

28 March 2024

ALTONA RARE EARTHS PLC
("Altona" or "the Company")

INTERIM RESULTS

Altona (LSE: REE), a resource exploration and development company focused on Critical Raw Materials in Africa, is pleased to announce its Interim Results for the six months ended 31 December 2023.

HIGHLIGHTS

- Publication of the Group's first JORC compliant Mineral Resource Estimate at Monte Muambe
 - o 13.6 million tons at 2.42% TREO⁽¹⁾ using a cut-off grade of 1.5% TREO
 - o Including 0.31% NdPrO⁽²⁾ representing 42,500 contained tons NdPrO;
- Validation of the potential of the Rare Earths at Monte Muambe supported by the publication of Snowden Optiro's Scoping Study
- Increase in Altona's holding in its Monte Muambe Rare Earths Project to 51%
- Mining Licence application lodged with Mozambique Government
- Advanced metallurgical studies ongoing on Monte Muambe, the results of which are expected to lead to a significant improvement of the project's opex and capex
- Post year end portfolio expansion and diversification started, acquisition of the Kabompo South Copper project in Zambia
- Further funding without shareholder dilution achieved through the signing of a short-term loan facility of up to £250,000

Cedric Simonet, CEO of Altona, commented, *"The second half of 2023 saw many achievements for Altona, including the Group's first JORC Mineral Resource Estimate, Scoping Study, the increase of Monte Muambe's holding to 51%, and a Mining Licence application, and demonstrates our ability to deliver on time and budget.*

"2024 will see Altona continue to derisk Monte Muambe, in particular through on-going mineralogical and metallurgical test work the results of which are expected to have a favourable impact on the project's economic parameters, but also through the licensing process.

"2024 will also be a year of transformation for Altona, as we are currently expanding and diversifying its portfolio, with a focus on projects having a low-entry cost with a clear pathway to early results and

to majority ownership. The acquisition of the exciting Kabompo South copper project in Zambia marks a first step in this direction."

Notes

- (1) TREO = Total Rare Earths Oxide
- (2) NdPrO = sum of Nd₂O₃ and Pr₆O₁₁

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About Altona Rare Earths Plc

Altona is a resource exploration and development company focused on Critical Raw Materials in Africa. The Company is listed on the Main Market of the London Stock Exchange with the ticker "REE".

Rare Earths are a group of 17 chemical elements, many of which are critical to the World's ongoing transition from carbon-based to renewable energies, and to the defence and communication sectors.

The Company is currently developing Monte Muambe, its flagship Magnet Rare Earths Project, located in Northwest Mozambique. The Project was acquired in June 2021, and the Company has so far drilled over 7,800m, and defined a maiden JORC Mineral Resource Estimate of 13.6 million tons at 2.42% TREO. A Competent Person Report including the Scoping Study for Monte Muambe was published on 18 October 2023. The Project is now at Prefeasibility Study stage, with a focus on metallurgical testing and process.

Altona is presently assessing new critical raw material projects acquisition opportunities, including both Rare Earths and non Rare Earths projects.

Operational Review

Activities during the reporting period focused mainly on advancing the Monte Muambe rare earths project, including the completion of a scoping study, the increase of the Company's holding in the project to 51% and lodging a mining licence application. The Company is pleased to confirm that it has successfully completed all the deliverables which were set out in the May 2023 London Stock Exchange IPO Prospectus.

Between July and September 2023, drilling and trenching activities at Monte Muambe allowed the Company to confirm the geometry of the Target 4 mineralised body and resulted in a record drilling intercept of 76m at 3.43% Total Rare Earths Oxide ("TREO") from surface. The presence of high grade rare earth ore at Target 3 was also confirmed, with 30m at 2.74% TREO from surface, underpinning the potential for future resource increases (see below).

In June 2023, the Company engaged the industry-wide respected consultant Snowden Optiro to prepare a maiden JORC Mineral Resource Estimate ("MRE") and a scoping study.

The Monte Muambe MRE published on 25 September 2023 covered Target 1 and Target 4 totalled 13.6 million tonnes at 2.42% TREO, using a cut off grade of 1.5% TREO. 58% of the reported tonnage was in the Indicated category, with the remainder in the Inferred category.

On 18 October 2023, Altona published an updated Competent Person Report ("CPR") including a scoping study ("Study") for an 18 years Life of Mine ("LoM") rare earths mining operation based on the Monte Muambe resource.

The Study considered the extraction and processing of 750,000 tonnes per ore at LoM strip ratio of 1.6. Processing will involve both beneficiation to produce a rare earths concentrate, and further processing of this concentrate through a hydrometallurgical plant, to produce a Mixed Rare Earths Carbonate ("MREC") for export.

With a post tax NPV8 of US\$ 283.3 million and a post tax IRR of 25%, the Study demonstrated the potential of Monte Muambe to become a viable mining operation. This has given the Company full confidence to move the project into the Prefeasibility Study ("PFS") stage. The Study also identified considerable upside potential which will be developed further in the PFS, including:

- Increase of the resource base, as well as of the LoM and/or ore extraction rate;
- Mining parameters optimisation;
- Processing parameters improvement, in particular with respect to the concentrate grade (mineralogy and metallurgy studies are currently underway);
- Possible production of fluorspar (fluorite), another Critical Raw Material present at Monte Muambe, as a by-product of rare earths; and
- Evaluation of the possibility of onsite, in-country or regional rare earths separation and refining ahead of export.

The completion of the Study marked the end of the project's Phase 2 and triggered the increase of Altona's holding in Monte Muambe to 51%, which was announced on 6 December 2023. The Monte Muambe project is now at PFS stage, with a strong focus on the ore metallurgy.

Following the positive results of the Study, the Company lodged an application for a 25 years Mining Concession (the local term for a mining licence), which is currently being processed by the Mozambique Government.

Financial Review

During the reporting period, the Company successfully completed all the planned deliverables as set out in the May 2023 Prospectus.

Non-Current Assets increased from £1.4m to £1.8m representing the increased investment in Monte Muambe and the increase of the Company's holding from 20% to 51% in the project.

The financial loss of the Group for the six months ended 31 December 2023 was £690,000 (H1 2022: £412,000) resulting in the decrease of Net Assets from £1.9m to £1.4m.

In December 2023, cognisant of the unfavourable macroeconomic environment, the Company proactively took several measures to ensure it could continue priority Phase 3 (PFS) value-adding activities beyond the Phase 2 deliverables, while considering the best interest of its shareholders.

These measures included:

- Focusing Monte Muambe PFS activities on metallurgy, the results of which are expected to lead to a significant improvement of the project's opex and capex;
- The on-going assessment of alternative options to fund the entire Monte Muambe PFS;
- Putting in place extended cash preservation measures including reducing corporate costs as well as deferring or paying in equity part of the directors and senior management remuneration (two of the directors continue to be only paid in equity as set out in the Prospectus);

In December 2023, the Company entered into a £250,000 loan facility with Catalyse Capital Limited. £200,000 of the loan was drawn down in Q1 2024. Net cash flow used in operations was £758,000 and net cash outflow from investing activities was £278,000. The Company also was able to reduce its payables by £251,000 in the period (a balance from the delayed listing in May 2023). The cash balance was £73,000 at the period end, and c.£150,000 at the date of this report.

Post Period End Activity

Significant progress was made on the Monte Muambe rare earths project during the reporting period.

Monte Muambe PFS activities are currently focused on advanced metallurgical testing. A 100kg representative ore sample is currently undergoing mineralogical feed characterisation at SGS Lakefields in Canada, using some of the most advanced tools available including Electron Microprobe Analysis and TIMA-X analysis. Following this, metallurgical test work will initially be aimed at producing a high-grade Rare Earths concentrate in order to improve the economics of the Mixed Rare Earth Carbonate production process. The possible separation and recovery of fluor spar, another critical raw material present in the ore at Monte Muambe, will also be assessed. Flotation test results are expected in Q2 2024.

Separation of the 15 Rare Earths present at Monte Muambe from their ore, with a focus on Neodymium, Praseodymium, Terbium and Dysprosium, is a complex process. Metallurgy is a critical component of rare earths projects development. Beside process design and costing, key outputs will also include products specifications to enable discussions with potential off-takers.

Corporate Strategy Update

In February 2024, the Board of Directors undertook a careful and thorough review of the Company's corporate strategy. As Monte Muambe is advancing, Altona recognised that the time was right for the Company to expand and diversify its portfolio of projects in Africa, including Rare Earths, but also non-Rare Earths critical raw materials such as copper, lithium and niobium.

The Company is therefore currently actively assessing potential new opportunities, with the objective of selecting a small number of quality projects having a low-entry cost and a clear pathway to early results and to majority ownership.

The recently announced acquisition of the Kabompo South Copper project in Zambia, which was owned by Freeport McMoRan until the major's strategic decision to exit Zambia in 2020, is a first step in the implementation of this updated corporate strategy. Field activities will start in Q2 2024.

The Kabompo South project has seen prior grassroot exploration including 4,000 line kilometre of ground magnetometer survey and a partial leach soil geochemistry survey over a 4 kilometre square grid. This work highlighted the presence of a large copper gold silver anomaly in the Northeastern part of the licence area, overlapping a possible demagnetised zone.

The project is located in the Mufumbe District of Northwestern Province, Zambia. It has a surface area of approximately 616 km² and is valid for copper, cobalt, nickel, lead, zinc, gold and diamonds. Kabompo South is located 4 km west of the Kamweji copper occurrence, and 60 km southwest of the Mufumbwe copper deposit (22 million tonnes at 1.6% Cu), along strike.

As Altona moves forward with this strategy, the Company remains acutely aware of the necessity of conserving cash resources and protecting shareholder value.

Outlook

In 2024, Altona plans to continue derisking Monte Muambe through on-going mineralogical and metallurgical testwork, the results of which are expected to have a favourable impact on the project's economic parameters, but also through the licensing process.

As this progresses, the Company will continue considering possible alternatives for funding the project PFS, including actively seek a possible strategic investor.

To complement Monte Muambe, the Company will continue assessing opportunities to acquire a limited number of carefully selected critical raw materials projects to expand and diversify its portfolio, within its management and funding capacity. This is expected to enable the Company to maintain a higher proportion of money-in-the-ground, as well as to build more resilience and a stronger news flow. The Company will also continue ensuring its overheads costs structure is as lean as possible.

We believe that the above actions will improve Altona's risk profile and strengthen the Company's value proposition for its shareholders.

Interim Financial Report

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements for the year ended 30 June 2023, and any public announcements made by Altona Rare Earths Plc during and subsequent to the interim reporting period.

Altona Rare Earths Plc, (the "Company") is a company registered in England and Wales. Its registered offices is at Eccleston Yards, 25 Eccleston Place, London SW1W 9NF.

Principal Risks

The principal risks and uncertainties for the remaining six months of the financial year remain the same as those contained within the annual report and accounts as at 30 June 2023.

Related- party transactions

See note 15 for a list of the related party transactions that have taken place in the first six months of the current financial year. There have been no changes in the related party transactions described in the last annual report that could have a material effect on the financial position or performance of the Group in the first six months of the current financial year.

Post Reporting Date Events

See note 16 for a list of these events.

Statement of directors' responsibilities

The directors confirm that these condensed interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and that the interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related-party transactions described in the last annual report.

By order of the board

Cedric Simonet
Chief Executive Officer

28 March 2024

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

		Unaudited Half-year ended 31 Dec 2023 £'000	Unaudited Half-year ended 31 Dec 2022 £'000
<i>Continuing operations:</i>			
Administrative expenses	4	(616)	(387)
Operating loss		(616)	(387)
Finance costs	5	(74)	(25)
Loss before taxation		(690)	(412)
Income tax expense		-	-
Loss for the period		(690)	(412)
Total loss is attributable to:			
Owners of Altona Rare Earths Plc		(659)	(369)
Non-controlling interests		(31)	(43)
		(690)	(412)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit and loss:</i>			
Exchange differences on translation of foreign operations		(16)	16
Total comprehensive loss for the period		(706)	(396)
Total comprehensive loss is attributable to:			
Owners of Altona Rare Earths Plc		(676)	(354)
Non-controlling interests		(30)	(42)
		(706)	(396)
Earnings per share (expressed in pence per share)			
- Basic and diluted	6	(0.83p)	(1.40p)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023**

	Unaudited 31 Dec 2023 £'000	Audited 30 June 2023 £'000
ASSETS		

<i>Non-current assets</i>			
Intangible assets	7	1,618	1,290
Property, plant and equipment	8	140	146
Total non-current assets		1,758	1,436
<i>Current assets</i>			
Trade and other receivables	9	130	168
Cash and cash equivalents		73	1,130
Total current assets		203	1,298
Total assets		1,961	2,734
LIABILITIES			
<i>Current liabilities</i>			
Trade and other payables	10	(341)	(593)
Convertible loan notes	11	(263)	(256)
Total current liabilities		(604)	(849)
Total liabilities		(604)	(849)
NET ASSETS		1,357	1,885
EQUITY			
Share capital	12	2,259	2,239
Share premium		23,013	22,950
Share-based payment reserve		167	121
Other equity-CLN reserve		12	12
Foreign exchange reserve		-	17
Retained losses		(24,019)	(23,360)
Capital and reserves attributable to the owners of Altona Rare Earths plc		1,432	1,979
Non-controlling interests		(75)	(94)
TOTAL EQUITY		1,357	1,885

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Unaudited Half-year ended 31 Dec 2023 £'000	Unaudited Half-year ended 31 Dec 2022 £'000
Cash flow from operating activities		
Loss for the period before taxation	(690)	(412)
<i>Adjusted for:</i>		
Depreciation	12	9
Finance costs (including warrants)	74	25
Shares issued for services/ share-based payments	52	12

Foreign exchange movements	22	33
	(530)	(333)
(Decrease)/ increase in receivables	23	(127)
(Decrease)/ increase in payables	(251)	353
Net cash outflow used in operating activities	(758)	(107)
Cash flows from investing activities		
Expenditure on intangible assets	(183)	(270)
Expenditure on tangible assets	8 (9)	(9)
Expenditure on increase in interest in subsidiaries	(86)	-
Net cash outflow from investing activities	(278)	(279)
Cash flows from financing activities		
Proceeds from loans	-	150
Finance costs paid	(21)	(2)
Net cash (outflow)/ inflow from financing activities	(21)	148
Decrease in cash and cash equivalents in period	(1,057)	(238)
Cash and cash equivalents at beginning of period	1,130	283
Cash and cash equivalents at end of period	73	45

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2023**

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Foreign exchange reserve £'000	CLN Issue £'000	Retained losses £'000	NCI £'000	Total shareholders' equity £'000
Balance at 30 June 2022	1,790	21,404	14	1	-	(22,139)	(20)	1,050
<i>Comprehensive income</i>								
Loss for the period	-	-	-	-	-	(369)	(43)	(412)
Foreign exchange movement	-	-	-	16	-	-	-	16
NCI share in FX	-	-	-	-	-	-	16	16
Total comprehensive loss for the period	-	-	-	16	-	(369)	(27)	(380)
<i>Transactions with owners recognised directly in equity</i>								
Share-based payment	-	-	12	-	-	-	-	12
Total transactions with owners recognised directly in equity	-	-	12	-	-	-	-	12
Balance at 31 December 2022	1,790	21,404	26	17	-	(22,508)	(47)	682
<i>Comprehensive income</i>								
Loss for the period	-	-	-	-	-	(852)	(32)	(884)

Foreign exchange movement	-	-	-	-	-	-	-	-
NCI share in FX	-	-	-	-	-	-	(15)	(15)
Total comprehensive loss for the period	-	-	-	-	-	(852)	(47)	(899)
<i>Transactions with owners recognised directly in equity</i>								
Issue of shares	449	1,797	-	-	-	-	-	2,246
Cost of shares issued	-	(251)	41	-	-	-	-	(210)
Share-based payment	-	-	54	-	-	-	-	54
CLN Issue	-	-	-	-	12	-	-	12
Total transactions with owners recognised directly in equity	449	1,546	95	-	12	-	-	2,102
Balance at 31 June 2023	2,239	22,950	121	17	12	(23,360)	(94)	1,885
<i>Comprehensive income</i>								
Loss for the period	-	-	-	-	-	(659)	(31)	(690)
Foreign exchange movement	-	-	-	(17)	-	-	1	(16)
Change in NCI asset	-	-	-	-	-	-	49	49
Total comprehensive loss for the period	-	-	-	-	-	(659)	19	(657)
<i>Transactions with owners recognised directly in equity</i>								
Issue of shares	20	63	-	-	-	-	-	83
Share-based payment	-	-	46	-	-	-	-	46
Total transactions with owners recognised directly in equity	20	63	46	-	-	-	-	129
Balance at 31 December 2023	2,259	23,013	167	-	12	(24,019)	(75)	1,357

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE HALF YEAR ENDING 31 DECEMBER 2023

1. GENERAL INFORMATION AND BASIS OF PREPARATION OF HALF YEAR REPORT

(a) General Information

Altona Rare Earths Plc, (the "Company") is a company registered in England and Wales. Its registered offices is at Ecclestone Yards, 25 Ecclestone Place, London SW1W 9NF.

The principal activity of the Company and its subsidiaries (the "Group") is in Rare Earths and the exploration and the development of appropriate exploration projects, focusing on opportunities in Africa.

These condensed interim financial statements were approved for issue on 28 March 2024.

These condensed interim financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2023 were approved by the board of directors on 24 October 2023 and delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified but did include a reference to the material uncertainty surrounding going concern, to which the auditors drew attention by way of emphasis of matter and did not contain a statement under s498 (2) - (3) of Companies Act 2006.

The Company's auditors have not reviewed these condensed interim financial statements.

(b) Basis of Preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements for the year ended 30 June 2023, which has been prepared in accordance with both "International Accounting Standards in conformity with the requirements of the Companies Act 2006" and "International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union", and any public announcements made by Altona Rare Earths Plc during the interim reporting period.

The financial statements have been prepared on a going concern basis. The Group's assets are not currently generating revenues, an operating loss has been reported and an operating loss is expected in the 12 months subsequent to the date of these financial statements. The Company has recently entered into a debt facility of £250,000 and will look to raise further funds within the next 12 months to complete Phase 3 of its project at Monte Muambe. The directors remain confident of making further cost savings and/or raising finance when required and, therefore, the directors consider it appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There were no new or amended accounting standards that required the Group to change its accounting policies. The directors also considered the impact of standards issued but not yet applied by the Group and do not consider that there will be a material impact of transition on the financial statements.

The Group's results are not subject to seasonal variations.

2. CRITICAL ESTIMATES AND JUDGEMENTS

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

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2023.

3. SEGMENT INFORMATION

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of directors. The directors are of the opinion that the business of the Group focused on two reportable segments as follows:

- Head office, corporate and administrative, including parent company activities of raising finance and seeking new investment and exploration opportunities, all based in the UK and
- Mineral exploration, all based in Mozambique.

The geographical information is the same as the operational segmental information shown below.

Half year ending 31 December 2023	Corporate and Administrative (UK) £'000	Mineral exploration (Mozambique) £'000	Total £'000
Operating loss before and after taxation	650	40	690
Segment total assets (net of investments in subsidiaries)	479	1,482	1,961
Segment liabilities	(573)	(31)	(604)

Half year ending 31 December 2022	Corporate and Administrative (UK) £'000	Mineral exploration (Mozambique) £'000	Total £'000
Operating loss before and after taxation	358	54	412
Segment total assets (net of investments in subsidiaries)	171	1,428	1,599
Segment liabilities	(829)	(89)	(918)

4. ADMINISTRATIVE EXPENSES

	Unaudited Half year ended 31 Dec 2023 £'000	Unaudited Half year ended 31 Dec 2022 £'000
Legal and professional	193	88
Regulatory fees	5	6
Wages and Salaries*	272	207
Depreciation	12	9
Other	134	77
	616	387

*This increase includes a one-off payment - see note 15 for further details.

5. FINANCE COSTS

Unaudited Unaudited

	Half year ended 31 Dec 2023 £'000	Half year ended 31 Dec 2022 £'000
Interest paid and payable on loans	21	25
Unwinding of discount on CLN	7	-
Share-based payment on loans (cost of warrants)	46	-
	74	25

6. LOSS PER SHARE

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

	Unaudited Half year ended 31 Dec 2023	Unaudited Half year ended 31 Dec 2022
Loss for the period (£'000)	(690)	(412)
Weighted average number of shares - expressed in thousands	83,560	29,465
Basic loss per share - expressed in pence	(0.83p)	(1.40p)

As the inclusion of the potential ordinary shares would result in a decrease in the loss per share they are considered to be anti-dilutive and, as such, the diluted loss per share calculation is the same as the basic loss per share.

7. INTANGIBLE ASSETS

	Exploration and evaluation assets £'000
Cost and carrying amount	
At 1 July 2023	1,290
Exploration and evaluation assets acquired at fair value	166
Additions to exploration assets	162
At 31 December 2023	1,618

On 6 December 2023, the Company increased its holding in Monte Muambe Mining Limitada from 20% to 51%.

8. TANGIBLE FIXED ASSETS

	Buildings £'000	Heavy machinery £'000	Precision machinery and office equipment £'000	Vehicles £'000	Total assets £'000
Cost					
At 1 July 2023	31	86	33	24	174
Additions (inc FX)	4	1	4	-	9
Foreign exchange	-	(2)	(1)	-	(3)
At 31 December	35	85	36	24	180

2023**Accumulated****Depreciation**

At 1 July 2023	1	13	7	7	28
Depreciation charge for the period	1	5	3	3	12
At 31 December 2023	2	18	10	10	40

Net Book Value

At 30 June 2023	30	73	26	17	146
At 31 December 2023	33	67	26	14	140

9. TRADE AND OTHER RECEIVABLES

	Unaudited 31 December 2023 £'000	Audited 30 June 2023 £'000
Taxes and social security receivable	112	154
Prepayments and other receivables	18	14
	130	168

10. TRADE AND OTHER PAYABLES

	Unaudited 31 December 2023 £'000	Audited 30 June 2023 £'000
Trade payables	81	257
Accruals and other payables	260	336
	341	593

11. LOAN NOTES

	Unaudited 31 December 2023 £'000	Audited 30 June 2023 £'000
Borrowings	263	256

On 20 December 2023, the Company entered into a short-term loan facility of up to £250,000 with Catalyse Capital Limited ("CCL"). The loan carries a fixed interest rate of 20%. CCL also received 2.5 pence warrants equal to 200% of the loan value, with a four year expiration date from drawdown. The loan was not drawn in 2023 and is repayable on 20 December 2024.

On 1 February 2023, the Company created a Convertible Loan Note in the principle amount of £300,000, of which £275,000 has been subscribed for by the Broker, Optiva Securities Limited. The Loan notes carry a rate of interest of 15% per annum, and have a maturity date of 15 months unless redeemed earlier in accordance with their terms.

12. SHARE CAPITAL

2023
No. £'000

Ordinary Shares

Ordinary shares at 1 July 2023	82,403,199	824
Shares issued in the half year	2,042,535	20
TOTAL ORDINARY SHARES at 31 December 2023	84,445,734	844

Deferred Shares at 0.09p

Deferred shares at 1 July 2023 and 31 December 2023	1,411,956,853	1,271
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Deferred Shares at 9p

Deferred shares at 1 July 2023 and 31 December 2023	1,602,434	144
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TOTAL SHARES at 31 December 2023	1,498,005,021	2,259
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13. WARRANTS

The Company has issued the following warrants, which are still in force at the balance sheet date.

	Number of Warrants	Exercise Price	Expiry date
Placing Warrants	16,365,944	12p	31/03/25
Directors Warrants	1,100,000	12p	10/03/24
Brokers Warrants	3,780,617	5-14p	6/10/24 - 9/06/26
Admission Warrants	80,000,000	10p and 20p	9/06/25 - 9/06/26
CLN Warrants	11,000,000	10p and 15p	9/06/26
Loan Warrants 1	7,500,000	5p	09/06/26
Loan Warrants 2	12,000,000	2.5p	20/12/27
	131,746,561		

14. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2023 the only capital commitments of the Company relate to the Farm-Out Agreement in Mozambique. The next phase of the Agreement commits the Company to a further minimum spend of US\$2,000,000 from the start of April 2023 for a period of 24 months, which can be extended for a further 12 months.

15. RELATED PARTY TRANSACTIONS

At 31 December 2023, deferred salaries and fees due to Directors and Senior Management amounted to a total of £164,000. On 10 January 2024, the Company issued 1,521,373 ordinary shares to Directors and Senior Management in lieu of salaries and fees amounting to £60,000.

On 8 November 2023, the Business Development Officer (Chrisitan Taylor-Wilkinson) entered into a new contract with the Company, reducing his salary from £150,000 to £72,000 per annum. He received a one-off fee of £50,000 for this change in contract terms. This was payable 50% in equity and the remaining 50% in cash.

16. POST REPORTING DATE EVENTS

Following the issue of the shares in note 15, the total voting rights in the Company were 85,967,107.

£200,000 of the loan facility from CCL has been drawn down at the date of this Document and the cash balance was c.£150,000.

On 28 March 2024, the Company announced that it had entered into an agreement with Susteneri Group Limited ("Susteneri") and with the beneficial owners of Phelps Dodge Mining (Zambia) Limited ("Target") to acquire the entire issued share capital of Phelps Dodge Mining (Zambia) Limited, the registered holder of Large Scale Exploration Licence 21403-HQ-LEL, located in the Mufumbe District of Northwestern Province of Zambia ("Tenement").

The consideration for the transfer of the exclusivity over the Tenement from Susteneri to Altona was 800,000 ordinary Altona shares at a price of 5p.

The consideration for the transfer of the Target from its present owners to Altona includes:

- US\$ 40,000 payable in Altona ordinary shares on completion, from which will be deducted any costs incurred by Altona to renew the Tenement and to transfer the Target; and
- US\$ 150,000 payable in Altona ordinary shares 12 months after completion.

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