RNS Number : 8747D
East Star Resources PLC
12 May 2026

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East Star Resources PLC

("**East Star**" or the "**Company**")

Final Results for the 12 Months Ended 31 December 2025

Transformational year culminating in a strategic investment by Endeavour Mining, a JV with Xinhai for the development of Verkhuba and a JV with Endeavour Mining for gold exploration

East Star Resources Plc (LSE:EST), the Kazakhstan-focused gold and base metals explorer, is pleased to present its annual financial results for the year ended 31 December 2025.

Highlights

VMS Copper Development & Advanced Targets

- Advanced Verkhuba Copper Deposit with drilling, confirming sulphide mineralisation beyond the current resource envelope
- Signed agreement with market-leading EPCM contractor Hong Kong Xinhai Mining Services to farm into Verkhuba and advance to production with a US$65 million estimated investment - East Star fully carried
- Expanded Rulikha VMS target with a new contiguous licence and announced a significant JORC-compliant Exploration Target (23Mt @ 2.4% CuEq), highlighting its potential to add another major copper asset which remains 100% East Star
- Progressed other targets, delineating IP anomalies consistent with VMS-style mineralisation and confirming sulphides in drilling across Rulikha North and Talovskoye West, supporting further 2026 exploration

Porphyry Copper Exploration

- Awarded Piket and Judzha licences, covering prospective terrain in recognised pophyry belts in Kazakhstan
- Initial review and compilation of historical data, laying the foundation to identify drill-ready targets this year

Gold Exploration

- Expanded exploration at Snowy with systematic mapping and rock chip sampling, defining a 4km by 1km gold-in-soil anomaly
- Updated the Snowy target model to a low-sulphidation epithermal system, reflective of surface geology and geochemistry, with follow-up geophysics and drilling planned for 2026 - Snowy remains 100% East Star
- Signed a transformative US$25+ million earn-in and joint venture with FTSE 100 Endeavour Mining PLC (LSE: EDV/TSX: EDV) ("Endeavour"), providing staged funding, technical expertise, and strategic backing for gold exploration in Kazakhstan

Corporate

- Completed successful capital raises of £2.4 million, comprising a £1.8 million Strategic Investment in East Star by Endeavour- now the Company's largest shareholder with 14.3% - and a separate £0.6 million capital raise from a

Sandy Barblett, Chairman, commented:

"Kazakhstan's rich endowment of copper and gold, combined with favourable infrastructure and mining-friendly conditions, positions East Star to capitalise on favourable macroeconomic trends for these metals. With multiple high-priority VMS, porphyry, and epithermal gold projects or targets, robust commodity market fundamentals, and the backing of globally recognised mining partners, East Star is well positioned to deliver discoveries and developments."

The Company has applied to the Financial Conduct Authority ("FCA") for the re-instatement of its shares to trading.

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About East Star Resources Plc

East Star Resources is advancing copper and gold projects in Kazakhstan both independently and with the backing of major global partners. The Company's core projects include:

- A joint venture with Hong Kong Xinhai Mining Services Limited to take the Verkhuba Copper Deposit (20.3Mt @ 1.16% copper, 1.54% zinc and 0.27% lead) into production (at no further cost to East Star) with East Star retaining 30% ownership in production
- A second VMS Exploration Target with up to 23Mt @ 2.4% copper equivalent in the same region, with numerous other targets being advanced to drill-ready status, all of which are 100% East Star
- A $25 million+ strategic gold exploration joint venture with FTSE 100 Endeavour Mining
- Multiple Tier 1 potential copper porphyry and epithermal gold targets in a proven belt

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The person who arranged for the release of this announcement was Alex Walker, CEO of the Company.

This announcement contains inside information for the purposes of Article 7 of Regulation 2014/596/EU which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310) ("UK MAR"). Upon the publication of this announcement, this inside information (as defined in UK MAR) is now considered to be in the public domain.

CHAIRMAN'S STATEMENT

Introduction

I am pleased to present the annual report for East Star Resources PLC (the "Company", the "Group" or "East Star") for the year ended 31 December 2025. This was a transformational year culminating in:

- a US$25 million earn-in and joint venture agreement with a subsidiary of Endeavour Mining PLC (LSE: EDV/TSX: EDV) ("Endeavour"), one of the world's leading gold producers and a constituent of the FTSE 100 Index, for gold exploration;
- a staged farm-in agreement with Hong Kong Xinhai Mining Services Limited ("Xinhai") for the development of the Verkhuba Copper Deposit ("Verkhuba"); and
- a £1.8 million strategic investment by Endeavour, comprising a share subscription and convertible loan note, taking Endeavour's holding to 14.3% on conversion in February 2026.

These agreements represent a step change in the Company's trajectory, validating our exploration capabilities, asset base and personnel, while providing a clear pathway toward development and discovery at scale.

Operationally, we drilled high priority Volcanogenic Massive Sulphide ("VMS") copper targets and secured additional VMS and porphyry licences.

Review of Operations

VMS Copper

Verkhuba Copper Deposit

With 20.3Mt at 1.16% copper, 1.54% zinc and 0.27% lead, and copper prices rising considerably, Verkhuba is a cornerstone asset. During 2025, we undertook multiple drilling programmes designed to define and extend known mineralisation beyond the current resource envelope. Several newly identified ore-intersections included encouraging grades such as 0.7m at 2.94% Cu and 4.0m at 0.69% Cu, as well as zinc-rich intervals. Deeper zinc-copper and additional shallow copper mineralisation was intersected reinforcing Verkhuba's value in our portfolio.

In December, East Star signed a staged farm-in joint venture agreement with Xinhai, a privately owned, global process engineering and contracting company that specialises in providing engineering design, procurement, construction services and contract mining services to the mining industry. Under the agreement, Xinhai may earn up to a 70% interest in Verkhuba through a five-stage investment programme through to production estimated at US$65 million, including funding for feasibility work and development expenditure. East Star will be fully carried.

The Board considers that these advances continue to move Verkhuba closer to development whilst retaining meaningful upside for shareholders through our retained 30% interest, and 100% of neighbouring prospects.

Rulikha

At nearby Rulikha, the digitisation process of historical data demonstrated outstanding grades, including an 81.2m ore grade interval, within East Star's licence area and proximal to a distinct electromagnetic anomaly and three Induced Polarisation ("IP") anomalies to the north and northeast of these intersections. Follow-up induced IP surveys further refined our priority targets and extended the mineralised footprint. Subsequent drilling intersected additional zones of copper mineralisation.

In October 2025, East Star was awarded a new exploration licence encompassing the remaining part of the IP anomaly north of the Rulikha deposit. The entire IP anomaly at Rulikha is now under 100% ownership by East Star.

In November 2025, we announced a significant independent JORC-compliant Exploration Target for the Rulikha deposit, underlining its potential to become a major copper asset within the Rudny Altai VMS belt. The estimate contains an upper limit of 23Mt at 2.4% copper equivalent for over 550,000 tonnes of contained copper, constrained by an open pit - nearly double the copper equivalent metal of Verkhuba.

We look forward to updating shareholders on future exploration activities.

Porphyry Exploration

Porphyry systems represent a compelling strategic complement to East Star's VMS focus. In November, East Star was awarded two new porphyry licences, derived from work conducted as part of the BHP Xplor programme in 2024. The Piket and Judzha projects, cover prospective terrain within recognised metallogenic belts of Kazakhstan. These licences were secured following detailed evaluation of regional geological datasets which identified features characteristic of fertile porphyry corridors.

These licences lie outside the joint venture area of interest with Endeavour, as the targeting focus is on copper-gold porphyry systems rather than gold projects. Field teams have commenced compilation of historical data and intend to complete detailed archival review over the winter to inform a programme of geochemical and mapping work ahead of drilling in 2026.

Sedimentary Copper Exploration

Considering the Company's new joint ventures it has decided to focus time and resources on VMS and porphyry copper, and orogenic gold. As such, the Company does not intend to pursue further its greenfield sediment-hosted copper exploration strategy in the Teniz Basin with Getech at this time. The Board is grateful to Getech for its technical work on this strategy to date and has formally ceased the Joint Venture.

Gold

Gold Exploration including JV with Endeavour

The Company continued to advance its gold exploration programme, with an initial focus on the Snowy licence. During 2025, additional satellite spectral data supported the existence of a large gold in soil anomaly at Snowy, approximately 4km by 1km in extent, which was interpreted as a significant epithermal gold target worthy of follow-up work.

In October 2025, further field work comprising detailed mapping and rock chip sampling was completed over the Snowy target. Rock chip samples returned gold values of up to 1.44g/t at surface, with the prospective vein system traced over at least 100m of strike and remaining open to the north. Based on the surface geology and geochemistry observed, we have updated our deposit model to a low-sulphidation epithermal system, reflective of geological characteristics seen at significant gold deposits elsewhere in the world. Work planned for 2026 includes detailed mapping and sampling over the vein system and a ground geophysical survey to inform future drill planning.

A transformative milestone for the Company in 2025 was the signing of a binding US$25 million earn-in and joint venture agreement with Endeavour for the exploration and development of gold projects in Kazakhstan. This agreement represents a strategic partnership with a globally recognised gold producer and provides East Star with unparalleled access to capital, technical expertise, and exploration capabilities.

Under the terms of the agreement, Endeavour may invest over US$25 million in staged exploration expenditure to earn up to an 80% interest in the joint venture vehicle. An initial two-year phase provides for US$5 million of committed expenditure to earn a 51% interest, with subsequent staged investments increasing Endeavour's interest upon continued funding and project advancement. East Star will retain a meaningful minority interest throughout and, upon full earn-in, a 20% stake. East Star will receive bonus payments linked to any future maiden JORC resource and Preliminary Feasibility Study.

This partnership materially de-risks East Star's gold exploration strategy while simultaneously providing significant discovery upside potential for shareholders alongside a top 10 global gold producer. By aligning with Endeavour, East Star gains the opportunity to fast-track the advancement of gold targets, potentially unlocking transformative value from the Company's Kazakhstan portfolio. The Board views this joint venture as a defining moment in East Star's evolution and a strong validation of our exploration strategy.

Corporate Activities

During 2025, East Star conducted several capital raising initiatives to support exploration. In June, the Company raised over £0.62 million from a subscription and oversubscribed retail offer, including the participation again of directors.

Towards the end of the Year, Endeavour committed a £1.8 million strategic investment in East Star, comprising a £96,600 share subscription and a £1,711,000 unsecured convertible loan note ("CLN"). The £1,711,000 of CLN proceeds were received in cash in January 2026, with the CLN subsequently converting in full into ordinary shares on 10 February 2026, resulting in the gold major owning 14.3% of the Company today.

Key Financial Indicators

- Cash and cash equivalents at year-end were £442,000 (2024: £678,000)
- Loss before taxation for the year was £2,301,000 (2024: £1,102,000)
- The Group held net assets at year-end of £2,435,000 (2024: £3,155,000)
- The Group held total assets at year-end of £4,428,000 (2024: £3,271,000)

Outlook

East Star began 2026 on a strong footing with external funding from Endeavour to commence epithermal gold exploration, an agreement with Xinhai to fund Verkhuba through to development with no cost to East Star, a large VMS exploration target 100% owned by East Star, and a healthy balance sheet to support exploration outside of our joint venture strategies.

Key near-term workstreams include:

- Ground electromagnetic surveys for massive sulphides at the Rulikha and Talovskoye targets
- Follow-up drilling of the Rulikha and Talovskoye targets
- Establishment of the JV company with Xinhai to advance Verkhuba Stage 1 with associated resource definition drilling
- Geochemical work to advance targeting porphyry and gold prospects at Piket, Judzha and Snowy

On behalf of the Board, I would like to congratulate our excellent team. That East Star has been able to attract partners and investors such as Endeavour and Xinhai is a function not only of the Company's existing and potential future projects, but of the quality of the exploration team generating and advancing opportunities, with skill and in-country knowledge.

Kazakhstan's rich endowment of copper and gold, combined with favourable infrastructure and mining-friendly conditions, positions East Star to capitalise on favourable macroeconomic trends for these metals. With multiple high-priority VMS, porphyry, and epithermal gold projects or targets, robust commodity market fundamentals, and the backing of globally recognised mining partners, East Star is well positioned to deliver discoveries and developments.

Sandy Barblett
Non-Executive Chairman
11 May 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Audited Year ended 31 December 2025 £'000	Audited Year ended 31 December 2024 £'000
Continuing Operations			
Revenue		-	-
Administrative expenses	4	(949)	(1,387)

Share based payments	20	(66)	(47)
Impairment	10 & 11	(1,286)	(62)
Other income		-	394
Loss before taxation		**(2,301)**	**(1,102)**
Taxation on loss or ordinary activities	7	-	-
Loss for the year from continuing operations		**(2,301)**	**(1,102)**
Other comprehensive income	8	82	233
Total comprehensive loss for the year attributable to shareholders from continuing operations		**(2,219)**	**(869)**
Basic & dilutive earnings per share - pence	9	(0.54)	(0.42)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	Audited As at 31 December 2025 £'000	Audited As at 31 December 2024 £'000
NON-CURRENT ASSETS			
Exploration assets	10	1,892	2,448
Earn in advance (financial asset)	11	-	-
Property, plant and equipment	12	38	35
TOTAL NON-CURRENT ASSETS		**1,930**	**2,483**
CURRENT ASSETS			
Cash and cash equivalents	14	442	678
Trade and other receivables	16	2,056	110
TOTAL CURRENT ASSETS		**2,498**	**788**
TOTAL ASSETS		**4,428**	**3,271**
NON-CURRENT LIABILITIES			
Convertible Loan Note	17	1,711	-
TOTAL NON-CURRENT LIABILITIES		**1,711**	**-**
CURRENT LIABILITIES			
Trade and other payables	18	282	116
TOTAL CURRENT LIABILITIES		282	116
TOTAL LIABILITIES		**1,993**	**116**

NET ASSETS		**2,435**	**3,155**
EQUITY			
Share capital	19	4,752	3,975
Share premium	19	9,834	9,178
Share based payments reserve	20	420	354
Foreign exchange reserve		346	264
Reverse acquisition reserve	22	(4,795)	(4,795)
Retained earnings		(8,122)	(5,821)
TOTAL EQUITY		**2,435**	**3,155**

** Non-controlling interest of £29 (2024: £29) exists with business partner (Tau Ken Samruk) not stated above*

The Company has taken advantage of section 408 of the Companies Act 2006 and consequently a profit and loss account has not been presented for the Company. The Company's total comprehensive loss for the financial period was £614,000 (2024: £144,000). The financial statements were approved and authorised for issue by the board on 11 May 2026 and were signed on its behalf by:

Non-Executive Chairman - Sandy Barblett

The notes form an integral part of these consolidated financial statements

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	Audited As at 31 December 2025 £'000	Audited As at 31 December 2024 £'000
NON-CURRENT ASSETS			
Investment in subsidiary	13	6,269	6,269
Intercompany receivables	15	5,593	4,571
TOTAL NON-CURRENT ASSETS		**11,862**	**10,840**
CURRENT ASSETS			
Cash and cash equivalents	14	440	658
Trade and other receivables	16	2,004	52
TOTAL CURRENT ASSETS		**2,444**	**710**
TOTAL ASSETS		**14,306**	**11,550**
NON-CURRENT LIABILITIES			
Convertible Loan Note	17	1,711	-
TOTAL NON-CURRENT LIABILITIES		**1,711**	**-**
CURRENT LIABILITIES			
Trade and other payables	18	227	67
TOTAL CURRENT LIABILITIES		227	67
TOTAL LIABILITIES		**1,938**	**67**
NET ASSETS		**12,368**	**11,483**
EQUITY			
Share capital	19	4,752	3,975
Share premium	19	9,834	9,178
Share based payments reserve	20	420	354

Retained Earnings	(2,638)	(2,024)
TOTAL EQUITY	**12,368**	**11,483**

The financial statements were approved and authorised for issue by the board on 11 May 2026 and were signed on its behalf by:

Non-Executive Chairman - Sandy Barblett

The notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2025

	Share Capital £'000	Share Premium £'000	Share based payment reserve £'000	Foreign exchange reserve £'000	Reverse acquisition reserve £'000	Cap be
Balance at 31 December 2023	**2,187**	**6,052**	**307**	**31**	**(4,795)**	
Loss for period	-	-	-	-	-	
Other comprehensive income	-	-	-	233	-	
Total comprehensive income for year	**-**	**-**	**-**	**233**	**-**	
Transactions with owners in own capacity						
Ordinary Shares issued in the period	1,788	3,178	-	-	-	(
Share Issue Costs	-	(52)	-	-	-	
Share based payments	-	-	47	-	-	
Transactions with owners in own capacity	1,788	3,126	47		-	(
Balance at 31 December 2024	**3,975**	**9,178**	**354**	**264**	**(4,795)**	
Loss for period	-	-	-	-	-	
Other comprehensive income	-	-	-	82	-	
Total comprehensive income for year	**-**	**-**	**-**	82	**-**	
Transactions with owners in own capacity						
Ordinary Shares issued in the period	777	710	-	-	**-**	
Share Issue Costs	**-**	(54)	-	**-**	**-**	
Share based payments	**-**	**-**	66	**-**	**-**	
Transactions with owners in own capacity	777	656	66	-	**-**	
Balance at 31 December 2025	**4,752**	**9,834**	**420**	**346**	**(4,795)**	

COMPANY STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2025

	Share capital	Share premium	Share based payment reserve	Share capital to issue	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2023	**2,187**	**6,052**	**307**	**3,750**	**(1,880)**	**10,416**
Loss for period	-	-	-	-	(144)	(144)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for year	-	-	-	-	(144)	(144)
Transactions with owners in own capacity						
Ordinary shares issued in the period	1,788	3,178	-	(3,750)	-	1,216
Share issue costs	-	(52)	-	-	-	(52)
Share based payments	-	-	47	-	-	47
Transactions with owners in own capacity	1,788	3,126	47	(3,750)	-	1,211
Balance at 31 December 2024	**3,975**	**9,178**	**354**	**-**	**(2,024)**	**11,483**
Loss for period	-	-	-	-	(614)	(614)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for year	-	-	-	-	(614)	(614)
Transactions with owners in own capacity						
Ordinary shares issued in the period	777	710	-	-	-	1,487
Share issue costs	-	(54)	-	-	-	(54)
Share based payments	-	-	66	-	-	66
Transactions with owners in own capacity	777	656	66	-	-	1,499
Balance at 31 December 2025	**4,752**	**9,834**	**420**	**-**	**(2,638)**	**12,368**

CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Cash flow from operating activities			
Loss before taxation for the financial year		(2,301)	(1,102)
Adjustments for:			
Share based payments	20	66	47
Settlement of fees through issue of equity		-	10
Impairment charge on exploration assets *	10	1,286	62

Foreign exchange movements		187	395
Depreciation	12	9	31
Changes in working capital:			
(Increase) / Decrease in trade and other receivables	16	(1,946)	9
Increase in trade and other payables	18	166	5
Net cash outflow from operating activities		**(2,533)**	**(543)**
Cash flows from investing activities			
Investment in exploration assets	10	(821)	(578)
Purchase of property, plant & equipment	12	(13)	(33)
Net cash flow from investing activities		**(834)**	**(611)**
Cash flows from financing activities			
Proceeds from issue of shares	19	1,487	1,196
Proceeds from issue of convertible loan notes	17	1,711	-
Share issue costs	19	(54)	(52)
Net cash flow from financing activities		**3,144**	**1,144**
Net increase in cash and cash equivalents		**(223)**	**(10)**
Cash and cash equivalents at beginning of the period		678	635
Foreign exchange effect on cash balance		(13)	53
Cash and cash equivalents at end of the period	14	**442**	**678**

** Impairment charge is adjusted to reflect the true cash impact in the period and hence will not reconcile directly to the value in the Statement of Comprehensive Income*

The notes form an integral part of these consolidated financial statements

COMPANY STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Cash flow from operating activities			
Loss for the financial year		(614)	(144)
Adjustments for:			
Share based payments	20	66	47
Settlement of fees through issue of equity		0	20
Changes in working capital:			
(Increase) / decrease in trade and other receivables	16	(1,952)	(5)
(Decrease) / increase in trade and other payables	18	160	(15)
Net cash outflow from operating activities		**(2,340)**	**(97)**
Cash flows from investing activities			

Investment in subsidiaries	13	-	(1)
Loans to subsidiaries	15	(1,022)	(897)
Net cash flow from investing activities		**(1,022)**	**(898)**
Cash flows from financing activities			
Proceeds from issue of shares	19	1,487	1,196
Proceeds from issue of convertible loan note	17	1,711	-
Share issue costs	19	(54)	(52)
Net cash flow from financing activities		**3,144**	**1,144**
Net increase/(decrease) in cash and cash equivalents		**(218)**	**149**
Cash and cash equivalents at beginning of the period		658	509
Cash and cash equivalents at end of the period	14	**440**	**658**

The notes form an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

East Star Resources PLC ("the Company") was incorporated on 17 November 2020 in England and Wales and remains domiciled there with Registered Number 13025608 under the Companies Act 2006, under the name Cawmed Resources Limited. The Company subsequently changed its name to East Star Resources Limited on 27 January 2021 and on 3 March 2021 re-registered as a PLC.

The address of its registered office and principal place of business is Eccleston Yards, 25 Eccleston Place, London SW1W 9NF, United Kingdom.

The principal activity of the Group is to explore opportunities in the natural resources sector specifically in relation to gold and copper extraction.

The Company originally listed on the London Stock Exchange ("LSE") on 4 May 2021. The Company was suspended from trading on 19 July 2021 whilst managing a reverse takeover transaction and was then re-admitted to trading on 10 January 2022. The Company successfully completed the acquisition of its Kazakhstan based subsidiary - "Discovery Ventures Kazakhstan Limited" on 10 January 2022 and since then has been increasing exploration operations within the region. The consolidated financial statements are presented for the Company and all of its subsidiaries ("the Group").

The Group Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ("IAS UK"), International standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Boards (IASB) and with those parts of the Companies Act 2006 applicable to those companies reporting under IFRS.

2. Accounting policies

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

2.1 Basis of preparation

The consolidated and parent company financial statements ("financial statements") for the period ended 31 December 2025 have been prepared by East Star Resources PLC in accordance with UK-adopted International

Accounting Standards ("IAS UK") and the requirements of the Companies Act 2006. The Financial Statements have been prepared under the historical cost convention.

The functional currency for each entity in the Group is determined as the currency of the primary economic environment in which it operates. The functional currency of the Company is Pounds Sterling (£) as this is the currency that finance was raised in.

The functional currency of its subsidiaries is the Kazakhstan Tenge. For all subsidiaries these are the currencies that mainly influence labour, material and other costs of providing services. However, the presentational currency for the subsidiaries is United States Dollar ($) as this is the currency that the subsidiaries are required to report to national mining authorities in.

The Group has chosen to present its consolidated financial statements in Pounds Sterling (£), as the Directors believe it is a more convenient presentational currency for users of the consolidated financial statements. Foreign operations are included in accordance with the policies set out below.

The accounting period for the Group covers the year ending on 31 December 2025. The financial statements are presented in Pounds Sterling and rounded to the nearest thousand (£'000).

Basis of measurement

The Financial Statements have been prepared on a historical cost basis.

Reverse acquisition accounting treatment

During the period ended 31 December 2022, the Company acquired the entire share capital of Discovery Ventures Kazakhstan Ltd. As the Company ("accounting acquiree") was purely a cash shell at time of acquisition it did not constitute a business and therefore the acquisition was treated as a reverse acquisition of DVK ("accounting acquirer") and outside the scope of IFRS 3.

Critical accounting judgements and key sources of estimation uncertainty are disclosed in note 2.17.

2.2 Going concern

The Directors have prepared financial forecasts to estimate the likely cash requirements of the Group over the 18 months from sign off of the annual report. In preparing these financial forecasts, the Directors have made certain assumptions with regard to the timing and amount of future expenditure, the receipt of management fee income from Endeavour Mining PLC under the Earn-In and Joint Venture Agreement, and prevailing exchange rates. The Directors have considered the sensitivity of the financial forecasts to changes in key assumptions, including potential cost overruns within committed spend and movements in USD:GBP and KZT:GBP exchange rates.

The assessment takes account of two transformational transactions completed before 31 December 2025: the binding Earn-In and Joint Venture Agreement with Endeavour Mining PLC (signed 13 November 2025), under which Endeavour commits to invest up to US$25 million in staged exploration expenditure across the Group's Kazakh gold licences with East Star expressly free-carried throughout; and the associated Endeavour strategic investment of £1,807,600. Subsequent to the year end, Endeavour converted its £1,711,000 convertible loan note in full into ordinary shares in February 2026, and East Star formalised a binding joint venture agreement with Hong Kong Xinhai Mining Services Limited in March 2026, under which Xinhai will fund an estimated US$65 million to take the Verkhuba Copper Deposit to production at no further cost to East Star. Under a conservative base case budget covering the 18-month period to 30 June 2027, the Group's cash balance remains positive throughout, reaching a minimum of approximately US$2.4 million at 30 June 2027, with no additional fundraising assumed.

The Group remains in a pre-revenue exploration stage, and its continued viability beyond the period of the going concern forecast is dependent on the successful execution of its development plans and on continued

access to funding. Whilst the recent strategic transactions described above are positive and serve to mitigate this risk, they do not eliminate the underlying uncertainty inherent in a pre-revenue exploration business. The Directors therefore consider, consistent with the position taken in the prior year and as is common for exploration-stage companies, that conditions exist which represent a material uncertainty that may cast significant doubt over the Group's and Company's ability to continue as a going concern. This material uncertainty is also referred to in the Auditor's Report.

After due consideration of these forecasts, current cash resources, the Group's partnership arrangements and the sensitivity of key inputs, and notwithstanding the material uncertainty described above, the Directors are satisfied that the going concern basis of preparation remains appropriate. The Group will have adequate financial resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this report, and for this reason the financial statements have been prepared on a going concern basis. The financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Per IFRS 10, control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

2.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions. The Group holds the majority of group funds in Lloyds bank equivalent accounts through a

forex platform (Alpha FX). Supplementary working capital funds are held in online banking platforms in the UK (Alpha, Revolut account was closed effective June 2025) and physical banks in Kazakhstan.

2.5 Equity

Share capital is determined using the nominal value of shares that have been issued.

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

Equity-settled share-based payments are credited to a share-based payment reserve as a component of equity until related options or warrants are exercised or lapse.

Retained losses includes all current and prior period results as disclosed in the income statement.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve except to the extent that the translation difference is allocated to non-controlling interests.

The reverse acquisition reserve was recognised during the formation of the Group when the legal acquiree was considered to be the accounting acquirer under the rules of IFRS 3. As the accounting acquiree was not a business under IFRS 3, a part of the transaction was outside the scope of IFRS 3. This resulted in the recognition of a 'reverse acquisition reserve' on consolidation and is set out in more detail in note 20.

Share capital to issue reserve relates to shares to be settled via the issue of the Company's shares at the year-end which meet the definition of equity per IAS 32 are classified as shares to be issue within equity and are held at fair value.

2.6 Foreign currency translation

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;

ii) income and expenses for each income statement are translated at spot exchange rates (unless the spot is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and

iii) all resulting exchange differences are recognised in the Statement of Comprehensive Income and accumulated in the foreign exchange reserve in equity.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange reserve (attributed to non-controlling interests as appropriate).

2.7 Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

a) Classification

The Group classifies its financial assets in the following measurement categories:

· those to be measured subsequently at fair value (either through Other comprehensive income or through profit or loss);

- those to be measured at amortised cost; and
- those to be measured subsequently at fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d) Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.8 Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

2.9 Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

2.10 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

When the Group acquires any plant and equipment it is stated in the accounts at its cost of acquisition less a provision.

Depreciation is charged to write off the costs less estimated residual value of plant and equipment on a straight basis over their estimated useful lives being:

- Plant and equipment 5-7 years
- Furniture and fittings 5-7 years
- Computer equipment 3 years
- Motor vehicles 5 years

Estimated useful lives and residual values are reviewed each year and amended as required.

2.11 Exploration and evaluation assets

Intangible assets represent exploration and evaluation assets (IFRS 6 assets), being the cost of acquisition by the Group of rights, licences and know-how. Such expenditure requires the immediate write-off of exploration and development expenditure that the Directors do not consider to be supported by the existence of commercial reserves.

All costs associated with mineral exploration and investments, are capitalised on a project-by-project basis, pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads and these assets are not amortised until technical feasibility and commercial viability is established. If an exploration project is successful, the related expenditures will be transferred to "mining assets" and amortised over the estimated life of the commercial ore reserves on a unit of production basis.

The recoverability of all exploration and development costs is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of reserves and future profitable production or proceeds from the disposition thereof.

Exploration and evaluation assets shall no longer be classified as such when the technical feasibility and commercial viability of extracting mineral resources are demonstrable. When relevant, such assets shall be assessed for impairment, and any impairment loss recognised, before reclassification to "Mine development".

2.12 Share based payments

The Group has made awards of warrants and options on its unissued share capital to certain parties in return for services provided to the Group. The valuation of these warrants involved making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and interest rates. These assumptions have been integrated into the Black Scholes Option Pricing model and the Monte Carlo valuation model to derive a value for any share-based payments. These assumptions are described in more detail in the notes.

2.13 Taxation

Tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other

years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the group or parent company financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. As there is no reasonable expectation of future revenues to which tax losses could be applied no deferred tax asset has been recognised.

2.14 Leases

The Group recognises the guidelines set out in "IFRS 16 - Leases" and are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period. Right-of-use assets are measured at cost which comprises the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases (term less than 12 months) and all leases of low-value assets (generally less than £5k) are recognised on a straight-line basis as an expense in profit or loss. The short term lease exemption has been utilised by the Group in relation to property leases held in the Kazakhstan and the UK. These leases are on a rolling month-month basis and hence there is no long term commitment entered into and are also low-value assets.

2.15 Contingent asset

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets in these financial statements relate to VAT that is only offsetable against future revenue and hence these amounts are contingent on this occurrence and are classified as so.

2.16 Other comprehensive income

Gains or losses on the translation of currencies into the presentational currency are recognised as other comprehensive income in the Statement of Profit and Loss and Other Comprehensive Income and transferred to a separate foreign exchange reserve under equity.

2.17 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

Impairment of investments and loans to subsidiaries - Note 13 & 15

The Group and the Company assess at each reporting date whether there is any objective evidence that investments in and loans to subsidiaries are impaired. The value of the Company's investment in DVK amounts to £6.269 million (2024: £6.269 million) and intercompany loans amount to £5.593 million (2024: £4.571 million). To determine whether there is objective evidence of impairment, a considerable amount of estimation is required in assessing the ultimate realisation of these investments/receivables, including valuation,

creditworthiness and future cashflows. As at the year end the Directors do not assess there to be any impairment of these amounts.

Recoverable value of exploration assets - Note 10

Costs capitalised in respect of the Group's mining assets are required to be assessed for impairment under the provisions of IFRS 6. The carrying value of the Group's exploration assets at 31 December 2025 was £1.892 million (2024: £2.448 million). An impairment charge of £1.286 million was recognised in the year (see Note 10). Such an estimate requires the Group to exercise judgement in respect of the indicators of impairment and also in respect of inputs used in the models which are used to support the carrying value of the assets. Such inputs include estimates of mineral reserves, production profiles, commodity prices, capital expenditure, inflation rates, and pre-tax discount rates that reflect current market assessments of (a) the time value of money; and (b) the risks specific to the asset for which the future cash flow estimates have not been adjusted. Management have concluded that it is appropriate to process an impairment charge in the year in relation to exploration assets and can be further evidenced at note 10.

Rehabilitation and restoration provisions - Note 11

The Group assesses at each reporting date whether a rehabilitation and restoration provision is required under IAS 37 in respect of its exploration activities in Kazakhstan. This assessment requires judgement in determining whether the three recognition criteria are met: a present obligation arising from a past event, a probable outflow of resources, and a reliable estimate of the amount. As at 31 December 2025, the Directors have concluded that none of these criteria are met in respect of the Group's active exploration licences. No decision has been taken to cease operations on any active licence and no physical disturbance has occurred that would crystallise a present restoration obligation. The Directors will continue to monitor this position as exploration activities advance.

Share based payments - Note 20

The Group issues options and warrants to its employees, directors, investors and advisors. These are valued in accordance with IFRS 2 "Share-based payments" with expense for the year being £0.07 million (2024: £0.05 million). In calculating the related charge on issuing shares and warrants the Group will use a variety of estimates and judgements in respect of inputs used including share price volatility, risk free rate, and expected life. Changes to these inputs may impact the related charge.

In the period the Group implemented a long-term incentive program for employees which can be evidence further at note 20. These options have various vesting dates and conditions and have been valued using the Black-Scholes method to assign an appropriate value in the financial statements.

2.18 New standards and interpretations adopted by the Group in the Year

The standards and interpretations that are relevant to the Group, effective in this financial year are listed below. There has been no impact on the financial statements from the adoption of these standards.

Standard	Impact on initial application	Effective date
Amendments to IAS 21 - Lack of Exchangeability	An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. There has been no impact on the financial statements from the adoption of this standard.	Annual periods beginning on or after 1 January 2025

2.19 Future new standards and interpretations not yet adopted by the Group

The standards and interpretations that are relevant to the Group, effective in future financial years are listed below. The Directors do not expect there to be an impact on the financial statements from the adoption of these standards when they do become effective.

Standard	Impact on initial application	Effective date
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	These amendments: - clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; - clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; - add new disclosures for certain instruments with contractual terms that can change cash flows (such as instruments with features linked to the achievement of ESG targets); and - make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).	1 January 2026 (early adoption permitted)
Amendment to IFRS 9 and IFRS 7 - Power Purchase Agreements (PPAs)	These amendments address power purchase agreements. The amendments outline the factors that an entity must consider when applying the 'own-use' exception under IFRS 9 to contracts for purchasing and taking delivery of renewable electricity. This is particularly relevant when the electricity source is dependent on natural factors and the purchaser faces significant volume risk.	1 January 2026 (early adoption permitted)
IFRS 18 - Presentation and Disclosure in Financial Statements	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: • the structure of the statement of profit or loss; • required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and • enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general	1 January 2027 (early adoption permitted)
IFRS 19 - Subsidiaries without Public Accountability: Disclosures	This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. • it does not have public accountability; and it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.	1 January 2027 (early adoption permitted)

3. Segmental analysis

The Group manages its operations in two segments, being exploration activities in Kazakhstan and corporate functions in the United Kingdom. The results of these segments are regularly reviewed by the board as a basis for the allocation of resources, in conjunction with individual investment appraisals, and to assess their performance.

The Group generated no revenue during the year ended 31 December 2025 (2024: £nil).

31 December 2025	United Kingdom £'000	Kazakhstan £'000	Total £'000
Administrative expenses	(546)	(403)	(949)
Share based payments	(66)	-	(66)
Impairment charge	-	(1,286)	(1,286)
Other income	-	-	-
Operating loss from continued operations per reportable segment	**(612)**	**(1,689)**	**(2,301)**
Reportable segment assets	2,586	1,842	4,428
Reportable segment liabilities	(1,938)	(55)	(1,993)
Total	**648**	**1,787**	**2,435**

31 December 2024	United Kingdom £'000	Kazakhstan £'000	Total £'000
Administrative expenses	(491)	(896)	(1,387)
Share based payments	(47)	-	(47)
Impairment charge	-	(62)	(62)
Other income	394	-	394
Operating loss from continued operations per reportable segment	**(144)**	**(958)**	**(1,102)**
Reportable segment assets	785	2,486	3,271
Reportable segment liabilities	(67)	(49)	(116)
Total	**718**	**2,437**	**3,155**

Segment assets and liabilities are allocated based on geographical location.

4. Administrative expenses

Administrative expenses for the Group can further be broken down as per below:

	Year ended 31 Dec 2025 £'000	Year ended 31 Dec 2024 £'000
Professional fees	(147)	(196)
Directors' fees	(173)	(116)
Salaries & wages	(169)	(82)
Geological consulting and exploration costs	(2)	(15)
Insurance	(23)	(6)
Consultants	(27)	(52)
Travel	(67)	(33)
Foreign Exchange	(254)	(788)
Other administrative expenses	(87)	(99)
Administrative expenses	**(949)**	**(1,387)**

5. Employees

The average number of persons employed by the Group (including directors) during the period ended 31 December 2025 was:

	2025	2024
Management	5	5
Non-management	8	8
	13	13

The highest paid director received total remuneration of £196,000 (2024: £147,000).

6. Auditor's Remuneration

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Fees payable for the audit of the Group's financial statements	48	46
	48	**46**

7. Taxation

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
A reconciliation of the tax charge appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the year is:		
Loss per accounts	(2,301)	(1,102)
Tax credit at the weighted standard average rate of corporation tax in the UK of 25% and Kazakhstan of 20%	(491)	(227)
Adjustment for items disallowable for tax	66	47
Tax losses for which no deferred tax is recognised	425	180
Tax expense recognised in accounts	-	-

The Group has estimated tax losses carried forward of £6,028,000 (2024: £3,870,000) The taxed value of the unrecognised deferred tax asset is £1,147,000 (2024: £722,000) and these losses do not expire. No deferred tax assets in respect of tax losses have been recognised in the accounts as there is currently insufficient evidence of the timing of suitable future taxable profits against which they can be recovered.

There are no other factors following this change that may affect future tax charges.

8. Other comprehensive income

Items credited to the other comprehensive income line in the statement of comprehensive income relate to the impact of foreign exchange movements when translating the statement of financial position from functional to presentational currencies on consolidation. The corresponding movement is offset against the foreign exchange reserve in the statement of financial position:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000

Foreign currency movements	82	233
	82	**233**

9. Earnings per share

The calculation of the basic and diluted earnings per share is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December 2025	Year ended 31 December 2024
Loss attributable to shareholders of East Star Resources PLC - £'000	(2,301)	(1,102)
Weighted number of ordinary shares in issue	424,291,761	264,288,870
Basic & dilutive earnings per share from continuing operations - pence	**(0.54)**	**(0.42)**

There is no difference between the diluted loss per share and the basic loss per share presented. Share options and warrants could potentially dilute basic earnings per share in the future but due to the group making a loss they were not included in the calculation of diluted earnings per share as they are anti-dilutive for the year and prior year presented.

10. Exploration assets

Group	**£'000**
Cost and carrying value - 1 January 2024	2,149
Additions	578
Foreign exchange	(249)
Impairment on licenses	(30)
At 31 December 2024	**2,448**
Additions	821
Foreign exchange	(91)
Impairment on licenses	(1,286)
At 31 December 2025	**1,892**

Exploration and evaluation assets relate specifically to expenditure incurred to support the exploitation of exploration licences held by the Group's Kazakhstan-based subsidiaries. Following the termination of the Rudny Resources licences during the year, the Group holds a total of 8 active licences across three mineral provinces of Kazakhstan, being the Rudny Altai VMS belt, the Karaganda / Balkash-Ili arc and the Chu-Ili region.

In accordance with IFRS 6, the Directors undertook an assessment of the following areas and circumstances which 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 by the Company or in conjunction with potential joint venture partners;
- The Board may consider to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves;
- Existing joint venture agreements have been terminated;

- Sufficient data exists to indicate that the book value may not be fully recovered from future development and production.

Following this assessment, the Directors concluded that an impairment charge of £1,285,476 (KZT 883,645,525) was required in the current year in respect of the following licences:

- Rudny Resources Limited - £1,242,077 (KZT 853,812,758): The impairment represents the full write-off of capitalised exploration expenditure following the termination on 23 September 2025 of two exploration licences prior to commercial discovery: Licence No. 847-EL (Novo 2) and Licence No. 914-EL (Novo 1). No further exploration activity will be undertaken under these licences.
- Copperland Limited - £43,399 (KZT 29,832,766): The impairment represents the write-off of capitalised exploration expenditure in respect of Licence No. 2483-EL (Ayagoz), relinquished by Copperland Ltd prior to commercial discovery. The Copperland subsidiary continues to hold two active exploration licences - Snowy (2506-EL) and Piket (3720-EL) - under which exploration activities are ongoing.

A 10% movement either way in the KZT/GBP exchange rate would change the carrying value by approximately £189,000 (2024: £245,000).

11. Earn in advance (financial asset)

Group	**£'000**
Cost and carrying value - 1 January 2024	-
Additions	32
Foreign exchange	-
Impairment on licenses	(32)
At 31 December 2024	-
Additions	-
Impairment on licenses	-
At 31 December 2025	-

The licences held jointly with Phoenix Mining Ltd in relation to rare earths are referred to above as a financial asset as they do not currently satisfy all the requirements of IFRS 6 to be capitalised as an exploration asset. In the prior year, an amount of £32,000 was incurred with respect to potential rehabilitation costs for the Talyryk licences which was impaired immediately.

Rehabilitation and Restoration Provisions

The Group has assessed its rehabilitation and restoration obligations in accordance with IAS 37 - Provisions, Contingent Liabilities and Contingent Assets in respect of its exploration activities in Kazakhstan as at 31 December 2025. The Directors have concluded that no rehabilitation provision is required. The Group's current exploration activities do not give rise to present obligations for site restoration that meet the IAS 37 recognition criteria of a present obligation, probable outflow and reliable estimate. No rehabilitation expenditure was incurred during the year ended 31 December 2025. The Directors will continue to monitor rehabilitation obligations as exploration activities advance and will recognise a provision at the earliest point at which the IAS 37 recognition criteria are met.

12. Property, plant & equipment

Group	Motor vehicle £'000	Plant and equipment £'000	Furniture and fittings £'000	Computer equipment £'000	Total £'000
Cost					
Opening balance - 1 January 2025	28	31	2	7	68
Additions	12	-	-	1	13
Foreign exchange	(1)	-	-	-	(1)
At 31 December 2025	39	31	2	8	80
Depreciation					
Opening balance - 1 January 2025	(1)	(26)	(1)	(5)	(33)
Charge for the year	(4)	(3)	-	(2)	(9)
At 31 December 2025	(5)	(29)	(1)	(7)	(42)
Net book value 31 December 2024	27	5	1	2	35
Net book value 31 December 2025	**34**	**2**	**1**	**1**	**38**

Group	Motor vehicle £'000	Plant and equipment £'000	Furniture and fittings £'000	Computer equipment £'000	Total £'000
Cost					
Opening balance - 1 January 2024	-	31	2	7	40
Additions	31	-	-	2	33
Foreign exchange	(3)	-	-	(2)	(5)
At 31 December 2024	28	31	2	7	68
Depreciation					
Opening balance - 1 January 2024	-	(19)	(1)	(3)	(23)
Charge for the year	(1)	(7)	-	(2)	(10)
At 31 December 2024	(1)	(26)	(1)	(5)	(33)
Net book value 31 December 2023	-	12	1	4	17
Net book value 31 December 2024	**27**	**5**	**1**	**2**	**35**

13. Investment in subsidiaries

Company	£'000
Cost and carrying value - 31 December 2023	6,268
Additions during the year	1
At 31 December 2024	**6,269**
Additions during the year	-

At 31 December 2025	**6,269**

List of Subsidiaries

Name	Business Activity	Country of Incorporation	Registered Address	%age Holding 2025	%age Holding 2024
Discovery Ventures Kazakhstan Limited	Mineral exploration	Kazakhstan	VP 32, building 12/1, Dinmuhamed Konaev street, Yesil district, Astana, Z05H9B0, Kazakhstan	100%	100%
Chu Ili Resources ltd*	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	80%	80%
Rudny Resources ltd*	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	80%	80%
Copperland Limited *	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	100%	100%
MVLKAZ Holdings Limited	Holding company	United Kingdom	Eccleston Yards, 25 Eccleston Place, London, SW1W 9NF	100%	100%
MVLKAZ Limited **	Mineral exploration	Kazakhstan	VP 32, building 12/1, Dinmuhamed Konaev street, Yesil district, Astana, Z05H9B0, Kazakhstan	100%	100%

** Subsidiaries held indirectly through Discovery Ventures Kazakhstan*

*** Subsidiary held indirectly through MVLKAZ Holdings Limited*

Incorporation of Joint Venture Entities - Endeavour Mining JV

Subsequent to the year end, East Star procured the incorporation in the Astana International Financial Centre of Cook JV Co, a private company limited by shares, being the joint venture company ("JVCO") established pursuant to the Earn-In and Joint Venture Agreement with Endeavour Exploration Limited dated 13 November 2025. Cook JV Co in turn incorporated a subsidiary, Cook Exploration, as a limited liability partnership under Kazakhstani law, to hold and operate the Project Licences in accordance with the terms of the Agreement. Both entities were incorporated after 31 December 2025 and are accordingly not included in the list of subsidiaries as at the balance sheet date.

At the date of approval of these financial statements, East Star holds 100% of Cook JV Co pending Endeavour's acquisition of its earn-in interest through staged exploration investment of up to US$25 million. Prior to acquiring its Stage 1 earn-in interest, Endeavour holds negative control rights as creditor of Cook JV Co under the associated Loan Agreement. Cook JV Co and Cook Exploration will be consolidated from the date of their incorporation. However, upon Endeavour acquiring its Stage 1 earn-in interest of 51%, East Star's interest in Cook JV Co will reduce to 49% and the entity will be deconsolidated and reclassified as a joint arrangement, accounted for using the equity method in accordance with IFRS 11. Given that the Stage 1 work programme commenced in 2026 with US$2.3 million already committed by Endeavour, it is possible that this transition occurs during the year ending 31 December 2026. The Group will disclose the impact of this transition in its consolidated financial statements for the year ending 31 December 2026.

14. Cash and cash equivalents

	Group		Company	
	As at 31 December 2025 £'000	As at 31 December 2024 £'000	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Cash at bank	442	678	440	658

15. Inter-company receivable

Company

	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Inter-company loan receivable	5,593	4,571
	5,593	**4,571**

16. Trade and other receivables

	Group		Company	
	As at 31 December 2025 £'000	As at 31 December 2024 £'000	As at 31 December 2025 £'000	As at 31 December 2024 £'000
VAT receivable	13	23	13	23
Prepayments	25	24	17	19
Other debtors	2,018	63	1,974	10
	2,056	**110**	**2,004**	**52**

Expected credit loss model under IFRS 9 has not been applied with respect to receivables due to this being inappropriate for the above receivables. Other debtors increased significantly at the year-end due to amounts receivable from Endeavour in respect of the Convertible Loan Note, as well as exercised warrants, both of which were settled in January 2026.

17. Convertible Loan Note

Company

	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Convertible Loan Note	1,711	-
	1,711	**-**

On 1 December 2025, the Company issued an unsecured convertible loan note ("CLN") of £1,711,000 to Endeavour Mining PLC, convertible into 74,391,304 ordinary shares at a conversion price of £0.023 per share. The CLN is interest-free save where, if not converted within 12 months, interest becomes payable. The CLN is classified as a non-current liability at 31 December 2025. Subsequent to the year end, on 10 February 2026, the CLN was converted in full into 74,391,304 new ordinary shares, admitted to trading on 16 February 2026, increasing Endeavour's total shareholding to 78,591,304 ordinary shares representing 14.3% of the Company's enlarged issued share capital.

18. Trade and other payables

	Group		Company	
	As at 31 December 2025 £'000	As at 31 December 2024 £'000	As at 31 December 2025 £'000	As at 31 December 2024 £'000
Trade payables	123	71	68	22
Accruals	158	44	158	44
Other payables	1	1	1	1
	282	**116**	**227**	**67**

19. Share capital and share premium

Group and Company	Ordinary Shares	Share Capital	Share Premium	Total
	#	£'000	£'000	£'000
At 31 December 2023	**218,650,164**	**2,187**	**6,052**	**8,239**
Issue of ordinary shares - exercise of warrants	1,200,333	12	24	36
Issue of ordinary shares - performance shares milestones reached [1]	75,000,000	750	3,000	3,750
Issue of ordinary shares - share placement [2]	100,926,292	1,009	151	1,160
Issue of ordinary shares - fees settled in shares [2]	1,739,130	17	3	20
Share issue costs	-	-	(52)	(52)
At 31 December 2024	**397,515,919**	**3,975**	**9,178**	**13,153**
Issue of ordinary shares - Subscription and WRAP retail offer [3]	47,868,616	479	144	623
Issue of ordinary shares - Strategic investment by Endeavour Mining [4]	4,200,000	42	55	97
Issue of ordinary shares - fees settled in shares [5]	25,590,545	256	511	767
Share issue costs	-	-	(54)	(17)
At 31 December 2025	**475,175,080**	**4,752**	**9,834**	**14,586**

[1] In July 2024, the Mineral Resource Estimate performance threshold of 1Moz at 2 g/t gold equivalent as per the share purchase agreement with the vendors of DVK was met resulting in the issue of 75m performance shares. The value of these shares of £3.75m were transferred from Shares to be Issued.

[2] On 16 October 2024, the Company issued 100,926,292 ordinary shares at £0.0115 as part of a share placement along with 1,739,130 ordinary shares at the same price in settlement of £20,000 accrued director fees.

[3] In June 2025, the Company issued 47,868,616 ordinary shares at £0.013 per share by way of an oversubscribed Subscription and WRAP Retail Offer, raising gross proceeds of £622,292.

[4] On 1 December 2025, the Company issued 4,200,000 ordinary shares at £0.023 per share to Endeavour Mining PLC as part of a £1,807,600 strategic investment, raising gross proceeds of £96,600 from the share issuance, accompanied by the issue of an unsecured convertible loan note of £1,711,000 convertible into 74,391,304 ordinary shares at £0.023 per share, upon which Endeavour will hold 15% of the Company's enlarged issued share capital.

[5] On 30 December 2025, the Company received warrant exercise notices for 25,590,545 ordinary shares at £0.03 per share, raising gross proceeds of £767,716, bringing the Company's total issued share capital to 475,175,080 ordinary shares.

The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed less; the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

The Company has only one class of share, being ordinary shares at a nominal value of £0.01 (2024: £0.01). All ordinary shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

20. Share based payments reserve

	Group £'000	Company £'000
As at 31 December 2023	**307**	**307**
Employee options issued	32	32
LTIP options issued	15	15
As at 31 December 2024	**354**	**354**
Employee options issued [1]	32	32
LTIP options issued [2]	61	61
Broker warrants [3]	(27)	(27)
As at 31 December 2025	**420**	**420**

[1] On 13 December 2021, 11,250,000 employee options were granted. These options have an exercise price of £0.05 and expire 5 years from the grant date. Value attributed to the share-based payments reserve in the current period represents the pro-rata portion of the expense brought to account over the vesting period.

[2] On 1 March 2023 the remuneration committee approved the adoption of a long-term incentive plan ("LTIP"). Value attributed to the share based payments reserve in the current period represents the pro-rata portion of the expense brought to account over the vesting period.

Additionally, on 11 March 2025, 8,458,688 options were granted to employees and directors under the Company's Long-Term Incentive Plan at an exercise price of £0.015 per share, vesting on 11 March 2026 and expiring 10 February 2035, with a total fair value of £48,349 calculated using the Black-Scholes model. The share-based payment charge recognised in the year ended 31 December 2025 is £39,076.

[3] On 13 June 2025, 351,582 warrants were issued to SI Capital Ltd (exercise price £0.013, expiring 13 June 2028) with a fair value of £3,293, and 446,538 warrants were issued to Cavendish Securities Plc (exercise price £0.03, expiring 13 June 2026) with a fair value of £722. During the year, 2,146,000 warrants with an exercise price of £0.05 expired unexercised and the associated share-based payment reserve of £30,583 was reversed to profit or loss.

Share based payments valuation

The charges associated with the share-based payments have been applied to the statement of profit or loss and other comprehensive income. The following tables summarises the valuation techniques and inputs used to calculate the values of share-based payments:

Warrants

Grant date	Number	Share price £	Exercise price £	Expiry date	Volatility %	RF Rate %	Technique
13 June 2025	351,582	0.0133	0.013	13 June 2028	125	4.2	Black Scholes
13 June 2025	446,538	0.0133	0.030	13 June 2026	125	4.2	Black Scholes

Options

Grant date	Number	Share price £	Exercise price £	Expiry date	Volatility %	RF Rate %	Technique
11 March 2025	8,458,688	0.009	0.015	10 February 2035	85	4.2	Black Scholes

Warrants

	As at 31 December 2025	
	Weighted average exercise price	Number of warrants
Brought forward at 1 January 2024	4.00p	45,213,505
Lapsed in period	5.00p	(1,200,000)
Exercised in period	3.00p	(1,200,333)
Granted in period	3.00p	1,578,130
Granted in period	1.15p	286,956
Outstanding at 31 December 2024	3.33p	44,678,258
Exercisable at 31 December 2024	3.33p	44,678,258
Brought forward at 1 January 2025	3.33p	44,678,258
Lapsed in period	5.00p	(2,146,000)
Lapsed in period	3.00p	(11,187,252)
Exercised in period	3.00p	(25,590,545)
Granted in period	1.30p	351,582
Granted in period	3.00p	446,538
Outstanding at 31 December 2025	4.50p	6,552,581
Exercisable at 31 December 2025	4.50p	6,552,581

The weighted average time to expiry of the warrants as at 31 December 2025 is 1.10 years (2024: 0.92 years).

Options

	As at 31 December 2025	
	Weighted average exercise price	Number of options
Brought forward at 1 January 2024	5p	14,934,500
Granted in period		-
Vested in period	*4.3p*	*2,125,584*

Outstanding at 31 December 2024	4.8p	14,934,500
Exercisable at 31 December 2024	4.7p	5,875,584
Brought forward at 1 January 2025	4.8p	14,934,500
Granted in period	1.5p	8,639,847
Vested in period	*1.5p*	*1,198,661*
Outstanding at 31 December 2025	3.7p	23,574,347
Exercisable at 31 December 2025	3.7p	7,074,245

The weighted average time to expiry of the options as at 31 December 2025 is 5.02 years (2024: 3.68 years).

The option vesting conditions of the LTIP options are as below:

- 50% of the Shares under Option (rounded down to the nearest whole number) shall Vest on the first anniversary of the Date of Grant;
- 25% of the Shares under Option (rounded down to the nearest whole number) shall Vest on the second anniversary of the Date of Grant;
- 25% the remaining number of the Shares under Option shall Vest on the third anniversary of the Date of Grant.

21. Other Reserves

Share capital to issue reserve

Shares to be issued as part of the DVK acquisition based on performance milestones. The reserve at 31 December 2024 represented contingent consideration for the DVK acquisition which fully vested and was settled by the issue of shares during 2024. The reserve has been £nil throughout the year ended 31 December 2025.

Foreign exchange reserve

Foreign exchange differences arising on translating subsidiary financial statements into the Group's presentation currency.

Share based payment reserve

Cumulative charge recognised under IFRS 2 in respect of share-based payment awards.

Reverse acquisition reserve

Represents the difference between the pre-acquisition value of the equity of the Parent Company and the investment in DVK, net of expenses, arising on the reverse acquisition of DVK by the Company in January 2022.

Retained earnings

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

22. Reverse acquisition

On 10 January 2022, the Company acquired the entire share capital of Discovery Ventures Kazakhstan Limited ("DVK"), whose principal activity is to undertake exploration activities relating to gold and copper mineral resources in Kazakhstan, through the issue of 45,000,000 consideration shares.

Although DVK became a wholly owned subsidiary of the Company, the transaction constitutes a reverse acquisition as in substance it resulted in a fundamental change in the business of the Company. The transaction has been accounted for as a reverse acquisition and, as the Company's activities prior to the acquisition were purely the maintenance of the Main Market LSE listing, the directors did not consider this to meet the definition of a business in accordance with IFRS 3. Accordingly, rather than recognising goodwill, the difference between the equity value given up by the DVK shareholders and the share of the fair value of net assets gained is charged

to the statement of comprehensive income as a share-based payment on reverse acquisition, representing in substance the cost of acquiring a Main Market LSE listing.

The fair value of the net assets of East Star at acquisition was as follows:

	£'000
Cash and cash equivalents	1,835
Convertible loan notes	609
Other receivables	151
Trade and other payables	(848)
Net assets	**1,747**

The difference between the deemed cost (£3,477,000) and the fair value of the net assets assumed above of £1,747,000 resulted in £1,730,000 being expensed within "reverse acquisition expenses" in accordance with IFRS 2.

The reverse acquisition reserve which arose from the reverse takeover is made up as follows:

	£'000
Pre-acquisition equity[1]	(473)
DVK share capital at acquisition[2]	216
Investment in DVK[3]	(6,268)
Reverse acquisition expense[4]	1,730
	(4,795)

1. Recognition of pre-acquisition equity of East Star as at 10 January 2022.
2. DVK had equity at the date of acquisition of £216,000. As these financial statements present the capital structure of the legal parent entity, the equity of DVK is eliminated.
3. The value of the shares issued by the Company in exchange for the entire share capital of DVK as at the share price used in the placing that occurred simultaneously (£0.05). The above entry is required to eliminate the balance sheet impact of this transaction.
    I. Initial consideration: 45 million shares at £0.05 (£2,250,000)
    II. Contingent consideration: 75 million shares at £0.05 (£3,750,000)
    III. Convertible loan notes settled on behalf of DVK through issue of 5.35m shares at £0.05 (£267,500)
4. The reverse acquisition expense represents the difference between the value of the equity issued by the Company, and the deemed consideration given by DVK to acquire the Company.

23. Financial Instruments and Risk Management

Capital management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders. The overall strategy of the Company and the Group is to minimise costs and liquidity risk.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, share premium, reverse acquisition reserves, foreign exchange reserves and retained earnings as disclosed in the Consolidated Statement of Changes of Equity.

The Group is exposed to a number of risks through its normal operations, the most significant of which are interest, credit, foreign exchange and liquidity risks.

The management of these risks is vested to the Board of Directors. The sensitivity has been prepared assuming the liability outstanding was outstanding for the whole period. In all cases presented, a negative number in profit and loss represents an increase in expense/decrease in income.

General objectives and policies

As alluded to in the Directors report the overall objective of the Board is to set policies that seek to reduce risk as far as practical without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are detailed below.

Principal financial instruments

The principal financial instruments used by the Group from which the financial risk arises are as follows:

Policy on financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, other receivables, trade and other payables. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 2 - "Accounting Policies".

The Group does not use financial instruments for speculative purposes. The carrying value of all financial assets and liabilities approximates to their fair value.

Derivatives, financial instruments and risk management

The Group does not use derivative instruments or other financial instruments to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices.

Foreign currency risk

The Group operates in a global market with income and costs arising in a number of currencies and is exposed to foreign currency risk arising from commercial transactions, translation of assets and liabilities and net investment in foreign subsidiaries. Exposure to commercial transactions arise from sales or purchases by operating companies in currencies other than the Group's functional currency. Currency exposures are reviewed regularly.

The Group has a limited level of exposure to foreign exchange risk through its foreign currency denominated cash balances, trade receivables and payables:

	31 December 2025	31 December 2024
£ GBP	**£'000**	**£'000**
Cash and cash equivalents	2	19
Trade and other receivables	50	58
Trade and other payables	(56)	(49)
	(4)	**28**

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group . The Group has adopted a policy of only dealing with creditworthy counterparties. The

Group's exposure and the credit ratings of its counterparties are monitored by the Board of Directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Group applies IFRS 9 to measure expected credit losses for receivables, these are regularly monitored and assessed. Receivables are subject to an expected credit loss provision when it is probable that amounts outstanding are not recoverable as set out in the accounting policy.

The Group's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Group's counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has zero trade receivables and therefore there is no risk relating to a 3rd party being unable to service its obligations.

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

Interest rate risk

The Group currently has no borrowings. The Group's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions. The effect of variable interest rates is not significant.

Liquidity risk

During the period ended 31 December 2025, the Group was primarily financed by cash raised through equity funding. Funds raised surplus to immediate requirements are held as cash deposits in Sterling except for minor working capital requirements held in subsidiary bank accounts.

In managing liquidity risk, the main objective of the Group is to ensure that it has the ability to pay all its liabilities as they fall due. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due.

The table below shows the undiscounted cash flows on the Group's financial liabilities as at 31 December 2025 on the basis of their earliest possible contractual maturity.

	Total £'000	Within 2 months £'000	Within 2-6 months £'000
At 31 December 2025			
Trade payables	282	124	158

24. Financial assets and liabilities

Group - Year ended 31 December	***Financial assets/liabilities at amortised cost*** **2025** **£'000**	**2024** **£'000**
Trade and other receivables [1]	2,031	86
Cash and cash equivalents	442	678
Trade and other payables [2]	(125)	(72)
	2,348	**692**

Financial assets/liabilities at amortised cost

Company - Year ended 31 December	2025	2024
	£'000	£'000
Trade and other receivables [1]	1,974	33
Cash and cash equivalents	440	658
Trade and other payables [2]	(68)	(23)
	2,346	**668**

[1] Trade and other receivables excludes prepayments

[2] Trade and other payables excludes accruals

25. Statement of Net Debt

	Group		Company	
	Year ended 31 December 2025	Year ended 31 December 2024	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000	£'000	£'000
Total bank loans and overdraft	-	-	-	-
Less: cash and cash equivalents	(442)	(678)	(440)	(658)
Net debt / (cash)	**(442)**	**(678)**	**(440)**	**(658)**
Total equity attributable to shareholders of the parent	2,435	3,155	12,368	11,483
Gearing	**n/a**	**n/a**	**n/a**	**n/a**

26. Related Party Transactions

Orana Corporate LLP - Service Agreement

During the year, £54,000 of fees were accrued to Orana Corporate LLP (2024: £45,000), of which £5,520 was owing at year end (2024: £5,430) for the provision of corporate accounting services. Anthony Eastman is a director of East Star Resources PLC and Orana.

Other than these there were no other related party transactions.

Directors remuneration

See Directors report for details on Directors remuneration in the period.

27. Ultimate Controlling Party

As at 31 December 2025, there was no ultimate controlling party of the Group.

28. Capital Commitments

The Group is committed to the following minimum expenditure across various licenses within 12 months from 31 December 2025:

License area	License	Owner	Annual minimal expenditures on exploration
			£'000
Apmintas	774-EL	Chu-Ili Resources Limited	102

RA 1	1799-EL	Discovery Ventures Kazakhstan Limited	39
RA 3	1795-EL	Discovery Ventures Kazakhstan Limited	29
Snowy	2506-EL	Copperland Limited	29
RA 4	2546-EL	Discovery Ventures Kazakhstan Limited	8
RA 5	3631-EL	Discovery Ventures Kazakhstan Limited	8
Piket	3720-EL	Copperland Limited	34
Judzha	3724-EL	Discovery Ventures Kazakhstan Limited	15
		Total	**264**

29. Contingent assets

VAT recoverable

The subsidiaries of East Star Resources had accrued an amount of £12,887 (2024: £38,000) relating to VAT incurred on expenditure on the various mining licenses to 31 December 2025. As the Group is currently not generating revenue these amounts cannot be offset but are retained if revenue is generated in a period of 5 years from incurring the expense.

Per "IAS 37 - Provisions, Contingent Liabilities and Contingent Assets" this amount should not be recognised as an asset due to the uncertainty of economic benefits flowing to the Group but is disclosed as a contingent asset as the inflow of economic benefits is probable.

30. Contingent liabilities

There were no contingent liabilities over the Group as at 31 December 2025.

31. Events subsequent to year end

Convertible Loan Note Conversion

On 10 February 2026, the £1.711 million unsecured convertible loan note ("CLN") held by Endeavour Mining PLC (LSE: EDV/TSX: EDV) and recognised as a non-current liability at 31 December 2025 (see Note 17), was converted into equity.

The conversion resulted in the allotment of 74,391,304 new ordinary shares in the Company at a conversion price of £0.023 per share. The new shares were admitted to trading on the Main Market of the London Stock Exchange and to listing on the equity shares (transition) category of the FCA's Official List on 16 February 2026.

Following this conversion, Endeavour Mining's ownership in the Company increased to 78,591,304 ordinary shares, representing 14.3% of the Company's issued share capital. Endeavour Mining, a FTSE 100 constituent and one of the world's leading gold producers, has made a total investment into the Company of over £1.8 million. Following these transactions, the Company's total issued share capital comprises 549,566,384 ordinary shares with voting rights, with no shares held in Treasury.

Incorporation of Joint Venture Entities - Endeavour Mining JV

Subsequent to the year end, East Star incorporated Cook JV Co in the Astana International Financial Centre, being the joint venture company established pursuant to the Earn-In and Joint Venture Agreement with Endeavour Exploration Limited dated 13 November 2025. Cook JV Co in turn incorporated Cook Exploration, a limited liability partnership under Kazakhstani law, to hold and operate the Project Licences. Both entities were incorporated after 31 December 2025 and are not included in the subsidiary list at the balance sheet date.

East Star holds 100% of Cook JV Co pending Endeavour's earn-in. Upon Endeavour acquiring its Stage 1 interest of 51%, Cook JV Co will be deconsolidated and reclassified as a joint arrangement under IFRS 11. Given that US$2.3 million has already been committed under Stage 1, this transition may occur during the year ending 31 December 2026 and will be disclosed accordingly.

Xinhai Mining Joint Venture Agreement

On 19 March 2026, East Star formalised a joint venture agreement with Hong Kong Xinhai Mining Services Limited ("Xinhai") for the development of the Verkhuba Copper Deposit (RA 3, Licence 1795-EL). Under the agreement, Xinhai will fund 100% of all costs from resource definition drilling through to commissioning - an estimated US$65 million - in exchange for up to a 70% interest in a newly incorporated joint venture company. East Star is fully carried and retains a 30% interest in the producing mine. Resource definition drilling is targeted to commence by June 2026.

The JVA gives binding legal effect to the Heads of Agreement signed on 11 December 2025, referenced in Notes 10 and 13, and is treated as a non-adjusting post-balance sheet event under IAS 10.

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