate method to:

- (a) Reward Directors, executives and employees for their past performance;
- (b) Provide long term incentives for participation in the Company's future growth;
- (c) Motivate Directors and generate loyalty from senior executives and employees; and
- (d) Assist to retain the services of valuable Directors, executives and employees.

Consolidated entity performance, shareholder wealth and directors and executives remuneration

The remuneration policy has been tailored to increase the direct positive relationship between shareholders investment objectives and Directors and executives' performance. Currently, Directors and executives are encouraged to hold shares in the consolidated entity to ensure the alignment of personal and shareholder interests. The consolidated entity provides performance based remuneration via the ESIP.

B. Service agreements

Employment contracts of key management personnel

Each member of the consolidated entity's key management personnel are employed on open-ended employment contracts between the individual person and the consolidated entity.

Executive Directors and the Non-Executive Chairman have entered into a service agreement with the consolidated entity in the form of a letter of appointment.

The information below is at the date of this financial report:

Key Management Personnel	Appointment	Terms of Agreement	Base Salary (incl. super \$p.a.)	Termination Benefit
Adrian Di Menna	Non-Executive Chairman	No fixed term	60,000	Nil
James Robinson	Executive Director	No fixed term	96,000	Nil
Anthony Rovira	Executive Director	No fixed term	96,000	Nil

SOLARA MINERALS LIMITED
DIRECTORS' REPORT
30 JUNE 2025



C. Details of remuneration

Amounts of remuneration

The remuneration for each key management personnel of the consolidated entity during the financial year was as follows:
2025

Key Management Personnel	Short-term Benefits				Post-employment Benefits	Share based Payments			Remuneration Consisting of		
	Cash, salary & Commissions	Cash profit Share	Non-Cash Benefit	Other	Super-annuation	Performance Rights	Options	Total	Performance Related	Options	
	\$	\$	\$	\$	\$	\$	\$	\$	%	%	
Adrian Di Menna ^{(i),(iv)}	53,812	-	-	-	6,188	-	148,078	208,078	-	71	
James Robinson ^{(ii),(iv),(vi)}	50,667	-	-	-	-	-	95,032	145,699	-	65	
Anthony Rovira ^{(ii),(iv)}	25,112	-	-	-	2,888	-	190,065	218,065	-	87	
Thomas Langley ⁽ⁱⁱ⁾	57,073	-	-	-	6,563	-	-	63,636	-	-	
Ranko Matic ^{(v),(iii)}	24,000	-	-	-	-	-	-	24,000	-	-	
	210,664	-	-	-	15,639	-	433,175	659,478	-	66	

⁽ⁱ⁾ Mr Di Menna director fee increased from \$48,000 per annum to \$60,000 per annum (inclusive of superannuation) effective from 1 July 2024.

⁽ⁱⁱ⁾ Mr Robinson was appointed as Non-Executive Director, simultaneously with Mr Langley's resignation on 10 December 2024. Mr Robinson transitioned to the position of Executive Director, effective 1 January 2025, and as a result, had a salary increase from \$48,000 per annum (inclusive of superannuation) to \$96,000 per annum (inclusive of superannuation).

⁽ⁱⁱⁱ⁾ Mr Rovira was appointed as Non-Executive Director, simultaneously with Mr Matic's resignation on 1 January 2025. Mr Rovira transitioned to the position of Executive Director, effective 1 June 2025, and as a result, had a salary increase from \$48,000 per annum (inclusive of superannuation) to \$96,000 per annum (inclusive of superannuation).

^(iv) Mr Di Menna, Mr Robinson and Mr Rovira were granted 1,000,000 unlisted options, 1,000,000 unlisted options and 2,000,000 unlisted options respectively, exercisable at \$0.20, expiring 27 February 2028 as part of their remuneration package, subsequent to obtaining shareholder approval at the company's General Meeting held on 27 February 2025.

^(v) Mr Matic is a director and shareholder of Consilium Corporate Pty Ltd, which provides directorship, corporate secretarial and accounting services to the consolidated entity.

^(vi) Mr Robinson is a director and shareholder of Sabreline Pty Ltd, which provides directorship services to the consolidated entity.

2024

Key Management Personnel	Short-term Benefits				Post-employment Benefits	Share based Payments			Remuneration		
	Cash, salary & Commissions	Cash profit Share	Non-Cash Benefit	Other	Super-annuation	Performance Rights	Options	Total	Performance Related	Consisting of Options	
	\$	\$	\$	\$	\$	\$	\$	\$	%	%	
Adrian Di Menna ⁽ⁱ⁾	25,586	-	-	-	2,814	-	-	28,400	-	-	
Thomas Langley ⁽ⁱⁱ⁾	96,847	-	-	-	10,653	-	-	107,500	-	-	
Ranko Matic ^{(iii),(iv)}	43,000	-	-	-	-	-	-	43,000	-	-	
Patrick Burke ⁽ⁱ⁾	25,000	-	-	-	-	-	-	25,000	-	-	
	190,433	-	-	-	13,467	-	-	203,900	-	-	

⁽ⁱ⁾ Mr Di Menna was appointed as Non-Executive Chairman, simultaneously with Mr Burke's resignation on 29 November 2023.

⁽ⁱⁱ⁾ Mr Langley director fee increased from \$7,500 per month to \$10,000 per month (inclusive of superannuation) effective from 1 December 2023.

⁽ⁱⁱⁱ⁾ Mr Matic is a director and shareholder of Consilium Corporate Pty Ltd, which provides directorship, corporate secretarial and accounting services to the consolidated entity.

^(iv) Mr Matic director fee increased from \$3,000 per month to \$4,000 per month (exclusive of GST) effective from 1 December 2023.

D. Share-based compensation

Shares

No shares were issued to key management personnel during the financial year ended 30 June 2025. (2024: Mr Langley was issued 1,000,000 fully paid ordinary shares at \$0.25 per share on 20 September 2023, as consideration to acquire the rights to tenement licence E80/5723 held by Mr Langley, which was approved by shareholders at the company's General Meeting on 19 September 2023).

Options

On 8 July 2024, 600,000 unlisted options exercisable at \$0.30 were issued to key management personnel and expired on 23 February 2025. On 27 February 2025, 4,000,000 unlisted options exercisable at \$0.20, expiring 27 February 2028 were issued to key management personnel during the financial year ended 30 June 2025. (2024: Nil)

Performance rights

There were no performance rights issued to key management personnel during the financial year ended 30 June 2025 (2024: Nil).

Additional disclosures relating to key management personnel

Shareholdings

The number of shares in the consolidated entity held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at start of the year	Number granted during the year	Purchased on-market or IPO acquisitions	Other changes during the year	Balance at the end of the year
Adrian Di Menna	125,000	-	-	250,000 ⁽ⁱ⁾	375,000
James Robinson	-	-	-	1,000,000 ^{(i) (ii)}	1,000,000
Anthony Rovira	-	-	-	4,000,000 ⁽ⁱ⁾	4,000,000
Thomas Langley	1,450,000	-	-	(1,450,000) ⁽ⁱⁱⁱ⁾	-
Ranko Matic	775,001	-	-	(775,001) ⁽ⁱⁱⁱ⁾	-
	2,350,001	-	-	3,024,999	5,375,000

⁽ⁱ⁾ Upon obtaining shareholder approval at the company's General Meeting on 27 February 2025, the Directors invested a total of \$450,000 into the company which was completed by a placement through the issue of 4,000,000 fully paid ordinary shares to Mr Rovira, 750,000 fully paid ordinary shares to Mr Robinson and 250,000 fully paid ordinary shares to Mr Di Menna at \$0.09 per share.

⁽ⁱⁱ⁾ Mr Robinson acquired 250,000 fully paid ordinary shares for a total consideration of \$22,527 on 12 December 2024 as part of an on-market trade.

⁽ⁱⁱⁱ⁾ Mr Langley and Mr Matic resigned as Directors on 10 December 2024 and 1 January 2025 respectively.

Option holding

The number of unlisted options in the consolidated entity held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

Name	Balance at start of the year	Number granted during the year	Exercised during the year	Other changes during the year	Balance at the end of the year
Adrian Di Menna	-	1,600,000 ^{(i) (iii)}	-	(600,000) ⁽ⁱ⁾	1,000,000
James Robinson	-	1,000,000 ⁽ⁱⁱⁱ⁾	-	-	1,000,000
Anthony Rovira	-	2,000,000 ⁽ⁱⁱⁱ⁾	-	-	2,000,000
Thomas Langley	650,000	-	-	(650,000) ⁽ⁱⁱ⁾	-
Ranko Matic	612,500	-	-	(612,500) ⁽ⁱⁱ⁾	-
	1,262,500	4,600,000	-	(1,862,500)	4,000,000

⁽ⁱ⁾ On 8 July 2024, 600,000 unlisted options exercisable at \$0.30 were issued to Mr Di Menna as part of his remuneration package as a Director and expired on 23 February 2025. (Refer to Note 12).

⁽ⁱⁱ⁾ Mr Langley and Mr Matic resigned as Directors on 10 December 2024 and 1 January 2025 respectively.

⁽ⁱⁱⁱ⁾ On 27 February 2025, 4,000,000 unlisted options exercisable at \$0.20, expiring 27 February 2028 were issued to the Directors as part of their remuneration package. (Refer to Note 12).

E. Related party disclosures

(i) Other transactions with key management personnel and their related parties

Consilium Corporate Pty Ltd, a company of which Mr Matic is a shareholder and director, is also engaged to perform company secretarial and accounting services at a rate of \$8,500 per month (excluding GST). Mr Matic resigned as Director of the Company effective 1 January 2025. During the financial year ended 30 June 2025, up until the period Mr Matic was a Director of the Company, \$51,000 (2024: \$97,283) (excluding GST) was paid or payable under this agreement.

(ii) Payables owing to related parties

There were no payables owing to related parties during the financial year ended 30 June 2025.

There are no other transactions with related parties during the financial year ended 30 June 2025.

ADDITIONAL INFORMATION

The loss of the consolidated entity for each year since incorporation to the financial year ended 30 June 2025 is summarised below:

	2025	2024	2023	2022	2021
	\$	\$	\$	\$	\$
Other income	162,387	114,110	41,198	628	5
Loss after income tax	(1,216,093)	(776,679)	(1,601,068)	(833,376)	(163,627)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021*
Share price at financial year end (dollars per share)	0.165	0.255	0.245	0.30	N/A
Total dividends declared (cents per share)	-	-	-	-	-
Basic loss per share (cents per share)	(2.22)	(1.74)	(4.34)	(3.33)	(2.47)

* The Company's securities were officially quoted on the ASX on 17 November 2021 at a share price of \$0.56.

During the year ended 30 June 2025, the consolidated entity did not utilise any remuneration consultants.

At the 2024 Annual General Meeting ('AGM'), 93.08% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The consolidated entity did not receive any specific feedback at the AGM regarding its remuneration practices.

THIS CONCLUDES THE REMUNERATION REPORT, WHICH HAS BEEN AUDITED.

SHARES UNDER OPTION

The number of options over ordinary shares in the consolidated entity as at the date of this report are set out below. Options granted carry no dividend or voting rights.

Grant date	Expiry date	Exercise price	Number of Options
		\$	
03/08/2023	03/08/2026	0.375	600,000
09/05/2024	09/05/2027	0.42	1,339,285
27/02/2025	27/02/2028	0.20	4,000,000
01/07/2025	29/08/2028	0.30	500,000
			<u>6,439,285</u>

SHARES ISSUED ON THE EXERCISE OF OPTIONS

There were no ordinary shares of Solara Minerals Limited that were issued during the financial year and up to the date of this report on the exercise of options granted (2024: Nil).

INDEMNITY AND INSURANCE OF OFFICERS

The consolidated entity has indemnified the Directors and executives of the consolidated entity for the costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the consolidated entity paid a premium in respect of a contract to insure the Directors and executives of the consolidated entity against a liability to the extent permitted by the *Corporations Act 2001*. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

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

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

PROCEEDINGS ON BEHALF OF THE CONSOLIDATED ENTITY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the consolidated entity, or to intervene in any proceedings to which the consolidated entity is a party for the purpose of taking responsibility on behalf of the consolidated entity for all or part of those proceedings.

OFFICERS OF THE CONSOLIDATED ENTITY WHO ARE FORMER PARTNERS OF CRITERION AUDIT PTY LTD

There are no officers of the consolidated entity who are former partners of Criterion Audit Pty Ltd.

AUDITOR

Criterion Audit Pty Ltd continues in office in accordance with section 327 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

There are no payments to the auditor for non-audit services provided during the financial year ended 30 June 2025 (2024: \$Nil).

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors,



Adrian Di Menna
Non-Executive Chairman

Date: 15 September 2025
Perth

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

To The Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the audit of the financial statements of Solara Minerals Limited (formerly Lycaon Resources Limited) and its controlled entities for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully



CHRIS WATTS CA
Director

CRITERION AUDIT PTY LTD

DATED at PERTH this 15th day of September 2025

SOLARA MINERALS LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2025



	Note	Consolidated	
		30 June	30 June
		2025	2024
		\$	\$
Other income	4	162,387	114,110
Accounting and company secretary fees		(103,750)	(104,000)
Audit fees	16	(27,250)	(26,000)
Directors fees		(162,667)	(96,400)
Exclusivity fees		(20,000)	-
Exploration and evaluation expenditure		(2,932)	(3,945)
Impairment of exploration and evaluation expenditure	8	(113,521)	(199,180)
Legal fees		(54,830)	(9,615)
Marketing fees		(105,867)	(272,894)
Other expenses		(177,025)	(118,755)
Project due diligence		(145,263)	-
Professional fees		(32,200)	(60,000)
Share based payment expense		(433,175)	-
Loss before income tax		(1,216,093)	(776,679)
Income tax expense	5	-	-
Loss for the year		(1,216,093)	(776,679)
Other comprehensive loss		-	-
Total comprehensive loss for the year		(1,216,093)	(776,679)
Loss per share			
Basic and diluted loss per share (cents)	23	(2.22)	(1.74)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

SOLARA MINERALS LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025



		Consolidated	
	Note	30 June 2025 \$	30 June 2024 \$
ASSETS			
Current assets			
Cash and cash equivalents	6	3,863,010	4,655,331
Other assets	7	72,122	63,365
Total current assets		3,935,132	4,718,696
Non-current assets			
Exploration and evaluation	8	3,029,380	2,491,886
Total non-current assets		3,029,380	2,491,886
Total assets		6,964,512	7,210,582
LIABILITIES			
Current liabilities			
Trade and other payables	9	187,800	97,125
Total current liabilities		187,800	97,125
Total liabilities		187,800	97,125
Net assets		6,776,712	7,113,457
EQUITY			
Issued capital	10	10,149,502	9,703,329
Reserves	11	708,047	784,878
Accumulated losses		(4,080,837)	(3,374,750)
Total equity		6,776,712	7,113,457

The above statement of financial position should be read in conjunction with the accompanying notes

SOLARA MINERALS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2025



	Issued capital	Accumulated losses	Reserves	Total
Consolidated				
Balance at 1 July 2023	6,041,369	(2,598,071)	456,960	3,900,258
Loss for the year	-	(776,679)	-	(776,679)
Total comprehensive loss for the year	-	(776,679)	-	(776,679)
Transactions with owners in their capacity as owners				
Issue of capital	4,287,500	-	-	4,287,500
Share issue costs	(625,540)	-	327,918	(297,622)
Balance at 30 June 2024	9,703,329	(3,374,750)	784,878	7,113,457

Consolidated

Balance at 1 July 2024	9,703,329	(3,374,750)	784,878	7,113,457
Loss for the year	-	(1,216,093)	-	(1,216,093)
Total comprehensive loss for the year	-	(1,216,093)	-	(1,216,093)
Transactions with owners in their capacity as owners				
Issue of capital	450,000	-	-	450,000
Share issue costs	(3,827)	-	-	(3,827)
Share based payment expense	-	-	433,175	433,175
Transferred to accumulated losses upon expiry	-	510,006	(510,006)	-
Balance at 30 June 2025	10,149,502	(4,080,837)	708,047	6,776,712

The above statement of changes in equity should be read in conjunction with the accompanying notes

SOLARA MINERALS LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2025



	Note	Consolidated	
		30 June 2025	30 June 2024
		\$	\$
Cash flows from operating activities			
Interest received		160,956	104,681
Payments to suppliers and employees		(626,062)	(508,842)
Payments for exploration and evaluation		(87,921)	(3,939)
Net cash outflow from operating activities	22	(553,027)	(408,100)
Cash flows from investing activities			
Payments for exploration and evaluation		(685,084)	(1,126,825)
Net cash outflow from investing activities		(685,084)	(1,126,825)
Cash flows from financing activities			
Proceeds from issue of shares		450,000	4,000,000
Share issue costs paid		(4,210)	(287,080)
Net cash inflow from financing activities		445,790	3,712,920
Net (decrease)/ increase in cash and cash equivalents		(792,321)	2,177,995
Cash and cash equivalents at the beginning of the financial year		4,655,331	2,477,336
Cash and cash equivalents at the end of the financial year	6	3,863,010	4,655,331

The above statement of cash flows should be read in conjunction with the accompanying notes

1. Material accounting policy information

The accounting policies that are material to the consolidated entity are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

Reporting Entity

Solara Minerals Limited (formerly, Lycaon Resources Limited) (the 'Company', 'SLA') is a listed public company, incorporated and domiciled in Australia. The Company is a for-profit entity for the purposes of preparing financial statements. The consolidated financial report of the Company as at and for the year ended 30 June 2025 comprises the Company and its controlled entities (together referred to as the 'consolidated entity'). The financial report was authorised for issue by the Directors on 15 September 2025.

Statement of Compliance

The financial report is a general purpose financial report prepared in accordance with the requirements of the *Corporations Act 2001*, applicable accounting standards including Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

Basis of preparation

The financial report has been prepared on an accrual basis and is based on historical cost, modified, where applicable, by the measurement at fair value of selected non-current, financial assets and financial liabilities. Cost is based on the fair value of the consideration given in exchange for assets.

The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted. The financial report has been prepared on a going concern basis.

a) Comparatives

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

b) Parent entity information

In accordance with the *Corporations Act 2001*, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 21.

c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Solara Minerals Limited ('company' or 'parent entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Solara Minerals Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

d) Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



e) 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 year; 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 year. 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 year; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting year. All other liabilities are classified as non-current.

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 year. 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 year when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting year. 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 years in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax consolidation

The Company and its wholly owned Australian resident entities have formed a tax-consolidated entity with effect from 1 July 2023 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated entity is Solara Minerals Limited. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within consolidated entity' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated group's are recognised as amounts receivable from or payable to other entities in the tax consolidated group.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

g) Trade and other receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost, using the effective interest method, less any allowances for expected credit losses. Trade and other receivables are generally due for settlement within 120 days.

Collectability of trade debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised when some doubt as to collection exists and in any event when the debt is more than 60 days overdue.

h) Exploration and evaluation assets

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.

i) Share based payment transactions

Equity-based compensation benefits can be provided to suppliers 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.

The fair value of equity instruments granted (including shares, performance rights and options) is recognised as an employee benefit expense with a corresponding increase in contributed equity. The fair value is measured at the grant date and recognised over the period the recipient becomes unconditionally entitled to the options or rights.

The fair value at the grant date is independently determined using an option-pricing model that takes into account the exercise price, the term of the option or right, the vesting and performance criteria, the impact of dilution, the non-tradeable nature of the option or right, the share price at the 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 or right.

j) Impairment of non-financial assets

Non-financial assets 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.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

k) Trade and other payables

Trade and other payables represent the liability outstanding at the end of the reporting year for goods and services received by the consolidated entity during the reporting year which remain unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 – 60 days of recognition.

l) Provisions

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

m) 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.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



n) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with short years to maturity and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

o) Other income

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 year 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.

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

p) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the year in which they are incurred.

q) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Equity-settled compensation

The consolidated entity operates equity-settled share based payment employee share and option schemes.

The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting year, with a corresponding increase to an equity account.

Share based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the good or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is shown in the option reserve.

The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using an appropriate valuation model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting year such that the amount recognised for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

r) Goods and services tax ("GST")

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is determined by dividing net profit after income tax attributable to members of the consolidated entity, 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.

(ii) Diluted earnings per share

Diluted earnings per share adjusts 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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



t) New, revised or amending Accounting Standards and Interpretations adopted

Australian Accounting Standards

New Accounting Standards and Interpretations not yet mandatory or early adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The consolidated entity 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 financial year.

The adoption of these new and revised Accounting Standards and Interpretations has not resulted in a significant or material change to the consolidated entity's accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted and are not expected to have a material impact on the consolidated entity.

2. Critical accounting judgments, estimates 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 (refer to the respective notes) within the next financial year are discussed below.

Exploration and evaluation expenditure

Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised.

In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Share based payment transactions

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 either the Binomial or Black-Scholes 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 year but may impact profit or loss and equity.

3. Segment information

The consolidated entity has identified its operating segments based on the internal reports reviewed and used by the Board of Directors (chief operating decision makers) to assess performance and determine the allocation of resources.

The consolidated entity operates as a single segment which is mineral exploration and in a single geographical location, Australia.

4. Other income

Interest income

Consolidated	
2025	2024
\$	\$
162,387	114,110
162,387	114,110

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



5. Income tax expense

Loss before income tax expense
Tax at the Australian tax rate of 30% (2024: 30%)

Amounts not deductible/(taxable) in calculating taxable income
Tax effect of exploration expenditure
Tax effect of temporary differences
Tax effect of deferred tax asset not brought to account

Income tax expense

Unused tax losses for which no deferred tax asset has been recognised
Potential tax benefit at the Australian tax rate of 30% (2024: 30%)

Consolidated	
2025	2024
\$	\$
(1,216,093)	(776,679)
(364,828)	(233,004)
180,458	63,822
(194,301)	(189,412)
(25,937)	(28,636)
404,608	387,230
-	-
5,954,711	4,606,016
1,786,413	1,897,874

The net deferred tax balances are not recognised since it is not probable at the reporting date that future taxable profits will be available to utilise deductible temporary differences and losses.

6. Cash and cash equivalents

Cash at bank
Short term deposits

Consolidated	
2025	2024
\$	\$
663,010	605,331
3,200,000	4,050,000
3,863,010	4,655,331

7. Other assets

Current

Prepayments
GST receivable
Interest receivable

Consolidated	
2025	2024
\$	\$
21,680	26,592
32,423	20,185
18,019	16,588
72,122	63,365

8. Exploration and evaluation

Exploration and evaluation– at cost

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Opening balance
Acquisitions during the year
Expenditure incurred during the year
Impairment losses incurred during the year⁽ⁱ⁾
Closing balance

Consolidated	
2025	2024
\$	\$
3,029,380	2,491,886
2,491,886	1,513,799
-	37,500
651,015	1,139,767
(113,521)	(199,180)
3,029,380	2,491,886

⁽ⁱ⁾On 3 July 2024, the Company's wholly owned subsidiary Matmetals WA Pty Ltd, surrendered its tenement E80/5508 which covered the Gnewing Bore Project. As a result of no future planned expenditure or activities on the tenement, the expenditure incurred on the tenement has been impaired in accordance with AASB 6 paragraph 20(a).

The ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploration or, alternatively, sale of respective areas.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



9. Trade and other payables

Trade creditors
Accrued expenses

Consolidated	
2025	2024
\$	\$
177,800	85,858
10,000	11,267
187,800	97,125

10. Issued capital

Ordinary shares – fully paid

Consolidated			
2025	2025	2024	2024
Shares	\$	Shares	\$
57,984,823	10,149,502	52,984,823	9,703,329

Movement in ordinary share capital

Date	No. of shares	Issue price \$	\$
Opening balance - 1 July 2023	36,906,251		6,041,369
3 August 2023 – Placement ⁽ⁱ⁾	6,000,000	0.25	1,500,000
20 September 2023 – Consideration shares for asset acquisition ⁽ⁱⁱ⁾	1,000,000	0.25	250,000
20 September 2023 – Facilitation shares for asset acquisition ⁽ⁱⁱ⁾	150,000	0.25	37,500
9 May 2024 – Placement ⁽ⁱⁱⁱ⁾	8,928,572	0.28	2,500,000
Share issue costs	-		(625,540)
Closing balance - 30 June 2024	52,984,823		9,703,329
Opening Balance – 1 July 2024	52,984,823		9,703,329
27 February 2025 – Director Placement Participation ^(iv)	5,000,000	0.09	450,000
Share issue costs			(3,827)
Closing balance - 30 June 2025	57,984,823		10,149,502

- (i) On 3 August 2023, the consolidated entity completed a \$1.5m placement through the issue of 6,000,000 fully paid ordinary shares at an issue price of \$0.25 per share.
- (ii) On 20 September 2023, the consolidated entity issued 1,000,000 fully paid ordinary shares at an issue price of \$0.25 per share to related party Mr Langley, as consideration for the tenement licence E80/5723 which is part of the West Arunta Stansmore Project. In addition to the consideration shares, the consolidated entity issued 150,000 fully paid ordinary shares at an issue price of \$0.25 per share to the facilitators of the asset acquisition.
- (iii) On 9 May 2024, the consolidated entity completed a \$2.5 million placement through the issue of 8,928,572 fully paid ordinary shares at an issue price of \$0.28 per share.
- (iv) Upon obtaining shareholder approval at the Company's General Meeting on 27 February 2025, the Directors invested a total of \$450,000 into the Company which was completed by a placement through the issue of 5,000,000 fully paid ordinary shares at \$0.09 per share.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the consolidated entity in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the consolidated entity 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.

Capital management

The objectives of management when managing capital is to safeguard the consolidated entity's ability to continue as a going concern, so that the consolidated entity maintains a strong capital base sufficient to maintain future exploration and development of its projects.

Due to the nature of the consolidated entity's activities, being mineral exploration, the consolidated entity does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the consolidated entity's capital risk management is the current working capital position against the requirements of the consolidated entity to meet exploration programs and corporate overheads. The consolidated entity's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements with a view of initiating appropriate capital raisings as required.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



11. Reserves

Reserves

Option reserve

Movements

Balance at beginning of year

Share-based payments recognised in equity as share issue costs (Note 12)

Share-based payments recognised in equity as an expense (Note 12)

Transfer to accumulated losses upon expiry

Balance at end of year

Consolidated	
2025	2024
\$	\$
708,047	784,878
708,047	784,878
784,878	456,960
-	327,918
433,175	-
(510,006)	-
708,047	784,878

Movements in reserves

Set out below is a summary of the movements in options on issue during the financial year:

Consolidated

Grant date	Expiry date	Exercise price \$	Balance at the start of the year	Granted	Exercised	Expired/forfeited	Balance at the end of the year
23/02/2021	23/02/2025	0.30	5,000,000	-	-	(5,000,000)	-
25/03/2021	23/02/2025	0.30	1,500,000	-	-	(1,500,000)	-
29/09/2021	23/02/2025	0.30	1,800,000	-	-	(1,800,000)	-
28/09/2021	23/02/2025	0.30	3,000,000	-	-	(3,000,000)	-
03/08/2023	03/08/2026	0.375	600,000	-	-	-	600,000
09/05/2024	09/05/2027	0.42	1,339,285	-	-	-	1,339,285
03/07/2024	23/02/2025	0.30	-	600,000	-	(600,000)	-
27/02/2025	27/02/2028	0.20	-	4,000,000	-	-	4,000,000
			13,239,285	4,600,000	-	(11,900,000)	5,939,285

Weighted average exercise price \$0.32 \$0.21 - - \$0.27

Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	Exercise price \$	2025 #	2024 #
23 February 2021	23 February 2025	0.30	-	5,000,000
25 March 2021	23 February 2025	0.30	-	1,500,000
29 September 2021	23 February 2025	0.30	-	1,800,000
28 September 2021	23 February 2025	0.30	-	3,000,000
3 August 2023	3 August 2026	0.375	600,000	600,000
9 May 2024	9 May 2027	0.42	1,339,285	1,339,285
27 February 2025	27 February 2028	0.20	4,000,000	-
			5,939,285	13,239,285

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.32 years (2024: 0.94 years).

12. Share based payment transactions

Options – recognised in equity (share issue costs)^(c) ^(d)

Options – recognised in the statement of profit and loss (share based payment expense)^(a), ^(b)

Consolidated	
2025	2024
\$	\$
-	327,918
433,175	-
433,175	327,918

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



Below are the details of the share-based payments expensed during the financial year.

a) Options issued to a Director as an incentive

On 8 July 2024, 600,000 options exercisable at \$0.30 with an expiry date of 23 February 2025 were issued to a Director as part of their Director's remuneration package as an equity-based incentive. The options vested immediately. The value of the options was expensed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options issued.

Inputs have been detailed below:

Input	Director Options (30c)
Number of options	600,000
Grant date	3 July 2024
Expiry date	23 February 2025
Underlying share price	\$0.245
Exercise price	\$0.30
Volatility	135%
Risk free rate	4.22%
Dividend yield	Nil
Value per option	\$0.08841
Total fair value of options	\$53,046

b) Options issued to a Director as an incentive

On 27 February 2025, 4,000,000 options exercisable at \$0.20 with an expiry date of 27 February 2028 were issued to a Director as part of their respective Director's remuneration package as an equity-based incentive. The options vested immediately. The value of the options was expensed in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options issued.

Inputs have been detailed below:

Input	Director Options (20c)
Number of options	4,000,000
Grant date	27 February 2025
Expiry date	27 February 2028
Underlying share price	\$0.14
Exercise price	\$0.20
Volatility	123%
Risk free rate	3.79%
Dividend yield	Nil
Value per option	\$0.09503
Total fair value of options	\$380,129

Below are the details of the share-based payments made during previous financial year.

c) Options issued as share issue costs

On 3 August 2023, 600,000 options exercisable at \$0.375 with an expiry date of 3 August 2026 were issued to a broker as part consideration for capital raising services provided. The options vested immediately. The value of the options has been included within share issue costs. The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options issued.

Inputs have been detailed below:

Input	Broker Options (37.5c)
Number of options	600,000
Grant date	3 August 2023
Expiry date (years)	3 August 2026
Underlying share price	\$0.25
Exercise price	\$0.375
Volatility	100%
Risk free rate	3.78%
Dividend yield	Nil
Value per option	\$0.1388
Total fair value of options	\$83,303

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



d) Options issued as share issue costs

On 9 May 2024, 1,339,285 options exercisable at \$0.42 with an expiry date of 9 May 2027 were issued to a broker as part consideration for capital raising services provided. The options vested immediately. The value of the options has been included within share issue costs. The fair value of the services could not be reliably measured and therefore, a Black-Scholes Option Pricing model was used to determine the value of the options issued.

Inputs have been detailed below:

Input	Broker Options (42c)
Number of options	1,339,285
Grant date	9 May 2024
Expiry date (years)	9 May 2027
Underlying share price	\$0.315
Exercise price	\$0.42
Volatility	100%
Risk free rate	3.94%
Dividend yield	Nil
Value per option	\$0.1826
Total fair value of options	\$244,615

13. Financial management

The consolidated entity's principal financial instruments comprise cash, short-term deposits, receivables and payables. The consolidated entity manages its exposure to key financial risks in accordance with the consolidated entity's financial risk management policy. The policy's objective is to support the delivery of the consolidated entity's financial targets while protecting future financial security.

The main risks arising from the consolidated entity's financial instruments are interest rate risk, credit risk and liquidity risk. The consolidated entity uses different methods to measure and manage various types of risks to which it is exposed. These include monitoring levels of exposure to interest rates and assessments of market forecasts for interest rates. Ageing analysis of and monitoring of receivables are undertaken to manage credit risk; liquidity risk is monitored through the development of future rolling cash flow forecasts.

The Board reviews and agrees on policies for managing each of these risks as summarised below.

Primary responsibility for identifying and controlling financial risks rests with the Board. The Board reviews and agrees on policies for managing each of the risks identified below, including interest rate risk, credit allowances and cash flow forecast projections.

a) Market risk

(i) Interest rate risk

The consolidated entity is not materially exposed to interest rate risk.

b) Credit risk

Credit risk arises from the financial assets of the consolidated entity, which comprise deposits with banks and trade and other receivables. The consolidated entity's exposure to credit risk arises from the potential default of the counterparty, with the maximum exposure equal to the carrying amount of these instruments. The carrying amount of financial assets included in the statement of financial position represents the consolidated entity's maximum exposure to credit risk in relation to those assets.

The consolidated entity does not hold any credit derivatives to offset its credit exposure.

The consolidated entity trades only with recognised, creditworthy third parties and as such collateral is not requested nor is it the consolidated entity's policy to securities it trades and other receivables.

Receivable balances are monitored on an ongoing basis with the result that the consolidated entity does not have significant exposure to bad debts.

There are no significant concentrations of credit risk within the consolidated entity.

c) Liquidity risk

Liquidity risk arises from the consolidated entity's financial liabilities and the consolidated entity's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Prudent liquidity risk management requires the consolidated entity to maintain sufficient cash, marketable securities and the availability of funding through the ability to raise further equity or through related party entities.

Due to the dynamic nature of the underlying businesses, the Board aims to maintain flexibility in funding through the management of its cash resources. The consolidated entity has no material financial liabilities at the financial year end other than normal trade and other payables incurred in the general course of business.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



Maturity analysis of financial assets and liabilities based on management's expectations

Financial liabilities of the consolidated entity comprise of trade and other payables. As at 30 June 2025, all financial liabilities are contractually maturing within 60 days.

	Weighted average effective interest rate	<6 months	6-12 months	1-5 years	>5 years	Total
Consolidated	%	\$	\$	\$	\$	\$
2025						
Cash and cash equivalents	3.76	3,863,010	-	-	-	3,863,010
Other assets	-	50,442	-	-	-	50,442
		3,913,452	-	-	-	3,913,452
Trade and other payables	-	(187,800)	-	-	-	(187,800)
		(187,800)	-	-	-	(187,800)
Net maturity		3,725,652	-	-	-	3,725,652

	Weighted average effective interest rate	<6 months	6-12 months	1-5 years	>5 years	Total
Consolidated	%	\$	\$	\$	\$	\$
2024						
Cash and cash equivalents	3.70	4,655,331	-	-	-	4,655,331
Other assets	-	36,773	-	-	-	36,773
		4,692,104	-	-	-	4,692,104
Trade and other payables	-	(97,125)	-	-	-	(97,125)
		(97,125)	-	-	-	(97,125)
Net maturity		4,594,979	-	-	-	4,594,979

d) Foreign exchange risk

The consolidated entity is not exposed to any foreign exchange risk.

e) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes. All financial assets and financial liabilities of the consolidated entity at the reporting date are recorded at amounts approximating their carrying amount.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature.

14. Key management personnel disclosures

Compensation

The aggregate compensation made to Directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2025 \$	2024 \$
Short-term employee benefits	210,664	190,433
Post-employment benefits	15,639	13,467
Share based payments	433,175	-
	659,478	203,900

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



15. Related party transactions

Consilium Corporate Pty Ltd, a company of which Mr Matic is a shareholder and director, is also engaged to perform company secretarial and accounting services at a rate of \$8,500 per month (excluding GST). Mr Matic resigned as Director of the Company effective 1 January 2025.

During the financial year ended 30 June 2025, up until the period Mr Matic was a Director of the Company, \$51,000 (2024: \$97,283) (excluding GST) was paid or payable under this agreement.

16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Criterion Audit Pty Ltd, the auditor of the consolidated entity:

Audit services – Criterion Audit Pty Ltd

Audit and review of the financial statements

Consolidated	
2025	2024
\$	\$
27,250	26,000
27,250	26,000

17. Commitments for expenditure

Capital

There are no capital commitments at 30 June 2025 (2024: Nil).

Exploration and evaluation

In order to maintain current rights of tenure, the consolidated entity is required to perform minimum exploration work to meet the minimum expenditure requirements specified by the relevant State Governments. These obligations are not provided for in the financial report and are payable as follows:

The consolidated entity has tenement rental and expenditure commitments payable of:

- Not later than 12 months
- Between 12 months and 5 years
- Over 5 years

Consolidated	
2025	2024
\$	\$
305,000	142,000
627,500	222,500
1,370,000	450,000
2,302,500	814,500

The above represents commitments over the tenure of the tenements held by the consolidated entity.

18. Contingent assets

The consolidated entity had no contingent assets as at 30 June 2025 and 30 June 2024.

19. Contingent liabilities

On 10 June 2022, the consolidated entity entered into royalty deeds with Uramin Pty Ltd (Uramin) and Peter Geoffrey Lewis (Peter Lewis). As part of the deeds, the consolidated entity has agreed to pay Uramin and Peter Lewis a 0.5% Net Smelter Return Royalty (NSRR) each on gross revenue arising from all minerals produced from the tenement area E80/4955. (2024: 1%). As at 30 June 2025, due to the early stages of the Company's current exploration activities, the Company is unable to accurately determine the quantum, timing and probability of a future liability.

20. Dividends

The consolidated entity has not declared nor paid a dividend for the financial year (2024: Nil).

21. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same of those applied in the consolidated financial statements except as set out below. Refer to Note 1 for a summary of the material accounting policies of the consolidated entity.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost less impairment.

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



Financial position

	Parent	
	2025 \$	2024 \$
Assets		
Current assets	3,935,132	4,718,695
Non- current assets	3,022,313	2,484,745
Total assets	6,957,445	7,203,440
Liabilities		
Current liabilities	180,733	89,983
Total liabilities	180,733	89,983
Net assets	6,776,712	7,113,457
Equity		
Issued capital	10,149,502	9,703,329
Reserves	708,047	784,878
Accumulated losses	(4,080,837)	(3,374,750)
Total equity	6,776,712	7,113,457
Financial performance		
Loss for the year	1,201,006	807,276
Other comprehensive loss	-	-
Total comprehensive loss	1,201,006	807,276

Contingent assets

The parent entity had no contingent assets as at 30 June 2025 and 30 June 2024.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Capital commitments

The parent entity had no capital commitments as at 30 June 2025 and 30 June 2024.

Material accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1, except for the following: Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries.

Name of entity	Country of Incorporation	Class of Shares	Percentage Owned	
			2025	2024
Matmetals WA Pty Ltd	Australia	Ordinary	100%	100%
East Kimberley Resources Pty Ltd	Australia	Ordinary	100%	100%
West Arunta Resources Pty Ltd	Australia	Ordinary	100%	100%

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



22. Reconciliation of loss after income tax to net cash from operating activities

Operating loss after income tax for the financial year

Non-cash items:

- Impairment of exploration and evaluation expenditure
- Share based payments

Changes in assets and liabilities:

- Decrease/(increase) in other assets
- Decrease/ (increase) in exploration and evaluation
- Increase/(decrease) in trade and other payables

Net cash from operating activities

Consolidated	
2025	2024
\$	\$
(1,216,093)	(776,679)
113,521	199,180
433,175	-
624	165,012
80,274	5
35,472	4,382
(553,027)	(408,100)

Non-cash investing and financing activities

There were no non-cash investing and financing activities during the year. During the previous financial year, as disclosed in Note 10, the consolidated entity issued 1,150,000 fully paid ordinary shares at an issue price of \$0.25 as part of the consideration payable and facilitation fee for the acquisition of the tenement licences, with a fair value of \$287,500.

23. Loss per share

(a) Reconciliation of earnings/loss to profit or loss:

Loss used to calculate basic and diluted EPS

(b) Weighted average number of ordinary shares:

Weighted average number of ordinary shares used in calculating basic earnings per share

(c) Basic and diluted loss per share

Consolidated	
2025	2024
\$	\$
(1,216,093)	(776,679)
Number	Number
54,683,453	44,553,694
Cents	Cents
(2.22)	(1.74)

SOLARA MINERALS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2025 (continued)



24. Events after the reporting period

On 1 July 2025, the Company announced the appointment of Ms Jennifer Neild to the role of General Manager, effective 1 July 2025. As part of Ms Neild's appointment, the Company agreed to issue Ms Neild (and/or her nominees) 500,000 unlisted options exercisable at \$0.30 each on or before the date that is three (3) years from the date of issue. The options are subject to a vesting condition that Ms Neild remains in continuous employment or service with the Company for a period of 12 months commencing on the date of issue of the options. The options were issued on 29 August 2025 under the Company's Employee Securities Incentive Plan (ESIP).

The Company announced on 21 July 2025 that it has entered into a binding agreement to acquire 100% of the issued share capital of OD4 Tom Price Pty Ltd (OD4TP) from the shareholders of OD4TP. OD4TP holds a 100% interest in seven highly prospective granted exploration licences. The tenements are all located in the Bryah Basin, in the Murchison region of Western Australia.

In consideration for the acquisition (subject to satisfaction (or waiver) of the conditions precedent), the company agrees:

- (a) at completion, to make a payment of \$150,000 less \$20,000 (already paid exclusivity fee) in cash, as reimbursement for expenditure incurred on the tenements and issue 1,250,000 fully paid ordinary shares in the capital of the company to the shareholders of OD4TP (the 'Consideration Shares'); and
- (b) subject to the company obtaining prior approval of its shareholders in a general meeting, to issue to the shareholders of OD4TP, 1,500,000 fully paid ordinary shares in the capital of the company ('Deferred Consideration Shares') if the company achieves a drilled mineralised intersection of not less than 20 CuEq% x interval in metres using a minimum cut-off grade of 0.5% CuEq% within the area of the tenements within three (3) years from the date of completion.

The Consideration Shares and the Deferred Consideration Shares are subject to voluntary escrow for a period of 6 months from the date of issue.

The company completed the acquisition on 12 August 2025.

Apart from the matters as discussed above, no other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

SOLARA MINERALS LIMITED
CONSOLIDATED ENTITY DISCLOSURE STATEMENT
AS AT 30 JUNE 2025



Solara Minerals Limited is required by Australian Accounting Standards to prepare consolidated financial statements in relation to the Company and its controlled entities (the consolidated entity). In accordance with subsection 295(3A) of the Corporations Act 2001, the consolidated entity disclosure statement provides information about each entity that was part of the consolidated entity at the end of the financial year.

Entity Name	Entity Type	Place formed / Country of Incorporation	Ownership Interest	Tax Residency
Solara Minerals Ltd (the Company)	Body Corporate	Australia	N/A	Australia *
Matmetals WA Pty Ltd	Body Corporate	Australia	100%	Australia *
East Kimberley Resources Pty Ltd	Body Corporate	Australia	100%	Australia *
West Arunta Resources Pty Ltd	Body Corporate	Australia	100%	Australia *

*Solara Minerals Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. At the end of the financial year, no entity within the consolidated entity was a trustee of a trust within the consolidated entity, a partner in a partnership within the consolidated entity or a participant in a joint venture with the consolidated entity.

SOLARA MINERALS LIMITED
DIRECTORS' DECLARATION
30 JUNE 2025



In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable; and
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the *Corporations Act 2001*.

On behalf of the Directors,

Adrian Di Menna
Non-Executive Chairman

Date: 15 September 2025
Perth

Criterion Audit Pty Ltd

ABN 85 165 181 822

PO Box 233 LEEDERVILLE WA 6902

Suite 2, 642 Newcastle Street
LEEDERVILLE WA 6007

Phone: 9466 9009

Independent Auditor's Report

To the Members of Solara Minerals Limited (formerly Lycaon Resources Limited)

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Solara Minerals Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 30 June 2025, 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 year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion:

- a. the accompanying financial report of Solara Minerals Limited is in accordance with the *Corporations Act 2001*, including:
 - i. giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
 - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. 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 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 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 Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

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 the key audit matter
Exploration and Evaluation Expenditure – \$3,029,380 (Refer to Note 8) Exploration and evaluation is a key audit matter due to: • The significance of the balance to the Consolidated Entity's financial position. • The level of judgement required in evaluating management's application of the requirements of AASB 6 <i>Exploration for and Evaluation of Mineral Resources</i>. AASB 6 is an industry specific accounting standard requiring the application of significant judgements, estimates and industry knowledge. This includes specific requirements for expenditure to be capitalised as an asset and subsequent requirements which must be complied with for capitalised expenditure to continue to be carried as an asset. • The assessment of impairment of exploration and evaluation expenditure being inherently difficult.	Our procedures included, amongst others: • Assessing management's determination of its areas of interest for consistency with the definition in AASB 6. This involved analysing the tenements in which the Consolidated Entity holds an interest and the exploration programmes planned for those tenements. • For each area of interest, we assessed the Consolidated Entity's rights to tenure by corroborating to government registries and evaluating agreements in place with other parties as applicable; • We tested the additions to capitalised expenditure for the year by evaluating a sample of recorded expenditure for consistency to underlying records, the capitalisation requirements of the Consolidated Entity's accounting policy and the requirements of AASB 6; • We considered the activities in each area of interest to date and assessed the planned future activities for each area of interest by evaluating budgets for each area of interest. • We assessed each area of interest for one or more of the following circumstances that may indicate impairment of the capitalised expenditure: • the licenses for the right to explore expiring in the near future or are not expected to be renewed; • substantive expenditure for further exploration in the specific area is neither budgeted or planned • decision or intent by the Consolidated Entity to

Share-based payments (Refer to Note 12)

Share-based payments is a key audit matter due to:

- The significance of the balance to the Consolidated Entity's financial performance and position.

The level of judgement required in evaluating management's application of the requirements of AASB 2 *Share-based Payment* which requires the application of significant judgements and estimates.

discontinue activities in the specific area of interest due to lack of commercially viable quantities of resources; and

- data indicating that, although a development in the specific area is likely to proceed, the carrying amount of the exploration asset is unlikely to be recovered in full from successful development or sale.

- We assessed the completeness and adequacy of the related disclosures in the financial report.

Our procedures included, amongst others:

- Verifying the key terms of the share based payments in respect of the granting of option and performance rights over shares for rendering of services by directors, employees and contractors.
- Assessing the fair value calculation of options and performance rights granted by checking the accuracy of the inputs to the various pricing models adopted for that purpose.
- Testing the accuracy of the amortisation of share-based payments over the vesting period and the recording of an expense in the statement of profit or loss and an increment to the share based payment reserve.

We assessed the completeness and adequacy of the related disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2025, but does not include the financial report and our 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:

- a. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- b. the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii. the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Consolidated Entity 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 Consolidated Entity or to cease operations, or has 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 Australian Auditing Standards 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 the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism 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 Consolidated Entity'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 directors' 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 Consolidated Entity'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 Consolidated Entity 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 represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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 the directors 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.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Solara Minerals Limited, for the year ended 30 June 2025, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.



CRITERION AUDIT PTY LTD



CHRIS WATTS CA
Director

DATED at PERTH this 15th day of September 2025

SOLARA MINERALS LIMITED
ADDITIONAL INFORMATION
30 JUNE 2025



Additional information required by Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows.
The shareholder information set out below was applicable as at 1 September 2025.

(a) Corporate governance statement

The Company's 2025 Corporate Governance Statement has been released as a separate document and is located on our website at <https://solaraminerals.com.au/corporate-governance>.

(b) Ordinary Shareholders

There are 59,234,823 fully paid ordinary shares on issue, held by 1,102 shareholders.

(c) Distribution of fully paid ordinary shares

Analysis of number of fully paid ordinary shareholders by size of holding:

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	36	10,700	0.02
1,001 – 5,000	286	824,224	1.39
5,001 – 10,000	191	1,530,198	2.58
10,001 – 100,000	474	18,158,126	30.65
100,001 and above	115	38,711,575	65.36
Total	1,102	59,234,823	100

(d) Unmarketable parcels

Minimum \$500.00 parcel at \$0.19 per unit is 175 holders with 268,003 shares.

(e) Twenty largest shareholders

The names of the twenty largest holders of quoted ordinary shares are:

Rank	Name	Units	% of Units
1	ROVIRA PTY LTD <ROVIRA FAMILY A/C>	4,000,000	6.75
2	UPSKY EQUITY PTY LTD <UPSKY INVESTMENT A/C>	1,800,000	3.04
3	Reco Holdings Pty Ltd <Reco Super Fund A/C>	1,443,000	2.44
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	1,221,820	2.06
5	AMBERGATE NOMINEES PTY LTD <AMBERGATE SUPER FUND A/C>	1,068,810	1.80
6	MR MICHAEL OWEN SHERRY	990,000	1.67
7	MR JOHN HARDING & MRS ROSEMARY VICTORIA HARDING <HARDING INVESTMENT A/C>	965,000	1.63
8	MR GAVIN EDWARD HEDGES <HEDGES FAMILY ACCOUNT>	630,000	1.06
9	Julian Rodney Stephens <One Way A/C>	600,000	1.01
10	MR BRIAN WILLIAM COLLINS & MRS MARALYN JOAN COLLINS	549,762	0.93
11	JRW INVESTMENTS (WA) PTY LTD <THE SHERRY FAMILY A/C>	534,262	0.90
12	MR DAVID ALISTAIR CADWALLADER	500,000	0.84
13	JKR SUPER PTY LTD <JPR SUPER FUND A/C>	500,000	0.84
14	CANTERBURY RIDGE PTY LTD <TIM EDDY FAMILY A/C>	500,000	0.84
15	SMAC NOMINEES PTY LTD <SMAC INVESTMENT A/C>	500,000	0.84
16	WES CAPITAL (PTE) LTD	500,000	0.84
17	GREENSEA INVESTMENTS PTY LTD	500,000	0.84
18	MR PAUL KEITH HUCKLE & MRS JAYNE HUCKLE <HUCKLE FAMILY A/C>	500,000	0.84
19	SABRELINE PTY LTD <JPR INVESTMENT A/C>	500,000	0.84
20	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	486,933	0.82
Total		18,289,587	30.88

(f) Substantial shareholders

The names of substantial shareholders and the number of equity securities as disclosed in their most recent substantial shareholder notices received by the Company are:

Name	No. of Shares
ROVIRA PTY LTD <ROVIRA FAMILY A/C>	4,000,000

(g) Voting rights

Each member entitled to vote may vote in person or by proxy or by attorney and on a show of hands. Every person who is a member or a representative or a proxy of a member shall have one vote and on a poll every member present in person or by proxy or attorney or other authorised representative shall have one vote for each share held.

(h) The number of restricted equity securities / securities subject to voluntary escrow

The following equity securities are subject to voluntary escrow:

- 1,250,000 fully paid ordinary shares escrowed to 12 February 2026

(i) Unlisted securities

Performance Rights

The Company does not have any performance rights on issue.
Performance rights do not carry any voting rights.

Options

The Company has a total of 6,439,285 unlisted options on issue.
Unlisted options do not carry any voting rights

(j) Distribution of Option holders

600,000 unlisted options with an exercise price of \$0.375 expiring 3 August 2026

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	1	100,000	16.67
100,001 and above	2	500,000	83.33
Total	3	600,000	100

Holders of greater than 20% or more of these unlisted options are as follows:

- Inyati Fund Pty Ltd	200,000	33.33%
- Sammex Consulting Pty Ltd	300,000	50.00%

1,339,285 unlisted options with an exercise price of \$0.42 expiring 9 May 2027

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	2	1,339,285	100
Total	2	1,339,285	100

Holders of greater than 20% or more of these unlisted options are as follows:

- Inyati Fund Pty Ltd <Inyati Fund No.2 Unit A/C>	1,071,428	80.00%
- Mr David James Wall	267,857	20.00%

4,000,000 unlisted options with an exercise price of \$0.20 expiring 27 February 2028

Range	Total Holders	Units	% of Issued Capital
1 – 1,000	-	-	-
1,001 – 5,000	-	-	-
5,001 – 10,000	-	-	-
10,001 – 100,000	-	-	-
100,001 and above	3	4,000,000	100
Total	3	4,000,000	100

Holders of greater than 20% or more of these unlisted options are as follows:

- Rovira Pty Ltd <Rovira Family A/C>	2,000,000	50.00%
- Adrian Di Menna	1,000,000	25.00%
- Sabreline Pty Ltd < JPR Investment A/C>	1,000,000	25.00%

500,000 unlisted options with an exercise price of \$0.30 expiring 29 August 2028

All 500,000 unlisted options are held by Manticore Lake Holdings Pty Ltd <L&N Family A/C>.

(k) On Market Buy Back

There is no current on market buy back of Solara Minerals Limited shares.

(l) Annual Mineral Resources Statement

As at 30 June 2025, the consolidated entity does not have any Mineral Resources Estimates.

The Company's Projects do not have defined Mineral Resources or Ore Reserves. The Projects are early stage "greenfields" exploration projects covering regions that are considered prospective for minerals explored. There has been insufficient exploration works at the Company's Projects to define a Mineral Resource or Ore Reserve.

(m) Interests in Tenements

Project	Tenement	Location	Percentage Ownership	Status	Registered Holder ¹
Bow River and Salt Lick	E80/4955	WA	100%	Granted	East Kimberley Resources Pty Ltd
Stansmore	E80/5723	WA	100%	Granted	West Arunta Resources Pty Ltd
	E80/5867	WA	100%	Granted	West Arunta Resources Pty Ltd
	E80/5868	WA	100%	Granted	West Arunta Resources Pty Ltd
Myrnas Hill ²	E45/6809	WA	100%	Granted	Solara Minerals Ltd
Mikhaburra (SE)	E51/2164	WA	100%	Granted	OD4 Tom Price Pty Ltd
Mikhaburra (NW)	E52/4265	WA	100%	Granted	OD4 Tom Price Pty Ltd
Karalundi	E51/2165	WA	100%	Granted	OD4 Tom Price Pty Ltd
Degrussa West (West)	E52/4313	WA	100%	Granted	OD4 Tom Price Pty Ltd
Degrussa West (East)	E52/4438	WA	100%	Granted	OD4 Tom Price Pty Ltd
Wilgeena (West)	E52/4369	WA	100%	Granted	OD4 Tom Price Pty Ltd
Wilgeena (East)	E52/4370	WA	100%	Granted	OD4 Tom Price Pty Ltd

¹East Kimberley Resources Pty Ltd, West Arunta Resources Pty Ltd and OD4 Tom Price Pty Ltd are 100% owned subsidiaries of Solara Minerals Limited.