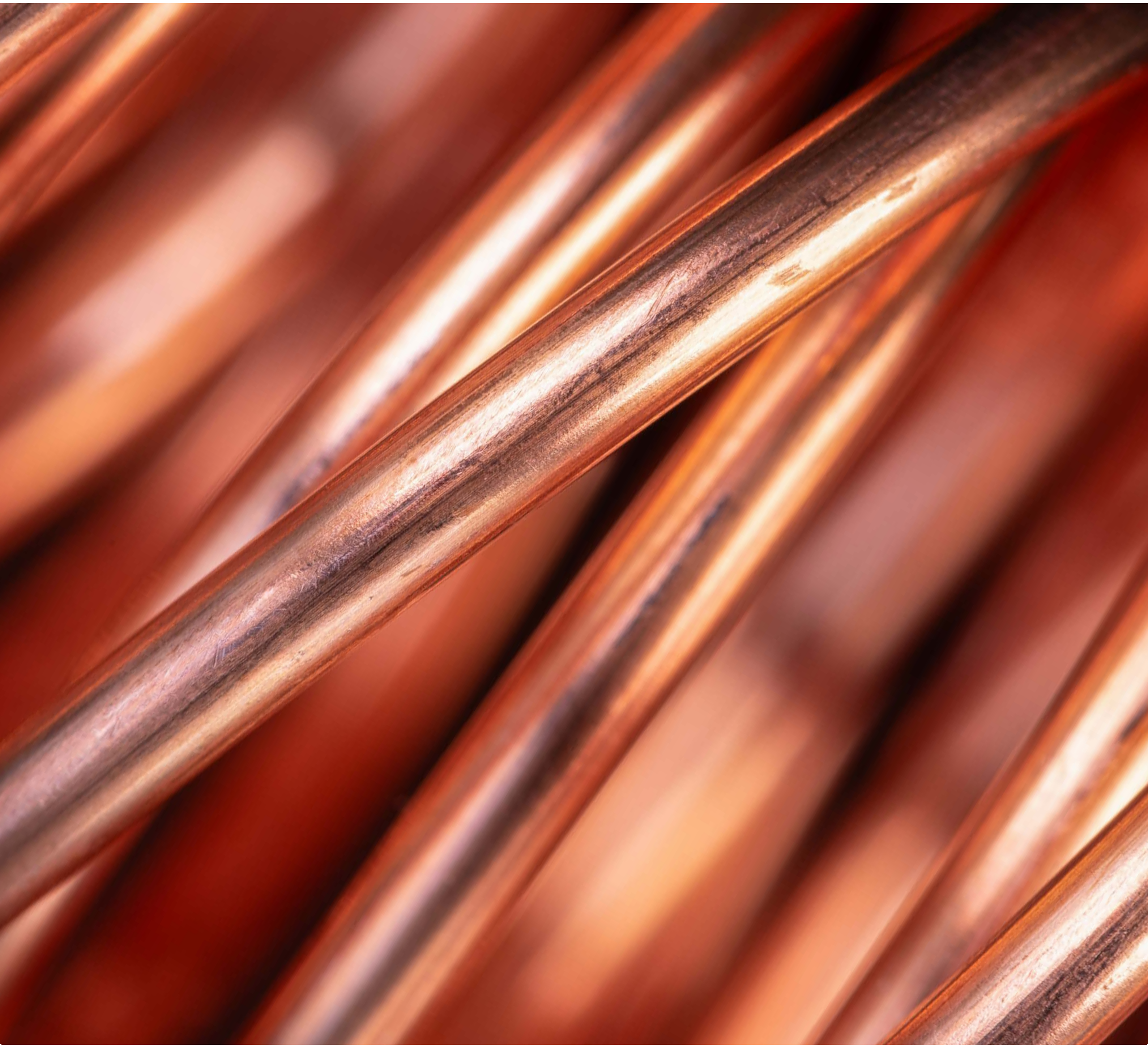
xtract
RESOURCES PLC



Annual Report

for the year ended 31 December 2024

Contents

Highlights

Xtract Resources Plc (AIM:XTR) announces its final results for the year ended 31 December 2024. The year ended 31 December 2024, marked a transformative year for Xtract Resources, as the company executed several transactions and project advancements aimed at streamlining its asset portfolio, accelerating copper exploration, and positioning itself for long-term value creation. Notable achievements include the monetisation of the company's interest in the Manica Gold project, significant progress in copper-focussed exploration across Africa, and early success with novel metallurgical processes.

Corporate & Operational highlights – 2024

- Xtract sold its 23% shareholding in the Manica Gold project in Mozambique, for up to US$15 million comprising US$9 million in quarterly payments of US$750,000 and a bullet payment of US$3 million, and a further US$3 million in relation to a decision to build a sulphide plant to be received by 1 December 2028
- Xtract entered into an agreement to terminate its Mining Collaboration Agreement with MMP dated 28 May 2019 in relation to the Manica Gold Project under which the Xtract was paid US$3.325 million in cash to settle all monies due under the Mining Collaboration Agreement from MMP to Xtract and its local Mozambican subsidiary, of which US$2 million was paid in 2023
- This strategic move enabled Xtract to reduce risk exposure as the Manica project progressed to the complex ore phase and reallocate capital towards other copper development initiatives
- **Bushranger Cu – Au Project:** Metallurgical testing on material from the Racecourse deposit at Bushranger in Australia found that using Novacell™ gravity separation technology significantly improved copper recovery. The novel technology produced a pre-concentrate of 2.8% Cu, up from an original head grade of 0.19% Cu – a potential major boost to future production efficiency and cost savings
- **Licence Acquisitions & Collaborations:** New licence acquisitions secured, aimed at near-term copper and battery metal production:
  - The Western Foreland joint venture has grown with the addition of three new adjacent licences in the External Fold & Thrust Belt terrane. Xtract has the option to earn a 65% interest in the three new licences by investing US$1.5 million over 2-years
  - Option secured to acquire up to a 70% interest in the historical Silverking Cu-Ag mine and exploration project by committing US$1.5 million over a 3.5-year period
  - An option to develop and earn a 25% share in the Chilibwe project, situated near the Frontier and Mufulira mines and prospective for Copperbelt-style mineralisation. No financial commitments have been made by Xtract
  - Acquisition of a 50% interest in Moroccan based mineral development company Wildstone SARL for US$500,000, secured post year-end. Future investment of US$900,000 could increase Xtract's stake to 80%
  - Purchase of dump material from sites across Zambia's Copperbelt valued at US$1.15 per tonne for US$300,000 secured post year-end

Highlights

CONTINUED

- **Western Foreland Exploration:** Initial lithological drilling has confirmed the presence of prospective stratigraphic units at the Western Foreland project that have the potential to host high-grade Kamoa-Kakula style mineralisation. These units will be further evaluated via ground geophysics and a subsequent Phase 1 drilling campaign should the results be promising
- Reconnaissance work has identified eight copper stream-sediment anomalies within the External Fold & Thrust Belt portion of the Western Foreland project, these will be targeted during Phase 2 exploration

Corporate & Operational highlights – Post year end

- **Moroccan New Venture:** Desktop reconnaissance and due diligence began at the Moroccan joint venture, with results anticipated in the next reporting period
- **Silverking Copper Project:** Phase 1 drilling began post year-end at the high-grade Silverking Cu-Ag breccia deposit. Initial results are promising and suggest the surface footprint of the high-grade mineralisation has already more than tripled to 260m. Progress continues which aims to assess the intensity of mineralisation at surface and at depth, as well as ascertain the potential for a lower-grade mineralised envelope
- Best results returned so far include:
  - 5.99% Cu and 40.22g/t Ag over 24.1m from 111.0m in borehole SKIDD010
  - 4.15% Cu and 42.91g/t Ag over 29.70m from 93.0m in borehole SKIDD003
  - 3.18% Cu and 40.32g/t Ag over 54.10m from 56.9m in borehole SKIDD002
- A ground VTEM survey has identified several additional targets that require follow-up drilling, including a sub-parallel mineralised structure to the main orebody, confirmed in drillhole SKIDD018 (results awaited)

Financial highlights

- Cash of £2.17m (2023: £0.63m)
- Net assets of £18.37m (2023: £19.89m)
- Other operating income £0.01m (2023: £1.17m)
- Administrative and operating expenses of £1.38m (2023: £1.05m)

Business Model and Strategy

The board continued to pursue its investment framework to identify and invest in a portfolio of near-term resource assets that:

- Can be brought into production within 2 years
- Are near or at surface without major upfront capital expenditure
- Are on the low end of the cash cost curve and have upside growth potential
- Low entry cost and located in favourable mining jurisdictions

Chairman's Statement

Colin Bird
Executive Chairman

Dear Shareholder,

The period under review and up to the point of writing has been exceptionally busy and productive for your company. We continued to focus on our core objective of gaining new positions in highly prospective copper domains and consolidating current positions. Copper remains a key strategic commodity for the company, however during the year we also ventured into a new commodity, antimony in Morocco.

The board believes antimony is likely to be a significant area of growth in the years ahead, as countries increasingly look for supply independent of the dominant player, China.

During the year we also acquired more exploration ground in the northwestern part of Zambia, in the Western Foreland and the Fold and Thrust Belt.

These geological structures host the Ivanhoe Kamoa Mine, which is the third largest copper mine in the world, and one of the richest. Alongside other potential new mines already identified, occurring in the same Foreland domain that hosts Kamoa.

Our Bushranger project in Australia whilst relatively low-grade, remains open ended in all directions, with 1.3 million tonnes of contained copper already established in inventory. We have over time committed to a significant amount of drilling to identify and understand the nature of this orebody. Initial financial studies underpinned by information gathered from external resource estimation and metallurgical test work studies demonstrated that the project would require a sustainable copper price of US$11,000 per tonne to be viable and development-ready.

However, during the early part of the year the Company carried out further detailed pre-concentration test work, the results of which were very encouraging. A subsequent reworking of the financial model suggested that the project will be viable at a significantly lower copper price per tonne, somewhere in the region of US$10,000. The value added by this study demonstrated to the Board that Bushranger will undoubtedly play a role in global copper production in the future. Ore sorting is likely to drive project economics primarily as the process facilitates and encourages a smaller processing plant footprint, less tailing dam capacity and therefore a major impact on mine-infrastructure.

The Company is constantly examining routes to monetise Bushranger, given that its location and the size of the resource, its' overall potential, position it well for the next generation of copper mines.

What's more, recent gyrations in the copper market, have shown that a sustainable copper price of US$10,000 may be closer than many people think.

Post balance sheet, the company secured positions in the Moroccan antimony arena. This first foray, has been very successful thus far. At the time of writing, Xtract acquired a significant interest in a local Moroccan company and have secured in excess of 15 licences, including one area which is production-ready subject to reactivation of its' former mining licence status. The presence of previously broken ore and mineralised dumps and accessible underground development where high-grade antimony is visible potentially provide the springboard for the development of Xtract's first antimony production. Early-stage production is most likely to be derived from treatment of dumps. Whilst reclaiming dump material, the Company will explore and evaluate the former underground and open pit operations with a view to developing a full-scale mining and processing operation with an emphasis on open pit development. The mid-term goal is to build a flotation plant in Morocco dedicated to the production of +50% Sb concentrate generated from our own operations together with the treatment of low-grade ores produced by local small-scale operators.

Chairman's Statement

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Also post balance sheet, we commenced work on the Silverking Project, focussing initially on the known breccia pipe. The objective was to ascertain its depth, continuity and general shape. Our particular interest was to determine whether the pipe was of limited extent or part of a larger system. The outcome of our initial studies aiming to determine whether we were looking at a small-scale high-grade mining operation or something considerably larger. There is a suggestion from our work to date that the pipe is in fact elongated and continues to a depth of at least 180m in addition to which we have identified a number of other structures and potential structures within the Licence. We reported on the 29th of April 2025 grades as high as 32% Cu and a borehole with a 54m run of 3.18% copper, commencing at 57m below surface. Similar grades have subsequently been achieved in other boreholes which we have also been reported. The presence of high-grade silver as a by-product with grades consistently more than 100g/t Ag in direct association with high copper grades provides a meaningful additional value per tonne of ore especially with a silver price of more than one US Dollar per gram.

Work has progressed quickly, and we are currently modelling mining scenarios for both oxide and sulphide mineralisation whilst completing metallurgical test work to optimise the future flow sheet. To date, the metallurgical test work has been positive, and the pit designs demonstrates that mining models can be developed with acceptable stripping ratios. It now remains to complete the balance of exploration and to thoroughly test the remaining prospective structures to build the resource and thereby determine the scale of the likely mining operation and accompanying processing plant.

Exploration work was carried out at Chilibwe and suspended due to legal complexities relating to the licence, which need resolving before further significant exploration can be justified.

Investment support for the Small Mining Industry continued to be very weak during the period, despite the apparent surge in demand for critical minerals such as copper, lithium, antimony, nickel, to name a few.

It has been generally accepted for several years that future copper supply will be totally inadequate to meet future demands. Despite this, new projects are not being developed, and major mining companies are doing little to address the potential supply-demand gap that looks likely to build up.

It's in this context that I suggest we are likely to see higher copper prices for the remainder of this decade and halfway through the next. After that, demand and supply may once again reach a balance.

The issues facing the copper market are compounded by the time it takes to permit a mining project and, in some cases, even to permit exploration. The gestation period for a large copper mine from orebody discovery to commercial production can range from 10-20 years and even longer. This fact will further compound copper shortages and impact on copper prices going forward.

The tariff wars and the prospect of USA tariffs on copper have led to more uncertainty and thus volatility, with countries positioning themselves in the major copper-producing regions. America, being a big user of copper, is not well positioned in terms of new copper mines and will have to make serious efforts to position itself in copper producing countries. At the moment though, there's not much sign of this, and other countries are gaining further dominance by acquiring producing and near-producing copper mines.

What's more, the political instability in certain parts of the Democratic Republic of the Congo is leading to companies seeking investment opportunities elsewhere southern Africa.

It all adds up to a very dynamic copper exploration environment with serious competition for projects close to feasibility or which have completed feasibility with positive results.

Chairman's Statement

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The board's forecast for the remainder of this year and next year is that copper prices will be closer to US$10,000 per tonne on a sustained basis and that the competition for projects will become even more intense. That has been my forecast since 2015 and events that I could not possibly have anticipated have only served to underscore this position.

Your company has built up strong exposure to particular commodities – copper and antimony – and intends to enhance shareholder value by aggressively progressing of these projects. We look forward to the remainder of this year with much confidence that our impressive portfolio will yield the results that shareholders expect and deserve.

I would like to thank my fellow directors and entire management team for their untiring efforts in what has been a difficult year, but one in which we have nevertheless managed to make significant progress.

Colin Bird
Executive Chairman

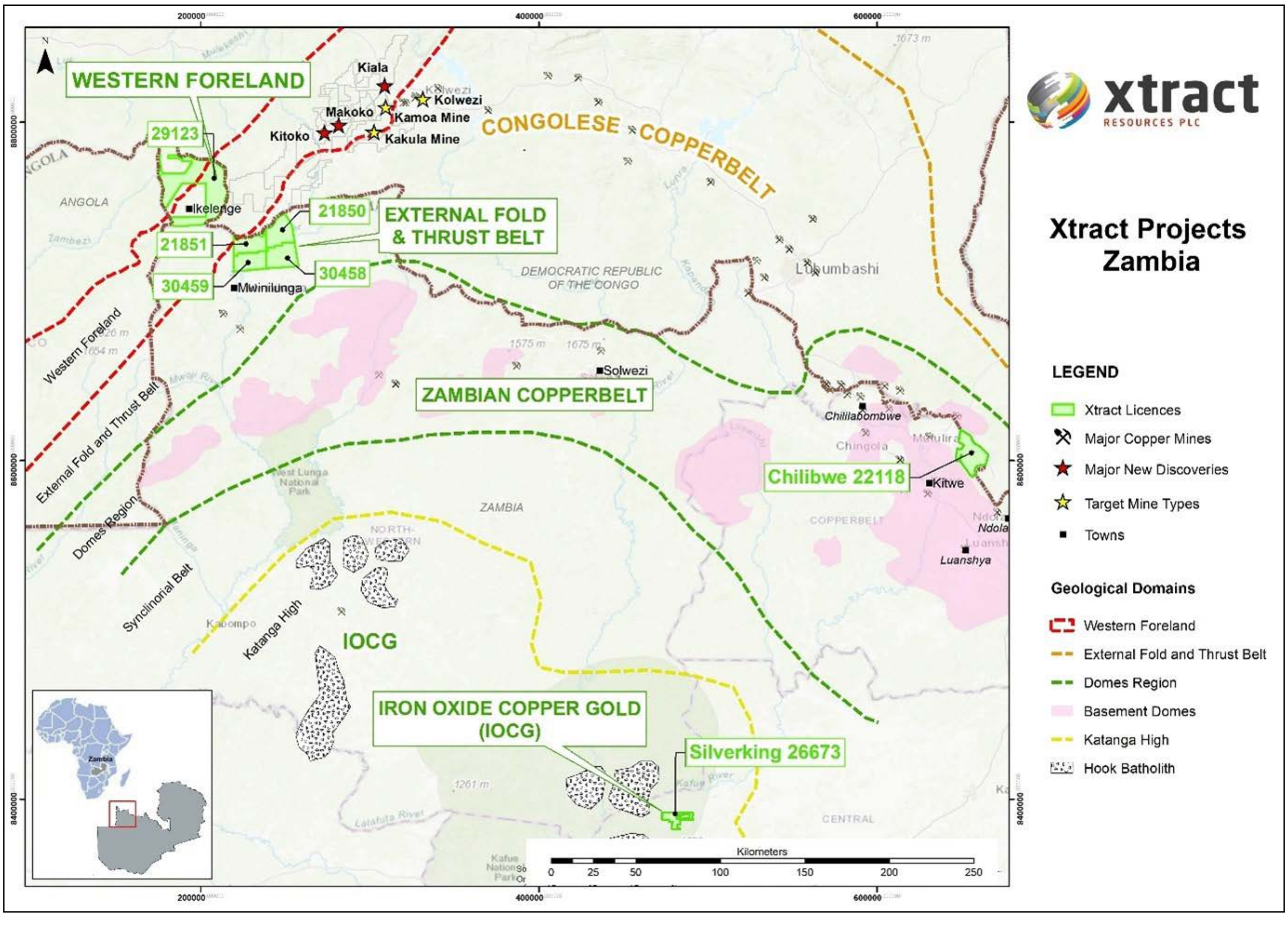
27 June 2025

Strategic Report

Summary of Company Operations

Copper ore float found at the historic Silverking Cu-Ag mine in Zambia

Zambia

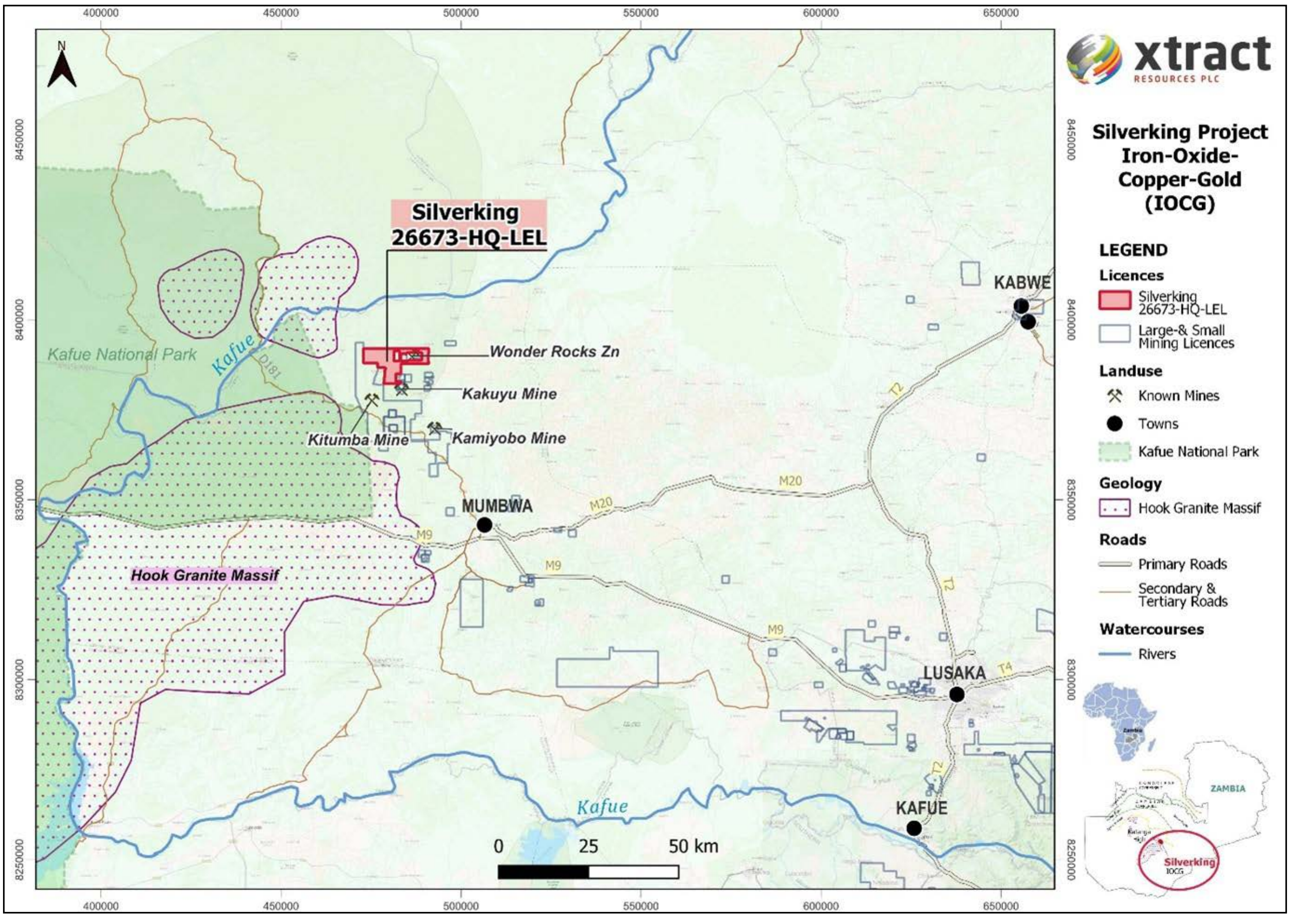


Plan map showing location of the Western Foreland, Silverking and Chilibwe copper licences

Strategic Report
CONTINUED

Silverking Cu-Ag Project, Mumbwa District, Central Zambia

On 3 April 2024 Xtract announced that it had entered a joint venture agreement with Oval Mining Limited, who are acting in cooperation with Cooperlemon Consultancy Limited, to earn up to a 70% interest in the Silverking copper mine and accompanying exploration licence 26673-HQ-LEL located west of Lusaka, in the Mumbwa district, Central Province of Zambia. The licence is prospective for deposits of copper associated with the Iron Oxide Copper Gold ("IOCG") model and is located proximal to the Kitumba deposit, which received a US$58.5m investment for a 65% interest from Chinese investors Sinomine Resource Group in March 2024.



Plan map showing location of the Silverking Cu-Ag mine and prospecting licence 26673-HQ-LEL

Strategic Report

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Plan view of the historic Silverking pit and workings

Mineralisation at Silverking is broadly associated with a breccia pipe, and characterised by deep levels of intense oxidation, breccia, vein and stockwork hosted copper, further distinguished by high-grade supergene enrichment, which is diagnostic of the nearby Kitumba deposit.

Historical drilling at the Silverking mine was exceptionally high-grade, 1m intercepts peaked at over 52% Cu, and a best interval of 50m @ 5.47% Cu was returned from 55m downhole in drillhole SVKRC002. Historical exploration was focussed on the discovery of a tier one deposit and data compilation suggests that high-grade supergene mineralisation was not targeted down-dip or down-plunge, resulting in several drill holes ending in mineralisation. The former Silverking open pit and underground mine extends to a mining depth of just 70m, and there is significant potential to extend mineralisation.

Historical data compilation and ground truthing took priority in the reporting period, initial results indicate that as a consequence of tier one targeting, wider licence exploration was limited, leaving many targets untested.

The historic Silverking Cu-Ag mine

Post Year-End Update

Following the year-end, Xtract commenced a Phase 1 drilling programme at Silverking, which is ongoing. The drilling aims to assess the continuity of the main orebody at surface and at depth and indicate the potential scale of wall-rock alteration assemblages and associated lower-grade mineralised envelopes surrounding the main breccia pipe body and test recently discovered satellite targets. It is hoped that sufficient spatial data will be generated and that will assist in producing a preliminary resource estimate for the deposit and provide an assessment of the economic feasibility of any potential future mining operation.

Results returned up to the date of reporting confirm the continuation of high-grade copper and silver mineralization over substantial widths and have so far extended the surface expression of the main Silverking orebody to 260m. Mineralised package widths extend over downhole intervals of more than 25m and step-out drilling is planned to continue until the limits of the high-grade core is defined.

A summary of the best results returned to reporting date are detailed below:

- 5.99% Cu and 40.22g/t Ag over 24.1m from 111.0m in Borehole SKIDD010
- 4.15% Cu and 42.91g/t Ag over 29.70m from 93.0m in Borehole SKIDD003
- 3.18% Cu and 40.32g/t Ag over 54.10m from 56.9m in Borehole SKIDD002
- 4.09% Cu and 15.49 g/t Ag over 10.1m from 88.9m in Borehole SKIDD012
- 4.73% Cu & 55.08g/t Ag over 3.7m from 68.0m in Borehole SKIDD005

Drillhole SKIDD018 identified a second mineralized body sub-parallel to the main Silverking orebody, results are still pending that will confirm the presence of additional near-surface mineralisation. Further follow-up drilling is planned.

Concurrent licence wide exploration has identified additional targets for continued exploration, including:

- Multiple structures and associated sulphide mineralisation identified intersecting a steep dolomitic hill at the Kopje prospect. The most pronounced structure is oriented N-S over a strike length of 1km and 2,000m of drilling is planned to test the target.
- A 2km sinuous structure extending along the length of the western boundary of the licence known as the Worm prospect that may represent an extension of the regional structure upon which the nearby Kitumba mine (27.9Mt @ 2.2% Cu) was formed just a few km to the south.

Xtract have secured ground VTEM geophysical equipment that is capable of undertaking time domain surveys to depths of up to 400m. The equipment was crucial in the discovery of the blind mineralized structure intersected in SKIDD018 and it will be deployed to define targets along with surface geochemical surveys, particularly in areas subject to blind sand cover during further exploration.

Xtract have embarked on a metallurgical study at Silverking to establish effective pre-concentration processes that have the potential to enhance the economic viability of any future defined lower-grade mineralised envelope surrounding the main orebody and increase the overall resource. Bulk samples will be subject to conventional gravity separation techniques in order to generate enhanced pre-concentrate material that is suitable for downstream processing and final beneficiation.

Further licence development potential exists including a second breccia pipe structure identified 800m from the main Silverking orebody that is coincident with surface anomalism, and several untested ground magnetic anomalies near the main body that could represent mineralized off-shoots. It is anticipated that all outlying anomalies will also be tested during Phase 1 drilling.

Strategic Report

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Bornite and chalcopyrite copper mineralisation visible in drill core at Silverking

Mineralised breccia visible in drillcore at Silverking

Joint Venture Agreement

Xtract has entered an initial 18-month option period to acquire a 51% interest in the project, contingent upon fulfilling expenditure commitments of US$500,000. Xtract have the option to increase its interest to 70% by expending an additional US$1,000,000 over the subsequent two years, subject to Cooperlemon's right to maintain its interest in the licence by participating in such ongoing expenditure.

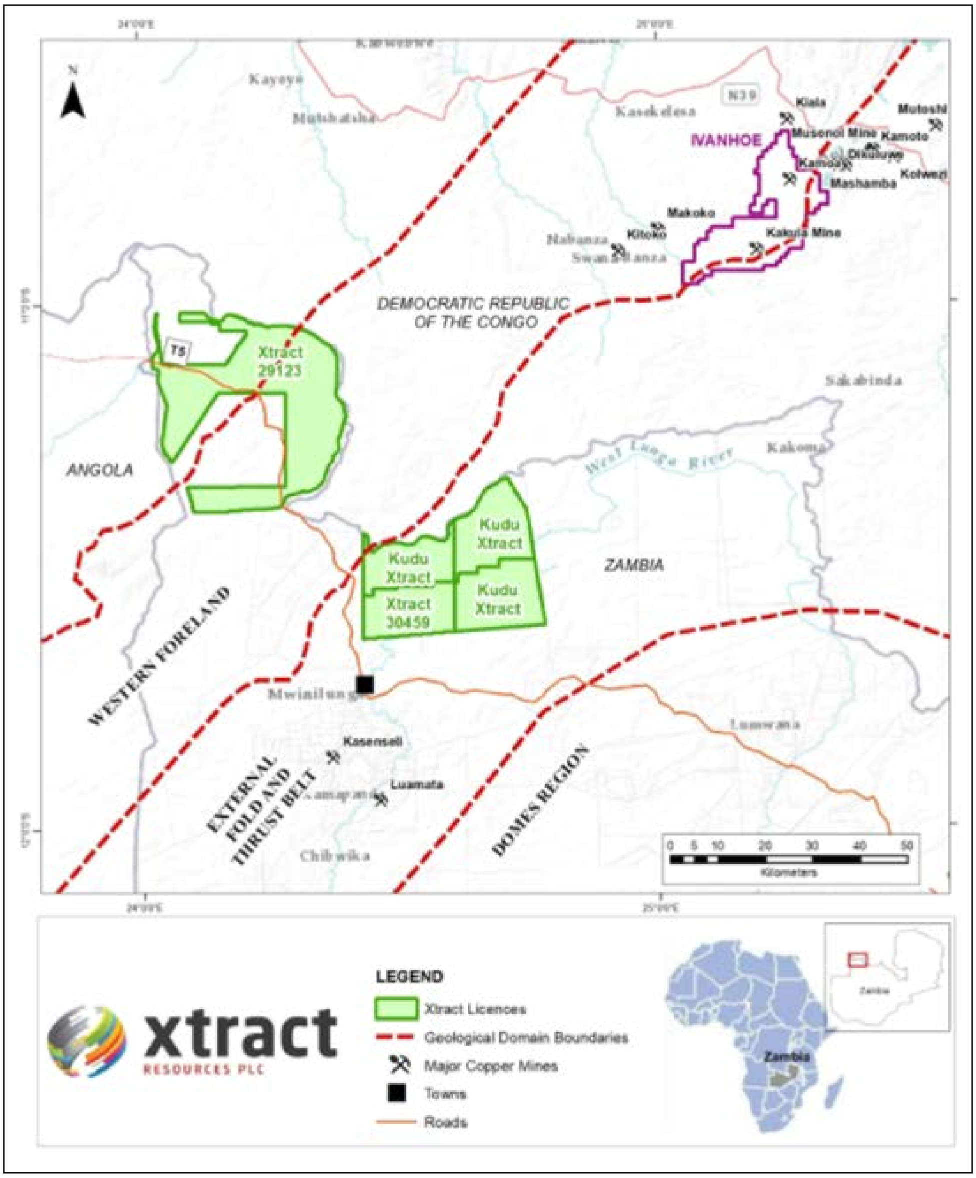
Should an inferred resource in excess of 300,000 tonnes of contained copper be identified, Xtract's beneficial interest shall remain at 70%, or if different, its respective interest at the date of the resource estimate. If an inferred resource of greater than 500,000 tonnes of contained copper is reported, then any subsequent sale of the project to a third-party will result in an equal share of the disposal proceeds between the parties, excluding the cost of the resource discovery.

If the exploration programme demonstrates that the Licence cannot support an inferred resource of 300,000 tonnes or more, then the parties may elect to commence a small mining project by mutual agreement. In the event that a small mining project is developed, Xtract's interest in the project will be 70% and the Company will be wholly responsible for financing the project. The management and compliance (statutory and regulatory) of the Silverking licence will be the responsibility of Cooperlemon.

Western Foreland Cu Project, Western Foreland Mineral District

The project comprises five large scale exploration licences totalling 173,586ha across the prospective Western Foreland and Fold & Thrust Belt geological districts of Northwestern Zambia, collectively known as the Western Foreland. The Western Foreland region is an emerging copper district, underexplored to date and subject to investment and fresh geological remodelling from leading global exploration companies. Significant potential exists for the discovery of high-grade and high-tonnage copper deposits akin to Ivanhoe Mines Kamoa-Kakula complex, which is situated just 100km along strike in the neighbouring Democratic Republic of Congo. Ivanhoe continues to make discoveries in the region and has reported a total of 48Mt of copper discovered to date. Recent exploration at the Kitoko deposit discovered copper mineralisation in previously unknown stratigraphic horizons, highlighting the prospectivity and potential of the whole region. Additionally, The Fold & Thrust Belt terrane hosts the bulk tonnage Kolwezi deposit, with potential for similar discoveries extending over the licences.

Xtract's primary objective since acquisition has been to define the stratigraphy and prospective redox boundaries that host copper mineralisation in the region. Redox fronts are situated between oxidised and reducing strata and can be targeted based on lithological succession, manifested in the local stratigraphy. Reconnaissance surface mapping and lithological drilling completed to date have been successful in establishing the prospective stratigraphy of the target area and have provided invaluable information for a broader exploration programme.



Plan map showing location of the Western Foreland project and licences

Work Completed

Reconnaissance works have been completed on all 5 licences during the reporting period, including mapping, geophysical interpretation, detailed ground magnetic surveys, stream sediment sampling and diamond drilling.

Three diamond drillholes were drilled on licence 29123-HQ-LEL for a total of 529.4m of drilling which were designed to map the underlying lithology and structure on the licence. Combined with surface geological mapping, the drilling was successful in identifying the lithological and structural architecture and identified several prospective characteristics capable of hosting redox fronts, and in turn, high-grade Kamoa-style mineralisation. Further interrogation of these horizons will form the basis of Phase 2 exploration during 2025.

A total of eight stream-sediment copper anomalies were identified on the 4 adjoining licences (30458-HQ-LEL, 30459-HQ-LEL, 21850-HQ-LEL and 21851-HQ-LEL) located within the Fold & Thrust Belt domain, these anomalies will be investigated for their Kolwezi-style copper mineralisation potential during Phase 2 exploration in 2025.

Strategic Report

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The Phase 2 exploration programme will focus on evaluating mapped and inferred redox boundaries identified during the lithological studies accomplished in Phase 1, conducting detailed ground electro -magnetic (EM) and magnetic surveys along selected profiles, and following-up prospective targets with diamond drilling. Exploration is expected to re-commence at the end of the rainy season during the second half of 2025.

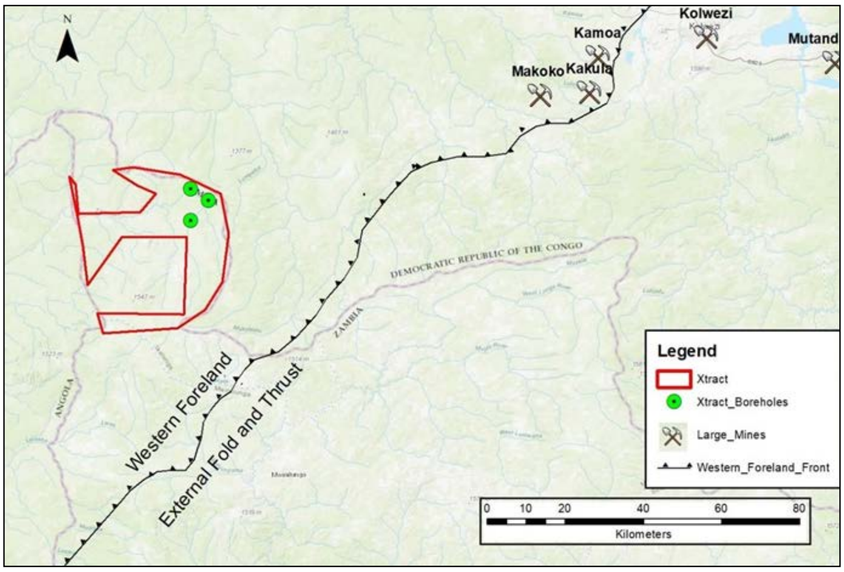
Prospecting at the Western Foreland Project

Preparing licence 29123-HQ-LEL for exploratory drilling

Amended Joint Venture

On 31 May 2024, the company announced an addendum to its Joint Venture with Cooperlemon Consultancy Limited, which included an update to its licence position in the Western Foreland. Three additional licences (30458-HQ-LEL, 21851-HQ-LEL and 21850-HQ-LEL) were added to the agreement, bringing the total land position held to five licences, for a total area of 173,586 hectares.

Under the terms of the restated joint venture agreement Xtract will earn an initial 65% interest in the additional licences by funding exploration of not less than US$500,000 on each of the three licences over an initial two-year period. As previously reported, Xtract will earn a 65% interest in the original two licences (29123-HQ-LEL and 30459-HQ-LEL) by funding exploration expenditure over an initial two-year period commencing on 23 August 2023 of not less than US$2 million, bringing Xtract's aggregate total commitment under the restated agreement to US$3.5 million.



Location of lithological drilling on licence number 29123-HQ-LEL xtract RESOURCES PLC

Strategic Report

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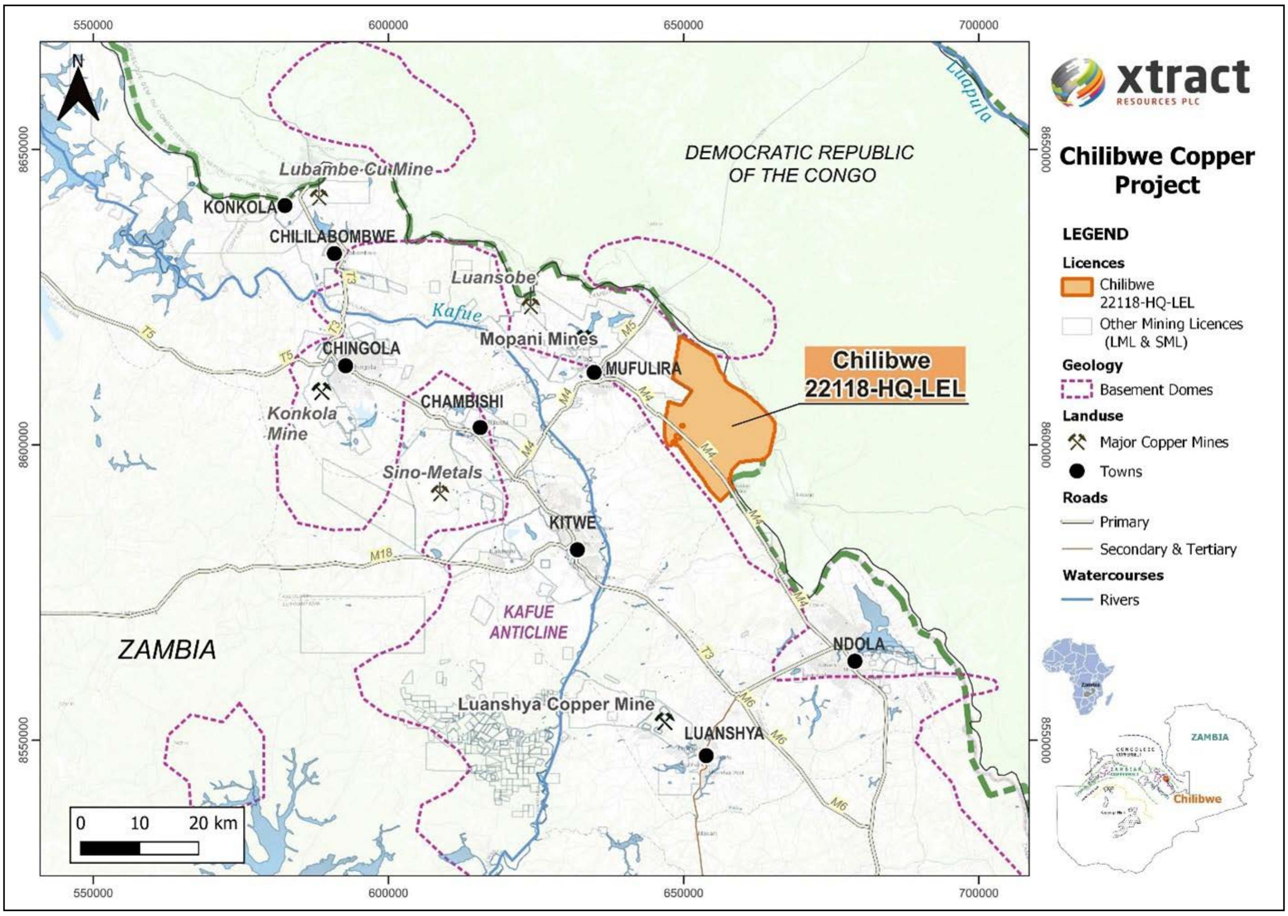
Chilibwe Joint Venture

On 10 October 2024 Xtract announced that it had signed an exclusive collaboration agreement with Chilibwe Mining Limited in relation to large scale exploration licence 22118-HQ_LEL, known as the Chilibwe/Ngala project. The licence covers 27,527ha and is situated in North Central Zambia on the border with the Democratic Republic of Congo to the northwest of Eurasian Resources Group's Frontier mine, and the southeast of the historic Mufulira copper mine.



Plan map showing location of Chilibwe exploration licence 22118-HQ-LEL

Xtract initially provides guidance to assess the prospectivity of the Licence and subject to the results, may assist Chilibwe in securing finance and developing exploration on the licence in return for a 25% interest in the project. Xtract has made no commitment to providing any funding from its own sources for the project. The licence is currently subject to a dispute with the previous joint venture partner which has restricted Chilibwe from developing the project, and a case has been lodged with the High Court of Zambia to have the existing joint venture terminated, releasing the 100% interest in the licence back to Chilibwe.

Dump Material

Post year-end, on 6 February 2025, Xtract announced an agreement to purchase dump material from several sites situated in the Zambian Copperbelt, for a consideration of US$300,000 to be funded from existing cash resources. It is the intention to conduct trial test work and evaluation of the material that is valued at US$1.15 per tonne and will be recovered from the sellers' sites in Zambia by Xtract. The seller remains liable for and shall pay any statutory royalties or any other duties or charges due to the relevant authorities on the sale of any material to Xtract.

Strategic Report
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Kakuyu Copper – Cobalt Project

The Project is located approximately 53km north-west of the town of Mumbwa, Central Province of Zambia, in a region well-known for mining including the nearby mines and occurrences of Sable Antelope, True Blue, Crystal Jacket, Maurice F Gifford, Lou Lou, Silverking and Kamiyobo. The most recent discovery is the Iron Oxide Copper Gold ("IOCG") Kitumba project (formerly held by BHP/Blackthorn Resources).

The Kakuyu project comprises a small-scale mining licence inclusive of the small historic Kakuyu open pit and an adjacent exploration licence, the Kakuyu open pit was subject to small-scale mining operation prior to acquisition.

Work completed by Xtract has focussed on defining the potential for a future open pit mining operation, as well as assessment of the wider licence area for concentrations of additional mineralisation.

Morocco

Wildstone SARL Joint-Venture

Post-year end Xtract announced the acquisition of an initial 50% shareholding for US$500,000 in Wildstone SARL, a Moroccan-based minerals exploration and development company which is developing small-scale mining opportunities in copper, silver and antimony within Morocco.

Wildstone has 15 non-contiguous licences located in Central Morocco and holds the rights for the exploration and extraction of copper, silver and antimony. The licences are valid until October 2026, pending any future renewals, and have received limited exploration to date. The first phase of exploration will concentrate on drilling of newly established targets, and based on results, appropriate projects will be advanced into either small-scale production or in the course of time evaluated for large scale potential.

Small-scale production is envisaged to commence within 9 months of the transaction closing, providing mining licences and any other necessary permits are timeously obtained, and suitable agreements are concluded with artisanal miners. Wildstone intends that ore will be processed using basic equipment currently in use for similar sites in Morocco, and if the exploration is successful and deemed appropriate then a more sophisticated plant will be built, which will be designed relative to the metallurgical characteristics and the size of the orebody.

Joint Venture and Collaboration agreement

On 24 February 2025, Xtract entered into an exclusive collaboration agreement with Wildstone. Xtract acquired 50% interest for an initial cash payment of US$500,000 and has the option to acquire an additional 30% by phased payments of US$900,000 over the next three years with the aim of defining one, or more, JORC resources.

Small and Larger Scale Mine Development

The parties anticipate that within 6 months of signing the Agreement, small scale mining shall commence, utilising Wildstone's own contractors (the "Small Scale Development"). The capital funding for Small-Scale Development of US$200,000 will be provided by Xtract who will be allowed to recover the initial capital by being paid 75% of free cashflow. Xtract shall be responsible for all Small-Scale Development mining funding until such time as the operation is demonstrating a surplus income over expenditures (including sustaining and maintenance capital). On full capital repayment, Xtract will be entitled to 60% of all profits.

Strategic Report

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The Small-Scale Development will continue during the exploration phase and will be replaced or may run concurrently if the potential for a larger more sophisticated processing plant is identified ("Larger Scale Development"). For the purposes of defining potential for a Larger Scale Development, the criteria to be used is not less than 5 years mine life at a minimum annual throughput of 150,000 tonnes, with a DCF model demonstrating a payback of not more than 18 months and a return on investment not less than 20%.

Xtract will be expected to fund 100% of the Larger Scale Development, anticipated to be US$1 million on the plant design, construction, implementation and commissioning. On commencement of production, Xtract will receive 60% of cashflow for capital recovery, the remainder will be shared 70% to Xtract and 30% to the existing shareholders in Wildstone. This arrangement will continue for 18 months, or until the capital is fully repaid, whichever is the shorter. After the completion of the 18-month period, the profits will be shared 80% to Xtract and 20% to the existing shareholders.

Mozambique

Manica Gold Project

On 24 January 2024 Xtract announced the disposal of its 23% interest in the Manica Gold project. This was a strategic decision, allowing the Company the opportunity to focus on its new copper interests in Zambia, and progress feasibility studies at Bushranger, whilst providing the opportunity to dispose of financial risk associated with the Manica project as it progressed towards the complex ore mining phase. The disposal comprised of the termination of the Mining Collaboration Agreement and a Share Purchase Agreement.

Xtract entered into an agreement to terminate its Mining Collaboration Agreement with MMP dated 28 May 2019 in relation to the Manica Gold Project under which the Xtract was paid US$3.325 million in cash to settle all monies due under the Mining Collaboration Agreement from MMP to Xtract and its local Mozambican subsidiary, of which US$2 million was paid in 2023.

Under the Share Purchase agreement Xtract disposed of its 23% shareholding in the Manica Gold project in Mozambique for up to US$15 million comprising, US$9 million in quarterly payments of US$750,000 and a bullet payment of US$3 million and a further US$3 million in relation to a decision to build a sulphide plant to be received by 1 December 2028.

The disposal decision was based on an assessment of the risks associated with the future nature of the ore to be extracted from the Manica project. As the volume of the more simply processed oxide ore is depleted, the project moves into the more complex mixed oxide/sulphide mining stage, which has yet to be fully scoped. Inconclusive studies projecting the metallurgy and recovery of gold in deeper sulphide mineralisation, incomplete information regarding future capital expenditure for sulphide mining and necessary infrastructure improvements, and the limited capacity for Xtract management to have influence during the decision-making process as a minority shareholder were all risk factors taken into consideration.

Post-year end

Post-year end Xtract agreed with the vendors MMP, the buyers of the Manica Project, to reschedule the US$3m balloon payment due on or before 1 March 2027, as well as the additional deferred payments connected with the decision to build a sulphide orebody plant, as set out in the share purchase agreement signed on the 24 January 2024.

Xtract made the agreement with the vendors on the grounds that mining is due to progress to the more complex ore stage, where the material being mined will transition between oxide ore and sulphide ore, thus reducing overall recovery and profitability. During the process of designing the sulphide flow sheet the buyers acquired additional sulphide projects in the adjacent area, and the differing metallurgical characteristics of these may affect the overall design of the sulphide plant and because of this the buyers asked that the payment schedule be amended to allow time for additional testing. Xtract agreed to the amendment on the basis that this will assist with a smooth transition from oxide to sulphide mining and a revised oxide mining plan which will ensure continuity of operations and maintain a stable working environment at Manica, the cashflow from which is being used to pay Xtract.

Strategic Report

CONTINUED

Addendum To Share Purchase Agreement ("Agreement")

Xtract and the Buyers agreed the following amendments.

1. Price

The total purchase price for the sale of the Shares and the Current Subsidiaries Shares, and the assignment of the Xtract Loans payable by the Buyers to the Seller in cash in the proportions remains unchanged at US$12,000,000 ("Price"), to be paid as follows:

- US$9,000,000 to be paid in quarterly instalments of US$750,000 per quarter commencing on 1 March 2024 with the last payment on 1 December 2026. At the date of writing this report, the Buyers had made 6 quarterly payments of US$750,000 each amounting to US$4,500,000 in aggregate; and
- A balloon payment of US$3,000,000. Originally, this had been agreed to be a single balloon payment due on or before 1 March 2027. Xtract and the Buyers have now agreed to vary the balloon payment to three instalments of US$1,000,000 to be paid on or before:
  - 1 March 2027;
  - 1 June 2027; and
  - 1 September 2027.

2. Deferred consideration

Xtract and the Buyers have further agreed that the additional deferred consideration of US$3,000,000 for the Shares in addition to the Price (the "**Deferred Consideration**") which becomes due on the decision by the Buyers to build a sulphide plant, will now be payable on the following amended basis in six payments:

- US$250,000 within the earlier of i) 14 days of the decision to build Sulphide Plant and ii) 1 December 2026
- US$250,000 within the earlier of i) 14 days of commencement of dry commissioning of the Sulphide Plant and ii) 1 December 2027
- US$500,000 within the earlier of i) 14 days of the Sulphide Plant processing 30,000 tonnes in any 30-day period ("Commercial Production"); and ii) 1 March 2028
- US$750,000 within the earlier of i) 3 months of the Sulphide Plant achieving Commercial Production; and ii) 1 June 2028
- US$750,000 within the earlier of i) 6 months of the Sulphide Plant achieving Commercial Production; and ii) 1 September 2028; and
- US$500,000 within the earlier of i) 9 months of the Sulphide Plant achieving Commercial Production; and ii) 1 December 2028.

All other terms of the Agreement remain unchanged.

Australia

Bushranger Cu-Au Project, Lachlan Fold Belt, New South Wales

A two-stage review of potential ore pre-concentration methodologies was completed in the reporting period by Altrius Consulting Pty Ltd. The study aimed to assess the potential impact of ore pre-concentrate upgrade on the overall financial viability of the project. The first study evaluated the use of Tomra ore sorting technology which concluded that the Bushranger mineralisation was not amenable to upgrade via this method. A second study investigated the effectiveness of three additional pre-concentration methods, with ore subject to 'pre-screening', 'gravity separation' and 'coarse flotation' testing.

Mineralised intervals from drill holes BRDD21-036, BRDD22-053, BRDD21-022, representing the Racecourse deposit, were combined into two composite samples, the first being used for pre-screening and gravity separation tests, and the second used for coarse particle flotation test work.

The study concluded that coarse particle flotation tests, using advanced NovaCell™ kinetic flotation equipment technology provided the best results. The tests yielded 78% of copper mineralisation into only 5% of the mass, resulting in the 0.19% Cu head grade of the composite sample upgrading to a pre-concentrate product of 2.8% Cu. The use of NovaCell™ kinetic technology on any future mine and processing plant developed at Bushranger will have a significant positive impact on the processing costs of the copper-gold mineralisation, increasing mine viability. The study also concluded that NovaCell™ coarse particle flotation recovered 30% more copper than conventional flotation.

Novacell™ Kinetic Test Work Summary

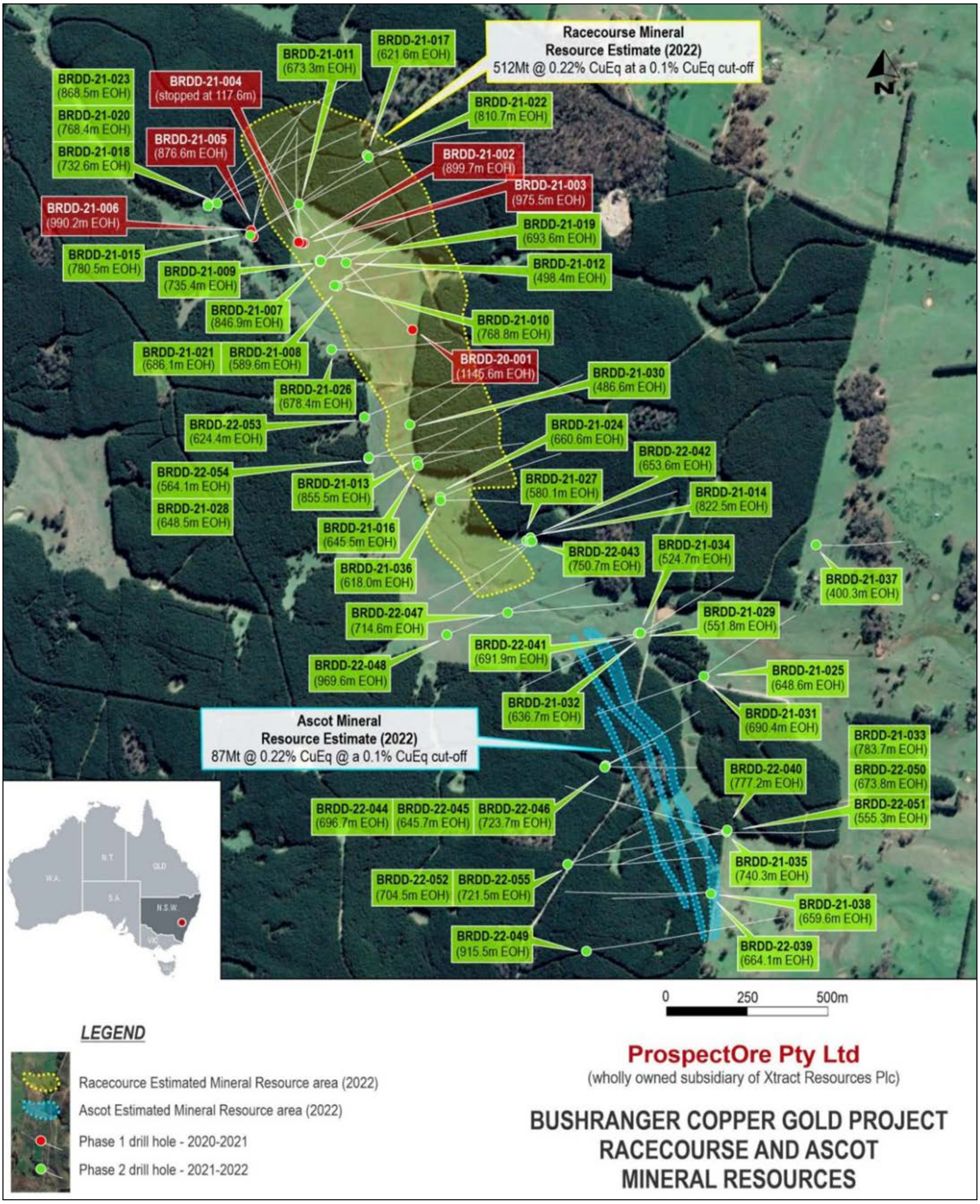
Sample	Assayed Grade			Recovery (%)			Mass Yield (%)
	Cu (%)	Au (g/t)	S (%)	Cu	Au	S	
Feed	0.19	N/A	0.469	–	–	–	100
Concentrate 1 (Froth)	2.80	N/A	6.94	78.3	N/A	79.1	5.4
Tails	0.04	N/A	0.09	21.7	N/A	20.9	94.6

Previously published mining studies conducted by Optimal Mining on the Bushranger Project concluded that a minimum mining rate of 20 Mtpa, and copper price more than US$10,000/tonne, are required to generate a positive Net Present Value ("NPV") from the project (see RNS dated 7 March 2023). Project economics measured as NPV, can potentially be improved by means of ore pre-concentration which is aimed at:

- Increasing feed grade (%Cu/t) to processing plant
- Reduction in tonnes processed for the same final product volumes and thus lower unit production costs

Strategic Report

CONTINUED



Summary of resources defined at Bushranger

Strategic Report
CONTINUED

Business Review
The Company evaluates new exploration and appraisal opportunities continually, including businesses and projects in precious and base metals.

The Company is required by the Companies Act 2006 to include a business review in this report. The information that fulfils the requirements can be found within this Strategic Report. The Business Review contains certain forward-looking statements, which have been made by the Directors in good faith based on information available to them at the date of this report. These statements may be affected by the factors outlined in the Risks and Uncertainties section of this report.

Details of significant events since the balance sheet date are contained in note 29 to the financial statements.

Performance
The key indication of the performance of the Group is the extent of its success in identifying, acquiring, progressing and divesting investments in projects in order to build shareholder value. At this stage in its development, the Group's performance is not readily measured using quantitative key performance indicators. However, a qualitative summary of performance in the period is provided in the Executive Chairman's Statement and Strategic Report.

Financial Review
Financial Summary Table

	Year ended 31 December 2024 (£ million)	Year ended 31 December 2023 (£ million)
Consolidated income resulting from continuing operations		
Other operating income	**0.01**	1.17
Operating and administrative expenses	**(1.38)**	(1.05)
Direct operating	**(0.01)**	—
Other operating	**(0.23)**	(0.20)
Administration	**(1.14)**	(0.84)
Project costs	**(0.03)**	(0.32)
Other non-operating gains	**0.62**	—
Finance costs	**0.37**	0.03
(Loss) for the period from continuing operations	**(0.42)**	(0.17)
Taxation	**(0.40)**	(0.00)
(Loss) from continuing operations	**(0.81)**	(0.17)
Profit from discontinued operations	**(0.05)**	0.81
Profit/(Loss) for the year	**(0.86)**	0.64
Profit/(loss) per share from continuing operations		
Basic	**(0.09)p**	(0.02)p
Consolidated balance sheet position		
Intangible fixed assets	**7.60**	8.19
Other financial assets (current & non-current)	**9.08**	0.00
Cash	**2.17**	0.63
Total assets	**19.21**	21.93
Total equity	**18.37**	19.88
Total equity – weighted average number of shares	**856,375,115 shares**	856,375,115 shares

Strategic Report

CONTINUED

Income Statement Analysis

The Group reported a net loss before tax of £0.42 million (2023: £0.17 million) and loss for the year of £0.86 million (2023: profit £0.64 million) after taxation and profit from discontinued operations. The Group's basic loss per share amounted to 0.001p versus a basic profit per share in 2023 of 0.09p. Other operating income in 2024 amounted to £0.01 million (2023: £1.17 million). The income from 2023 comprised mainly of the Company's net profit share in its Mozambican operations. The Operating and administrative expenses increased from the prior year and amounted to £1.38 million (2023: £1.05 million). The increase was primarily to additional exploration and development work carried out along with general increases in overhead costs. Non-administrative project costs included additional costs relating to Southern African projects and amounted to £0.03 million (2023: £0.32 million). The Company continues to look at different areas of where potential savings could be achieved and continues to implement certain measures which assist in achieving a corporate overhead cost base consistent with other junior mining companies. Finance income for 2024 amounted to £0.37 million (2023: £0.03 million) which comprises of foreign exchange costs and bank charges. The Company has accounted for all income and expenses for the Manica project under profit/(loss) from discontinued operations which amounted to a loss of £0.05 million in 2024 and a profit of £0.81 million in 2023.

Statement of Financial Position Analysis

In January 2024, the Company announced that it had agreed with terms for the disposal of its Mozambican project. The transaction was completed in February 2024. The disposal comprised of the termination of the Mining Collaboration Agreement and a Share Purchase Agreement.

The Company entered into an agreement to terminate its Mining Collaboration Agreement with MMP dated 28 May 2019 in relation to the Manica Gold Project under which the Xtract was paid US$3.325 million in cash to settle all monies due under the Mining Collaboration Agreement from MMP to Xtract and its local Mozambican subsidiary, of which US$2 million was paid in 2023 and was included in the Company's cash and cash equivalent as at 31 December 2023. The remaining US$1.325 million accrued for in 2023 and included in the Company's other Financial Assets was settled in Q1 2024.

Under the Share Purchase agreement the Company disposed of its 23% shareholding in the Manica Gold project in Mozambique for up to US$15 million comprising US$9 million in quarterly payments of US$750,000 and a bullet payment of US$3 million and a further US$3 million in relation to a decision to build a sulphide plant to be received by 1 December 2028.During the year, the Company received quarterly payments totaling of US$3 million (£2.34 million), which have been accounted in the Company's cash flow statements as cash generated from investing activities. The remaining deferred payments have been accounted for in other financial assets with the current assets £2.34 million for quarterly payments to be received during 2025 and £6.50 million for the quarterly payments, bullet payment and payment relating to the building of the sulphide plant all to be received till December 2028.The strategic move enabled the Company to reduce risk exposure as the Manica project progressed to the complex ore phase and reallocate capital towards other copper development initiatives.

The Company completed the Bushranger current exploration programme with metallurgical test work using NovacellTM gravity separation technology and acquired a number of new copper projects in Zambia. A limited amount of work was carried out on these projects in 2024, with costs amounting to £0.41 million having been capitalised to non-current assets.

Strategic Report
CONTINUED

Intangible Fixed Assets
The Group's intangible fixed assets decreased from £8.19m in 2023 to £7.60m in 2024. The decrease relates to the foreign exchange movement on the translation of the intangible asset. In January 2024, the Company announced that it had agreed with terms for the disposal of its Mozambican project. The transaction was completed in February 2024. In 2023, the Company transferred all costs relating to the Manica Project which had been capitalised under intangible fixed assets to non-current assets held for sale and assets of disposal groups.

The balance as 31 December 2024 and 2023, comprises solely of costs capaitlaised in relation to the Bushranger Project.

Cash Position
The Group's net cash position at 31 December 2024 was £2.17 million (2023: £0.63 million) with no outstanding borrowings (2023: Nil).

Environmental Responsibility
The Company recognises that the Group's operations require it to have regard to the potential impact these activities may have on the environment. Wherever possible, the Company also ensures that all related companies are encouraged to comply with the local regulatory requirements with regard to the environment.

Risks and Uncertainties
The principal risks facing the Company are set out below. Risk assessment and evaluation is an essential part of the Company's planning and an important aspect of the Group's internal control system. The board and the executive committee keep the risks inherent in an exploration business under constant review. The principal risks for an exploration and development company and the measures taken by the Company to mitigate them are detailed below:

General and Economic Risks:

- Contractions in the world economies or increases in the rate of inflation resulting from international conditions
- Movements in the equity and share markets in the United Kingdom and throughout the world
- Movements in global equity and share markets and changes in market sentiment towards the resource industry
- Currency exchange rate fluctuations and, in particular, the relative prices of the US Dollar, Zambian Kwacha, Moroccan Dirham, Australian Dollar and the UK Pound
- Adverse changes in factors affecting the success of exploration and development and mining operations, such as increases in expenses, changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; and unforeseen adverse geological factors or prolonged weather conditions.
- The current conflict in the Middle East and the ongoing conflict between Russia and Ukraine, could have a significant impact on both the availability and cost of fuel supplied to Southern Africa and should the conflict continue there is an ongoing risk to fuel supply and costs.

Dependence on key personnel:

- The Company is dependent upon its executive management team and various technical consultants, and the retention of their staff cannot be guaranteed. The development and success of the Company depends on its ability to recruit and retain high quality and experienced staff. The loss of the service of key personnel or the inability to attract additional qualified personnel as the Company grows could have an adverse effect on future business and financial conditions.

Strategic Report

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Pandemic risk:

- Pandemics which have the potential to cause disruption and to pose a threat on similar operations worldwide and could impact the Company's ability to operate and ultimately impact its cashflows. It remains the Group's focus to protect all personnel, site visitors and stakeholders and at the same time to ensure business continuity. The necessary changes have taken place in all the relevant jurisdictions, and the Group continues to monitor government guidance in each territory in which it operates to mitigate the above risk.

Market perception:

- Market perception of mining and exploration companies may change which could impact on the value of investors' holdings and impact on the ability of the Company to raise further funds by issue of further shares in the Company.

Political risk:

- Political risk is the risk that assets will be lost through expropriation and unrest or war. The Group minimises political risk by operating in countries with relatively stable political systems, established fiscal and mining codes and respect for the rule of law.

Uninsurable risks:

- The Group may become subject to liability for accidents, pollution and other hazards, which it cannot insure or against which it may elect not to insure because of premium costs or for other reasons, such as in amounts, which exceed policy limits.

Security of tenure:

- The Group investigates its rights to explore and extract minerals from all of its material properties and, to the best of its knowledge, those rights are expected to be in good standing. However, no assurance can be given that the Group will be able to secure the grant or the renewal of existing mineral rights and tenures on terms satisfactory to it, or that governments in the jurisdiction in which the Group operates will not revoke or significantly alter such rights or tenures or that such rights or tenures will not be challenged or impugned by third parties, including local governments or other claimants. Although the Group is not aware of any existing title uncertainties with respect to any of its material properties, there is no assurance that such uncertainties, if negative, will not result in future losses or additional expenditures, which could have an adverse impact on the Group's future cash flows, earnings, results of operations and financial condition.

Funding Risk:

- The Company may not be able to raise, either by debt or further equity, sufficient funds to enable the completion of planned exploration, investment and/or development projects.

Commodity Risk:

- Commodity risk is the risk that the price earned for minerals will fall to a point where it becomes uneconomic to extract them from the ground and process. Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Company. Production costs depend on a wide range of factors, including commodity prices, capital and operating costs in relation to any operational site. The principal metals in the Group's portfolio are copper, antimony and gold. The prices of these elements have been volatile during the year, but an uptrend is in place. The potential economics of all the Group's projects are kept under close review on a regular basis.

Exploration and Development Risks:

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs

Strategic Report

CONTINUED

- Success in identifying economically recoverable reserves can never be guaranteed. The Company also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects
- Some of the countries in which the Company operates have native title law, which could affect exploration activities.

Reserve and resource estimates:

- The Company's reported reserves and resources are only estimates. No assurance can be given that the estimated reserves and resources will be recovered or that they will be recovered at the rates estimated. Mineral and metal reserve and resource estimates are based on limited sampling and, consequently, are uncertain because the samples may not be representative.
- Mineral and metal reserve and resource estimates may require revision (either up or down) based on actual production experience or further sampling. Any future reserve and/or resource figures will be estimates and there can be no assurance that the minerals are present, will be recovered or can be brought into profitable production. Furthermore, a decline in the market price for natural resources that the Company may discover or invest in could render reserves containing relatively lower grades of these resources uneconomic to recover and may ultimately result in a restatement of reserves.

Operational risk:

- Exploration and subsequent mining operations are subject to hazards normally encountered in exploration, development and production. Although it is intended to take adequate precautions during each stage of development to minimise risk, there is a possibility of a material adverse impact on the Group's operations and its financial results. The Group will develop and maintain policies appropriate to the stage of development of its various projects. Recruiting and retaining skilled and qualified personnel are critical to the Group's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. While the Group has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities. Adverse changes in such legislation may have a material adverse effect on the Group's business, results of operations and financial condition. Members of staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Group.

Mining risk:

- There is no guarantee that the minerals contained in the various assets can be mined either practically, technically or at a cost less than the realisable value of the contained minerals. The cost of development and access may preclude the development of the mine. Should a mine be developed there is no assurance that operations can continue since operations are dependent on product prices, direct operating cost and the cost of "stay in business" capital. Mining operations are often challenged by difficult mining and/or slope stability conditions, variability of grade, excess water and small faulting. All of these factors could adversely affect mining production rate and therefore profitability. Alluvial gold is random in nature and its distribution varies in degrees of fineness and maybe insufficient in quantity and could present processing constraints with recoverability.

Environmental factors

All mining operations have some degree of environmental risk. Although the directors have made reasonable assessment, no assurance can be given that no outstanding or intended claims against disturbance of the environment exist. In addition, the Group will also be subjected to, where appropriate, clean-up costs and for any toxic or hazardous substances, which may be produced as a result of its operation. Environmental legislation and permitting are evolving in a non-mining supportive manner, which could result in onerous standards and enforcement with the risk of consequential fines, penalties and closure. As the Company develops, the directors intend to carry out the appropriate environmental base-line studies with experts outsourced from independent environmental consultancies.

Strategic Report

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Relations with Shareholders

The Board is committed to providing effective communication with the shareholders of the Company, with significant developments disseminated through stock exchange announcements. The Board regards the annual general meeting as a forum for communication between the Company and its shareholders and encourages shareholders' participation in its agenda.

Outlook

The period under review and up to the point of writing has been exceptionally busy and productive with the objective of gaining positions in highly prospective copper domains, consolidating current positions and instigating new business in a new country pursuing a new commodity.

Investment support for the Small Mining Industry continue to be very weak, despite the apparent surge in demand for critical minerals such as copper, lithium, antimony, nickel to name a few commodities. It has been generally accepted for several years that future copper supply will be totally inadequate to meet future demands. Despite this, new projects are not being developed, and major mining companies are doing little to address the demand forecast.

This can lead to only one result, that being high copper prices for the remainder of this decade and halfway through the next, before demand and supply may reach a balance. This undesirable situation for mankind is compounded by the time required to permit a mining project and, in some cases, to permit exploration. The gestation period for a large copper mine from orebody discovery to commercial production can range from 10-20 years and even longer. This fact will further compound copper shortages and impact on copper prices going forward.

The tariff wars currently underway and the prospect of the USA imposing tariffs on copper is leading to more uncertainty and thus volatility, with countries positioning themselves in regions. America, being a big user of copper, is not well positioned in the new copper mine arena and will have to make serious efforts to position itself in copper producing countries. The prospect of this at the moment, appears limited and other countries are gaining further dominance in the acquisition of producing and near-producing copper mines.

The political instability in certain parts of the Democratic Republic of the Congo are leading to companies seeking investment opportunities in other parts of southern Africa. In essence, we are seeing a very dynamic copper exploration environment with competition for projects close to feasibility or that have completed feasibility with positive results.

The board's forecast for the remainder of this year and next year is that copper prices will be closer to US$10,000 per tonne on a sustained basis and the competition for projects will become even more intense.

The Company has built up strong positions into commodities being copper and antimony and intend to enhance shareholder value by aggressive progression of these positions. We look forward to the remainder of this year with much confidence that our impressive project portfolio will yield the results that shareholders expect and deserve.

Colin Bird
Executive Chairman

27 June 2025

Report of the Directors

The Directors present their report on the affairs of the Group, together with the financial statements and auditor's report, for the year ended 31 December 2024. The Corporate Governance Statement is set out on page 33 and forms part of this report.

Going Concern

These consolidated financial statements are prepared on a going concern basis, which the Directors believe appropriate as referred to in note 3 of the financial statements.

Capital Structure

Details of the Company's share capital, together with details of the movements in the Company's issued share capital during the year are shown in note 21. The Company has one class of ordinary share and one class of deferred share. No person has any special rights of control over the Company's share capital and all issued shares are fully paid and carry no right to fixed income.

There are no specific restrictions on the size of holding or on the transfer of ordinary shares. The Directors are not aware of any agreements between shareholders of the Company's ordinary shares that may result in restrictions on the transfer of securities or on voting rights.

The deferred shares have certain rights and are subject to certain restrictions. Inter alia, the deferred shares do not carry any entitlement to dividends or to participate in any way in the income or profits of the Company, do not confer on the holders thereof any entitlement to receive notice of or to attend or speak at or vote at any general meeting of the Company and shall not be capable of transfer at any time other than with the prior consent of each of the Directors.

Under its Articles of Association, the Company had authority to issue up to 2,000,000,000 ordinary shares. Pursuant to the Companies Act 2006 and with effect from 1 October 2009, the requirement for a Company to have an authorised share capital has been abolished and the new Articles which the Company adopted at the 2009 AGM reflect this. However, there are certain restrictions as to the number of shares that can be allotted in terms of the Companies Act 2006.

Results and Dividends

The net loss for the Group for the year ended 31 December 2024 amounts to £862k (2023: profit £635k). No dividends were paid or proposed by the Directors in either the current or previous year.

Directors

The Directors of the Company who held Office during the year are as follows:

- Colin Bird
- Joel Silberstein
- Alastair Ford
- Kjeld Thygesen

Report of the Directors

Colin Bird, *Executive Chairman*

Executive Chairman Colin is a chartered mining engineer and a Fellow of the Institute of Materials, Minerals and Mining with more than 40 years' experience in resource operations management, corporate management, and finance. Colin has multi commodity mine management experience in Africa, Spain, Latin America and the Middle East. He has been the prime mover in a number of public company listings in the UK, Canada and South Africa. His most notable achievement was founding Kiwara Resources Plc and selling its prime asset, a copper property in Northern Zambia, to First Quantum Minerals for US$260 million in November 2009.

Joel Silberstein, *Finance Director*

Joel holds an Honours Bachelor of Accounting Science degree from the University of South Africa.

He qualified as a chartered accountant with Mazars, Cape Town in 2002, and subsequently joined Toronto-quoted European Goldfields Limited. There he held the position of Group Financial Controller and Vice President Finance, supporting the executive team in growing the company through its exploration and development phases, until it was bought by Eldorado Gold in a C$2.5bn deal. He joined AIM-traded Xtract Resources plc in mid-2013 and was appointed finance director in February 2014. He has subsequently assisted in several corporate transactions, including those surrounding the Manica gold mining operations, and he has experience of working in multiple jurisdictions around the world. He also joined the Galileo Resources Plc board in October 2020 as Financial Director. He is a member of the Institute of Chartered Accountants of South Africa as well a Fellow of the Institute of Chartered Accountants in England and Wales.

Alastair Ford, *Non-executive Director (member of audit and remuneration committees)*

Alastair has been involved in the mining sector for more than two decades. For many years he was the mining correspondent at The Investors' Chronicle, the UK's number one investment magazine. He also played a key role at Minesite.com, the mining investment portal that was prominent during the last mining boom and in the aftermath. He was subsequently Chief Investment Officer and Chief Executive of Mineral & Financial Investments, an AIM-listed mining and commodities investment vehicle, and is currently a non-executive director of Great Western Mining and Galileo Resources Plc.

Kjeld Thygesen, *Non-executive Director (member of audit and remuneration committees)*

Kjeld has a wealth of natural resource industry experience having worked as an executive director of N M Rothschild International Asset Management and subsequently, as the investment manager to several natural resource funds. Between 2002 and 2010 he served as a director of Ivanhoe Mines Ltd, which discovered and developed the Oyu Tolgoi mine in the South Gobi Desert of Mongolia, which was acquired by Rio Tinto. Mr Thygesen's particular focus is in financing, valuation and corporate development.

Retirement by Rotation

In compliance with the Company's Articles of Association, Joel Silberstein and Kjeld Thygesen will retire by rotation at the Company's forthcoming Annual General Meeting and will offer themselves for re-election.

Directors' Remuneration

The Company aims to remunerate the Directors at a level commensurate with the size of the Company and their experience. During the year, the Remuneration Committee consisted of Alastair Ford and Kjeld Thygesen.

The emoluments for the Directors are disclosed in note 8 of the Financial Statements.

Report of the Directors

CONTINUED

Directors' Interests

The Directors who held office at 31 December 2024 have the following interests in the Company:

	31 December 2024		31 December 2023	
	Ordinary shares	**Options**	Ordinary shares	Options
Colin Bird	**16,754,149**	**22,000,000**	16,754,149	32,000,000
Kjeld Thygesen	**—**	**1,000,000**	—	1,000,000
Alastair Ford	**—**	**2,000,000**	—	2,000,000
Joel Silberstein	**718,266**	**9,000,000**	718,266	14,000,000

No Director held any interest in any of the Company's subsidiaries at the beginning (or, if later, the date of their appointment) or the end of the year.

Further details of the share options and warrants in the Company can be found in note 24 of the Financial Statements.

Directors' Indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors, which were made during the year and these remain in force at the date of this report.

Directors' Service Contracts

Directors' contracts are continuous until terminated by either party upon six months' notice for Executive Directors and three months' notice for Non-Executive Directors. In accordance with the Company's Articles, at the forthcoming annual general meeting at least one third of the Directors are required to resign by rotation.

Major shareholders

The Directors are aware of the following substantial shareholdings of 3% or more of the share capital of 856,375,115 Ordinary shares as at 2 June 2025. As at the date of the report, the Company had not received any notifications of major interest in shares.

Shareholders	**2 June 2025**	**%**
Hargreaves Lansdown Asset Management	156,825.081	18.31
Interactive Investors	101,958,060	11.91
Alex Terry	67,500,000	7.88
Halifax Share Dealing	60,279,915	7.04
A J Bell Securities	50,153,391	5.86
Barclays Wealth	46,071,810	5.38
J Hewitt	26,767,747	3.13
IG Markets	26,527,967	3.10
HSBC Stockbroker Services	25,667,338	3.00

Report of the Directors

CONTINUED

Statement of Directors' Responsibilities

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Adopted International Accounting Standards. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state that the financial statements comply with UK Adopted International Accounting Standards
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Environmental Responsibility

The Company recognises its role as a mining and exploration company and is aware of the potential impact that the Company may have on the environment. The Company ensures that its complies with the local regulatory requirements with regard to the environment.

Supplier Payment Policy

The Company's policy is to settle the terms of payment with suppliers when agreeing terms of the transaction, to ensure that suppliers are aware of these terms and to abide by them.

Financial Risk Management Objectives

The Group has disclosed the financial risk management objectives within Note 25 to these Financial Statements.

Corporate Governance

A report on corporate governance is provided on page 33.

Report of the Directors

Events after balance sheet date

Trading Update

On 5 February 2025, the Company announced that it had agreed to purchase dump material and to conduct trial work testing and evaluation of the material from sites in Zambia. The Company had agreed to pay the seller US$300,000 in cash to for the material valued at US$1.15 per tonne, to be sourced from the seller's sites in Zambia and to be removed from the site by the Company. The seller remains liable for and shall pay any statutory royalties or any other duties or charges due to the relevant authorities on the sale of any material to the Company. The Company also plans to undertake trial, test work and sampling and evaluation at the site of the material.

Addendum to Manica agreement

On 24 February 2025, the Company announced that it had agreed with MMP, and parties related to MMP, the buyers of the Manica project ("Buyers"), to reschedule the US$3m balloon payment due on or before 1 March 2027 as well as the additional deferred payments connected with the decision to build a sulphide orebody plant both as set out in the share purchase agreement announced on 24 January 2024.The rescheduling of the balloon and deferred payments does not affect the total amount due to be paid by the Buyers, which remains unchanged.

Addendum To Share Purchase Agreement ("Agreement")

1. Price

The total purchase price for the sale of the Shares and the Current Subsidiaries Shares, and the assignment of the Xtract Loans payable by the Buyers to the Seller in cash in the proportions remains unchanged at US$12,000,000 ("Price"), to be paid as follows:

- US$9,000,000 to be paid in quarterly instalments of US$750,000 per quarter commencing on 1 March 2024 with the last payment on 1 December 2026; and
- A balloon payment of US$3,000,000. Originally this had been agreed to be a single balloon payment due on or before 1 March 2027. The Company and the Buyers have now agreed to vary the balloon payment to three instalments of US$1,000,000 to be paid on or before:
  - 1 March 2027
  - 1 June 2027; and
  - 1 September 2027.

2. Deferred consideration

The Company and the Buyers further agreed that the additional deferred consideration of US$3,000,000 for the Shares in addition to the Price, which becomes due on the decision by the Buyers to build a sulphide plant, will now be payable on the following amended basis in six payments:

- US$250,000 within the earlier of i) 14 days of the decision to build Sulphide Plant and ii) 1 December 2026
- US$250,000 within the earlier of i) 14 days of commencement of dry commissioning of the Sulphide Plant and ii) 1 December 2027
- US$500,000 within the earlier of i) 14 days of the Sulphide Plant processing 30,000 tonnes in any 30-day period ("Commercial Production"); and ii) 1 March 2028

Report of the Directors
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- US$750,000 within the earlier of i) 3 months of the Sulphide Plant achieving Commercial Production; and ii) 1 June 2028
- US$750,000 within the earlier of i) 6 months of the Sulphide Plant achieving Commercial Production; and ii) 1 September 2028; and
- US$500,000 within the earlier of i) 9 months of the Sulphide Plant achieving Commercial Production; and ii) 1 December 2028.

All other terms of the Agreement remain unchanged.

Moroccan Joint Venture & Collaboration Agreement

Joint Venture and Collaboration agreement

On 24 February 2025, Xtract entered into an exclusive collaboration agreement with Wildstone in relation to the acquisition of Wildstone in Morocco ("Agreement"), pursuant to which Wildstone (the "Vendor") agreed to issue up to 80% of its issued equity on a fully diluted basis to Xtract in a phased basis.

Payment Terms to earn 50%

The Agreement comprises phased payments to acquire an initial interest of 50%. As the Company had completed its site visit and due diligence in respect of the project, the Company elected to accelerate all such phased payments and therefore acquired an interest of 50% of the fully diluted equity of Wildstone for a cash consideration of US$500,000, following which the Agreement became binding.

Exploration expenditure to earn 80%

The Company may increase its interest in Wildstone by the following further phased payments of up to US$900,000 in aggregate (which, at the Company's sole election, it may accelerate).

In the first 12 months following signing of the Agreement, The Company committed to spend US$150,000 on basic exploration to earn a further 10% fully diluted interest in the Vendor.

The Company, will in the second year earn a further 10% fully diluted interest in the Vendor by spending a further US$250,000 on exploration, which is anticipated to be a continuation of progress made in Year 1, but with more drilling and consequent assay work, and in the third year earn a further 10% fully diluted interest in the Vendor by spending US$500,000 on drilling and resource evaluation and definition, with the anticipation of producing one or more JORC resources.

The Company will, whilst it is a 25% shareholder, continue to contribute to funding its local share of overheads and any costs incurred in transferring any license to other entities within Wildstone. Should the Company earn-in, to 80% of the Vendor through exploration expenditures but not deliver the Larger Scale Mine Development, cash flows from the Small-Scale Development will be shared 75% to the Company and 25% to the existing shareholders of Wildstone.

Small and Larger Scale Mine Development

The capital funding for the Small-Scale Development of US$200,000 will be provided by the Company who will be allowed to recover the initial capital by being paid 75% of free cashflow. The Company shall be responsible for all Small-Scale Development mining funding until such time as the operation is demonstrating a surplus income over expenditures (including sustaining and maintenance capital). On full capital repayment, the Company will be entitled to 60% of all profits.

Report of the Directors

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The Small-Scale Development will continue during the exploration phase and will be replaced or may run concurrently if the potential for a larger more sophisticated processing plant is identified ("Larger Scale Development"). For the purposes of defining potential for a Larger Scale Development, the criteria to be used is not less than 5 years mine life at a minimum annual throughput of 150,000 tonnes, with a DCF model demonstrating a payback of not more than 18 months and a return on investment not less than 20%.The Company will be expected to fund 100% of the Larger Scale Development, anticipated to be US$1million on the plant design, construction, implementation and commissioning.

On commencement of production, the Company will receive 60% of the cashflow for capital recovery, the remainder being shared 70% to Xtract and 30% to the existing shareholders in Wildstone. This arrangement will continue for 18 months, or until the capital is fully repaid, whichever is the shorter. After the completion of the 18-month period, the profits will be shared 80% to the Company and 20% to the existing shareholders.

Award of Share Options

On 8 May 2025, the Company announced that it had awarded 13,700,000 new options (representing 1.6 per cent. of the current issued share capital) to Directors and a further 11,860,000 new options (representing 1.38 per cent. of the current issued share capital) to employees, consultants and officers of the Company.

The new options vest and are exercisable immediately on award, with an exercise price of 1.35p per new Ordinary Share. The new options will lapse five years after the date of the award, being 7 May 2030. The exercise price represents a 35 per cent premium to the mid-market closing price of 1.00p of the Ordinary Shares as at 8 May 2025, and a 42 per cent premium to the 30-day volume weighted average share price for the 30 trading days ended 8 May 2025.

Annual General Meeting

The Company will hold the annual general meeting during the early part of the 3rd quarter of 2025 to lay the annual accounts before the shareholders and to deal with any other business for the consideration of the shareholders. The notice of the meeting with full details of the business to be considered thereat will be sent to shareholders in a separate circular.

Auditors

Provision of information to Auditor

Each of the persons who are a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to re-appoint MAH, Chartered Accountants as auditors of the Company will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

Colin Bird
Executive Chairman

27 June 2025

Corporate Governance

Corporate Governance Report

Introduction

The Board considers the principles and recommendations contained in the Quoted Companies Alliance (QCA) Code are appropriate and have therefore chosen to apply the QCA Code.

The 2018 QCA Code has 10 principles that should be applied. Each principle is listed below together with a short explanation of how the Company applies each of the principles. The QCA Code was updated in 2023 and applies to all Companies with financial years beginning on or after 1 April 2024. The Company has applied the 2018 QCA code for the year ended 31 December 2024. For the current financial year beginning 1 January 2025, the Company will be applying the new QCA Code and will issue an updated report in due course.

Principle One

Business Model and Strategy

The Board has and continues to pursue a strategy which can achieve long-term value to its shareholders. The investment framework has been to identify and invest in near-term resources assets that:

- Can be brought into production within 24 months
- Are near or at surface without major capital expenditure
- Are on the low end of the cash cost curve and have further upside growth potential
- A low entry cost and located in favourable mining jurisdictions

The Company has in the past focussed on precious metals (gold projects) as well as base metal projects (copper projects). As at the date of this report, the Company no longer has any precious metal projects. The Company's current projects comprise base metal projects in in Zambia (North West Zambia, the Silverking Copper project and the Chilibwe Project) and a further base metal project in Australia (Bushranger Copper project) and an antimony project in Morocco (Wildstone project) which meet the above criteria, whether it be an active or strategic investment. The Company will continue to seek to grow both businesses organically and will seek out further joint ventures and other arrangements that create enhanced value.

Principle Two

Understanding & Meeting Shareholder Needs and Expectations

The Board is fully committed to developing a good understanding of the needs and expectations of the Company's shareholder base as well as maintaining good communication and having constructive dialogue with its shareholders. There are currently no institutional shareholders with the majority shareholder base being private shareholders. The Company has ongoing relationships with its private shareholders. All shareholders are encouraged to attend the Company's Annual General Meeting and other shareholder meetings. Investors also have access to current information on the Company though its website, www.xtractresources.com, social media platforms and via the Executive Chairman, Colin Bird who is available to answer investor relations enquiries.

Principle Three

Considering wider stakeholder & social responsibilities & their implications for long-term success

Long-term success relies upon good relations with different stakeholder groups including internal and external stakeholders. The Board recognises the importance of the Company reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders.

PropsectOre Pty Ltd has its operations on the Bushranger Project regulated by the New South Wales Resources Regulator, who is the companies most important external stakeholder. The New South Wales Resources Regulator, approve the location and design of all drill holes and access tracks and then monitors rehabilitation of all land disturbed on the Bushranger.

Project drilling cannot be completed without the approval of the New South Wales Resources Regulator. ProspectOre is currently in full compliance with all directives of the New South Wales Resources Regulator and there are no outstanding issues which have been raised by the New South Wales Resources Regulator with ProspectOre. The Bushranger Project predominantly covers land owned by Forestry New South Wales, a state government forestry company. ProspectOre and Forestry New South Wales have agreed a land access agreement which defines the notice ProspectOre must give Forestry New South Wales regarding the exploration activities which ProspectOre wishes to undertake. ProspectOre conducts regular meetings with Forestry New South Wales to keep them updated on the status of the Bushranger Project and future plans. Currently Forestry New South Wales has not raised any issues of concern with ProspectOre.

Cooperlemon Consultancy, Xtract's Joint Venture partner plays its role by managing key aspects that are cardinal in the management of Xtract's interest with respect to the Northwestern Zambia Copper Projects.

Cooperlemon Consultancy manage and coordinate a wide range of activities that manage the requirements of the Regulator, Ministry of Mines and Mineral Development on statutory and regulatory obligations as well as the social licensing that encourages community engagement on social-economic issues and ensures integration for adequate knowledge transfer. This ensures statutory and regulatory compliance, optimising resource management through efficient exploration programmes, and fostering community engagement.

Compliance

Cooperlemon Consultancy is responsible for ensuring that licences are fully compliant and act as the interface between Xtract with the following Regulatory Bodies:

1. Ministry of Mines and Mineral Development:
   - Department of Cadastre; licencing, applications, renewals and conversion of licence, uploading and submission of quarterly and annual reports, submission of exploration and mining expenditure
   - Department of Geological survey; pegging certification
2. Ministry of lands:
   - Commissioner of Lands with respect to surface rights subject to Certificate of Title
3. Ministry of Green Economy and Environment:
   - Zambia Environmental Management Agency (ZEMA); applications for Environmental Project Brief (EPB) and Environmental Impact Assessment (EIA)
4. Patents and Companies Registration Agency (PACRA): maintenance of the companies Directors' and shareholders' register with the Registrar
5. Zambia Revenue Authority (ZRA); maintenance of the Tax Clearance Certificates for the company and remitting annual returns.

Corporate Governance

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Community Engagement and Project Development (CSR)

Cooperlemon Consultancy plans and coordinates Corporate Social Responsibility (CSR) programmes on behalf of Xtract Resources Plc in the communities that are situated in the licence areas whose involvement is for the benefit of the local populace and surrounding areas. These initiatives are designed to promote visibility of Xtract in the community and sustain the social licence required for a good working relationship with the local community.

Management has focussed on implementing put in place processes and systems to ensure that there is close oversight and contact with its key resources and relationships. The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

Principle Four

Risk Management

In addition to its other roles and responsibilities, the Audit Committee will be focusing on further ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit Committee will review and assess the risk matrix and the effectiveness on an annual basis. The following principal risks and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Management	Retention of key staff	Effect the overall operating capability	Consideration of longer-term incentive plans along with other forms of remuneration and wherever possible preserving cash resources.
Strategic	Single Jurisdiction	Changes arising could adversely effect operations & value of assets	Constantly evaluate political and economic risk. Further maintaining cordial relations with the relevant authorities. Evaluate further opportunities in other jurisdictions. The Company currently operates in 3 jurisdictions.
	Pandemic Risk	Should a new pandemic occur, there remains a risk that challenges could be placed on the Company and the wider economy will impact the Group's ability to operate, which will ultimately impact its cash flows.	Company's focus to protect all personnel, site visitors and stakeholders and at the same time to ensure business continuity. The necessary changes have taken place in all the relevant jurisdictions and the Group continues to monitor government guidance to mitigate the above risk.
	Single Commodity Risk	Commodities being subject to high levels of volatility in price and demand. Being exposed to one type of commodity would have a greater impact operations and profitability.	The Company is active in seeking out other opportunities, which may diversify commodity risk. The Company has exposure to base metals and antimony.

Corporate Governance
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Activity	Risk	Impact	Control(s)
Regulatory Risk	Non-compliance of AIM rules & Companies Act	Withdrawal of Authorisation and censure	Reliance and guidance from numerous advisors of the Company which helps instill a culture of compliance in the Company at all levels.
Financial	Liquidity, market and credit risk Inappropriate controls and accounting policies	Entity not able to continue as going concern Reduction in asset values Incorrect reporting of assets	Capital management policies and procedures. Appropriate authority and investment levels in place.

The Directors will continue to further establish procedures, as represented by this statement, for the purpose of providing a system of internal control. Due to the size of the Company and the interaction on a daily basis between Directors and Officers of the Company, the Board at this stage continues not to deem it necessary or practical to incorporate an internal audit function. The Board will continue to monitor the need for an internal audit function and continue to work closely with the Company's financial accountant to ensure the effectiveness of its control systems.

Principle Five

A Well-Functioning Board of Directors

The Board currently comprises of 4 members, 2 Executive members (The Executive Chairman Colin Bird and Finance Director Joel Silberstein) and 2 Non-Executive Directors (Alastair Ford and Kjeld Thygesen). Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years. All the Directors including the Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required.

All letters of appointment of Directors are available for inspection at the Company's registered office during normal business hours. The Board elects a chairman to chair every meeting.

The Board holds formal meetings periodically as issues arise and require more details. The Directors are in contact and discuss all necessary issues on a regular basis and to ensure that the Non-Executive director, while not involved in the day to day running of the Company is still kept up to date on a regular basis.

The Company has an established Audit Committee as well as a Remuneration Committee, particulars of which appear hereafter. All appointments to the Board are made by the Board as a whole as opposed to a Nominations Committee. The Non-Executive Director is considered to be part time but can be expected to provide as much time to the Company as is required. From September 2012 to August 2016, Colin Bird acted as the Non-Executive Chairman. In August 2016, Colin Bird moved from being a Non-Executive Director to Executive Chairman shortly before the resignation of the former CEO. This change to an executive role came at a challenging time for the Company and through Colin Bird's leadership and guidance the Company has been able to refocus operations, from a single jurisdiction Company to three jurisdictions.

The QCA recommends a balance between executive and Non-Executive Directors and recommends that there be two independent non-executives. In the case of Xtract, the Board has since the Board changes in August 2016 considered its composition to be appropriate. Since July 2020, the Company has maintained a minimum of 2 Non-Executive directors in line with the current portfolio of projects in multi jurisdictions.

Corporate Governance

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The Board continues to monitor the need for additional independent Non-Executive directors based on operational performance and costs. The current Non-Executive directors are considered to be Independent Directors. The Board continues to review further Non-Executive appointments as scale and complexity grows.

Attendance at Board and Committee Meetings

To date the Directors have attended all meetings scheduled during the year. In order to be efficient, the Directors wherever possible try and meet formally and informally both in person and if not practical then by telephone or online means.

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of four Directors, and in addition, the Company has employed the outsourced services of Lion Mining Finance Ltd to act as the Company Secretary. The Company believes that the current balance of skills in the Board as a whole, reflects a very broad range of commercial and professional skills across geographies and industries and each of the Director's has experience in public markets.

The Board recognises that it currently has the necessary skills but will consider as part of any future recruitment an additional Non-Executive director with mining experiences, if the Board concludes that replacement or additional directors are required.

Given the stage of the Company's mining exploration projects and the Executive Chairman's experience in managing numerous projects and his familiarity with the Company's projects, it is the Company's view that it is appropriate for the roles of Chairman and Chief Executive Officer to be combined at this stage. The Company will keep this under review until it is deemed necessary to split the roles and can justify the need for a separate Chief Executive Officer role.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Colin Bird

Executive Chairman

Executive Chairman Colin is a chartered mining engineer and a Fellow of the Institute of Materials, Minerals and Mining with more than 40 years' experience in resource operations management, corporate management, and finance. Colin has multi commodity mine management experience in Africa, Spain, Latin America and the Middle East. He has been the prime mover in a number of public company listings in the UK, Canada and South Africa. His most notable achievement was founding Kiwara Resources Plc and selling its prime asset, a copper property in Northern Zambia, to First Quantum Minerals for US$260 million in November 2009.

Alastair Ford

Independent Non-Executive Director

Alastair has been involved in the mining sector for more than two decades. For many years he was the mining correspondent at The Investors' Chronicle, the UK's number one investment magazine. He also played a key role at Minesite.com, the mining investment portal that was prominent during the last mining boom and in the aftermath. He was subsequently Chief Investment Officer and Chief Executive of Mineral & Financial Investments, an AIM-listed mining and commodities investment vehicle, and is currently a non-executive director of Great Western Mining and Galileo Resources Plc.

Corporate Governance

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Kjeld Thygesen

Independent Non-Executive Director

Kjeld has a wealth of natural resource industry experience having worked as an executive director of N M Rothschild International Asset Management and subsequently, as the investment manager to several natural resource funds. Between 2002 and 2010 he served as a director of Ivanhoe Mines Ltd, which discovered and developed the Oyu Tolgoi mine in the South Gobi Desert of Mongolia, which was acquired by Rio Tinto. Mr Thygesen's particular focus is in financing, valuation and corporate development.

Joel Silberstein

Finance Director

Joel holds an Honours Bachelor of Accounting Science degree from the University of South Africa.

He qualified as a chartered accountant with Mazars, Cape Town in 2002, and subsequently joined Toronto-quoted European Goldfields Limited. There he held the position of Group Financial Controller and Vice President Finance, supporting the executive team in growing the company through its exploration and development phases, until it was bought by Eldorado Gold in a C$2.5bn deal. He joined AIM-traded Xtract Resources plc in mid-2013 and was appointed finance director in February 2014. He has subsequently assisted in several corporate transactions, including those surrounding the Manica gold mining operations, and he has experience of working in multiple jurisdictions around the world. He also joined the Galileo Resources Plc board in October 2020 as Financial Director. He is a member of the Institute of Chartered Accountants of South Africa as well a Fellow of the Institute of Chartered Accountants in England and Wales.

Principle Seven

Evaluation of Board Performance

The Company does not perform any Internal evaluation of the Board, the Committee and individual Directors. This will be undertaken going forward on an annual basis. The process will be in the form of peer appraisal and discussions in order to determine the effectiveness and performance of the Executive Directors, as well as the continued independence of the Non-Executive Directors.

The Appraisals will take place during the 2nd half of the calendar year. The results of the appraisals of each director will be benchmarked against any previous targets or milestones set in the previous year and will identify any new corporate and financial targets for the coming year.

Principle Eight

Corporate Culture

The Board's decisions regarding strategy and risk could impact the corporate culture of the Company as a whole and could impact the performance of the Company. The Board is aware that the tone and culture set by the Board could impact all aspects of the Company as a whole and have an effect on the employees. The Board recognises that their decisions regarding strategy and risk could also impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board could impact all aspects of the Company as a whole and the way that employees behave. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenges. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities, which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Principle Nine

Maintenance of Governance Structures and Processes

The QCA code recommends that the Company maintains governance structures and processes in line with its culture and appropriate to its size and complexity.

Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Board has adopted appropriate delegations of authority, which set out matters which are reserved to the Board. The Executive Chairman is responsible for the effectiveness of the Board, and the management of the Company's business and primary contact with shareholders has been delegated by the Board to the Executive Chairman.

Audit and Compliance Committee

The Audit Committee comprises Kjeld Thygesen who chairs the committee and Alastair Ford. This committee has primary responsibility for monitoring the Financial Reporting function and internal controls in order to ensure that the financial performance of the Company is properly measured and reported. The committee receives the financial reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit Committee shall meet not less than twice in each financial year, and it has unrestricted access to the Company's auditors.

Remuneration Committee

The Remuneration Committee comprises Alastair Ford who chairs the committee and Kjeld Thygesen. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves bonuses under the Company's Revised Incentive Scheme approved by shareholders at the 2024 annual general meeting, as well as the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so have not created a Nominations Committee.

Non-Executive Directors

The Board is in the process of adopting guidelines for the appointment of Non-Executive Directors, which will be in place during 2026. The guidelines will provide for the orderly succession and rotation of the Chairman and Non- Executive directors insofar as both the Chairman and non-executive directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms. The Chairman may serve as a Non-Executive Director before commencing a first term as Chairman.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Corporate Governance

Principle Ten

Shareholder Communication

The Board has been and continues to be committed to maintaining good communication and having constructive dialogue with its shareholders. The Company currently has no institutional shareholders and has ongoing relationships with its private shareholders. The Executive Chairman regularly attends investor shows and conferences. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

The Company maintains a website (www.xtractresources.com) which allows investors to access any Company information. Any questions can be e-mailed to the Company and will be answered by the relevant member of management available to answer investor relations enquiries. The Company will continue to investigate ways of improving communication with shareholders whether through its current format or possibly moving to electronic communications with shareholders in order to maximise efficiency.

Directors' s172 Statement

The Directors continue to act in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of the members as a whole, and in doing so have regard, amongst other matters to:

- the likely consequences of any decision in the long term
- the interests of the Company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community as well as the environment
- the need to act fairly as between members of the Company, and
- the desirability of the company maintaining a reputation for high standards of business conduct.

The Board has always recognised the relationships with key stakeholders as being central to the long-term success of the business and therefore seeks active engagement with all stakeholder groups, to understand and respect their views, in particular of those with the communities in which it operates, its host governments, employees and suppliers. Throughout the year, the Directors continued to exercise all their duties, whilst having the highest regard to section 172 factors as they assessed and considered proposals from senior management and governed the company on behalf of their stakeholders.

As with smaller size companies, day-to-day management, execution of the business strategy and related policies of the Company is delegated to senior executives however the Board reviews compliance and legal matters at along with the Company's key financial and operational data, diversity, corporate responsibility, environmental and stakeholder-related matters over the course of the financial year.

In response to potential pandemics, the Board agreed to a management plan proposed by senior executives prioritising and maintaining the health and safety of all employees and contractors.

Consideration of the Company's conduct towards its stakeholders, suppliers and employees of the Group is essential when implementing ways in which the Board's engagement can be improved to help the business operate more effectively.

Corporate Governance

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Details of the Board's decisions for the year ending 31 December 2024 to promote long-term success, and how it engaged with stakeholders and considered their interests when making those decisions, can be found throughout the Strategic Report, Directors' and Corporate Governance reports.

By Order of the Board

Colin Bird
Executive Chairman

27 June 2025

Independent Auditor's Report

TO THE MEMBERS OF XTRACT RESOURCES PLC

Opinion

We have audited the Group financial statements of Xtract Resources Plc (the 'Group') for the year ended 31 December 2024 which comprise the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows, company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and UK adopted International Accounting Standards.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2024 and of the Group's profit for the year that ended;
- the Group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included a detailed review of the Group's forecasts in comparison to available management accounts at the date of these financials to assess the reasonability of the estimates made. We have further performed a sensitivity analysis to conclude on the degree to which current cash reserves will be able to sustain the Group for at least a further twelve months from the date of these financials.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditor's Report

CONTINUED

Our audit approach

Overview

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

- Carrying value and classification of intangible exploration and evaluation assets
- Assets held for sale & sale of Mozambique operations

These are explained in more detail below

Audit scope

We performed audits of the complete financial information of the Group reporting units, which were individually financially significant and accounted for 100% of the Group's absolute profit before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units). We also performed specified audit procedures over certain account balances and transaction classes that we regarded as material to the Group at the reporting units.

Key Audit Matters	How our scope addressed this matter
Carrying value and classification of intangible exploration and evaluation assets	
The Group and company hold material intangible assets relating to capitalised costs in respect of mineral exploration projects. There is a risk that impairment indicators exist which would result in an impairment of the year end and intangible assets balance. There is also a risk that the classification and accounting of the mining properties could be misstated due to the timing of projects being moved from the exploration to the production stage. The directors consider each category of asset to assess whether there are indicators of impairment by considering the potential resources available from exploration and evaluation work undertaken, together with the availability of finance to further evaluate the exploration projects.	Our audit work in this area included: • Reviewing of costs capitalised during the year, including the considerations made by the directors in respect of their appropriateness for capitalisation in accordance with discounted cash flow value in use and IFRS 6's recognition and impairment indicators; • Confirming that the Group has a good title to the applicable exploration licences, including new licences obtained during the year; • Evaluating and coordinating the status of the projects during the year, and subsequent to the year-end, to identify and evidence any impairment indicators in accordance with IFRS 6;

Independent Auditor's Report

CONTINUED

Key Audit Matters	How our scope addressed this matter
Careful consideration has been given to the point at which the mining properties should be transferred out of intangible assets and amortised accordingly. Criteria used to identify the production start date are as follows: • Level of capital expenditure incurred compared with the original construction cost estimate • Level of EBITDA achieved • Level of recovery rate of mineral resources • Level of production of mineral resources As a result of the evaluation, no impairment has been recognised by the directors during the year. After careful consideration, the directors believe the Group was still at the exploration stage at the year end.Therefore, nil amount of the intangibles have been transferred to mining properties.	• Assessing management's impairment reviews, including challenge to all key assumptions and consideration of sensitivity to reasonably possible changes; • Reviewing and challenging management's assessment of when the project reaches the production stage, and consequently the mining properties should be transferred out of intangible assets and be depreciated; and • Ensuring disclosures made in the financial statements in relation to critical accounting judgements are adequate and in line with our understanding of the Group and it's activities. Based on the audit work performed, we do not consider exploration assets as at 31 December 2023 to be materially misstated.
Discontinued operations – Sale of Mozambique operations During the prior year, the Company entered into discussions to dispose of its Manica operations, leading to the completion of a transaction in February 2024. Given the value of the unpaid consideration, there is a risk that the fair value has not been correctly calculated or that it is not fully recoverable and thus the assets related to the sale may be impaired. There is also a risk that the profit and loss may not have been correctly classified between continuing and discontinued operations and the gain on disposal has not been correctly calculated.	Our work in this area included: • Reviewing, discussing with management and obtaining corroborative evidence where possible; considering whether the recognition criteria per IFRS 5 is met; • Obtaining from management their justification for the fair value determined and any supporting workings and documentation. Reviewing and discussing with management; challenging the key inputs and assumptions in their valuation and considering whether the fair value of the consideration and assets related to the sale are reasonable. • Reviewing the calculations and classification of the profit and loss between continuing and discontinued operations We consider Management's estimation of fair value to be reasonable, as well as the discontinued operations classifications and disclosures and the calculation of gain on disposal.

Independent Auditor's Report

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Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	Company
Overall materiality	£192,000	£191,000
How we determined it	Based on 1% of gross assets	Based on 1% of gross assets
Rationale for benchmark applied	We believe the most adequate basis is for materiality to be based on gross assets, as it is from these assets that the Group seeks to deliver returns for shareholders, in particular the value of exploration and development projects that the Group is interested in.	We believe the most adequate basis is for materiality to be based on gross assets, as it is from these assets that the Group seeks to deliver returns for shareholders.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation reporting units, comprising the Group's operating businesses and holding companies.

We performed full scope audits of the financial information of the components within the Group which were individually financially significant and material. We also performed specified audit procedures over certain account balances and transaction classes that we regarded as material to the Group, as well as analytical procedures, for components which were not significant and not material. The audit work and specified audit procedures accounted for 100% of the Group's revenue and 100% of the Group's absolute profit before tax (i.e. the sum of the numerical values without regard to whether they were profits or losses for the relevant reporting units).

Independent Auditor's Report

CONTINUED

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent Auditor's Report

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 ISAs (UK) 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 these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement with respect to irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including taxation legislation, data protection, anti-bribery, employment, environmental, health and safety legislation and anti-money laundering regulations.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence.
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- we assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
  - making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
  - considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 of the Group financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

Independent Auditor's Report

CONTINUED

- In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
  - agreeing financial statement disclosures to underlying supporting documentation;
  - reading the minutes of meetings of those charged with governance;
  - enquiring of management as to actual and potential litigation and claims;
  - reviewing correspondence with HMRC and the Group's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters that we are required to address

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the parent company and we remain independent of the Group and the parent company in conducting our audit. Our audit opinion is consistent with the additional report to the audit committee.

Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohammed Haque
Senior Statutory Auditor

For and on behalf of
MAH, Chartered Accountants (Statutory Auditors)
2nd Floor, 154 Bishopsgate,
London, EC2M 4LN

27 June 2025

Consolidated Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2024

Registered number: 5267047

	Note	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Continuing operations			
Other operating income		**4**	1,173
Operating and administrative expenses			
Direct operating		**(2)**	(6)
Other operating		**(237)**	(198)
Administration		**(1,141)**	(844)
		(1,380)	(1,048)
Project expenses		**(30)**	(322)
Operating loss		**(1,406)**	(197)
Other non-operating gains	12	**620**	—
Finance income/(cost)	9	**367**	25
(Loss) before tax	5	**(419)**	(172)
Taxation	10	**(395)**	(1)
(Loss) from continuing operations		**(814)**	(173)
Discontinued operations			
Profit/loss) from discontinued operations	12	**(48)**	808
Profit/(loss) for the year		**(862)**	635
Attributable to: Owners of the Company		**(862)**	635
Net (loss) per share **Basic and diluted earnings/(loss) per share from continuing operations attributable to owners of the Company (pence)**	11	**(0.09)**	(0.02)
Basic and diluted earnings/(loss) per share from discontinued operations attributable to owners of the Company (pence)	11	**(0.01)**	0.09

The notes on pages 55-96 form an integral part of these financial statements

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 31 DECEMBER 2024

	Group	
	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Profit/(Loss) for the year	**(862)**	635
Other comprehensive income:		
Items that may be reclassified subsequently to profit and loss	**—**	—
Exchange differences on translation of foreign operations	**(651)**	(431)
Other comprehensive (loss)/income for the year	**(1,513)**	204
Total comprehensive (loss)/income for the year	**(1,513)**	204
Attributable to:		
Equity holders of the parent	**(1,513)**	204

The notes on pages 55-96 form an integral part of these financial statements

Consolidated and Company Statements of Financial Position

AS AT 31 DECEMBER 2024

		Group		Company	
	Note	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
Non-current assets					
Intangible assets	13	**7,596**	8,191	**12**	12
Property, plant & equipment	14	**40**	46	**—**	—
Loans to group companies		**—**	—	**7,647**	8,011
Investment in subsidiary	15	**—**	—	**1,291**	1,291
Other financial assets	16	**6,910**	—	**6,910**	—
		14,546	8,237	**15,860**	9,314
Current assets					
Trade and other receivables	17	**148**	1,163	**135**	1,213
Other financial assets	16	**2,341**	—	**2,341**	—
Loans to group companies		**—**	—	**—**	—
Cash and cash equivalents		**2,170**	630	**2,157**	608
		4,659	1,793	**4,633**	1,821
Non-current assets held for sale and assets of disposal groups		**—**	11,898	**—**	9,963
Total assets		**19,205**	21,928	**20,493**	21,098
Current liabilities					
Trade and other payables	19	**437**	486	**197**	219
Other loans	19	**—**	50	**—**	50
Current tax payable	19	**395**	—	**395**	—
		832	536	**592**	269
Liabilities of disposal groups		**—**	1,506	**—**	—
Net current assets/(liabilities)		**3,827**	1,257	**4,041**	1,552
Non-current liabilities					
Environmental rehabilitation provision	20	**—**	—	**—**	—
Loans from group companies	19	**—**	—	**11,630**	11,591
Total liabilities		**832**	2,042	**12,222**	11,860
Net assets		**18,373**	19,886	**8,271**	9,238
Equity					
Share capital	21	**4,975**	4,975	**4,975**	4,975
Share premium account		**71,978**	71,978	**71,978**	71,978
Warrant reserve	22	**—**	—	**—**	—
Share-based payments reserve	22	**2,007**	2,106	**2,007**	2,106
Fair Value reserve	22	**—**	—	**—**	—
Foreign currency translation reserve	22	**(431)**	220	**—**	—
Accumulated losses		**(60,156)**	(59,393)	**(70,689)**	(69,821)
Equity attributable to equity holders of the parent		**18,373**	19,886	**8,271**	9,238
Total equity		**18,373**	19,886	**8,271**	9,238

The financial statements of Xtract Resources Plc, registered number 5267047, were approved by the Board of Directors and authorised for issue. As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year is disclosed in Note 3. It was signed on behalf of the Company by:

Joel Silberstein
Director

27 June 2025

The notes on pages 55-96 form an integral part of these financial statements

Consolidated Statement of Changes in Equity

Group

	Note	Share Capital £'000	Share premium account £'000	Warrant reserve £'000	Share based payments reserve £'000	Fair value reserve £'000	Foreign currency translation reserve £'000	Accumulated losses £'000	Total Equity £'000
As at 1 January 2023		**4,975**	**71,978**	**304**	**2,121**	**—**	**651**	**(60,347)**	**19,682**
Comprehensive income									
Profit for the year		—	—	—	—	—	—	635	635
Forex currency translation differences		—	—	—	—	—	(431)	—	(431)
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**(431)**	**635**	**204**
Transactions with owners									
Issue of shares	21	—	—	—	—	—	—	—	—
Share issue costs		—	—	—	—	—	—	—	—
Expiry of share options	22	—	—	—	(15)	—	—	15	—
Expiry of warrants	22	—	—	(304)	—	—	—	304	—
Exercise of warrants	22	—	—	—	—	—	—	—	—
As at 31 December 2023		**4,975**	**71,978**	**—**	**2,106**	**—**	**220**	**(59,393)**	**19,886**
Comprehensive income									
Loss for the year		—	—	—	—	—	—	(862)	(862)
Forex currency translation difference		—	—	—	—	—	(651)	—	(651)
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**(651)**	**(862)**	**(1,513)**
Transactions with owners									
Issue of shares	21	—	—	—	—	—	—	—	—
Share issue costs		—	—	—	—	—	—	—	—
Expiry of share options	22	—	—	—	(99)	—	—	99	—
Expiry of warrants	22	—	—	—	—	—	—	—	—
Exercise of warrants		—	—	—	—	—	—	—	—
As at 31 December 2024		**4,975**	**71,978**	**—**	**2,007**	**—**	**(431)**	**(60,156)**	**18,373**

The notes on pages 55-96 form an integral part of these financial statements

Statement of Changes in Equity

Company

	Note	Share Capital £'000	Share premium account £'000	Warrant reserve £'000	Share based payments reserve £'000	Fair value reserve £'000	Foreign currency translation reserve £'000	Accumulated losses £'000	Total Equity £'000
As at 1 January 2023		**4,975**	**71,978**	**304**	**2,121**	**—**	**—**	**(70,130)**	**9,248**
Other Comprehensive income									
Loss for the period		—	—	—	—	—	—	(10)	(10)
Other comprehensive income		—	—	—	—	—	—	—	—
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**—**	**(10)**	**(10)**
Issue of shares	21	—	—	—	—	—	—	—	—
Share issue costs		—	—	—	—	—	—	—	—
Expiry of share options	22	—	—	—	(15)	—	—	15	—
Expiry of warrants	22	—	—	(304)	—	—	—	304	—
Exercise of warrants	22	—	—	—	—	—	—	—	—
As at 31 December 2023		**4,975**	**71,978**	**—**	**2,106**	**—**	**—**	**(69,821)**	**9,238**
Other Comprehensive income									
Loss for the period		—	—	—	—	—	—	(967)	(967)
Other comprehensive income		—	—	—	—	—	—	—	—
Total comprehensive income for the year		**—**	**—**	**—**	**—**	**—**	**—**	**(967)**	**(967)**
Issue of shares	21	—	—	—	—	—	—	—	—
Share issue costs		—	—	—	—	—	—	—	—
Expiry of share options	22	—	—	—	(99)	—	—	99	—
Expiry of warrants	22	—	—	—	—	—	—	—	—
Exercise of warrants		—	—	—	—	—	—	—	—
As at 31 December 2024		**4,975**	**71,978**	**—**	**2,007**	**—**	**—**	**(70,689)**	**8,271**

The notes on pages 55-96 form an integral part of these financial statements

xtract RESOURCES PLC

Consolidated and Company Cash Flow Statements

	Note	Group		Company	
		Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000	**Year ended 31 December 2024 £'000**	Year ended 31 December 2023 £'000
Net cash generated from/(used in) operating activities	24	**(413)**	1,209	**(737)**	255
Investing activities					
Receipts from Manica sale		**2,344**	—	**2,344**	—
Purchase of financial assets		**(411)**	—	**(411)**	—
Acquisition of intangible fixed assets	13	**—**	(57)	**—**	—
Acquisition of tangible fixed assets	14	**—**	(44)	**—**	—
Loans advanced to group companies		**—**	—	**363**	244
Net cash used in investing activities		**1,933**	(101)	**2,296**	244
Financing activities					
Proceeds on issue of shares		**—**	—	**—**	—
Repayment of loans from group companies		**—**	—	**40**	58
Proceeds from borrowings		**(50)**	—	**(50)**	—
Net cash from financing activities		**(50)**	—	**(10)**	58
Net Increase/(decrease) in cash and cash equivalents		**1,470**	1,108	**1,549**	557
Cash and cash equivalents at beginning of year		**630**	192	**608**	51
Cash disclosed as part of disposal group		**70**	(770)	**—**	—
Effect of foreign exchange rate changes		**—**	100	**—**	—
Cash and cash equivalents at end of year		**2,170**	630	**2,157**	608

The notes on pages 55-96 form an integral part of these financial statements

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

1. General information

Xtract Resources Plc is a Public Company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office is 7/8 Kendrick Mews, South Kensington, London, SW7 3HG. The nature of the Group's operations and its principal activities are set out in the Strategic Report on pages 7 to 25.

The financial statements are presented in pounds sterling (£) which is the functional currency of the Company Foreign operations are included in accordance with the policies set out in note 3. These annual financial statements were approved by the board of directors on 27 June 2025

2. Adoption of new and revised Standards

Basis of accounting

The consolidated annual financial statements have been prepared in accordance with UK-adopted international accounting standards and in conformity with the Companies Act 2006. The consolidated annual financial statements have been prepared on the historical cost basis, as modified by financial assets measured at fair value through other comprehensive income. The principal accounting policies are set out below.

On 31 December 2020 IFRS as adopted by the European Union were brought into UK law and became UK-adopted international accounting standards with future changes being subject to endorsement by the UK Endorsement Board.

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" ('FRS 101') and the requirements of the Companies Act 2006. The Company will continue to prepare its financial statements in accordance with FRS 101 on an ongoing basis until such time as it notifies shareholders of any change to its chosen accounting framework.

In accordance with FRS 101, the Company has taken advantage of the following exemptions:

- Requirements of IAS 24, 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Notes to the Financial Statements

CONTINUED

2. Adoption of new and revised Standards (continued)

New and amended standards adopted by the Group

The most significant new standards and interpretations adopted, none of which are considered material to the Group, are as follows:

Amended standards applicable for annual periods beginning in 2024

	Title	Key effects	Mandatory application date
1.	Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current*(1)	Clarifies that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period.	Annual periods beginning on or after 1 January 2024.
2.	Amendments to IAS 1 – *Non-current Liabilities with Covenants*	Clarifies that only those covenants with which an entity must comply on or before the end of the reporting period affect the classification of a liability as current or non-current.	Annual periods beginning on or after 1 January 2024.
3.	Amendments to IFRS 16 – *Lease Liability in a Sale and Leaseback*	Specifies requirements relating to accounting for the lease liability in a sale and leaseback transaction.	Annual periods beginning on or after 1 January 2024.
4.	Amendments to IAS 7 and IFRS 7 – *Supplier Finance Arrangements*	Requires an entity to provide additional disclosures about its supplier finance arrangements.	Annual periods beginning on or after 1 January 2024.

(1) This amendment was originally issued with an effective date of 1 January 2022. This was subsequently amended to 1 January 2023. The original amendment was then updated and its mandatory date deferred until 1 January 2024 by the Amendments to IAS 1 – *Non-current Liabilities with Covenants*.

Notes to the Financial Statements

CONTINUED

2. Adoption of new and revised Standards (continued)

New standards and interpretations not yet adopted

Unless material the Group does not adopt new accounting, standards and interpretations which have been published and that are not mandatory for 31 December 2024 reporting periods.

No new standards or interpretations issued by the International Accounting Standards Board ('IASB') or the IFRS Interpretations Committee ('IFRIC') have led to any material changes in the Company's accounting policies or disclosures during each reporting period.

The most significant new standards and interpretations to be adopted in the future are as follows:

New and amended standards applicable for annual periods beginning on 1 January 2025 and beyond

	Title	Key effects	Mandatory application date
5.	Amendments to IAS 21 – *Lack of Exchangeability*	Requires a consistent approach to assessing whether a currency is exchangeable and, when it is not, to determining the exchange rate to use and the disclosures to provide.	Annual periods beginning on or after 1 January 2025.
6.	Amendments to IFRS 9 and IFRS 7 – *Amendments to the Classification and Measurement of Financial Instruments*	Clarifies how contractual cash flows on financial assets with environmental, social and governance (ESG) and similar features should be assessed when determining if they are consistent with a basic lending arrangement and, hence, whether they are measured at amortised cost or fair value. Clarifies the date on which a financial asset or financial liability can be derecognised when settlement is via an electronic cash transfer. Requires additional disclosures for certain equity investments and financial investments with contingent features.	Annual periods beginning on or after 1 January 2026.
7.	Annual Improvements to IFRS Accounting Standards – *Volume 114*	Minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 7 Financial Instruments: Disclosures, IFRS 9 Financial Instruments, IFRS 10 Consolidated Financial Statements and IAS 7 Statement of Cash Flows.	Annual periods beginning on or after 1 January 2026.
8.	IFRS 18 *Presentation and Disclosure in Financial Statements*[4]	Introduces new requirements for classification of income and expenses in specified categories and presentation of defined subtotals in the statement of profit or loss, enhanced guidance and requirements for more useful aggregation and disaggregation of information in the primary financial statements and in the notes; and additional disclosures about management-defined performance measures related to the statement of profit or loss. Supersedes IAS 1 Presentation of Financial Statements.	Annual periods beginning on or after 1 January 2027.
9.	IFRS 19 *Subsidiaries without Public Accountability: Disclosures*[4]	Permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosure requirements in their consolidated, separate or individual financial statements.	Effective date (use of standard is optional): annual periods beginning on or after 1 January 2027.

2. Adoption of new and revised Standards (continued)

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

The directors are evaluating the impact that these standards will have on the financial statements of the Group.

3. Significant accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and entities controlled by the Company (its subsidiaries). These consolidated financial statements are made up for the year ended 31 December 2024.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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 over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Business combinations

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquire and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquire on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are re-measured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 as amended, are recognised at their fair value at the acquisition date.

Notes to the Financial Statements

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3. Significant accounting policies (continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Going concern

The operations of the Group have been financed through operating cash flows as well as through funds which have previously been raised from shareholders. As at 31 December 2024, the Group held cash balances of £2.17 million, and an operating profit has been reported.

On 24 January 2024, the Company announced that it had agreed terms for the disposal of the Manica Gold Project with its Mozambique partner, MMP. The Share Purchase Agreement in relation to the sale by the Company of its entire interests in the project for a consideration of up to US$15 million in cash in regular staged payments by the Buyers over the period to 1 March 2027. On 24 February 2025, the Company announced that they had agreed with MMP, and parties related to MMP, to reschedule the US$3m balloon payment due on or before 1 March 2027 as well as the additional deferred payments connected with the decision to build a sulphide orebody plant both as set out in the share purchase agreement. The rescheduling of the balloon and deferred payments does not affect the total amount due to be paid by the Buyers, which remains unchanged. To date, the Company has received all of the consideration due to be paid by the Buyers amounting to US$4.50m in aggregate.

The Directors anticipate net operating cash inflows for the Group for the next twelve months from the date of signing these financial statements.

The Directors have assessed the working capital requirements for the forthcoming twelve months and have undertaken assessments which have considered different scenarios based on exploration spend on its exploration projects in Zambia, Australia and Morocco until June 2026.

Upon reviewing those cash flow projections for the forthcoming twelve months, the directors consider that the Company is not likely to require additional financial resources in the twelve-month period from the date of approval of these financial statements to enable the Company to fund its current operations and to meet its commitments. The Group will continue to monitor corporate overhead costs on an ongoing basis.

The Directors therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Parent-only income statement

Xtract Resources Plc has not presented its own income statement as permitted by section 408 of the Companies Act 2006. The loss for the year ended 31 December 2024 was £967k (2023: loss £11k).

Foreign currencies

The individual financial statements of each Group Company are maintained in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group Company are expressed in Pound Sterling, which is the functional currency of the Company, and the presentational currency for the consolidated financial statements.

Notes to the Financial Statements

CONTINUED

3. Significant accounting policies (continued)

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign currency differences arising on retranslation into an entity's functional currency are recognised in profit and loss.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a jointly controlled entity that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. The Group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRSs as Sterling denominated assets and liabilities.

Taxation

The tax expense comprises current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the Financial Statements

CONTINUED

3. Significant accounting policies (continued)

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Intangible assets

Land acquisition rights and mine development costs

The costs of land acquisition rights in respect of mining projects and mine development are capitalised as intangible assets. These costs are amortised over the expected life of mine to their residual values using the units-of-production method using estimated proven and probable mineral reserves.

Intangible exploration and evaluation expenditure assets

The costs of exploration properties and leases, which include the cost of acquiring prospective properties and exploration rights, are capitalised as intangible assets. Exploration and evaluation expenditure is capitalised within exploration and evaluation properties until such time that the activities have reached a stage which permits a reasonable assessment of the existence of commercially exploitable reserves. Once the Company has determined the existence of commercially exploitable reserves and the Company decides to proceed with the project, the full carrying value is transferred from exploration and development costs to mining development. Capitalised exploration and evaluation expenditure is assessed for impairment in accordance with the indicators of impairment as set out in IFRS 6 Exploration for and Evaluation of Mineral Reserves. In circumstances where a property is abandoned, the cumulative capitalised costs relating to the property are written off in the year. Capitalised exploration costs are not amortised.

Property, plant and equipment

Tangible fixed assets represent mining plant and equipment, office and computer equipment and are recorded at cost, net of accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life, which is calculated on either a fixed period or the expected life of mine using the unit of production method, as appropriate.

The average life in years is estimated as follows:

Office and computer equipment	3-10
Plant and machinery	7-15

Until they are brought into use, fixed assets and equipment to be installed are included within assets under construction and are not depreciated.

The cost of maintenance, repairs and replacement of minor items of tangible fixed assets are charged to the income statement as incurred. Renewals and asset improvements are capitalised. Upon sale or retirement of tangible fixed assets, the cost and related accumulated depreciation are eliminated from the financial statements. Any resulting gains or losses are included in the income statement.

Notes to the Financial Statements

CONTINUED

3. Significant accounting policies (continued)

Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalue amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Classification

The Group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets at amortised cost, at fair value through other comprehensive income. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Notes to the Financial Statements

CONTINUED

3. Significant accounting policies (continued)

Other financial assets at amortised cost

Classification of financial assets at amortised cost

The group and parent company classify its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principle and interest.

Other receivables

These amounts generally arise from transactions outside the usual operating activities of the group. Interest could be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and repayable within three years from the end of the reporting period.

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

Financial assets at fair value through other comprehensive income

Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise an investment held. These are carried in the statement of financial position at fair value. Subsequent to initial recognition, changes in fair value are recognised in the statement of other comprehensive income.

Financial liabilities

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Loans to/(from) Group companies

These include loans to and from subsidiaries are recognised initially at fair value plus direct transaction costs.

Loans to Group companies are classified as financial assets at amortised cost. Loans from Group companies are classified as financial liabilities measured at amortised cost.

Inter-company loans are interest bearing.

Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Notes to the Financial Statements

CONTINUED

3. Significant accounting policies (continued)

Inventory

All inventories are valued at the lower cost of operations and net realisable value. Net Realisable value is the estimated future sales price of the product the Company is expected to realise after the product is processed and sold less costs to bring the product to sale. Where inventories have been written down to net realisable value, a new assessment is made in the following period. In instances where there has been change in circumstances which demonstrates an increase in the net realisable value, the amount written down will be reversed.

Share-based payments

Goods or services received or acquired in a share-based payment transaction are recognised when the goods or as the services are received. A corresponding increase in equity is recognised if the goods or services were received in an equity- settled share-based payment transaction or a liability if the goods or services were acquired in a cash-settled share- based payment transaction.

When the goods or services received or acquired in a share-based payment transaction do not qualify for recognition as assets, they are recognised as expenses.

For equity-settled share-based payment transactions the goods or services received and the corresponding increase in equity are measured, directly, at the fair value of the goods or services received provided that the fair value can be estimated reliably.

If the fair value of the goods or services received cannot be estimated reliably, or if the services received are employee services, their value and the corresponding increase in equity, are measured, indirectly, by reference to the fair value of the equity instruments granted.

Vesting conditions, which are not market, related (i.e. service conditions and non-market related performance conditions) are not taken into consideration when determining the fair value of the equity instruments granted. Instead, vesting conditions which are not market related shall be taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately, the amount recognised for goods or services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Market conditions, such as a target share price, are taken into account when estimating the fair value of the equity instruments granted. The number of equity instruments are not adjusted to reflect equity instruments which are not expected to vest or do not vest because the market condition is not achieved.

If the share-based payments granted do not vest until the counterparty completes a specified period of service, Group accounts for those services as they are rendered by the counterparty during the vesting period, (or on a straight-line basis over the vesting period).

If the share-based payments vest immediately the services received are recognised in full.

Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

3. Significant accounting policies (continued)

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non- accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Share-capital and equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. 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.

Share Capital

Share capital represents the amount subscribed for shares at nominal value.

Share Premium

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Share-Based Payment Reserve

The share-based payment reserve represents the cumulative amount which has been expensed in the statement of comprehensive income in connection with share-based payments, less any amounts transferred to retained earnings on the exercise of share options.

Warrant Reserve

The warrant reserve presents the proceeds from the issuance of warrants, net of issue costs. The warrant reserve is non-distributable and will be transferred to the share premium account upon exercise of the warrants.

Finance Income

Finance income comprises interest income. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates and sales tax or duty. A receivable is recognised when the goods are delivered, since this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Chairman who is responsible for allocating resources and assessing performance of the operating segments

3. Significant accounting policies (continued)

Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is represented as if the operation had been discontinued from the start of the comparative year.

4. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements

Financial Assets Fair Value through Comprehensive Income

The Group reviews the fair value of its unquoted equity instruments at each statement of financial position date. This requires management to make an estimate of the fair value of the unquoted securities in the absence of an active market, which has mainly been established by use of recent arm's length transactions, as adjusted by a discount, where required. Uncertainty also exists due to the early stage of development of corporate level investments in subsidiaries.

Impairment of intangible assets

The assessment of intangible assets for any indications involves judgement. Such assets have an indefinite useful life as the Company has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 13. Each exploration project is subject to an annual review by either a consultant or a geologist to determine if the exploration results returned during the period warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long term metal prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside a decision will be made to discontinue exploration; an impairment charge will then be recognised in the Income Statement.

Notes to the Financial Statements

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4. Critical accounting judgements and key sources of estimation uncertainty (continued)

Share-based payments

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Group has made estimates as to the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model used by the Group is the Black-Scholes model.

5. Segmental Analysis

The divisions on which the Group reports its primary segment information are reported to its Executive Chairman, who is the Chief Operating Decision maker of the Group. The Executive Chairman and the Chief Operating Officer are responsible for allocating resources to the segments and assessing their performance.

Principal activities are as follows:

- Investment and other
- Exploration

Segment results

Year ended 31 December 2024

	Exploration (Continuing) £'000	Investment and Other (Continuing) £'000	Total £'000
Other operating income	—	4	4
Operating and administrative expenses	—	(1,380)	(1,380)
Project costs	—	(30)	(30)
Segment results	**—**	**(1,406)**	**(1,406)**
Other gains and losses	—	620	620
Finance income/(costs)	—	367	367
(Loss)/profit before tax	**—**	**(419)**	**(419)**
Taxation	—	(395)	(395)
(Loss)/profit for the year	**—**	**(814)**	**(814)**

Notes to the Financial Statements
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5. Segmental Analysis (continued)

Year ended 31 December 2023

	Exploration (Continuing) £'000	Investment and Other (Continuing) £'000	Total £'000
Other operating income	—	1,173	1,173
Operating and administrative expenses	—	(1,048)	(1,048)
Project costs	—	(322)	(322)
Segment results	**—**	**(197)**	**(197)**
Other gains and losses	—	—	—
Finance (costs)	—	25	25
(Loss)/profit before tax	**—**	**(172)**	**(172)**
Taxation	—	(1)	(1)
(Loss)/profit for the year	**—**	**(173)**	**(173)**

	2024 £'000	2023 £'000
Balance sheet		
Total assets		
Investment & other	**7,685**	1,683
Exploration	**11,520**	8,347
Total segment assets	**19**	10,030
Assets relating to discontinued operations (Note 12)	**—**	11,898
Consolidated total assets	**19,205**	21,928
Liabilities		
Investment & other	**(637)**	(342)
Exploration	**(195)**	(192)
Total segment liabilities	**(832)**	(534)
Liabilities relating to discontinued operations (Note 12)	**—**	(1,506)
Consolidated total liabilities	**(832)**	(2,040)

Notes to the Financial Statements

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5. Segmental Analysis (continued)

Geographical information

The following table provides information about the Group's segment assets by geographical location:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Australia	**7,656**	8,270
United Kingdom	**11,479**	1,683
Zambia	**70**	77
Total segment assets by geographical location	**19,205**	10,030
Discontinued operations by geographical location	**—**	11,898
	19,205	21,928

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment results represent the profit earned by each segment without allocation of central administration costs including directors' salaries, investment revenue and finance costs, and income tax expense. This is the measure reported to the Group's Board for the purposes of resource allocation and assessment of segment performance.

6. Expenses by nature

Profit/(loss) from continuing operations and discontinued operations for the year has been arrived at after charging the following under operating and administrative expenses:

	Note	**Year ended 31 December 2024 £'000**	Year ended 31 December 2023 £'000
Depreciation of property, plant and equipment	14	**—**	11
Amortisation of intangible fixed assets	13	**—**	—
Inventory		**—**	19
Auditors remuneration	7	**25**	25
Directors remuneration	8	**276**	251
Share-based payments expense (non-directors)		**—**	—

Notes to the Financial Statements

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7. Auditors' remuneration

The analysis of auditors' remuneration is as follows:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Fees payable to the Company's auditors and their associates for the audit the Group's annual accounts	**25**	25
Under/(overprovision) of prior year fees	**—**	—
Fees payable to the Company's auditors and their associates for the audit		
Total audit fees	**25**	25
Fees payable to the Group's auditors and its associates for other services:		
– other assurance services relating to interim reporting	**—**	—
Total non-audit fees	**—**	—
Total auditors' remuneration	**25**	25

8. Staff costs

	Year ended 31 December 2024 No.	Year ended 31 December 2023 No.
The average monthly number of employees (including directors) was:		
Directors	**3**	4
Employees	**4**	23
	7	27
	£'000	**£'000**
The aggregate employee (including directors) remuneration comprised:		
Salaries and fees	**508**	634
Social security cost	**3**	8
Total salaries and fees	**511**	642
Share based payments	**—**	—
	511	642

Notes to the Financial Statements

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8. Staff costs (continued)

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
The aggregate directors' remuneration comprised:		
Salaries and fees	**276**	**251**
Share based payments	**—**	—
	276	251

Total remuneration for the highest paid Director in the year was £148k (2023: £140k).

Year ended 31 December 2024

	Salary £'000	Bonus £'000	Share Options £'000	Total £'000
Colin Bird	125	23	—	148
Alastair Ford	36	4	—	40
Joel Silberstein	45	21	—	66
Kjeld Thygesen	18	4	—	22
	224	**52**	**—**	**276**

Year ended 31 December 2023

	Salary £'000	Bonus £'000	Share Options £'000	Total £'000
Colin Bird	125	15	—	140
Alastair Ford	36	2	—	38
Joel Silberstein	45	8	—	53
Kjeld Thygesen	18	2	—	20
	224	**27**	**—**	**251**

As at 31 December 2024 directors' remuneration included a share-based payment charges of which £Nil (2023: £Nil) relates to Colin Bird, £Nil (2023: £Nil) which relates to Joel Silberstein, £Nil (2023: £Nil) which relates to Alastair Ford and £Nil (2023: £Nil) which relates to Kjeld Thygesen. The above share-based payment charge included in total remuneration relates to grant of options during the year to the directors based on the Black-Scholes Model.

As at 31 December 2024 directors' fees of £23k (2023: £85k) relating to current and prior year fees remain outstanding, of which £11k (2023: £38k) relates to Colin Bird, £7k (2023: £8k) relates to Joel Silberstein, £3k (2023: £20k) relates to Alastair Ford and £2k (2023: £19k) relates to Kjeld Thygesen.

Notes to the Financial Statements

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9. Finance cost/(income)

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Foreign exchange (gains)/losses	**(137)**	54
Bank Charges	**8**	9
Investment income	**(238)**	(88)
Finance charges	**—**	—
	(367)	(25)

10. Tax

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Corporation tax:		
Current year	**—**	1
Capital gains tax – Mozambique	**395**	—
Adjustments in respect of prior years	**—**	—
Total current tax	**395**	1
Deferred tax	**—**	—
Of which relating to:		
Continuing operations	**395**	—
Discontinued operations	**—**	—

UK corporation tax is calculated at 25.00% (2023:19.00%) of the estimated assessable loss for the year. The UK corporation tax rate was 19.00% until April 2024 when it increased to 25% for groups with taxable profits of over £250,000. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The Group tax credit for the year can be reconciled to the loss per the income statement as follows:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Loss before tax from continuing operations	**(419)**	(172)
Loss before tax	**(419)**	(172)
Tax at the UK corporation tax rate of 25.00% (2023: 19.00%)	**(105)**	(33)
Tax effect of expenses that are not deductible in determining taxable profit	**—**	—
Impairment loss	**—**	—
Tax effect of unrecognised tax losses carried forward	**105**	32
Difference in overseas tax rates & taxes	**395**	—
Tax loss utilised	**—**	—
Tax charge/(credit) for the year	**395**	1

Notes to the Financial Statements

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11. (Loss) per share

The calculation of the basic and diluted earnings per share is based on the following data:

	Year ended 31 December 2024 Pence	Year ended 31 December 2023 Pence
Earning/(Loss) per share	**(0.10)**	0.07
– From continuing operations	**(0.09)**	(0.02)
– From discontinued operations	**(0.01)**	0.09
Total	**(0.10)**	0.07

Profit/(Loss) for the purposes of basic and diluted earnings per share (EPS) being:

	£'000	£'000
Net Profit/(loss) for the year attributable to equity holders of the parent		
– From continuing operations	**(814)**	(173)
– From discontinued operations	**(48)**	808
Total	**(862)**	635

	2024 Number of shares	2023 Number of shares
Weighted average number of ordinary shares for purposes of basic EPS	**856,375,115**	856,375,115
Effect of dilutive potential ordinary shares-options and warrants	**—**	—
Weighted average number of ordinary shares for purposes of diluted EPS	**856,375,115**	856,375,115

In accordance with IAS 33, the share options and warrants do not have a dilutive impact on earnings per share, which are set out in the consolidated income statement.

Notes to the Financial Statements

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12. Discontinued operations

Through a 100% owned subsidiary, incorporated in Mozambique, Xtract held a 100% interest in Mistral (BVI). Mistral (BVI) held a 98% interest in Explorata Limitada, with the remaining 2% held directly by Xtract. Explorata Limitada, in turn, held a 98% interest in Chinhamapere Mining Services Limited, with the remaining 2% also held directly by Xtract. Finally, Chinhamapere Mining Services Limited held a 98% interest in Mistral (BVI), with the remaining 2% held directly by Xtract.

In 2023, the Group decided to discontinue its operations in Mozambique. The Mozambique operations were disclosed as discontinued operations in the prior year financial statements.

Subsequently, on 29 Feb 2024, Xtract disposed of a 23% net profit share interest in the Manica Gold Project through the sale of the entire issued share capital of Mistral (BVI) to the Buyers. The consideration for the sale is up to US $15 million, payable in scheduled installments in cash by the Buyers over the period ending 1 March 2027 (which has now been extended to 2028). The total consideration amounts to US $15 million, resulting in a profit on disposal as detailed below:

Group: (Profit share Manica)

	2024 **£'000**
Proceeds ($15 m)	11,050
Less: Carrying value of assets held for sale	(9,974)
Less: asset held for sale on group level to the profit and loss	(297)
	779
Fair value loss in deferred consideration	(159)
Net profit	620

As at 31 December 2024, $3 million has been received from the Buyer. See Note 16 for the classification and treatment of the receivable arising from the disposal.

Notes to the Financial Statements

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12. Discontinued operations (continued)

The assets and liabilities of the disposal group as at the date of disposal are summarised below:

	Group		Company	
	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000	**Year ended 31 December 2024 £'000**	Year ended 31 December 2023 £'000
Profit & loss				
Revenue	**441**	2,650	**—**	—
Other income	**—**	413	**—**	—
Expenses	**(489)**	(1,575)	**—**	—
Net Profit/(loss) before tax	**(48)**	1,488	**—**	—
Tax	**—**	(680)	**—**	—
	(48)	808	**—**	—
Assets and liabilities				
Non-current assets held for				
Other assets	**—**	—	**—**	9,962
Assets of disposal groups				
Property, plant and equipment	**—**	26	**—**	—
Intangible assets	**—**	10,552	**—**	—
Trade and other receivables	**—**	345	**—**	—
Cash and cash equivalents	**—**	770	**—**	—
Inventories	**—**	205	**—**	—
	—	11,898	**—**	9,962
Liabilities of disposal groups				
Trade payables	**—**	443	**—**	—
Tax payable and provisions	**—**	1,064	**—**	—
Trade and other Payables	**—**	1,507	**—**	—

Notes to the Financial Statements

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13. Intangible assets

Group

	Mineral exploration assets £'000	Total £'000
At 1 January 2023	20,718	20,718
Transfer to held for sale asset – (Manica)	(10,755)	(10,755)
Foreign Exchange (Manica)	(70)	(70)
Additions – at fair value (Bushranger)	—	—
Additions – at cost (Bushranger)	58	58
Foreign exchange (Bushranger)	(460)	(460)
As at 31 December 2023	**9,491**	**9,491**
Additions – at fair value (Bushranger)	—	—
Additions – at cost (Bushranger)	—	—
Foreign exchange (Bushranger)	(595)	(595)
As at 31 December 2024	**8,896**	**8,896**
Impairment		
At 1 January 2023	(362)	(362)
Charge for the year	(938)	(938)
As at 31 December 2023	(1,300)	(1,300)
Charge for the year	—	—
As at 31 December 2024	**(1,300)**	**(1,300)**
Amortisation		
At 1 January 2023	—	—
Charge for the year	(201)	(201)
Transfer to held for sale asset	201	201
As at 31 December 2023	—	—
Charge for the year	—	—
As at 31 December 2024	—	—
Net Book value at 31 December 2023	**8,191**	**8,191**
Net book value at 31 December 2024	**7,596**	**7,596**

Notes to the Financial Statements

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13. Intangible assets (continued)

Company

	Mineral exploration assets £'000	Total £'000
At 1 January 2023	1,380	1,380
Transfer to held for sale asset – Manica	(68)	(68)
As at 31 December 2023	**1,312**	**1,312**
As at 31 December 2024	**1,312**	**1,312**
Impairment		
At 1 January 2023	(362)	(362)
Charge for the year	(938)	(938)
As at 31 December 2023	(1,300)	(1,300)
Charge for the year	—	—
As at 31 December 2024	**(1,300)**	**(1,300)**
Amortisation		
At 1 January 2023	—	—
Charge for the year	—	—
As at 31 December 2023	—	—
Charge for the year	—	—
As at 31 December 2024	—	—
Net Book value at 31 December 2023	**12**	**12**
Net book value at 31 December 2024	**12**	**12**

Mozambique

In March 2016, The Company acquired the Manica licence 3990C ("Manica Project") from Auroch Minerals NL. The Manica Project is situated in central Mozambique in the Beira Corridor. At the time of acquisition, the project had a JORC compliant resource of 900koz (9.5Mt @ 3.01g/t) in situ, which increased to 1.257moz (17.3Mt @ 2.2g/t) following an independent technical report completed by Minxcon (Pty) Ltd in May 2016.

On 24 January 2024, the Company announced that it had agreed with its Mozambique partner, MMP, and parties related to MMP terms for the disposal of the Manica Gold Project.

The Company agreed to sell its 23% net profit share interest in the Manica Gold Project (by way of a sale of the entire issued share capital of Mistral) to the Buyers for a consideration of up to US$15 million in cash in regular staged payments by the Buyers over the period to 1 December 2028.

As at 31 December 2023, the carrying amount relating to the Mozambican asset had been transferred to the assets of a disposal group.

Australia

In November 2020, the Company acquired the Bushranger copper-gold project ("Bushranger Project") which comprises of four exploration licences totalling 501km^2, located in eastern central New South Wales, Australia. The Bushranger Project hosts the Racecourse deposit, a JORC (2012) compliant inferred resource estimated at 71Mt @ 0.44% Cu and 0.064g/t Au using a 0.3% Cu cut-off.

Notes to the Financial Statements

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13. Intangible assets (continued)

Zambia

The Eureka copper-gold property with the small-scale mining licence number 22134-HQ-SML comprising approximately 345 hectares is accessed by a 100km dirt road from Kabwe, west of the Zambian Copperbelt district.

The Kalengwa copper property is located in the North-western province of Zambia 800km north-west of Lusaka and 400km south-west of Kitwe.

In 2022, the Directors along with a consultant undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal
- No further exploration or evaluation is planned or budgeted for
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

The Company considered the above assessment of impairment. As the 31 December 2023, the Company had impaired £938K of costs incurred on the Eureka property to date and £363K of cost incurred on the Kalengwa property to date.

14. Property, plant and equipment

Cost or fair value on acquisition of subsidiary

	Motor Vehicles & equipment £'000	Land & Buildings £'000	Furniture & Fittings £'000	Total £'000
At 1 January 2023	65	—	—	65
Additions – at cost	44	—	—	44
Transfers	(26)	—	—	(26)
Foreign Exchange	(1)	—	—	(1)
As at 31 December 2023	**82**	**—**	**—**	**82**
Additions – at cost	—	—	—	—
Transfers	—	—	—	—
Foreign Exchange	(6)	—	—	(6)
At 31 December 2024	**76**	**—**	**—**	**76**
Depreciation				
At 1 January 2023	25	—	—	25
Charge for period	11	—	—	11
At 31 December 2023	**36**	**—**	**—**	**36**
Charge for period	—	—	—	—
At 31 December 2024	**36**	**—**	**—**	**36**
Net Book Value				
At 31 December 2023	46	—	—	46
At 31 December 2024	**40**	**—**	**—**	**40**

Notes to the Financial Statements

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15. Subsidiaries

Investments in subsidiaries

	2024 £'000	2023 £'000
At 1 January – Cost	**29,509**	29,509
Transfer to held for sale asset	**(8,532)**	(8,532)
	20,977	20,977
At 1 January – Impairment	**19,686**	19,686
Impairment during the year	**—**	—
At 31 December – Impairment	**19,686**	19,686
At 31 December – Net Book Value	**1,291**	1,291

Details of the Company's subsidiaries at 31 December 2024 are as follows:

Name	**Place of Incorporation and Operation**	**Date controlling interest acquired**	**Proportion of ownership & voting power held**		**Principal Activity**
			Group %	**Parent %**	
Xtract International Limited	England and Wales	15/11/2006	100	100	Dormant
Xtract Energy Spain SL	Spain	10/09/2009	100	100	Process of deregistering
Xtract Energy Holdings Limited	England and Wales	03/12/2007	100	100	Dormant
Elko Energy Inc.	Canada	11/01/2010	100	—	Not Trading
Elko Energy A/S	Denmark	11/01/2010	100	—	Not Trading
RPK Finance & Holdings BV	The Netherlands	11/01/2010	100	100	Holding Company
Elko Energy BV	The Netherlands	11/01/2010	100	—	Not Trading
Elko Exploration BV	The Netherlands	11/01/2010	100	—	Not Trading
Polar Mining (Barbados) Limited	Barbados	03/03/2014	100	100	Holding Company
Minera Polar Limitada	Chile	03/03/2014	100	1	Not Trading
ProspectOre Ltd	Australia	10/11/2020	100	100	Operating Company
Ascott Mining Zambia Ltd	Zambia	15/03/2022	100	99	Operating Company
Sandown Holdings	Mauritius	31/10/2017	100	100	Trading

Notes to the Financial Statements

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16. Other Financial Assets

Fair value through other comprehensive income

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
Non-Current Assets				
Cemos	**—**	—	**—**	—
Silverking Project	**57**	—	**57**	—
Chilibwe	**138**	—	**138**	—
Western Foreland – Zambia	**215**	—	**215**	—
Manica disposal – receivable	**6,500**	—	**6,500**	—
	6,910	—	**6,910**	—
Current Assets				
Manica disposal – receivable	**2,341**	—	**2,341**	—
	2,341	—	**2,341**	—

Non-Current Assets

Group 31 December 2024	**Opening Amount £'000**	**Additions £'000**	**Transfers £'000**	**Closing Amount £'000**
Cemos	**—**	**—**	**—**	**—**
Silverking Project	**—**	**57**	**—**	**57**
Chilibwe	**—**	**138**	**—**	**138**
Western Foreland – Zambia	**—**	**215**	**—**	**215**
Manica disposal – receivable	**—**	**6,500**	**—**	**6,500**
Total	**—**	**6,910**	**—**	**6,910**

Company 31 December 2024	**Carrying amount £'000**	**Additions £'000**	**Transfers £'000**	**Closing Amount £'000**
Cemos	**—**	**—**	**—**	**—**
Silverking Project	**—**	**57**	**—**	**57**
Chilibwe	**—**	**138**	**—**	**138**
Western Foreland – Zambia	**—**	**215**	**—**	**215**
Manica disposal – receivable	**—**	**6,500**	**—**	**6,500**
Total	**—**	**6,910**	**—**	**6,910**

Group 31 December 2023	Carrying amount £'000	Additions £'000	Transfers £'000	Closing Amount £'000
Cemos	—	—	—	—
Total	—	—	—	—

Company 31 December 2023	Carrying amount £'000	Additions £'000	Transfers £'000	Closing Amount £'000
Cemos	—	—	—	—
Total	—	—	—	—

Notes to the Financial Statements
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16. Other Financial Assets (continued)

Current Assets

Group 31 December 2024	Carrying amount £'000	Additions £'000	Transfers £'000	Closing Amount £'000
Manica disposal – receivable	—	2,341	—	2,341
Total	**—**	**2,341**	**—**	**2,341**

Company 31 December 2024	Carrying amount £'000	Additions £'000	Transfers £'000	Closing Amount £'000
Manica disposal – receivable	—	2,341	—	2,341
Total	**—**	**2,341**	**—**	**2,341**

Group 31 December 2023	Carrying amount £'000	2 months or less £'000	2 to 12 months £'000	More than 12 months £'000
Manica disposal – receivable	—	—	—	—
Total	—	—	—	—

Company 31 December 2023	Carrying amount £'000	2 months or less £'000	2 to 12 months £'000	More than 12 months £'000
Manica disposal – receivable	—	—	—	—
Total	—	—	—	—

Cemos Group Plc

The Company holds 2,371,365 shares in the above non-listed entity which management have valued at £Nil (2023: £Nil). An additional 1.5 million shares would be issued to the Company if, the entity listed on any Stock Exchange or other market shares in a non-listed entity. Management assessed financial and other information available to them decided to impair their investment in December 2015. There is no active share market on which the shares can be traded management feel that it is unlikely that the entity will achieve a listing which would enable the Company to realise value from their investment.

Silverking Project

In April 2024, the Company entered into a joint venture agreement with Cooperlemon in relation to the Silverking Project and Licence. Under the joint venture agreement the Company agreed the following key terms:

The Company has an option period of 18 months to earn an initial 51% in the Licence provided it spends US$0.5 million in exploration over the period. The joint venture will then be formally established between the Company and Cooperlemon. The Company may withdraw at any time during the option period but will lose its right to earn 51% in the Licence. On completion of the earn in period, or as such other time as the Company has spent US$500,000, and the Company may then advise Cooperlemon of its intention to increase its interest in the Licence to 70% by agreeing to spend a further US$1,000,000 over two years on exploration and development of the Licence, subject to Cooperlemon's right to maintain its interest in the Licence through an option to earn back up to 70% by participating in such ongoing expenditure.

Chilibwe Project

In October 2024 the Company entered into an exclusive collaboration agreement with Chilibwe Mining Limited ("Chilibwe") in relation to large scale exploration licence 22118-HQ-LEL in Zambia (the" Licence"). The Company will earn a 25% shareholding in Chilibwe Mining and /or 25% interest in the Project by preparing a work programme and budget for the exploration and development of the Licence and assisting in obtaining funding for the Project.

Notes to the Financial Statements

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16. Other Financial Assets (continued)

Wester Forland – Zambia

In August 2023,the Company entered into a joint venture with Cooperlemon Consultancy to explore two large-scale exploration licences; 29123-HQ-LEL and 30459-HQ-LEL. In May 2024, three additional licences, 21850-HQ-LEL, 21851-HQ-LEL & 30458-HQ-LEL, were added to the agreement, bringing the total to five licences. As part of the agreement, the Company committed an initial investment of US$3.5 million to fund the first phase of exploration across all 5 licences. This investment aims to earn the Company a 65% interest in the project.

The project comprises five large scale exploration licences totalling 173,586 Ha across the prospective Western Foreland and Fold & Thrust Belt geological districts of Northwestern Zambia, collectively known as the Western Foreland. The Western Foreland region is an emerging copper district, underexplored to date and subject to fresh geological remodelling propelled by investment from leading global exploration companies.

Disposal of the Manica Gold Project

In January 2024, the Company announced that it had agreed with its Mozambique partner, MMP, and parties related to MMP terms for the disposal of the Manica Gold Project. The terms agreed were as follows:

The Share Purchase Agreement

The Company agreed to sell its 23% net profit share interest in the Manica Gold Project (by way of a sale of the entire issued share capital of Mistral) to the Buyers for a consideration of up to US$15 million in cash in regular staged payments by the Buyers over the period to 1 March 2027.

On 24 February 2024, the Company announced that it had completed the disposal of the Manica Gold Project.

In February 2025 the Company announced that they had agreed with MMP, and parties related to MMP, to reschedule the US$3m balloon payment due on or before 1 March 2027 as well as the additional deferred payments connected with the decision to build a sulphide orebody plant both as set out in the share purchase agreement. The rescheduling of the balloon and deferred payments to 2027 and 2028, does not affect the total amount due to be paid by the Buyers, which remains unchanged.

During the year, the Group recognised a total of £620K (2023: £nil) of fair value adjustments and profit/(loss) on disposal relating to the Manica Gold Project.

Fair value hierarchy of financial assets at fair value through other comprehensive income.

For financial assets recognised at fair value, disclosure is required of a fair value hierarchy, which reflects the significance of the inputs used to make the measurements.

Level 1 represents those assets, which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).

Level 3 applies inputs, which are not based on observable market data.

Notes to the Financial Statements

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17. Trade and other receivables

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
Other debtors	**109**	1,151	**26**	1,067
Trade debtors	**19**	—	**89**	135
Prepayments	**20**	12	**20**	11
Loan to group companies	**—**	—	**—**	—
	148	1,163	**135**	1,213

Company trade debtors comprise primarily of intercompany management charges, The amounts are due in accordance with group policy although collection is determined by group cash requirement.

Loan to group companies bear interest between 1.25% and 5% per annum, unsecured and repayable by mutual agreement.

18. Deferred tax

The Group currently has unused tax losses which could possibly be utilised for future tax relief and losses in excess of £10 million relates to the United Kingdom. No deferred tax asset is recognised on the above losses as there is insufficient evidence that taxable profits will arise in the foreseeable future.

19. Trade and other payables

Current

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
Trade creditors and accruals	**437**	486	**197**	219
Other loans	**—**	50	**—**	50
Current tax payable	**395**	—	**395**	—
	832	536	**592**	269

Non-Current

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
Loans from group companies	**—**	—	**11,630**	11,591
	—	—	**11,630**	11,591

Notes to the Financial Statements

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20. Environmental rehabilitation provision

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	**As at 31 December 2024 £'000**	As at 31 December 2023 £'000
As at 1 January	**—**	312	**—**	—
Additions	**—**	—	**—**	—
Unwinding of discount	**—**	—	**—**	—
Transfer to asset held for sale	**—**	(312)	**—**	—
	—	—	**—**	—

A provision had been recognised for site rehabilitation and decommissioning of current mining activities at the Manica gold project in Mozambique. The gross provision was based on an assessment carried out in 2016 and adapted to the current mine pit and plant currently in place. The provision has been discounted to a net present value using a discount rate of 17.30% and over the life of mine. The corresponding rehabilitation asset has been capitalised to the intangible asset and is depleted over the life of the mine. At 31 December 2023, the carrying amount has been transferred to the liabilities of a disposal group. On 24 January 2024, the Company announced that it had agreed with its Mozambique partner, MMP, and parties related to MMP terms for the disposal of the Manica Gold Project.

21. Share capital

	2024		2023	
	Number of shares	**£'000**	Number of Shares	£'000
Deferred shares of 0.09p each				
At 1 January	**5,338,221,169**	4,804	**5,338,221,169**	4,804
Subdivision				
Issued during the period	**—**	—	**—**	—
At 31 December	**5,338,221,169**	4,804	**5,338,221,169**	4,804
Ordinary shares of 0.02p each				
At 1 January	**856,375,115**	171	**856,375,115**	171
Share Consolidation	**—**	—	**—**	—
Issued during the period	**—**	—	**—**	—
Outstanding as at 31 December	**856,375,115**	171	**856,375,115**	171

No Ordinary Shares of 0.02p were issued during the year.

No Share Options were issued during the year.

The following Share Options expired during the year:

- Issued 19 February 2019 – 11,800,00 exercisable at 1.00p per share
- Issued 19 February 2019 – 7,190,000 exercisable at 1.25p per share
- Issued 19 February 2019 – 4,460,000 exercisable at 2.00p per share

All of the above share options and warrants entitle the holder to one fully paid share in the Company upon payment of the exercise price per share.

Notes to the Financial Statements

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22. Reserves

Share-based payments reserve

The share-based payments reserve is used to recognise the costs relating to share-based payments issued to employees and officers of the group.

Warrant reserve

The warrant reserve is used to represent the costs relating to share warrants issued to the Company's brokers and lenders.

Fair value reserve

A fair value reserve captures the cumulative net change in the fair value of an asset as long as it is still recognised on the financial statements of an entity.

Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

23. Notes to the cash flow statement

	Group		Company	
	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000	**Year ended 31 December 2024 £'000**	Year ended 31 December 2023 £'000
Loss for the year before tax	**(419)**	(173)	**(572)**	(11)
Profit/(loss) before tax -disposal group	**(48)**	1,488	**—**	—
Adjustments for:				
Finance income (costs)	**—**	63	**41**	512
Depreciation	**—**	212	**—**	—
Foreign exchange differences	**(56)**	—	**(105)**	—
Interest income	**(238)**	—	**(241)**	—
Profit on disposal group	**(779)**	—	**(1,076)**	—
Fair value losses	**160**	—	**160**	—
Share-based payments expenses	**—**	—	**—**	—
Operating cash flows before movements in working capital	**(1,380)**	1,590	**(1,793)**	501
(Increase)/decrease in inventories	**—**	(81)	**—**	—
(Increase)/decrease in receivables	**1,014**	(172)	**1,078**	229
Increase/(decrease) in payables	**(47)**	177	**(22)**	36
Cash generated from/(used in) operations	**(413)**	1,514	**(737)**	767
Tax paid	**—**	(263)	**—**	—
Net finance costs	**—**	(42)	**—**	(511)
Net cash generated from/(used in) operating activities	**(413)**	1,209	**(737)**	255

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits with a maturity of three months or less. The carrying amount of these assets approximates to their fair value.

Notes to the Financial Statements

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24. Share-based payments

Options/Warrants

The Company has issued share options to certain employees and officers of the Group, along with external third parties and warrants to the Company's brokers for costs directly associated with share issuance. All share options/warrants vest immediately or within three years of the issue date. If the share options/warrants remain unexercised after the relevant time period from the date of grant the share options/warrants expire.

Details of the Company's share options/warrants outstanding during the year are as follows:

	Year ended 31 December 2024		Year ended 31 December 2023	
	Number of share options/ warrants	**Weighted average exercise price p**	Number of share options/ warrants	Weighted average exercise price p
Outstanding at beginning of year	**84,376,189**	**4.76**	143,949,600	6.78
Granted during the year	**—**	**—**	—	—
Exercised during the year	**—**	**—**	—	—
Expired during the year	**(23,450,000)**	**1.50**	(59,573,411)	7.88
Outstanding at the end of the year	**60,926,189**	**6.00**	84,376,189	4.76
Exercisable at the end of the year	**60,926,189**	**6.00**	84,376,189	4.76

The share options outstanding at 31 December 2024 had a weighted average exercise price of 6.00p (2023: 4.76p) and a weighted average remaining contractual life of 1.60 years (2023: 1.95 years).

No Options were issued by the Company during the year. No options were exercised during the year.

A total of 23,450,000 warrants expired during the year. A total of 11,800,00 expired with an exercise price of 1.00p, 7,190,00 with an exercise price of 1.25p and 4,460,000 with an exercise price of 1.00p per ordinary share.

New options and warrants granted are valued using the Black Scholes model, a commonly used option-pricing model. The calculation of volatility used in the model is based upon the share price and equity instrument movements during the financial period. The following factors are all taken into consideration when the options are valued:

- Weighted average share price
- Expected volatility
- Expected dividends
- Stock price
- Exercise price
- Option life
- Risk free interest rate

The inputs used to value new warrants issued during the period under review are as follows:

Fair value was determined by using the Black-Scholes Valuation Model.

Notes to the Financial Statements

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24. Share-based payments (continued)

The following inputs were used for new options issued:

	2024	2023
Average spot at grant date (pence)	**—**	—
Expected volatility	**—**	—
Expected option life	**—**	—
Expected dividends	**—**	—
The risk-free interest rate	**—**	—

Share options have been valued using the Black-Scholes model.

Expected volatility was determined by calculating the historical volatility of the Group's share price over the previous year.

The expected life used in the model has been adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

The total charge in the year to the income statement was £Nil (2023: £Nil). The total amount recognised in equity by the Group relating to share-based payments at the Balance Sheet date is £2,007k (2023: £2,106k) in the share-based payments reserve after the reversal of expired and lapsed share options, and £Nil (2023: £Nil) in the warrants reserve.

25. Financial instruments

Finance Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Capital
- Market
- Interest rate
- Foreign currency
- Credit
- Liquidity

This information included relates to the exposure to each risks, the objectives, policies and processes for measuring and managing risk. Management determines, as required, the degree to which it is appropriate to use financial instruments to mitigate risk. Currently the Company's principal financial instruments comprise cash and cash equivalents and equity capital. The Company does not enter into complex derivatives to manage risk. There is no material difference between the book value and fair value of the Group cash balances, trade and other receivables, trade payables.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the basis of measurement and the basis for recognition of income and expenses) for each class of financial asset, financial liability and equity instrument are disclosed in note 3.

Notes to the Financial Statements

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25. Financial instruments (continued)

Categories of financial instruments

The Group calculates the fair value of assets and liabilities by reference to amounts considered to be receivable or payable at the balance sheet date.

The Group's financial assets and liabilities, which book value approximate their fair value.

Trade payables are non-interest bearing and are normally settled within 30 days. Other payables are to be settled within the next 12 months, as and when they become due.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concern. The Group is not subject to externally imposed capital requirements. The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings.

The Group historically generated limited amounts of cash from its alluvial operations in Mozambique and cash from its hard rock operations in Mozambique, through it 23% net profit share agreement.

On 24 January 2024, the Company announced that it had agreed terms for the disposal of the Manica Gold Project with its Mozambique partner, MMP. The Share Purchase Agreement in relation to the sale by the Company of its entire interests in the project for a consideration of up to US$15 million in cash in regular staged payments by the Buyers over the period to 1 March 2027. On 24 February 2025, the Company announced that they had agreed with MMP, and parties related to MMP, to reschedule the US$3m balloon payment due on or before 1 March 2027 as well as the additional deferred payments connected with the decision to build a sulphide orebody plant both as set out in the share purchase agreement. To date, the Company has received all of the consideration due to be paid by the Buyers amounting to US$4.50m in aggregate.

The group continues to utilise cash received from the sale of the Manica Gold Project and will also consider project funding along with capital raisings where necessary.

Market risk management

The Group's activities expose it primarily to the financial risks of foreign currency exchange rates. The Group applies a continuous review process to manage its exposure to foreign currency and equity price risk:

- The respective exchange rates of the currencies for which the Group holds significant balances are monitored on a daily basis
- known cash requirements in the respective currencies in which the Group transacts are matched against cash reserves and any shortfalls are addressed through transfers throughout the longest practical timeframes in order to minimise as best as possible foreign currency risk; and
- strategies are updated on a regular basis to reflect actual market data and the changing needs of the business.

Interest rate risk management

Interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in interest rates. Currently, the Company has no borrowings and therefore no risk of significant fluctuations. The Company's exposure to interest rate risk is limited to its cash and cash equivalents held and are not considered material.

25. Financial instruments (continued)

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies and consequently exposures to year end and average exchange rate fluctuations arise.

The Group is mainly exposed to the US Dollar, Australian Dollar, Euro and Danish Krone currency risk. In 2024, the Group disposed of the Manica Gold Project in Mozambique and no longer has an exposure to the Mozambican Metical.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities (including tax liabilities) at the reporting date are as follows:

	Liabilities		Assets	
Group	**31 December 2024 £'000**	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
US dollar	**212**	205	**2,207**	444
Australian Dollar	**3**	6	**33**	45
Euro	**6**	44	**7**	4
Mozambican Metica	**—**	1,067	**—**	1,445
Danish Krone	**7**	8	**—**	—
Total	**228**	1,330	**2,247**	1,938

	Liabilities		Assets	
Company	**31 December 2024 £'000**	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
US dollar	**877**	837	**2,237**	1,178
Australian Dollar	**—**	—	**6,773**	7,202
Euro	**—**	—	**3**	—
Mozambican Metica	**—**	—	**—**	(20)
Danish Krone	**—**	—	**192**	192
Total	**877**	837	**9,205**	8,552

Sensitivity analysis

A 10% strengthening of the British pound against the respective currencies at 31 December 2024 would have increased/(decreased) profit and loss by the amounts shown below:

	Group		Company	
	31 December 2024 £'000	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
US dollar	**242**	65	**136**	65
Australian Dollar	**3**	4	**677**	753
Euro	**—**	(4)	**—**	—
Mozambican Metica	**—**	38	**—**	28
Danish Krone	**(1)**	(1)	**19**	19
Total	**244**	102	**832**	865

Notes to the Financial Statements

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25. Financial instruments (continued)

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group's principal financial assets are cash deposits and the credit risk on these liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

An allowance for impairment is made where there is an identified loss event, which is evidence of a reduction in the recoverable cashflows.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Group		Company	
	31 December 2024 £'000	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
Trade and other receivables	**148**	1,163	**135**	1,213
Loan receivables	**—**	—	**—**	—
Loans to group companies	**—**	—	**7,647**	8,011
Cash and cash equivalents	**2,170**	630	**2,157**	608
Manica disposable receiveable	**8,841**	—	**8,841**	—
Total	**11,159**	1,793	**18,780**	9,832

Liquidity risk management

Liquidity risk is the risk is the possibility that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses. The following are contractual maturities of financial liabilities at the balance sheet date:

	Group		Company	
	31 December 2024 £'000	31 December 2023 £'000	**31 December 2024 £'000**	31 December 2023 £'000
Trade and other payables	**437**	485	**197**	219
Tax payable	**395**	—	**395**	—
Other loans	**—**	50	**—**	50
Total	**832**	535	**592**	269

Notes to the Financial Statements
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25. Financial instruments (continued)

Group **31 December 2024**	**Carrying amount** **£'000**	**2 months or less** **£'000**	**2 to 12 months** **£'000**	**More than 12 months** **£'000**
Trade and other payables	**437**	**437**	**—**	**—**
Tax payable	**—**	**—**	**—**	**—**
Other loans	**—**	**—**	**—**	**—**
Total	**437**	**437**	**—**	**—**

Company **31 December 2024**	**Carrying amount** **£'000**	**2 months or less** **£'000**	**2 to 12 months** **£'000**	**More than 12 months** **£'000**
Trade and other payables	**197**	**197**	**—**	**—**
Other loans	**—**	**—**	**—**	**—**
Total	**197**	**197**	**—**	**—**

Group 31 December 2023	Carrying amount £'000	2 months or less £'000	2 to 12 months £'000	More than 12 months £'000
Trade and other payables	485	485	—	—
Tax payable	—	—	—	—
Other loans	50	—	50	—
Total	**535**	**485**	**50**	**—**

Company 31 December 2023	Carrying amount £'000	2 months or less £'000	2 to 12 months £'000	More than 12 months £'000
Trade and other payables	219	219	—	—
Other loans	50	—	50	—
Total	**269**	**219**	**50**	**—**

Notes to the Financial Statements

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26. Related party transactions

Group

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. During the year the Company invoiced fees to subsidiaries within the group amounting to a total of £nil (2023: £188k).

Transactions with directors

Lion Mining Finance Limited, a Company incorporated in England and Wales, in which Colin Bird is a Director and shareholder has provided and continues to provide essential administrative services to the Company to carry out its operations in a cost-efficient manner. The total for services provided during the year amounted to £35k plus VAT. An amount of £4k was outstanding as at 31 December 2024 (2023: £4k).

As at 31 December 2024, the Company owed a balance of £nil (2023: £50k) to Galileo Resources Plc, a company incorporated in England and Wales in which Colin Bird and Joel Silberstein are directors, owe a current and other payables balance to the Company. The outstanding amount of £50k was repaid on 25 January 2024.

A total £26k (2023: £22k) of Alastair Ford's fee was invoiced by Sofabar Consulting Ltd, a company controlled by him.

As at 31 December 2024 directors' fees of 23k (2023: £85k) relating to current and prior year fees remain outstanding, of which £11k (2023: £38k) relates to Colin Bird, £7k (2023: £8k) relates to Joel Silberstein, £3k (2023: £20k) relates to Alastair Ford and £2k (2023: £19k) relates to Kjeld Thygesen.

The emoluments of the Directors are disclosed in note 8 on page 71.

The Directors' shareholding and options are disclosed in the Report of the Directors.

Remuneration of key management personnel

The remuneration of the Directors and other staff members, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures. Further information about the remuneration of individual directors is provided in note 8 on page 71.

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Salaries and other short-term employee benefits	**304**	358
Share-based payments	**—**	—
	304	358

Notes to the Financial Statements

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27. Contingent liability

Nexus Collaboration Agreement

On 10 December 2019, the Company announced that the Collaboration Agreement for the exploitation of the Manica alluvials had been terminated by Nexus Capital Holdings PTE Limited ("Nexus") with an effective date of 2 December 2019. Prior to termination, Nexus had disputed the receipts in respect of alluvial gold production and pending resolution of this and as provided for under the Collaboration agreement, Nexus had submitted a claim to South African arbitration on 21 June 2019 for payment of US$347K, being the gross proceeds from alluvial gold sales due to Nexus as at the end of April 2019.

On 3 October 2019, Nexus amended its claim to US$110K plus interest which was submitted by Nexus to the arbitrators. On 14 November 2019, a South African "arbitral tribunal" determined that Nexus' claim could be heard in South Africa, but no ruling was made on the quantum of Nexus' claim. Explorator challenged whether a South African arbitration tribunal had jurisdiction and appealed on this basis to the South African High Court.

The appeal process requires Nexus to have delivered an answering affidavit by the middle of February 2020. Instead of doing this Nexus attorneys' withdrew as such. New attorneys came on record in December 2020, but the answering affidavit, which was even by then grossly overdue, has still not been delivered. Having regard to the extent that it is overdue, it is probable that the appeal will succeed on an unopposed basis. In any event, it is the Board's view that, even if Nexus does now deliver an answering affidavit and the appeal fails, the Arbitration Tribunal will not make an award in favour of Nexus.

28. Ultimate controlling party

The Directors believe there is no ultimate controlling party.

29. Events after balance sheet date

Trading Update

On 5 February 2025, the Company announced that it had agreed to purchase dump material and to conduct trial work testing and evaluation of the material from sites in Zambia. The Company had agreed to pay the seller US$300,000 in cash to for the material valued at US$1.15 per tonne, to be sourced from the seller's sites in Zambia and to be removed from the site by the Company. The seller remains liable for and shall pay any statutory royalties or any other duties or charges due to the relevant authorities on the sale of any material to the Company. The Company also plans to undertake trial, test work and sampling and evaluation at the site of the material.

Addendum to Manica agreement

On 24 February 2025, the Company announced that it had agreed with MMP, and parties related to MMP, the buyers of the Manica project ("Buyers"), to reschedule the US$3m balloon payment due on or before 1 March 2027 as well as the additional deferred payments connected with the decision to build a sulphide orebody plant both as set out in the share purchase agreement announced on 24 January 2024.The rescheduling of the balloon and deferred payments does not affect the total amount due to be paid by the Buyers, which remains unchanged.

29. Events after balance sheet date (continued)

Addendum To Share Purchase Agreement ("Agreement")

1. Price

The total purchase price for the sale of the Shares and the Current Subsidiaries Shares, and the assignment of the Xtract Loans payable by the Buyers to the Seller in cash in the proportions remains unchanged at US$12,000,000 ("Price"), to be paid as follows:

- US$9,000,000 to be paid in quarterly instalments of US$750,000 per quarter commencing on 1 March 2024 with the last payment on 1 December 2026; and
- A balloon payment of US$3,000,000. Originally this had been agreed to be a single balloon payment due on or before 1 March 2027. The Company and the Buyers have now agreed to vary the balloon payment to three instalments of US$1,000,000 to be paid on or before;
  - 1 March 2027
  - 1 June 2027; and
  - 1 September 2027.

2. Deferred consideration

The Company and the Buyers further agreed that the additional deferred consideration of US$3,000,000 for the Shares in addition to the Price, which becomes due on the decision by the Buyers to build a sulphide plant, will now be payable on the following amended basis in six payments:

- US$250,000 within the earlier of i) 14 days of the decision to build Sulphide Plant and ii) 1 December 2026
- US$250,000 within the earlier of i) 14 days of commencement of dry commissioning of the Sulphide Plant and ii) 1 December 2027
- US$500,000 within the earlier of i) 14 days of the Sulphide Plant processing 30,000 tonnes in any 30-day period ("Commercial Production"); and ii) 1 March 2028
- US$750,000 within the earlier of i) 3 months of the Sulphide Plant achieving Commercial Production; and ii) 1 June 2028
- US$750,000 within the earlier of i) 6 months of the Sulphide Plant achieving Commercial Production; and ii) 1 September 2028; and
- US$500,000 within the earlier of i) 9 months of the Sulphide Plant achieving Commercial Production; and ii) 1 December 2028.

All other terms of the Agreement remain unchanged.

Notes to the Financial Statements

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29. Events after balance sheet date (continued)

Moroccan Joint Venture & Collaboration Agreement

Joint Venture and Collaboration agreement

On 24 February 2025, Xtract entered into an exclusive collaboration agreement with Wildstone in relation to the acquisition of Wildstone in Morocco ("Agreement"), pursuant to which Wildstone (the "Vendor") agreed to issue up to 80% of its issued equity on a fully diluted basis to Xtract in a phased basis.

Payment Terms to earn 50%

The Agreement comprises phased payments to acquire an initial interest of 50%. As the Company had completed its site visit and due diligence in respect of the project, the Company elected to accelerate all such phased payments and therefore acquired an interest of 50% of the fully diluted equity of Wildstone for a cash consideration of US$500,000, following which the Agreement became binding.

Exploration expenditure to earn 80%

The Company may increase its interest in Wildstone by the following further phased payments of up to US$900,000 in aggregate (which, at the Company's sole election, it may accelerate).

In the first 12 months following signing of the Agreement, The Company committed to spend US$150,000 on basic exploration to earn a further 10% fully diluted interest in the Vendor.

The Company, will in the second year earn a further 10% fully diluted interest in the Vendor by spending a further US$250,000 on exploration, which is anticipated to be a continuation of progress made in Year 1, but with more drilling and consequent assay work, and in the third year earn a further 10% fully diluted interest in the Vendor by spending US$500,000 on drilling and resource evaluation and definition, with the anticipation of producing one or more JORC resources.

The Company will, whilst it is a 25% shareholder, continue to contribute to funding its local share of overheads and any costs incurred in transferring any license to other entities within Wildstone. Should the Company earn-in to 80% of the Vendor through exploration expenditures but not deliver the Larger Scale Mine Development, cash flows from the Small-Scale Development will be shared 75% to the Company and 25% to the existing shareholders of Wildstone.

Small and Larger Scale Mine Development

The capital funding for the Small-Scale Development of US$200,000 will be provided by the Company who will be allowed to recover the initial capital by being paid 75% of free cashflow. The Company shall be responsible for all Small-Scale Development mining funding until such time as the operation is demonstrating a surplus income over expenditures (including sustaining and maintenance capital). On full capital repayment, the Company will be entitled to 60% of all profits.

The Small-Scale Development will continue during the exploration phase and will be replaced or may run concurrently if the potential for a larger more sophisticated processing plant is identified (Larger Scale Development). For the purposes of defining potential for a Larger Scale Development, the criteria to be used is not less than 5 years mine life at a minimum annual throughput of 150,000 tonnes, with a DCF model demonstrating a payback of not more than 18 months and a return on investment not less than 20%.The Company will be expected to fund 100% of the Larger Scale Development, anticipated to be US$1million on the plant design, construction, implementation and commissioning.

Notes to the Financial Statements

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29. Events after balance sheet date (continued)

On commencement of production, the Company will receive 60% of the cashflow for capital recovery, the remainder being shared 70% to Xtract and 30% to the existing shareholders in Wildstone. This arrangement will continue for 18 months, or until the capital is fully repaid, whichever is the shorter. After the completion of the 18-month period, the profits will be shared 80% to the Company and 20% to the existing shareholders.

Award of Share Options

On 8 May 2025, the Company announced that it had awarded 13,700,000 new options (representing 1.6 per cent. of the current issued share capital) to Directors and a further 11,860,000 new options (representing 1.38 per cent. of the current issued share capital) to employees, consultants and officers of the Company.

The new options vest and are exercisable immediately on award, with an exercise price of 1.35p per new Ordinary Share. The new options will lapse five years after the date of the award, being 7 May 2030. The exercise price represents a 35 per cent. premium to the mid-market closing price of 1.00p of the Ordinary Shares as at 8 May 2025, and a 42 per cent premium to the 30-day volume weighted average share price for the 30 trading days ended 8 May 2025.

Company Information

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Colin Bird, Executive Chairman
Joel Silberstein, Finance Director
Alastair Ford, Non-Executive Director
Kjeld Thygesen, Non-Executive Director

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