RNS Number : 2308C
Alba Mineral Resources PLC
30 August 2024

Alba Mineral Resources plc

("Alba" or the "Company")

HALF-YEARLY REPORTFOR THE SIX MONTHS ENDED 31 MAY 2024;

FIRST BLAST SUCCESSFULLY COMPLETED AT CLOGAU GOLD MINE

The Board of Directors of Alba Mineral Resources plc (the "Company" or "Alba") is pleased to report the Group's interim results for the six months ended 31 May 2024. The Company is also delighted to report on the successful completion of the first blast at the Company's priority gold target at the Clogau Gold Mine in north Wales ("Clogau" or the "Mine").

COMPLETION OF FIRST BLAST AT CLOGAU

The Company is delighted to confirm the successful completion of the first blast at the Llechfraith Target at Clogau on 28 August 2024.

The first blast took place at No. 4.5 Level. Eight blast holes were drilled. All detonated successfully, producing several tonnes of broken vein ore. This material will be removed to surface in due course and processed.

The next sequence of blasts is expected to proceed at No.5 Level. While the Company will provide periodic updates on the progress of operations on site, it will not be providing reports on each individual blast.

George Frangeskides, Alba's Executive Chairman, commented: "*We are delighted to have successfully and safely completed the first blast at our main gold target at Clogau, the Llechfraith Target. To our knowledge, this is the first blast to have taken place at Clogau since the 1980s and is a testament to the skill and dedication of our mining personnel onsite. We look forward now to continuing blasting operations on No.5 Level.*"

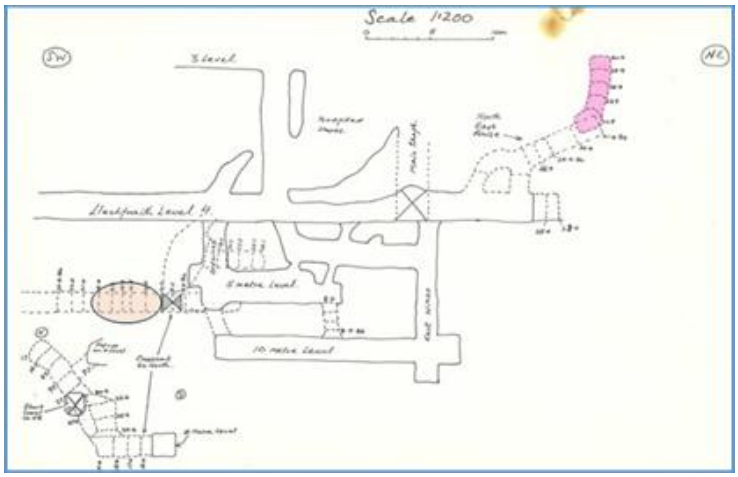

Figure 1: Historical section showing area, circled and coloured pink, where first blast took place on 4.5 Level (labelled "5 metre Level" on the drawing).



Figure 2: left, Mine & Operations Manager Kobus Byleveldt inspecting quartz vein on No. 4.5 Level; right, broken quartz vein on No. 4.5 Level post first blast.

HALF-YEARLY REPORT FOR THE SIX MONTHS ENDED 31 MAY 2024

CHAIRMAN'S STATEMENT

I am pleased to present shareholders with a review of our activities in the six months to 31 May 2024.

1. REVIEW OF ACTIVITIES

1.1 WELSH GOLD PROJECTS

(Clogau-St David's, Gwynfynydd and Dolgellau Gold Exploration Project) (100%)

In December 2023, revised discharge and abstraction permits were granted to Alba, allowing the Company to dewater the Lower Llechfraith workings at the Clogau-St David's Gold Mine ("Clogau" or the "Mine") at a rate of up to 250 cubic metres per day, a significant increase to the previous maximum of up to 100 cubic metres per day. Consequently, the Company was able to complete the dewatering of the Lower Llechfraith workings down to No.4 Level in January 2024.

Simultaneously with the dewatering exercise, the Company's specialist geotechnical contractors completed the installation of new platforms and ladderways to allow access to No.4 Level.

In February 2024, Alba announced that it had taken more than 40 samples from No.4 Level at the Llechfraith Target. These samples were processed at the Company's onsite pilot processing plant and the resulting concentrates were then assayed for their gold content at an independent laboratory. As announced during March 2024, composites of the concentrates returned exceptional gold grades:

- Composite 1: 3.1 grams of gold were recovered from 49.2 kg of sample (dry weight), equating to a back-calculated head grade of 89.15 g/t or 2.87 troy ounces per tonne (oz/t).

- Composite 2: 3.2 grams of gold were recovered from 34.4 kg of sample (dry weight), equating to a back-calculated head grade of 111.63 g/t or 3.59 oz/t.

- Composite 3: 4.0 grams of gold were recovered from 36.9 kg of sample (dry weight), equating to a back-calculated head grade of 133.73 g/t or 4.30 oz/t.

Also in February 2024:

- notification was made under Permitted Development Rights in respect of the Company's intention to proceed with the planned bulk sampling of the Llechfraith Target, in accordance with the previously completed Habitat Regulations Assessment ("HRA") and existing European Protected Species Licence ("EPSL") permissions;

- the airborne geophysical survey undertaken over Alba's key regional gold targets across the Dolgellau Gold Belt ("DGB") was completed; and

- following a review of the plan for future exploitation of the historic waste tip at Clogau ("Waste Tip"), the Company announced that it had submitted a notification under Permitted Development Rights to carry out a trenching programme prior to submitting a planning application for the Waste Tip.

In April 2024, the Company announced that three new gold targets had been identified from the review and interpretation of the first part of the magnetic data generated during Alba's airborne geophysical survey over the DGB. Two of the targets are located within the envelope of the Clogau Mine and represent the potential definition of new drill targets within the Mine. The third target has been identified on a fault that extends 4 km northeasterly within the DGB and thus falls within the Company's 100% owned Dolgellau Gold Exploration Project.

In May 2024, Alba announced that it had excavated nearly 33 tonnes of <20mm material (or "fines") from the Waste Tip. Four concentrates were produced from composite samples of <20mm material taken from each trench, three of which concentrates returned back-calculated head grades of 6.0 g/t, 17.22 g/t and 5.33 g/t respectively.

In July 2024 it was announced that all fines from Trenches 1 and 3 at the Waste Tip had been processed for their gold content. 16.4 grams of gold were produced from Trench 1 and 14.2 grams from Trench 3, equating to back-calculated head grade for the -20mm fines material of 3.83 g/t from Trench 1 and 2.68 g/t from Trench 3 (overall average 3.19 g/t).

At the end of the reporting period, the Company appointed Kobus Byleveldt as Mine & Operations Manager at Clogau. Mr Byleveldt has more than 26 years of mining and management experience within the gold mining sector in South Africa and Scotland, including in mine planning, construction and development. His most recent role was as Mine Manager (for approximately 2.5 years) at the Cononish Mine in Scotland, where he also acted as Senior Production Supervisor and Process Plant Manager.

Ongoing underground works in July 2024 have revealed significant completed historic development between No. 4 and No.5 Levels, around 20m in length, which provides further opportunities for sampling

and access to the payshoot. Further, the dewatering of No.5 Level has unearthed substantial amounts of ore and tailings from previous mining which is being removed to surface and will be assayed for its gold content.

Since the end of the reporting period, work has focused on preparing the Llechfraith Target for blasting, involving:

- 100m of cabling being installed and a new pump lowered to No.4 Level to enable completion of the dewatering of No.5 Level;

- Alba's underground works contractors completing a further round of safety and access works on No.4 Level and, post dewatering, on No.5 Level, to install ladderways to enable the team to access No.5 Level for blasting;

- ventilation, in the form of fans and vent ducting, being installed on Levels 4 and 5 for the removal of blasting fumes;

- compressed air being extended to No.4 Level by the installation of about 40m of pipes linking to the existing air pipes located on No. 2 Level, and water pipes being extended down to No.4 Level; and

- a large tonnage capacity winch being installed at the top of the Llechfraith Shaft with another one on No.4 Level, together with shaft doors and signalling devices.

On 28 August 2024, the first blast at the Llechfraith Target was successfully completed.

1.2 OTHER PROJECTS AND INVESTMENTS

(a) Greenroc Strategic Materials Plc ("GreenRoc")

As at 31 May 2024, Alba owned 37.49% of the issued share capital of GreenRoc (formerly called GreenRoc Mining Plc).

Significant progress has been made at GreenRoc during the reporting period:

- In April 2024, GreenRoc's application for an enlargement of the licence MEL 2022-03 was approved by the Government of Greenland. GreenRoc now holds all of the prospective ground in South Greenland with known graphite mineralisation - several of which hold exceptionally high grades similar to those of Amitsoq.

- GreenRoc was invited to present at the Mineral Security Partnership ("MSP") meeting on graphite held in Toronto in March 2024, as one out of only three established global graphite companies and the only graphite company in the northern hemisphere. The MSP is a collaboration of 13 countries plus the EU and is designed to catalyse public and private investment in responsible critical minerals supply chains globally.

- In April 2024 a Letter of Interest was issued by US EXIM Bank inviting GreenRoc to apply for financing of up to US$3.5M towards the company's work programme.

- Amitsoq uncoated purified spherical graphite was analysed for its electrochemical performance in a test battery cell at a specialised battery research facility in Europe. The Amitsoq graphite anode performed well against all studied parameters, was very stable and had no signs of damage or loss of capacity after several cycles of both short and intensive charging.

- In January 2024, GreenRoc representatives visited key Chinese manufacturers of graphite anode material processing equipment as part of the Pre-Feasibility Study ("PFS") in respect of the Company's planned graphite active anode material ("AAM") plant project ("AAM Plant").

- The AAM Plant PFS has been supported by a £250,000 grant from the UK's Automotive Transformation Fund. Results of the AAM Plant PFS were published in May and July 2024 and showed:

  - o Pre-Tax Net Present Value at 8% discount rate (NPV8) of US$942M with Internal Rate of Return (IRR) of 35.4%.

  - o After-tax NPV8 of US$621M with IRR of 26.5%.

  - o Total gross revenue of US$6.5Bn over the 22-year period, with total gross profit totalling US$3.1Bn.

  - o Years of operation set at 22 to match that planned for the Amitsoq Graphite Mine.

  - o 4-year payback period on capital from start of production.

  - o Initial capital cost (Capex) of US$340M inclusive of a 25% contingency.

  - o Average operating cost (Opex) of US$1,872 per tonne of CSPG.

  - o Average annual processing of 80,000t of graphite concentrate at 95% graphitic carbon (C(g)) with production of 39,700t of active anode material in the form of coated spherical purified graphite (CSPG).

- Due to a change in Greenlandic law which now allows for a faster application process for an exploitation permit, GreenRoc expects to be in a position to apply for an exploitation permit for licence MEL 2013-06 at Amitsoq before the end of 2024.

In June 2024, Alba subscribed for3,888,890 shares in GreenRoc at 1.8 pence per share for a total subscription of £110,000. Alba's directors also separately subscribed for shares in GreenRoc at the same price.

In August 2024, GreenRoc announced that it had signed a Letter of Interest ("LOI") to secure an area in southern Norway for its planned AAM Plant. It also confirmed that it had applied for "Strategic Project" status under the EU's Critical Raw Materials Act ("CRMA") and had submitted the Project Description for the Amitsoq Graphite Mine to the Government of Greenland as part of the path to achieving an Exploitation Licence.

At the date of this RNS, Alba owns 34.72% of the issued share capital of GreenRoc.

(b) Horse Hill Developments Ltd

Alba owns an 11.765% effective interest in the Horse Hill Oil Project in the Weald Basin in southern England ("Horse Hill"). In December 2023, Alba received £102,000 from Horse Hill Developments Limited as a partial repayment of shareholder loans.

In June 2024, UK Oil & Gas Plc ("UKOG"), the Operator of Horse Hill, noted the Supreme Court's decision that in its 2019 grant of planning consent for the oil production at Horse Hill, Surrey County Council ("SCC") failed to request and consider in its assessment an estimate of the end-use carbon combustion emissions of produced hydrocarbons. UKOG further stated that it planned "to work closely with SCC to promptly rectify the situation, either via an amendment to the original 2018 planning application's EIA or via a new retrospective planning submission...". Alba awaits the advice of the Operator as to the next steps and timetable for rectification of the relevant planning consents.

(c) Projects under Review

On 24 April 2024 Alba announced that it had acquired an option to purchasea 50% interest in a package of highly prospective lithium exploration licences in the West Pilbara, Western Australia. In June, it was announced that the option period had expired without the option being exercised, but that discussions were ongoing with the vendors. As at the date of this report, no discussions are ongoing.

The Company continues to review potential new projects and investments which it considers may add significant value to Alba.

2. CORPORATE

On 28 March 2024, Alba announced a share placing raising £380,000 before costs.

Post period end, Alba announced a placing and a Retail Offer, which was over-subscribed. Total funds raised were £492,000 before costs.

Two directors subscribed for shares in that placing as follows:

Director	Subscription (£)	Shares Allotted
George Frangeskides	£17,000	48,571,428
Michael Nott	£3,000	8,571,428

In December 2023 Alba announced the cancellation of a numbers of warrants and options is issue, and the grant of new options and warrants to directors and employees.

3. RESULTS

The Group made a loss of £639,000 after tax (May 2022: profit of £2,102,000 including an accounting profit in relation to the de-consolidation of GreenRoc of £2,672,000).

Operating losses were £489,000 compared with £459,000 in the comparative period. These include £197,000 non-cash costs attributable to the grant of new warrants and options in December 2023. Note that in the comparative period, GreenRoc was consolidated for 3 months and therefore Alba reported both companies' costs in the income statement for that time.

The grant of new warrants and options (as noted in 2. above) are valued with a Black-Scholes calculation. The warrants that were cancelled at the same time led to a release of historic costs booked when they were granted. This release occurs in reserves rather than the income statement so does not offset the non-cash cost in the income statement.

Net assets at 31 May 2024 are in line with those at year end at £9.7 million. During the period, £200,000 was spent on exploration activities, increasing the value capitalised in Intangible Assets. Investments were reduced slightly due to a repayment from Horse Hill and the allocation of a proportionate share of the loss of GreenRoc for the period.

Cash at the period end was £97,000. As noted above, Alba has raised funding of £492,000, before costs, since the reporting date.

4. OUTLOOK

I am pleased to be writing just after our team has completed our first blast underground at the Clogau Gold Mine. It has taken a huge amount of work, skill and dedication from all the Alba team, as well as from our fantastic group

of technical consultants and contractors, to have reached this historic milestone, to our knowledge the first blast to have taken place at Clogau in around four decades.

Most importantly, the start of blasting signifies that we are now very much at the business end of our operational activities at Clogau. This next phase of work will go some way to determining the viability of commercial gold operations based at the Lower Llechfraith workings, our priority target within the existing envelope of the Mine.

On behalf of the entire Board, I would like to take this opportunity to thank our shareholders for all their support.

George Frangeskides
30August 2024
Executive Chairman

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company are responsible for the release of this announcement.

Forward Looking Statements

This announcement contains forward-looking statements relating to expected or anticipated future events and anticipated results that are forward-looking in nature and, as a result, are subject to certain risks and uncertainties, such as general economic, market and business conditions, competition for qualified staff, the regulatory process and actions, technical issues, new legislation, uncertainties resulting from potential delays or changes in plans, uncertainties resulting from working in a new political jurisdiction, uncertainties regarding the results of exploration, uncertainties regarding the timing and granting of prospecting rights, uncertainties regarding the Company's ability to execute and implement future plans, and the occurrence of unexpected events. Actual results achieved may vary from the information provided herein as a result of numerous known and unknown risks and uncertainties and other factors.

For further information, please visitwww.albamineralresources.comor contact:

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Alba's Projects and Investments

Mining Projects Operated by Alba	***Location***	***Ownership***
Clogau (gold)	Wales	100%
Dolgellau Gold Exploration (gold)	Wales	100%
Gwynfynydd (gold)	Wales	100%
Investments Held by Alba	***Location***	***Ownership***
GreenRoc Strategic Materials Plc (graphite - anode)	Greenland	34.72%
Horse Hill (oil)	England	11.765%

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 31 MAY 2024

	Unaudited 6 months ended 31 May 2024 £'000	Unaudited 6 months ended 31 May 2023 £'000	Audited Year ended 30 Nov 2023 £'000
Other income	33	-	55
Administrative expenses	(522)	(459)	(738)
Operating (loss)/profit	(489)	(459)	(683)
Gain on deemed disposal	-	2,672	1,475
Loss on dilution of investment in associate	-	-	(325)
Share of loss of associate	(150)	(110)	(661)
Finance costs	-	(1)	(2)
(Loss)/profit before tax	(639)	2,102	(196)
Taxation	-	-	-
(Loss)/profit for the year	**(639)**	**2,102**	**(196)**
Attributable to:			
Equity holders of the parent	(639)	2,182	(116)
Non-controlling interests	-	(80)	(80)
	(639)	2,102	(196)
Profit/(loss) per ordinary share			
Basic (pence)	(0.009)	0.030	(0.002)
Diluted (pence)	(0.009)	0.028	(0.002)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2024

	Unaudited 6 months ended 31 May 2024 £'000	Unaudited 6 months ended 31 May 2023 £'000	Audited Year ended 30 Nov 2023 £'000
Non-current assets			
Property, plant and equipment	162	144	168
Intangible fixed assets	3,721	3,214	3,520
Investment in associate	3,297	5,386	3,447
Investments - Horse Hill Developments	2,497	2,600	2,600
Total non-current assets	9,677	11,344	9,735
Current assets			
Trade and other receivables	87	117	88
Cash and cash equivalents	97	58	97
Total current assets	184	175	185
Current liabilities			
Trade and other payables	(245)	(257)	(220)
Financial liabilities	-	-	-
Total current liabilities	(245)	(257)	(220)
Net current assets / (liabilities)	(61)	(82)	(35)

Net assets	**9,616**	**11,262**	**9,700**
Capital and reserves			
Called up share capital	5,196	5,076	5,137
Share premium account	11,418	10,461	11,119
Warrant reserve	442	782	782
Retained losses	(7,608)	(5,226)	(7,506)
Foreign currency reserve	168	169	168
Total equity	**9,616**	**11,262**	**9,700**

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 MAY 2024

	Share capital	Share premium	Warrant reserve	Dilution of ownership reserve	Other reserves	Retained losses	Foreign currency reserve	Attributable to equity holders	Non-controlling interests	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 December 2022	**5,076**	**10,461**	**1,187**	**991**	**136**	**(8,929)**	**168**	**9,090**	**2,231**	**11,321**
Profit for the period	-	-	-	-	-	2,182	-	**2,182**	(80)	**2,102**
Total comprehensive income for the period	-	-	-	-	-	2,182	-	**2,182**	(80)	**2,102**
Equity settled share-based payments	-	-	11	-	-	-	-	**11**	-	**11**
Transfer on exercise or expiry of warrants	-	-	(416)	-	-	416	-	**-**	-	**-**
Subsidiary equity settled share-based payments	-	-	-	-	5	-	-	**5**	5	**10**
Dilution of ownership	-	-	-	-	(8)	-	-	**(8)**	330	**322**
Elimination of non-controlling interest on disposal (unaudited)	-	-	-	(991)	(133)	1,106	-	**(18)**	(2,486)	**(2,504)**
Total transactions with owners	-	-	(405)	(991)	(136)	1,522	-	**8**	(2,151)	**(2,161)**
Roundings						***(1)***	***1***			
At 31 May 2023	**5,076**	**10,461**	**782**	**-**	**-**	**(5,226)**	**169**	**11,262**	**-**	**11,262**

At 1 December 2022	**5,076**	**10,461**	**1,187**	**991**	**136**	**(8,929)**	**168**	**9,090**	**2,231**	**11,321**
Loss for the year	-	-	-	-	-	(116)	-	**(116)**	(80)	**(196)**
Other comprehensive income	-	-	-	-	-	(1)	-	**(1)**	-	**(1)**
Total comprehensive income for the year	-	-	-	-	-	(117)	-	**(117)**	(80)	**(197)**
Shares and warrants issued (net of costs)	61	658	-	-	-	-	-	**719**	-	**719**
Equity settled share-based payments	-	-	11					**11**		**11**
Transfer on exercise or expiry of warrants	-	-	(416)	-	-	416	-	**-**	-	**-**
Subsidiary equity settled share-based	-	-	-	-	5	-	-	**5**	5	**10**

payments										
Dilution of ownership	-	-	-	-	(8)	-	-	**(8)**	330	**322**
Elimination of non-controlling interest on disposal	-	-	-	(991)	(133)	1,124	-	**-**	(2,486)	**(2,486)**
Total transactions with owners	61	658	(405)	(991)	(136)	1,540	-	**727**	(2,151)	**(1,424)**
At 30 November 2023	**5,137**	**11,119**	**782**	**-**	**-**	**(7,506)**	**168**	**9,700**	**-**	**9,700**

	Share capital	Share premium	Warrant reserve	Dilution of ownership reserve	Other reserves	Retained losses	Foreign currency reserve	Attributable to equity holders	Non-controlling interests	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 December 2023	**5,137**	**11,119**	**782**	**-**	**-**	**(7,506)**	**168**	**9,700**	**-**	**9,700**
Loss for the period	**-**	**-**	**-**	**-**	**-**	**(639)**	**-**	**(639)**	**-**	**(639)**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(639)**	**-**	**(639)**	**-**	**(639)**
Shares and warrants issued	**59**	**299**	**-**	**-**	**-**	**-**	**-**	**358**	**-**	**358**
Equity settled share-based payments	**-**	**-**	**197**	**-**	**-**	**-**	**-**	**197**	**-**	**197**
Transfer on exercise or expiry of warrants	**-**	**-**	**(537)**	**-**	**-**	**537**	**-**	**-**	**-**	**-**
Total transactions with owners	**59**	**299**	**(340)**	**-**	**-**	**537**	**-**	**555**	**-**	**555**
At 31 May 2024	**5,196**	**11,418**	**442**	**-**	**-**	**(7,608)**	**168**	**9,616**	**-**	**9,616**

UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 MAY 2024

	Unaudited 6 months ended 31 May 2024	Unaudited 6 months ended 31 May 2023	Audited Year ended 30 Nov 2023
Cash flows from operating activities			
Operating loss	(489)	(459)	(683)
Non-cash adjustments			
Share based payment charge	197	21	21
Depreciation	6	6	12
Profit on sales to associate	-	3	-
Increase / (decrease) in creditors	25	(207)	(105)
(Increase)/ decrease in debtors	1	12	108
Deemed disposal of subsidiary - working capital impact	-	205	-
Net cash used in operating activities	(260)	(419)	(647)
Cash flows from investing activities			
Payments for deferred exploration expenditure	(200)	(202)	(508)
Payments for tangible fixed assets	-	-	(30)
Investment in associate	-	-	(115)

Receipt from investment	103	-	-
Deemed disposal by dilution - net cash impact	-	(98)	(98)
Net cash used in investing activities	(97)	(300)	(751)
Cash flows from financing activities			
Proceeds from issue of shares and warrants	380	-	764
Cost of issue	(23)	-	(45)
Group net proceeds from subsidiary issue of shares	-	322	322
Finance expense	-	(1)	(2)
Net cash generated from financing activities	357	321	1,039
Net increase in cash and cash equivalents	-	(398)	(359)
Cash and cash equivalents at beginning of period	97	456	456
Cash and cash equivalents at end of period	**97**	**58**	**97**

The significant non-cash item in the period not shown above is the share of loss of associate of £150,000 (May 2023: share of loss £110,000, November 2023: share of loss £661,000).

NOTES TO THE HALF-YEARLY FINANCIAL INFORMATION

1. Basis of preparation

The Group consolidates the financial statements of the Company and its subsidiary undertakings.

The financial information has been prepared under the historical cost convention in accordance with UK-adopted International Accountant Standards ("UK-adopted IAS") as they apply to the Group for the six months ended 31 May 2024.

The financial information set out in this half-yearly report does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The same accounting policies, presentation and methods of computation are followed in this interim condensed consolidated report as were applied in the Group's annual financial statements for the year ended 30 November 2023. The auditor's report on those financial statements was unqualified and did not contain any statements under section 498(2) or section 498(3) of the Companies Act 2006.

Going concern
Based on financial projections prepared by the Directors, the Group's current cash resources are insufficient to enable the Group to meet its recurring outgoings and projected exploration expenditure for the entirety of the next twelve months. The Directors have prepared cash flow forecasts to 12 months from thedate of publication of these resultswhich take into account planned exploration spend, costs and external funding. The need for external funding is a material uncertainty that may cast doubt on the Group's and Company's ability to continue as a going concern. At this stage as an explorer, the Group does not have a steady income stream and is reliant on external funding sources such as capital raisings or asset transactions to fund activities. The nature of these is ad-hoc and as such the Group and Company do not carry a cash balance sufficient for 12 months of expenditure. However, the Board has a reasonable expectation that the Group and Company will continue to be able to meet their commitments for the foreseeable future by raising funds when required from the equity capital markets and based on the following:

- The Group has a strong track record in sourcing external funding.
- Forecasts contain a level of discretionary spend such that in the event that cash flow becomes constrained, action can be taken to enable the Group to operate within available funding. The Group demonstrated this during the Covid-19 pandemic when sourcing capital was uncertain.
- The Group and Company may also consider future joint venture funding arrangements in order to share the costs of the development of its exploration assets, or to consider divesting of certain of its assets and realising cash proceeds in that way in order to support the balance of its exploration and investment portfolio.

- The Group may be in a position to generate revenues from gold sales from the ongoing bulk sampling exercises at the Clogau Waste Tip and Lower Llechfraith workings.

For these reasons the Directors continue to adopt the going concern basis of accounting in preparing theseinterim results.

2. Taxation

No charge for corporation tax for the period has been made due to the expected tax losses available.

3. Earnings per share

Earnings per share is calculated by dividing the loss attributable to ordinary shareholders of £639,000 (May 2023: profit of £2,182,000; November 2023: loss of £116,000) by the weighted average number of shares of 7,448,838,754 in issue during the period (May 2023: 7,121,568,996; November 2023:7,256,844,832).

The diluted loss per share calculation is identical to that used for basic loss per share as the exercise of warrants would have had the effect of reducing the loss per ordinary share and therefore was not dilutive.

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