

Registered number: 07353748

**KERAS RESOURCES PLC
ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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Throughout this document ‘Keras’, ‘Keras Resources’ or ‘the Company’ means Keras Resources PLC, ‘the Group’ means the Company and its subsidiaries and ‘\$’ or ‘USD’ means the United States dollar.

Company Information

Directors:	R Lamming (<i>Non-Executive Chairman</i>) G Stacey (<i>Chief Executive Officer</i>) B Moritz (<i>Non-Executive Director</i>) C Parry (<i>Non-Executive Director</i>)
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Registered office:	Coveham House, Downside Bridge Road, Cobham, Surrey KT11 3EP
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Chairman's Statement

I am pleased to provide an update on our progress since the last report and to set out our outlook for the business going forward.

The main activity of the Group is now in progressing our organic phosphate business in Utah, USA, where Keras increased its ownership from 51% to 100% on 30 March 2022.

The Diamond Creek phosphate mine

The Diamond Creek phosphate mine, which is believed to be one of the highest grade organic rock phosphate deposits in the US, comprises an opencast operation located on an 840 acre Federal Lease, and the Spanish Fork Processing Facility; both owned and operated by Falcon Isle Resources LLC and Falcon Isle Holdings LLC (collectively 'Falcon Isle'). Prior to the acquisition of the 49% outside interest on 30 March 2022, Falcon Isle was a 51% subsidiary of Keras during 2021, since which it has been a wholly owned subsidiary. Keras now has full management control with Graham Stacey also being appointed CEO of Falcon Isle where he can focus his efforts on the development of that business.

Diamond Creek is located approximately 80km south-east of Salt Lake City, and our focus going forward is to build the operation into the premier high-grade organic phosphate producer in the US. Our focus and target market is in supporting sustainable agriculture and we are strong advocates for the benefits of enhancing soil health and reducing the impact that synthetic fertilisers have on water resources. Our organic phosphate fertilizer products help farmers realise better crop growth and yields, and reduce the soil degradation seen when farmers use chemically manufactured fertilisers, while at the same time reducing the carbon footprint associated with growing their crops.

The mine is fully permitted, and the Spanish Fork processing plant is close to infrastructure and ideally located to take advantage of Salt Lake City's resources including labour, supplies, industrial engineering and financial services. The integrated mining and processing operation has compelling economics with a low capex, low-intensity seasonal mining operation and our in-house processing plant has flexibility to process a variety of organic rock phosphate products throughout the year. The mined material requires crushing, milling and bagging before being sold as high-grade organic rock phosphate fertiliser – a 23% total phosphorus pentoxide ('P₂O₅') premium product and importantly with minimum 12% available P₂O₅ which is significantly higher than our competitors in the US. Falcon Isle is currently investigating ways to expand its product offering and potential customer base by offering both granulated and liquidised fertilizers.

The mine has a pre-stripped area with production drilling information delineating approximately 2 years of planned production still in-situ. However, we believe there is significant scope to increase the current life of mine at Diamond Creek with historic "surface mineable resources" representing in excess of 60 years of production.

In 2022, 4,750 tons of phosphate were mined and delivered to the laydown area at Diamond Creek. Sales totalled 4,276 tons of phosphate for the year. Since Keras took control of the marketing function and with both the mining and processing facilities now operating as planned developing market share will be our primary focus for the next two years. Production rhythm is key to the supply of both consistent quantity and quality products which Keras's operational control has now enabled.

A key component of our marketing effort will be growth tests across a range of crops and soil types. This process is planned to run for the balance of 2023 and will provide focussed market feedback to support of our product use across crop types, regions and planting seasons.

We are now looking forward to commencing our mining season at Diamond Creek which takes place during the summer season from July to October 2023, while the mine site is free of snow.

Falcon Isle is currently operating profitably at the company level and has commenced repaying loans made to it by Keras.

Chairman's Statement

continued

Nayéga manganese mine / Togo

The Group's interests in Togo are accounted for at 31 December 2022 as assets held for sale. Keras holds an 85% interest in Société Générale de Mines ("SGM"), which owns the Research Permits for the Nayéga manganese project ("Nayéga") in the Republic of Togo ("State").

On 17 May 2023 an agreement was signed between Keras and the State whereby it was agreed that Nayéga is a Togolese strategic asset and the exploitation permit will be awarded to Société Togolaise de Manganèse, a Togolese incorporated company 100% owned by the State ("STM") and Keras will no longer pursue the Nayéga exploitation permit. Keras will transfer all its intellectual knowledge on Nayéga to the State and provide advisory and brokerage services to fast track the development of Nayéga.

The State agreed to pay Keras a cash consideration of US\$1.7m, which amount has now been received by Keras, and thereafter Keras will be paid advisory fees of 1.5% of gross revenue for 3 years and brokerage fees of 6.0% of gross revenue for the lesser of 3.5 years or 900,000 tonnes of beneficiated manganese ore produced and sold from Nayéga.

Financial review

The Consolidated Statement of Comprehensive Income for the year shows a loss of £847,000 (15 months to 31 December 2021 – loss £1,948,000).

The loss for the year includes costs relating to Togo. The carrying value of assets relating to the Nayéga mine at 31 December 2022 is materially equal to their estimated initial disposal value amounting to \$1.7m, after allowing for costs of the sale. No amount is included in respect of the value of future income receivable from Nayéga.

Also included in the consolidated loss is a severance payment of \$340,000 payable to the previous CEO of Falcon Isle.

In May 2022 Keras raised £1,950,000 (before costs) by an issue of new ordinary shares. These funds were used for the first tranche of US\$800,000 of the cost of acquiring the former minority interest in Falcon Isle, including loans owed to the vendor, and for general working capital. The second tranche of \$800,000, plus \$240,000 of the severance payment referred to above, has been paid from the \$1.7m received from the Republic of Togo. As the payment was made after 1 July 2023 there was a technical default for late payment, which default has been remedied within the 30 day period provided for in the agreement.

At a general meeting held on 25 July 2022 a resolution was passed consolidating the ordinary share capital on the basis of 1 new ordinary share of 1p for every 100 old ordinary shares of 0.01p. Following the passing of that resolution the number of ordinary shares in issue was reduced to 79,735,731.

Directors and Management

On 1 June 2022 Graham Stacey took over the role of Chief Executive Officer from me, and I moved into the role of Non-Executive Director.

On 1 September 2022, I took over from Brian Moritz as Non-Executive Chairman. Brian remains a Non-Executive Director and Company Secretary, and will continue to provide valuable oversight of the Company's finances.

At the same date Claire Parry joined the Board as an independent non-executive director. I would like to welcome Claire on behalf of myself and my colleagues.

Also on 1 September 2022 Dave Reeves, who was CEO for many years following the Company's flotation, resigned from the Board to concentrate on his role as managing director of Calidus Resources Ltd in Australia. I would like to thank Dave for his dedicated work over the years and wish him well for the future.

Outlook

With the securing of 100% ownership of our high-grade organic phosphate Diamond Creek mine, drawing a line under the uncertainty related to Nayéga and securing an agreement with the Togolese State whereby the \$1.7m cash payment and ongoing cashflows for the next 3 years will further underpin the cashflow generative Diamond creek operation, we believe the Company is excellently positioned to deliver into the growing North American organic agricultural sector. This sector is underpinned by the macro-economic tailwinds of the global fertiliser markets, and we remain bullish on our premium phosphate product and our position as we continue to build market share.

Plans for expansion to broaden our product mix are underway and we continue to negotiate new offtake agreements with our repeat customers. The construction of a downstream granulator plant is planned for 2023 to allow us to further expand the range of our products from five sized dry products to include two sized blend granulates which will attract a price premium in markets that we are not currently supplying. Now that we are fully in charge of operations the Directors are confident that Falcon Isle will be an increasingly profitable and valuable asset for the Group, and we look forward to updating our shareholders on our progress as we continue to ramp up production and build our position and market share of the fast-growing US organic phosphate market.

Finally, I would like to take this opportunity to thank my colleagues on the Board and our management team for their hard work, and shareholders for their continuing support.

Russell Lamming

Chairman

5 July 2023

Strategic Report

Having acquired 51% in Falcon Isle Resources LLC in December 2020, we reported on the acquisition of the remaining 49% in Falcon Isle on 30 March 2022 - a firm commitment to the Company's strategy of delivering growth from Falcon Isle's Diamond Creek Mine and downstream processing assets and, in time, from other assets in the US which we will look to evaluate in terms of their synergies with commodities contributing to a sustainable future.

The year to 31 December 2022 was therefore one of consolidation – building on existing client relationships and introducing our PhosAgri brand to prospective clients at trade shows. To this end we attended the Organic Growers Summit in Monterey on California's west coast and the World Ag Expo in Tulare California, both pivotal to the agricultural sector in California's Central Valley. Two key take aways from these events revolved around the sector's demand for both liquid and granular organic products, each aimed directly at improving phosphate availability from organic rock phosphate and therefore improved return on organic fertilizer purchase for organic growers. While sales of our existing range of dry sized products improved markedly from 2021 (2,197t) to 2022 (4,276t), we recognise that granulates and solubilised products will represent a material component of the organic sector demand going forward.

To this end, having acquired and taken delivery of a granulator plant to our Spanish Fork facility during 2022 we are in discussions with two potential partners to construct the plant off-site which will give us and our partner the ability to produce a range of bespoke granulated organic fertiliser blends rather than simply a phosphate granule which would limit our market options. A site selection decision is expected during the second half of 2023 as the feasibility of the sites are evaluated in terms of bulk infrastructure supply (power, water and natural gas), zoning to support long-term production and proximity to source materials and downstream markets.

With regard to producing liquid products, we have four testwork processes underway to progress the solubilising and/or microbial/bacterial digestion of our finer 100# or 350# products into liquid products which can be used in liquid blends in fertigation (drip fed irrigation) and hydroponic applications. The application of liquid organic products at higher available phosphate (P_2O_5) (testwork presented to date suggests potential for >20% from our micronized 350# product) ensures quicker absorption, provides for tighter quality control, reduces losses in the application processes and provides us access to a rapidly growing indoor controlled environment agricultural ('CEA') sector.

These opportunities are exciting developments for us and as a historically mineral resources/mining business we look forward to researching additional product augmentation opportunities as we learn more about the organic agricultural sector. Each product development will broaden our market reach, to grow annual sales to enforce our strategy to enhance shareholder value through broadening our product mix and building market share for our products within the North American organic fertilizer market.

Another meaningful operational improvement has been the centralisation of all our Falcon Isle crushing and milling operations at our Spanish Fork site. This will continue to reduce operating costs by eliminating unnecessary ore transport between sites previously established for different crushing and/or milling operations. Value engineering initiatives will continue to streamline operations and rationalise costs to ensure consistent product quality and volumes, all aimed at increasing margins.

In the longer-term, enhancing value of that asset will involve both organic expansion as well as identifying value-accretive projects/businesses with natural synergies to increase scale and to add value to the Company, ultimately to build the operation into the premier organic phosphate producer in the US.

Additional future value enhancements include developing opportunities around carbon sequestration and the associated carbon credits. Diamond Creek's organic phosphate products have the potential to tap directly into this rapidly growing market and the Company is looking at developing and enhancing the value of this aspect of its portfolio and in-turn generate greater returns for shareholders.

The business model has established the Company as an increasingly efficient, high-quality and low-cost producer direct into the North American fertiliser market.

As noted in the Chairman's Statement our Togolese asset, which was being held for sale as at 31 December 2022, was sold on 18 May 2023, although we expect to generate income in Togo for at least the next three years.

From the Company's point of view disposing of SGM is consistent with our strategy to deliver shareholder value by concentrating our efforts in the US.

In exploring and developing mines to exploit mineral deposits, the Group accepts that not all its exploration will be successful but also that the rewards for success can be high. It therefore expects that its shareholders will be invested for potential capital growth, taking a long-term view of management's good track record in mineral discovery and development. The Directors have continued to invest in the Company and currently hold approximately 9.04% of the issued shares in Keras, after allowing for the substantial fund raisings since the period end. We believe this stake provides further evidence of the Board's belief in and commitment to its strategy.

To date, the Group has financed its activities through equity raisings. As the Group's projects become more advanced, the Board will seek mining and/or offtake finance and may also investigate strategic opportunities to obtain funding for projects from future customers via pre-payments, royalties, and other marketing arrangements.

Mining projects

United States

Keras acquired an interest in Falcon Isle, holder of the Diamond Creek phosphate mine, in July 2020, and increased its interest to 51% in December 2020. Keras acquired the outstanding 49% in March 2022. The mine is situated approximately 80km SSE of Salt Lake City, Utah. Diamond Creek is a fully permitted, high-grade direct shipping ore ('DSO'), low capex organic phosphate mine, which has significant historical estimated in-situ tonnage (mineral resources have not been classified according to modern International Reporting Standards) with sufficient phosphate ore exposed in-situ to provide for the 2023 and 2024 mining seasons before any overburden stripping is required. The phosphate mineralisation is concentrated in the sedimentary shale beds of the Meade Peak Member of the Phosphoria Formation. The mineralised zone is c.3m thick and averages 23% total P_2O_5 with guaranteed available P_2O_5 of 12%. Historic reports vary with "surface mineable resources" ranging from 3.10Mt to 4.60Mt. At an internally estimated peak production rate of 23.5ktpa, the opencast resources alone represent a significant mine life.

The 2022 mining campaign was completed in October 2022 with a total of 4,750 ore tons extracted from the mine. Primary crushing during the reporting period was undertaken using a contractor-operated mobile crusher on the mine site, with downstream processing conducted through a combination of contractor toll-milling (producing 10mesh and -50mesh products) and Falcon Isle owned milling plant comprising front-end feed, primary crush, milling, ultra-fine dust extraction, 50lb and 1ton bagging circuits to produce -100 mesh and -350 mesh powders. As noted previously a granulation plant was procured and delivered to our Spanish Fork site during the fourth quarter of 2021 with construction and commissioning initially planned for the second half of 2022. Pending discussions with potential partners in development of the granulation side of our business, construction has been postponed to enable us to conclude agreements relating to the feasibility of proposed sites for the granulator plant. The construction phase of the plant will be approximately 3 months post conclusion of the feasibility assessment which is estimated to be concluded during the fourth quarter of 2023. Our initial intention to construct the granulator plant in a building adjacent to our milling plant in Spanish Fork, however as we've established ourselves in the organic agricultural sector it became apparent that we could extract greater value from a blended granulate incorporating nitrogen, phosphate, potassium as well as other minor valuable fertiliser constituents. We therefore elected to investigate opportunities to collaborate with partners to select sites to achieve this. These discussions remain ongoing and we look forward to reporting on finalisation of these discussions and construction progress.

Our products have received Organic Certification by all three key certification agencies in the USA – California ('CDFA'), Washington State ('WSDA') and the federal Organic Materials Review Institute ('OMRI'). As a Direct Shipping Ore ('DSO') it requires no chemical/synthetic upgrade processes which is the basis for our organic certification. Our rock phosphate contains low heavy metal impurities, significantly higher available P_2O_5 than any other organic rock phosphate in North America, and a calcium content of >25%.

Strategic Report

continued

West Africa

Through the Company's 85% interest in the Nayéga manganese project in Togo, Keras developed the asset through exploration, and definitive feasibility study ('DFS') culminating in successful trial mining during the first quarter of 2019. During the final quarter of 2022 Keras was notified that the Togolese State had intended to declare manganese, among other metals and minerals, as strategic state assets and that a process would be implemented to investigate how the State would take greater ownership and participate in the development and operation of these assets.

Considering the investment made by Keras between 2012 and 2019 this clearly represented a departure from Togolese Mining Law as well as the Mining Convention drafted between the parties as to how the State would benefit from the Nayéga Mine. However, the Company remained in ongoing discussions with the State to understand how this State declaration would pan out. As was recently announced on 18 May 2023, Keras and the State entered into an agreement in terms of which Keras would no longer pursue the granting of an Exploitation Permit and that the State would establish a wholly owned manganese holding vehicle - STM which would be responsible for the development of all manganese assets within Togo.

Given the circumstances, Keras negotiated the disposal of all historical Nayéga technical studies commissioned and funded by Keras to the State. While it was not the ideal outcome for the Company, the State acknowledged that the newly formed STM would require a period of technical information and skills transfer. Keras therefore entered into the agreement in good faith in the knowledge that there would be an ongoing revenue stream for a three year period post re-commencement of the mine. This in addition to a USD1.7m cash payment for the technical studies will provide Keras with an initial compensation for development expenditures as well as an ongoing revenue stream for advisory and brokerage services provided to STM meaning that Keras is not walking away from the project and the State values Keras's institutional knowledge.

Keras is therefore satisfied with the outcome and will continue to provide routine technical advisory and product sale brokerage services to STM.

Sustainability

Keras is committed to responsible mining and upholding ESG best practice across our business. We are similarly committed to our stakeholders and are focused on looking to create value and benefits for all whilst seeking to manage and mitigate the potential impacts that our operations may have. We are focussed on mining an essential resource that can contribute to a more sustainable future and importantly sustainable and regenerative agriculture. With the Diamond Creek mine we are running a simple operation with only crushing & milling requirements and will look to maintain our low carbon footprint. We are focused on meeting our commitments across the ESG space and will continue to be proactive in this area as we look to develop and sustain a positive legacy.

Risk Management

The Board regularly reviews the risks to which the Group is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible.

The principal risks and uncertainties facing the Group at this stage in its development are:

Market Risk

Unlike marketing globally traded, indexed commodities into international markets, growing market share within the niche organic fertiliser market within North America presents risk in terms of pricing and volume.

The Group has employed a head of marketing to develop and implement a marketing strategy which will be a key focus area to build market share. The business has a range of existing customers, three of which are anchor clients having provided commitments to purchase a pleasing base load of our planned annual production. Our marketing strategy rollout will include presence at industry trade exhibitions and conferences, as well as regular regional direct contact visits with a comprehensive schedule of contacts within the wholesale and distribution segments of the organic fertiliser market. Our business model will largely be driven by uptake from co-operative type clients with wide distribution networks, rather than selling directly to farmers themselves.

Exploration Risk

The Group's business has been primarily mineral exploration and evaluation which are speculative activities and whilst the Directors are satisfied that good progress is being made, there is no certainty that the Group will be successful in the definition of economic mineral resources, nor that it will proceed to the development of any of its projects or otherwise realise their value.

The Group aims to mitigate this risk when evaluating new business opportunities by targeting areas of potential where there is at least some historical drilling or geological data available.

Resource Risk

All mineral projects carry risk associated with defined grade and continuity. Mineral resources and reserves are calculated by the Group in accordance with accepted industry standards and codes but are always subject to uncertainties in the underlying assumptions which include geological projection and commodity price assumptions.

The Group reports exploration targets, mineral resources and ore reserves in accordance with internationally approved codes where our operations/projects are located, which set minimum standards for public reporting of mineral exploration results, mineral resources and ore reserves.

Development Risk

Delays in permitting, financing and commissioning a project may result in delays to the Group meeting development and/or production targets. Changes in commodity prices can affect the economic viability of mining projects and affect decisions on continuing exploration activity.

Mining and Processing Technical Risk

Notwithstanding the completion of metallurgical testwork, trial mining and pilot studies indicating the technical viability of a mining operation, variations in mineralogy, mineral continuity, ground stability, ground water conditions and other geological conditions may still render a mining and processing operation economically or technically non-viable.

The Group has a small team of mining professionals experienced in geological evaluation, exploration, financing and development of mining projects. To mitigate development risk, the Group supplements this from time to time with engagement of external expert consultants and contractors.

Environmental Risk

Exploration and development of a project can be adversely affected by environmental legislation and the unforeseen results of environmental studies carried out during evaluation of a project. Once a project is in production unforeseen events can give rise to environmental liabilities.

As Keras undertakes mining operations, any disturbance to the environment during this phase is required to be rehabilitated, with specific requirements for closure and closure funding in accordance with the prevailing regulations of the countries in which we operate as well as to international best-practice.

Given the Group's size and scale it is not considered practical or cost effective to collect and report data on carbon emissions.

Financing & Liquidity Risk

The Group has had an ongoing requirement to fund its activities through the equity markets and may in future need obtain finance for further project development. There is no certainty such funds will be available when needed. To date, Keras has managed to raise funds primarily through equity placements despite the very difficult markets that currently exist for raising funding in the junior mining industry.

Strategic Report

continued

Political Risk

All countries carry political risk that can lead to interruption of activity. Politically stable countries can have enhanced environmental and social permitting risks, risks of strikes and changes to taxation whereas less developed countries can have, in addition, risks associated with changes to the legal framework, civil unrest and government expropriation of assets.

Partner Risk

Whilst there has been no past evidence of this, the Group can be adversely affected if joint venture or equity partners are unable or unwilling to perform their obligations or fund their share of future developments. Keras no longer operates with either equity or joint venture partners having secured 100% of the Diamond Creek project.

Bribery Risk

The Group has adopted an anti-corruption and bribery policy and whistle blowing policy under the Bribery Act 2010. Notwithstanding this, the Group may be held liable for offences under that Act committed by its employees or subcontractors, whether or not the Group or the Directors had knowledge of the commission of such offences.

Financial Instruments

Details of risks associated with the Group's financial instruments are given in Note 29 to the financial statements. Keras does not utilise any complex or derivative financial instruments.

COVID-19

Travel and shipping restrictions in place globally during 2021 had a direct impact on timing and cost of delivery of plant and equipment to the USA. However, given recent developments the Directors do not believe that Covid 19 will have a material effect on the Company or its operations going forward.

Insurance Coverage

The Group maintains a suite of insurance coverage that is appropriate for the Group and Company. This is arranged via a specialist mining insurance broker and coverage includes public and products liability, travel, property and medical coverage and assistance while Group employees and consultants are travelling on Group business. This is reviewed at least annually and adapted as the Group's scale and nature of activities changes. Keras also has Directors and Officers insurance in place.

Internal Controls and Risk Management

The Directors are responsible for the Group's system of internal financial control. Although no system of internal financial control can provide absolute assurance against material misstatement or loss, the Group's system is designed to provide reasonable assurance that problems are identified on a timely basis and dealt with appropriately.

In carrying out their responsibilities, the Directors have put in place a framework of controls to ensure as far as possible that ongoing financial performance is monitored in a timely manner, that corrective action is taken and that risk is identified as early as practically possible. The Directors review the effectiveness of internal financial control at least annually.

The Board, subject to delegated authority, reviews capital investment, property sales and purchases, additional borrowing facilities, guarantees and insurance arrangements.

The Board takes account of the significance of social, environmental and ethical matters affecting the business of the Group. At this stage in the Group's development the Board has not adopted a specific policy on Corporate Social Responsibility as it has a limited pool of stakeholders other than its shareholders. Rather, the Board seeks to protect the interests of Keras' stakeholders through individual policies and through ethical and transparent actions.

The Group has adopted an anti-corruption and bribery policy and a whistle blowing policy as stated previously.

Shareholders

The Directors are always prepared, where practicable and subject to confidentiality under the AIM Rules, to enter into dialogue with shareholders to promote a mutual understanding of objectives. The Annual General Meeting provides the Board with an opportunity to informally meet and communicate directly with investors.

Employees

The Group operates primarily through contractors. Notwithstanding this, the Group engages its contract employees to understand all aspects of the Group's business and seeks to remunerate them fairly, being flexible where practicable. The Group gives full and fair consideration to applications for employment received regardless of age, gender, colour, ethnicity, disability, nationality, religious beliefs, transgender status or sexual orientation. The Group takes account of employees' interests when making decisions and welcomes suggestions from employees aimed at improving the Group's performance.

The Group currently operates in the USA and Togo. It recruits locally as many of its employees and contractors as practicable.

The Company has four directors, three are male and one is female.

Suppliers and Contractors

The Group recognises that the goodwill of its contractors, consultants and suppliers is important to its business success and seeks to build and maintain this goodwill through fair dealings. The Group has a prompt payment policy and seeks to settle all agreed liabilities within the terms agreed with suppliers. Contractors are appointed based on a detailed assessment of their capabilities, capacity and track record.

Health and Safety

The Board recognises that it has a responsibility to provide strategic leadership and direction in the development of the Group's health and safety strategy in order to protect all of its stakeholders. The Group does not have a formal health and safety policy at this time. This is re-evaluated as and when the Group's nature and scale of activities expand.

Section 172 statement

The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long-term;
- Act fairly between the members of the Company;
- Maintain a reputation for high standards of business conduct;
- Consider the interests of the Company's employees;
- Foster the Company's relationships with suppliers, customers and others; and
- Consider the impact of the Company's operations on the community and the environment.

Strategic Report

continued

The Company's operations and strategic aims are set out throughout the Strategic Report and in the Chairman's Statement, and relationships with stakeholders are also dealt with in the Corporate Governance Statement.

Graham Stacey

Director

This Strategic Report was approved by the Board of Directors on 5 July 2023.

The Board

RUSSELL LAMMING

Non-Executive Chairman

Russell Lamming is a qualified geologist with an honours degree in geology from the University of the Witwatersrand and a Bachelor of Commerce in Economics from the University of Natal. Russell has a broad range of experience including directorship of a South African mining consultancy and precious metals analyst for a leading international broker and was the CEO of AIM listed Chromex Mining and Goldplat Plc. He has strong relationships in London and internationally and has raised considerable funds for resource companies over the years.

GRAHAM STACEY

Chief Executive Officer

Graham holds an honours degree in Mining Engineering from WITS University in Johannesburg (1995), and an MBA from the WITS Business School (2004) and a Mine Manager's Certificate of Competency (2001). Graham has over 25 years' experience across a range of commodities in the resources sector, including direct operational management in the coal, PGE and chrome businesses in South Africa, manganese in Togo and rock phosphate in the USA, as well as a technical consulting role (2004-2008). He is a Competent Person and Competent Valuator as a longstanding member of the South African Institute of Mining and Metallurgy (SAIMM), and has wide ranging experience in mine design, project execution, operations and mineral resource management. He was previously a director of AIM listed Chromex Mining. Following the acquisition of 100% of Falcon Isle he has been appointed as CEO of that company.

BRIAN MORITZ

Non-Executive Director

Brian is a Chartered Accountant and former Senior Partner of Grant Thornton, London. He formed Grant Thornton's Capital Markets Team which floated over 100 companies on AIM under his chairmanship. In 2004 he retired from Grant Thornton to concentrate on bringing new companies to the market as a director. He concentrates on mining companies, primarily in Africa, and was formerly chairman of African Platinum PLC (Afplats) and Metal Bulletin PLC as well as currently being chairman of several junior mining companies.

CLAIRE PARRY

Non-Executive Director

Claire is a Chartered Accountant and a partner in the Canterbury office of Azets, a top 10 UK accounting firm. With over 20 years in the industry she specialises in the application of IFRS and accounting and financial control generally for smaller quoted companies, primarily in the natural resources sector.

Corporate Governance Statement

To the extent applicable, and to the extent able (given the current size and structure of the Company and the Board), the Company has adopted the Quoted Companies Alliance Corporate Governance Code. Details of how the Company complies with the principles contained in the Code are set out below.

No key governance matters have arisen since the publication of the last Annual Report.

Taking account of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. Further disclosures under the Code are included on the Company's website.

Principle 1: Establish a strategy and business model which promote long term value for shareholders.

The Company's strategy is to identify mining projects which can be developed to create value and income for shareholders. In June 2017 this strategy was successfully demonstrated when the Company's Australian gold exploration assets were floated on the Australian Securities Exchange (ASX) with the name Calidus Resources Limited. In November 2019 the Company's shares in Calidus were demerged and transferred to the Company's shareholders by way of a capital reduction.

The demerger has permitted the Board to examine other projects, and in particular the Diamond Creek phosphate mine in Utah, USA, where the Company has completed the staged acquisition of 100% equity interest in March 2022. This is now the Company's main project.

The Company had, for some years, been seeking to convert the Research Permits held by its 85% owned subsidiary, Société Générale de Mines SA, over the Nayéga manganese project in Togo, to an Exploitation Permit. Since 31 December 2022 the Company has sold its intellectual property and other assets relating to Nayéga to a newly formed parastatal company, so that it no longer operates in Togo but will continue to provide advisory and brokerage services to the Togolese State.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The risks facing the Company are detailed in the Strategic Report. The Board seeks to mitigate such risks so far as it is able to do, but certain important risks cannot be controlled by the Board.

In particular, products the Company is seeking to identify and mine are traded globally at prices reflecting supply and demand rather than the cost of production. So far as the Company is concerned, the substantial decline in the price of iron ore rendered two previous projects non-viable, both of which had appeared to have substantial value on a discounted cash flow basis, and they were abandoned.

While the Company will only invest in exploration projects where there is a legal right to convert an initial exploration licence to a mining licence, in practice it may be difficult to obtain such conversion for political reasons. There is no legal way that the Company can protect itself against this possibility.

Principle 5: Maintain the Board as well-functioning, balanced team led by the chair.

The Board has been substantially changed during the year under review, both as regards its composition and as regards the roles of the individual directors. Brief CVs of the current directors are set out separately in this Annual Report.

Previously the board comprised four founder directors, none of whom qualified as independent as all had material shareholdings resulting largely from their support of previous fund raisings.

Dave Reeves, who is resident in Western Australia, retired as a non-executive director on 1 September 2022. He was replaced by Claire Parry, who is considered to be an independent non-executive director.

Graham Stacey, the CEO since 1 June 2022, works full time for the Company, with primary responsibility for the Diamond Creek phosphate mine in Utah, USA. The other directors, Russell Lamming (CEO until 1 June 2022 and

non-executive chairman from 1 September 2022), Brian Moritz (non-executive chairman until 1 September 2022) and Claire Parry are non-executive directors. As Utah is in a time zone 7 hours different from the UK, Board meetings are normally conducted by video conference or by telephone, supplemented by physical meeting when Graham Stacey is in the UK.

The CEO is in regular touch with the Directors. He also holds frequent informal discussions with other directors. Throughout the year such discussions average approximately two per week.

Non-executive directors are committed to devote 30 days per annum to the Company, but they are likely to exceed that required time commitment. Standard director's fees are currently £48,000 per annum for the Chairman and £24,000 per annum for each non-executive director, below the median for AIM companies. Brian Moritz also acts as Company Secretary and has board responsibility for accounting matters and receives an extra £12,000 per annum in respect of those responsibilities. No further amounts are paid for serving on Board committees.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities.

Brief CVs of the directors are disclosed elsewhere in this Annual Report.

Each of the directors maintains up to date skills by a combination of technical journals, courses, conferences and trade shows.

As an exploration and mining Company the Board requires skills in the area of geology and mining. Russell Lamming is a qualified geologist and Graham Stacey is a qualified mining engineer. Each has a long history of achievement in this area. Importantly, each of them has been in charge of the construction and operation of mines.

Brian Moritz and Claire Parry are Chartered Accountants. In addition to his financial skills, Brian Moritz has previously been registered as a Nominated Adviser and has wide experience of corporate transactions.

The advice of Azets, a top 10 UK accounting firm in which Claire Parry is a partner, is sought on technical accounting matters, in particular in relation to compliance with IFRS.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.

Recently the Board has successfully achieved a major objective by acquiring a phosphate mine in Utah, USA, constructing a processing plant and commencing production. The next stage for this mine is to expand its product range and client base.

The Board will concentrate on achieving profitable production and positive cash flow from its existing project while continuing to seek other mining projects.

Given the current state of the Company's development the directors believe that the Board operates efficiently and cost effectively and that the cost of an external review process is not justified.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours.

So far as possible the Company recruits locally for staff and sub-contractors.

In Utah, the Group's product is a natural organic fertilizer which plays its part in reducing reliance on artificial manufactured fertilizers.

Company has adopted a comprehensive anti-corruption and whistle blowing policy and an ethical policy which is strictly applied.

Corporate Governance Statement

continued

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Board communicates with its stakeholders through social media and webcasts, as well as by announcements on RNS. It welcomes the ability to meet and engage with shareholders at general meetings.

The audit committee normally meets twice per annum, on its own to consider and approve the interim results, and with the auditors to consider the annual report and matters raised by the auditors based on their audit. So far as possible recommendations by the auditors are immediately implemented. As the CEO is also present as an observer at such meetings, no further report is submitted to the Board.

The remuneration committee meets on an ad hoc basis when required. Fees paid to the non-executive directors are settled by the Chief Executive Officer, as the non-executive directors comprise the remuneration committee.

Brian Moritz

Director

Directors' Report

The Directors present their report together with the audited financial statements of the Group for the year ended 31 December 2022.

The Group's projects are set out in the Strategic Report.

Review of business and financial performance

Further details on the financial position and development of the Group are set out in the Chairman's Statement, the Strategic Report and the annexed financial statements.

Results

The Group reports a loss for the year of £997,000 (15 months to 31 December 2021 - loss £2,014,000).

Major events after the balance sheet date

Since the end of the year the Company has agreed to transfer its interests in the Nayéga manganese project to the Republic of Togo on the terms set out in Note 31.

Dividends

The Directors do not recommend payment of a dividend for the year ended 31 December 2022 (15 months to 31 December 2021 - £nil).

Political donations

There were no political donations during the year (15 months to 31 December 2021 - £nil).

Going concern

The Directors continue to adopt the going concern basis in preparing the financial statements as further explained in Note 2 to the financial statements.

Directors' indemnities

The Group maintains Directors and Officers liability insurance providing appropriate cover for any legal action brought against its Directors and/or officers.

Audit Committee

The Audit Committee, which currently comprises B Moritz and C Parry, and is chaired by B Moritz, is responsible for ensuring the financial performance, position and prospects of the Group are properly monitored and reported on and for meeting the auditors and reviewing their reports relating to accounts and internal controls. Meetings of the Audit Committee are held at least twice a year, at appropriate times in the reporting and audit cycle. The Audit Committee reports to the Board on its proceedings after each meeting on all matters for which it has responsibility. The members of the Audit Committee are subject to annual re-election by the Board.

Remuneration Committee

The Remuneration Committee, which comprises B Moritz and C Parry and which is chaired by B Moritz, reviews the performance of the executive directors and sets their remuneration, determines the payment of bonuses to executive directors and considers the future allocation of share options and other equity incentives pursuant to any share option scheme or equity incentive scheme in operation from time to time to Directors and employees. Meetings of the Remuneration Committee are held on an ad hoc basis as required. The Remuneration Committee reports to the Board on its proceedings on all matters for which it has responsibility. The members of the Remuneration Committee are subject to annual re-election by the Board.

Directors' Report

continued

Directors

The following Directors held office throughout the period:

B Moritz
D Reeves (resigned 1 September 2022)
R Lamming
G Stacey
C Parry (appointed 1 September 2022)

Directors' interests

The beneficial interests of the Directors holding office on 31 December 2022 in the issued share capital of the Company, including spouses of Directors, were as follows:

	31 December 2022		31 December 2021	
	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of issued ordinary share capital
R Lamming	4,611,845	5.78%	416,184,497	6.61%
G Stacey	437,390	0.59%	43,739,000	0.69%
B Moritz	2,125,821	2.67%	177,582,118	2.82%
C Parry	–	–	–	–

On 26 April 2022 B Moritz, and R Lamming subscribed for 35,000,000 and 45,000,000 Ordinary Shares of 0.01p each respectively at 0.12p per share. Each share subscribed received a warrant to subscribe for 1 new Ordinary Share at any time up to 31 May 2024, at an exercise price of 0.18p per share.

On 25 July 2022 every 100 existing ordinary shares of 0.01p each were consolidated into 1 ordinary share of 1p each. The figures presented in the 31 December 2022 column above are shown after the consolidation.

Since 31 December 2022 there have been no changes in these shareholdings.

Directors' remuneration and service contracts

Details of remuneration payable to Directors as disclosed in note 11 to these financial statements:

	Remuneration £'000	Share-based payments £'000	Year to	15 months to
			31 December 2022 Total £'000	31 December 2021 Total £'000
B Moritz	40	–	40	52
D Reeves	10	–	10	30
C Parry	8	–	8	–
R Lamming	118	4	122	237
G Stacey	114	–	114	22
	290	4	294	341

Statement of Directors' responsibilities

The Directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with UK-adopted International Accounting Standards ("UK-adopted IAS") in conformity with the requirements of the Companies Act 2006 and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group and Parent Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the consolidated financial statements comply with UK-adopted IAS and the parent company financial statements are prepared in accordance with UK GAAP/FRS 101 in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

The Company is compliant with AIM Rule 26 regarding the Company's website.

Statement of disclosure to auditor

Each Director at the date of approval of this report confirms that;

So far as they are aware,

- there is no relevant audit information of which the Company's auditor is unaware; and
- they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

A resolution to re-appoint PKF Littlejohn LLP as auditor will be proposed at the Annual General Meeting. PKF Littlejohn LLP has indicated its willingness to continue in office.

By order of the Board

Brian Moritz

Director

5 July 2023

Independent Auditor's Report to the Members of Keras Resources Plc

Opinion

We have audited the financial statements of Keras Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is United Kingdom Accounting Standards, including FRS 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice) and as applied in accordance with the provisions of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included reviewing cashflow forecasts covering a period of 12 months from the date of approval of these financial statements, considering the levels of discretionary and non-discretionary expenditure forecasted, challenging and conducting sensitivity analysis using the key inputs and assumptions underpinning said forecasts, ascertaining the group and parent company's current cash position and reviewing the group and parent company's performance since the period end. Whilst the group made a significant loss in the period and has forecasted significant growth in revenues over the going concern period, the group and parent company has notable cash reserves and a notable proportion of the costs forecasted are discretionary therefore if forecasted growth targets are not met, discretionary costs could be reduced or deferred accordingly.

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

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

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed, or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Materiality for the group financial statements as a whole was set as £121,000 (2021: £109,000). This was calculated based upon 2% of gross assets (2021: 2% of gross assets) due to the group's significant capitalised exploration costs, assets held for sale and cash reserves being key balances of interest within the financial statements and the fact that though generating revenues, the group is not yet profit generating. Performance materiality and the triviality threshold for the consolidated financial statements was set at £84,700 (2021: £76,300) and £6,050 (£5,450) respectively due to the assessed risk and our accumulated knowledge of the group.

Materiality for the parent company financial statements as a whole was set as £105,000 (2021: £43,700). This was calculated based upon 2% of gross assets (2021: 5% of loss before tax) due to the focus on the investment in and loans due from Falcon Isle Resources LLC. Performance materiality and the triviality threshold for the parent company was set at £73,500 (2021: £30,600) and £5,250 (2021: £2,185) respectively due to the assessed risk and our accumulated knowledge of the Company.

We also agreed to report to those charged with governance any other audit misstatements below the triviality thresholds established above which we believe warranted reporting on qualitative grounds.

Our approach to the audit

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing, and extent of our audit procedures.

In designing our audit, we considered areas involving significant accounting estimates and judgements by the directors as well as future events that are inherently uncertain. These included the recoverable value of the parent company's investment in its subsidiary and the amounts due to the parent company by its subsidiaries and the recoverable value of capitalised exploration costs. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We performed an audit of the financial information of the group's four components in order to obtain the assurance required for the group audit opinion. All of the components were assessed as being significant due to their results for the year, the value of their assets, liabilities and capital and reserves as at 31 December 2022 and the assessed risks in respect of their results for the year and their assets, liabilities and capital and reserves.

Of the four reporting components of the group, two are located in the United Kingdom, one is located in the United States of America and one is located in Togo. PKF Littlejohn LLP audited the ultimate parent company, situated in the United Kingdom, and its subsidiaries, situated in the United Kingdom, United States of America and Togo. The Engagement Partner conducted audit work in the United Kingdom but interacted regularly with the Management team in the United States of America and Togo during all stages of the audit and was responsible for the scope and direction of the audit process. This, in conjunction with additional procedures performed, gave us appropriate evidence for our opinion on the group financial statements.

Independent Auditor's Report to the Members of Keras Resources Plc

continued

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
<p>Carrying value of intangible assets</p> <p>As at 31 December 2022 the Group has intangible assets with a carrying value of £3,558k which represents capitalised exploration and evaluation costs.</p> <p>Given the value of the balance and the significant estimates and judgements required to be made by management when conducting their impairment assessments, there is a risk that the exploration costs capitalised may be materially misstated as they are impaired and/or costs capitalised in the year have been inappropriately capitalised in accordance with the eligibility requirements of IFRS 6.</p>	<p>Our work in this area included but was not limited to:</p> <ul style="list-style-type: none"> • Confirming that the group held good title to the underlying licenses and assessing whether any indicators of impairment exists. • Obtaining Management's impairment assessments in relation to intangible assets and supporting discounted cashflow forecasts. Reviewing their assessment and their supporting value in use calculates for reasonableness; considering whether any of the IAS 36 impairment indicators have been met and considering if the recoverable value exceeds the carrying value. <p>We consider Management's assessment of impairment is reasonable in concluding that no impairment is required to be recognised at the year end.</p>
<p>Assets held for sale – Sale of Societe General De Mine</p> <p>During the year, the Company entered into discussions to dispose of its Togolese operations and negotiations with an interested party have continued post year-end, leading to the completion of a transaction in May 2023. Management have therefore classified this segment as a held for sale asset as per IFRS 5.</p> <p>Given the value of the assets and liabilities of this segment and the significant judgement and estimation required in assessing the fair value of the asset held for sale, there is a risk the segment has not been correctly classified as a held for sale asset and accounted for in accordance with IFRS 5 and that the fair value less cost to sell has not been correct calculated and thus the assets held for sale may be impaired.</p>	<p>Our work in this area included but was not limited to:</p> <ul style="list-style-type: none"> • Obtaining management's justification for the classification the segment as a held for sale asset. Reviewing, discussing with management and obtaining corroborative evidence where possible; considering whether the recognition criteria per IFRS 5 is met; • Obtaining from management their justification for the fair value determined and any supporting workings and documentation. Reviewing and discussing with management; challenging the key inputs and assumptions in their valuation and considering whether the fair value less costs to sell is reasonable. • Ensuring that the segment's assets and liabilities have been appropriately presented within the financial statements and that they represent the lower or the carrying value of the segment's net assets is value and fair value less costs to sell.

Key Audit Matter	How our scope addressed this matter
	<ul style="list-style-type: none"> <li data-bbox="810 353 1398 510">• Obtaining the agreement signed post year-end, reviewing and considering the reasonableness of management’s assessment and the estimates and judgements made in respect of the assets held for sale. <p data-bbox="810 539 1398 629">We consider Management’s classification of the segment as held for sale and the estimation of fair value less cost to sell to be reasonable.</p>

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor’s report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditor's Report to the Members of Keras Resources Plc

continued

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and our cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations currently relevant to the group and parent company in this regard to be those arising from UK Company Law, rules applicable to issuers on AIM, UK and US employment law and local mining, environmental and health and safety laws in the US.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 - o Discussions with management regarding compliance with laws and regulations by the parent company and components;
 - o Review of board minutes; and
 - o Review of regulatory news announcements made throughout and post period-end.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias exists in relation to the carrying value of intangible assets, the carrying value of investments in and loans due from subsidiaries and the carrying value of assets held for sale and we addressed these by challenging the assumptions and judgements made by management when auditing these significant accounting estimates and judgements.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; discussing with management as to whether there were any instances or suspicions of fraud since 1 January 2022 within the parent company or components and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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

Daniel Hutson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

5 July 2023

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2022

	Notes	Continuing operations for the year ended 31 December 2022 £'000	Discontinued operations for the year ended 31 December 2022 £'000	Total for the year ended 31 December 2022 £'000	Continuing operations for the 15 months ended 31 December 2021 £'000	Discontinued operations for the 15 months ended 31 December 2021 £'000	Total for the 15 months ended 31 December 2021 £'000
Revenue							
Cost of sales	7,8	994 (263)	-	994 (263)	452 (496)	-	452 (496)
Gross profit							
Administrative expenses	9	731 (1,414)	-	731 (1,524)	(44) (1,388)	-	(44) (1,448)
Loss from operating activities							
Finance costs	12	(683) (183)	(110) (21)	(793) (204)	(1,432) (43)	(60)	(1,492) (43)
Net finance costs							
Share of net loss of associates accounted for using the equity method		-	-	-	(116)	-	(116)
Loss on acquisition of controlling ownership	17	-	-	-	(363)	-	(363)
Loss before taxation							
Tax	13	(866) -	(131) -	(997) -	(1,954) -	(60)	(2,014) -
Loss for the year							
		(866)	(131)	(997)	(1,954)	(60)	(2,014)
Other comprehensive income – items that may be subsequently reclassified to profit or loss							
Exchange translation on foreign operations		115	35	150	(7)	73	66
Total comprehensive loss for the period/year							
		(751)	(96)	(847)	(1,961)	13	(1,948)
Loss attributable to:							
Owners of the Company		(963)	(113)	(1,076)	(1,675)	(54)	(1,729)
Non-controlling interests		97	(18)	79	(279)	(6)	(285)
Loss for the year							
		(866)	(131)	(997)	(1,954)	(60)	(2,014)
Total comprehensive loss attributable to:							
Owners of the Company		(824)	(83)	(907)	(1,679)	9	(1,670)
Non-controlling interests		73	(13)	60	(282)	4	(278)
Total comprehensive loss for the period/year							
		(751)	(96)	(847)	(1,961)	13	(1,948)
Earnings per share							
Basic and diluted loss per share (pence)	26			(1.148)			(0.033)

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position

as at 31 December 2022

	Notes	31 December 2022 £'000	31 December 2021 £'000
Assets			
Property, plant and equipment	14	381	554
Right of use asset	15	121	215
Intangible assets	16	3,558	4,606
Non-current assets		4,060	5,375
Inventory	20	668	273
Trade and other receivables	21	191	94
Assets held for sale	23	1,558	–
Cash and cash equivalents	22	207	166
Current assets		2,624	533
Total assets		6,684	5,908
Equity			
Share capital	25	797	630
Share premium	25	5,838	4,033
Other reserves	25, 27	282	111
Retained deficit		(2,990)	(1,721)
Equity attributable to owners of the Company		3,927	3,053
Non-controlling interests		(146)	229
Total equity		3,781	3,282
Liabilities			
Trade and other payables	28	1,158	1,658
Liabilities held for sale	23	471	–
Lease liabilities – current	18	126	107
Current liabilities		1,755	1,765
Trade and other payables	28	1,148	749
Lease liabilities – non-current	18	–	112
Non-current liabilities		1,148	861
Total liabilities		2,903	2,626
Total equity and liabilities		6,684	5,908

The financial statements were approved by the Board of Directors and authorised for issue on 5 July 2023. They were signed on its behalf by:

Brian Moritz
Director

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the year ended 31 December 2022

	Attributable to owners of the Company							
	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Retained earnings/ (deficit) £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 January 2022	630	4,033	100	11	(1,721)	3,053	229	3,282
Loss for the year	-	-	-	-	(1,076)	(1,076)	79	(997)
Other comprehensive income	-	-	-	169	-	169	(19)	150
Total comprehensive loss for the period	-	-	-	169	(1,076)	(907)	60	(847)
Issue of ordinary shares	167	1,845	-	-	-	2,012	-	2,012
Costs of share issue	-	(40)	-	-	-	(40)	-	(40)
Share option expense	-	-	9	-	-	9	-	9
Share option forfeit	-	-	(7)	-	7	-	-	-
Acquisition of non-controlling interest	-	-	-	-	(200)	(200)	(435)	(635)
Transactions with owners, recognised directly in equity	167	1,805	2	-	(193)	1,781	(435)	1,346
Balance at 31 December 2022	797	5,838	102	180	(2,990)	3,927	(146)	3,781

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity

for the 15 month period ended 31 December 2021

	Notes	Share capital £'000	Share premium £'000	Share option reserve £'000	Exchange reserve £'000	Retained (deficit)/ earnings £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 October 2020		487	2,637	63	(47)	8	3,148	(140)	3,008
Loss for the period		-	-	-	-	(1,729)	(1,729)	(285)	(2,014)
Other comprehensive income		-	-	-	58	-	58	8	66
Total comprehensive loss for the year		-	-	-	58	(1,729)	(1,671)	(277)	(1,948)
Issue of ordinary shares	25	143	1,469	-	-	-	1,612	-	1,612
Costs of share issue	25	-	(73)	-	-	-	(73)	-	(73)
Share option expense	27	-	-	37	-	-	37	-	37
Non-controlling interest on acquisition of subsidiary	17	-	-	-	-	-	-	646	646
Total transactions with owners, recognised directly in equity		143	1,396	37	-	-	1,576	646	2,222
Balance at 31 December 2021		630	4,033	100	11	(1,721)	3,053	229	3,282

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows

for the period ended 31 December 2022

	Notes	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Cash flows from operating activities			
Loss from operating activities		(997)	(2,014)
Adjustments for:			
Depreciation and amortisation	14,15,16	179	172
Share of loss of equity accounted associate		–	116
Expenses settled in shares		109	–
Finance costs recognised	12	204	–
Equity-settled share-based payments	27	9	37
		(496)	(1,616)
Changes in:			
– inventory		(395)	(216)
– trade and other receivables		(97)	111
– trade and other payables		119	540
Cash generated by/(used in) operating activities		(869)	(1,181)
Finance costs		(52)	–
Taxes paid		–	–
Net cash generated by/(used in) operating activities		(921)	(1,181)
Cash flows from investing activities			
Cash acquired on acquisition		–	158
Acquisition of property, plant and equipment		–	(188)
Exploration and licence expenditure		–	(538)
Consideration for purchase of minority interest in subsidiary	17	(286)	–
Net cash used in investing activities		(286)	(568)
Cash flows from financing activities			
Net proceeds from issue of share capital	25	1,641	1,477
Loans received		100	–
Repayment of loans		(375)	–
Payment of lease obligations		(93)	–
Net cash flows from financing activities		1,273	1,477
Net increase/(decrease) in cash and cash equivalents		66	(272)
Cash and cash equivalents at beginning of period/year		166	438
Foreign exchange differences		(25)	73
Cash and cash equivalents at 31 December	22	207	166

Significant non-cash transactions

During the year, share capital was issued in return for non-cash consideration being the settlement of £231,000 due to creditors and £100,000 in respect of loans.

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Company Statement of Financial Position

as at 31 December 2022

	Notes	31 December 2022 £'000	31 December 2021 £'000
Assets			
Property, plant and equipment	14	–	2
Investments	17	2,594	1,959
Non-current assets		2,594	1,961
Loans	19	3,686	2,081
Trade and other receivables	21	45	20
Cash and cash equivalents	22	54	122
Current assets		3,785	2,223
Total assets		6,379	4,184
Equity			
Share capital	25	797	630
Share premium	25	5,838	4,033
Other reserves	25, 27	102	100
Retained deficit		(2,190)	(729)
Total equity attributable to owners of the Company		4,547	4,034
Liabilities			
Trade and other payables	28	767	150
Current liabilities		767	150
Trade and other payables	28	1,065	–
Non-current liabilities		1,065	–
Total liabilities		1,832	150
Total equity and liabilities		6,379	4,184

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company profit and loss account. The Parent Company loss for the period was £1,467,879 (15 months to 31 December 2021: loss of £1,014,000).

The financial statements of Keras Resources PLC, company number 07353748, were approved by the Board of Directors and authorised for issue on 5 July 2023. They were signed on its behalf by:

Brian Moritz

Director

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Company Statement of Changes in Equity

for the period ended 31 December 2022

	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Retained earnings/ (deficit) £'000	Total equity £'000
Balance at 1 October 2020	487	2,637	63	285	3,472
Loss for the period	-	-	-	(1,014)	(1,014)
Total comprehensive loss for the period	-	-	-	(1,014)	(1,014)
Issue of ordinary shares	143	1,469	-	-	1,612
Costs of share issue	-	(73)	-	-	(73)
Share option expense	-	-	37	-	37
Transactions with owners, recognised directly in equity	143	1,396	37	-	1,576
Balance at 31 December 2021	630	4,033	100	(729)	4,034
Balance at 1 January 2022	630	4,033	100	(729)	4,034
Loss for the year	-	-	-	(1,468)	(1,468)
Total comprehensive loss for the year	-	-	-	(1,468)	(1,468)
Issue of ordinary shares	167	1,845	-	-	2,012
Costs of share issue	-	(40)	-	-	(40)
Share option expense	-	-	9	-	9
Share option forfeit	-	-	(7)	7	-
Transactions with owners, recognised directly in equity	167	1,805	2	7	1,981
Balance at 31 December 2022	797	5,838	102	(2,190)	4,547

The notes on pages 33 to 63 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

for the year ended 31 December 2022

1. Reporting entity

Keras Resources PLC is a company domiciled in England and Wales. The address of the Company's registered office is Coveham House, Downside Bridge Road, Cobham KT11 3EP. The Group currently operates as a miner of and explorer for mineral resources.

The Group consists of Keras Resources Plc and all of its subsidiaries.

2. Going concern

The Directors have adopted the going concern basis in preparing the Group and Company financial statements. The Group's and Company's business activities together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and Strategic Report. In addition, note 29 to the Financial Statements includes the Group's policies and processes for managing its financial risk management objectives.

Since the end of the year the Company has agreed to sell its manganese mining interests in Togo to the Republic of Togo. The consideration of \$1,700,000 was received in July 2023, and the amount received, after payment of costs associated with the sale, has been used to pay the 2023 instalment of the consideration for the acquisition of the 49% interest in Falcon Isle, as described below, as well as for general working capital.

During the year, the Company acquired the minority 49% interest in Falcon Isle, and agreed to repay loans made by the vendor to Falcon Isle, for a total consideration of \$3.2 million. In addition a severance payment of \$340,000 is payable to the previous CEO of Falcon Isle. The consideration amount is payable in four annual instalments of \$800,000 commencing on 1 July 2022 with the severance payments being due being split \$240,000 on 1 July 2023 and the balance of \$100k being due on 1 July 2024. The first instalment has been paid, and the second instalment together with \$240,000 of the severance payment has been settled from the proceeds of the disposal of the Togolese interests as set out above.

Falcon Isle is currently generating positive cash flow, which is forecast to increase as its client base and product range are expanded. In addition, the agreement with the Republic of Togo for the provision of advisory and brokerage services, described in Note 31, is expected to generate substantial cash flow over the next three years.

On this basis, the Directors have a reasonable expectation that the Group and Company will have adequate resources to continue in operational existence for the foreseeable future. As such, the Directors continue to adopt the going concern basis of accounting.

3. Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards in conformity with the Companies Act 2006 ("UK-adopted IAS"), and the Companies Act 2006 as applicable to entities reporting in accordance with UK-adopted IAS.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis unless otherwise stated.

(c) Functional and presentation currency

These consolidated financial statements are presented in Pounds Sterling ('GBP' or '£'), which is the Group's functional currency and is considered by the Directors to be the most appropriate presentation currency to assist the users of the financial statements. All financial information presented in GBP has been rounded to the nearest thousand, except when otherwise indicated.

Notes to the Consolidated Financial Statements

continued

3. Basis of preparation continued

(d) Basis of parent company preparation

The parent company meets the definition of a qualifying entity under FRS 101 Reduced Disclosure Framework.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- (a) the requirements of IFRS 7 'Financial Instruments: Disclosure';
- (b) the requirements within IAS 1 relating to the presentation of certain comparative information;
- (c) the requirements of IAS 7 'Statement of Cash Flows' to present a statement of cash flows;
- (d) paragraphs 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but it not yet effective); and
- (e) the requirements of IAS 24 'Related Party Disclosures' to disclose related party transactions and balances between two or more members of a Group.

(e) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. 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 if the revision affects only that period, or in the period of revision and future periods of the revision if it affects both current and future periods.

Critical estimates and assumptions that have the most significant effect on the amounts recognised in the consolidated financial statements and/or have a significant risk of resulting in a material adjustment within the next financial year are as follows:

Deferred consideration and the loan payable to previous minority shareholder

The deferred consideration due in respect of the acquisition of the remaining 49% of Falcon Isle Resources LLC has been discounted at a rate of 12%, being the rate at which interest will accrue in the event of a default. Further details can be found in Note 17.

Carrying value of intangible assets

Intangible assets consists of prospecting and exploration rights. Those acquired with subsidiaries are recognised at fair value at the date of acquisition. Other rights acquired and evaluation expenditure are recognised at cost.

Impairment of intangible assets

Intangible assets have been assessed during the current year for any impairment and it was concluded that they are fairly valued. The recoverable amount from the cash generating unit (CGU), in the USA, was assessed by performing a 10-year discounted cashflow (DCF) model and it was concluded that the recoverable amounts exceeded the intangible asset value indicating no impairment.

Key assumptions

The recoverable amount for the CGU is based on value-in-use which is derived from discounted cash flow calculations. The key assumptions applied in value-in-use calculations are those regarding forecast mine production, sales per product type, operating profit, phosphate prices and discount rates.

Forecast operating profits

For the CGU, the Group prepared cash flow projections derived from the most recent forecast for the year ending 31 December 2023. Forecast revenue, fixed and variable costs are based on recent performance and expectations of future changes in the market, operating model and cost base.

Growth rates

For the medium-term, sales growth of 120% was assumed on the basis of consistent historic sales growth, as well as planned growth projects.

Discount Rate

A post-tax real discount rate used to assess the forecast free cashflows from the CGU was derived from its weighted average cost of capital, taking into account specific factors relating to the country it operates in. These rates are reviewed annually and adjusted for the risks specific to the business being assessed and the market in which the CGU operates. The real post-tax discount rate used during the period for the USA was 10%.

Sensitivity analysis

A sensitivity analysis on the key model parameters has been performed and management has concluded that no reasonably foreseeable change in the key assumptions would result in an impairment of the intangible assets of the Group's CGU.

Assets held for sale

On classification as held-for-sale, assets and disposal groups are measured at the lower of the carrying amount and fair value less costs to sell, with any adjustments taken to profit or loss (or other comprehensive income in the case of a revalued asset). The fair value was estimated to be the contract disposal value less costs as detailed in Note 23.

Intercompany receivables (Company only)

All loans to subsidiaries are currently unsecured and interest free and repayable on demand. Management have reviewed the forecasts prepared and are satisfied that no impairment of this amount is required.

Fair value of share options and warrants

The determination of the fair values of the schemes issued have been made with reference to the Black-Scholes model with the inputs set out in Note 27.

4. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

(a) Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss.

Notes to the Consolidated Financial Statements

continued

4. Significant accounting policies continued

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. On disposal of subsidiaries, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This might mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Foreign currency

Transactions in foreign currencies are translated into the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the reporting date.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

(i) Foreign operations

The assets and liabilities of foreign operations, including goodwill and the fair value adjustments arising on acquisition, are translated to GBP at exchange rates at the reporting date. The income and expenses of foreign operations are translated to GBP at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the translation reserve except to the extent that the translation difference is allocated to non-controlling interests. When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint 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. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(c) Financial instruments

(i) Financial assets

The Group's financial assets measured at amortised cost comprise trade and other receivables, cash and cash equivalents and financial assets at fair value through other comprehensive income in the consolidated statement of financial position.

Trade receivables and intra group balances are initially recognised at fair value. New impairment requirements use an expected credit loss model to recognise an allowance. For receivables a simplified approach to measure expected credit losses during a lifetime expected loss allowance is available and has been adopted by the Group. During this process the probability of non-payment of the receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being reported within the consolidated statement of comprehensive income. On confirmation that the trade and intra group receivable will not be collectable, the gross carrying value of the asset is written off against the provision.

(ii) Non-derivative financial liabilities

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise trade and other payables.

(iii) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

(iii) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in the statement of comprehensive income over the estimated useful lives of each component.

Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives of significant items of property, plant and equipment are as follows:

- plant and equipment 10 years
- office equipment 2 years
- computer equipment 2 years
- motor vehicles 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(e) Intangible assets

(i) Prospecting and exploration rights

Rights acquired with subsidiaries are recognised at fair value at the date of acquisition. Other rights acquired and evaluation expenditure are recognised at cost.

Notes to the Consolidated Financial Statements

continued

4. Significant accounting policies continued

(ii) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

(iv) Amortisation

Intangible assets are amortised in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimated useful lives are as follows:

- Prospecting and exploration rights - Life of mine based on units of production

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Amortisation is included within administrative expenses in the statement of comprehensive income.

(f) Impairment

(i) Non-derivative financial assets

A financial asset not classified as at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and had an impact on the estimated future cash flows from that asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, restructuring of an amount due to the Group on terms that the Group would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Financial assets measured at amortised cost

The Group considers evidence of impairment for financial assets measured at amortised cost (loans and receivables) at both a specific asset and collective level. All individually significant assets are assessed for specific impairment. Those found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Assets that are not individually significant are collectively assessed for impairment by grouping together assets with similar risk characteristics.

In assessing collective impairment, the Group uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance against loans and receivables. Interest on the impaired asset continues to be recognised. When an event occurring after the impairment was recognised causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Financial assets at fair value through other comprehensive income

Impairment losses on financial assets at FVOCI are recognised by reclassifying the losses accumulated in the fair value reserve to profit or loss. The amount reclassified is the difference between the acquisition cost (net of any principal repayment and amortisation) and the current fair value, less any impairment previously recognised in profit or loss. Impairment losses recognised in profit or loss for an investment in an equity instrument classified as FVOCI are not reversed through profit or loss.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Indefinite-lived intangible assets are tested annually for impairment or when there is an indication of impairment. An impairment loss is recognised if the carrying amount of an asset or Cash Generating Unit ('CGU') exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(g) Employee benefits

Share-based payments

The grant-date fair value of share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no adjustment for differences between expected and actual outcomes.

(h) Revenue

Revenue from the sale of processed products is recognised when ownership of the product passes to the purchaser in accordance with the relevant sales contract. Ownership passes either upon delivery or once the product is collected where customers arrange delivery.

(i) Finance income and finance costs

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

Finance costs comprise interest expense on borrowings. Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the Consolidated Financial Statements

continued

4. Significant accounting policies continued

(j) Taxation

Tax expense comprises current and deferred tax. Current and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

(k) Leases

The Group leases certain property, plant and equipment. Leases of plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases under IFRS 16. Finance leases are capitalised on the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Other leases are either small in value or cover a period of less than 12 months.

The lease liability is initially measured at the present value of the lease payments that are not paid. Lease payments generally include fixed payments less any lease incentives receivable. The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group estimates the incremental borrowing rate based on the lease term, collateral assumptions, and the economic environment in which the lease is denominated. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is remeasured when the expected lease payments change as a result of new assessments of contractual options and residual value guarantees.

The right-of-use asset is recognised at the present value of the liability at the commencement date of the lease less any incentives received from the lessor. Added to the right-of-use asset are initial direct costs, payments made before the commencement date, and estimated restoration costs. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in lease liabilities, split between current and non-current depending on when the liabilities are due. The interest element of the finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Assets obtained under finance leases are depreciated over their useful lives. The lease liabilities are shown in Note 18.

(l) Inventories

Inventories for processed material and ore stockpiles are valued at the lower of cost and net realisable value. Costs allocated to processed material are based on average costs and include all costs of purchase, conversion and other costs in bringing these inventories to their existing location and condition. Costs allocated to ore stockpiles are based on average costs, which include an appropriate share of direct mining costs, direct labour and material costs, mine site overhead, depreciation and amortisation. If carrying value exceeds net realisable amount, a write down is recognised. The write down may be reversed in a subsequent period if the circumstances which caused it no longer exist.

(m) Segment reporting

Segment results that are reported to management include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(n) Equity reserves

Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issue of shares are deducted from share premium.

The share option/warrant reserve is used to recognise the fair value of equity-settled share based payment transactions.

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

The financial assets at FVOCI reserve is used to record unrealised accumulated changes in fair value on financial assets.

(o) Discontinued operation

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

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

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

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

Notes to the Consolidated Financial Statements

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5. New standards and interpretations

The current standards, amendments and interpretations have been adopted in the year and have not had a material impact on the reported results in the Company's financial statements:

- Amendments to the Conceptual Framework for Financial Reporting
- Amendments to IFRS 3 Definition of a Business
- Amendments to IAS 1 and IAS 8 Definition of Material
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest rate benchmark reform

The adoption of the following mentioned standards, amendments and interpretations in future years:

	Effective date – period beginning on or after
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023
Disclosure of Accounting policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023
IFRS 17 Insurance Contracts	1 January 2023
Amendments to IFRS 17	1 January 2023
Initial Application of IFRS 17 and IFRS 9—Comparative Information	1 January 2023
Amendments to IAS 1 Presentation of Financial Statements	1 January 2024*
• Non-current Liabilities with Covenants	
• Deferral of Effective Date Amendment	
• Classification of Liabilities as Current or Non-Current	
Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)	1 January 2024*

* These standards, amendments and interpretations have not yet been endorsed by the UK and the dates shown are the expected dates.

The directors have undertaken a project to review the above standards, amendments and interpretations. Management do not expect these standards to materially impact the financial statements.

6. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Property, plant and equipment

The fair value of property, plant and equipment recognised as a result of a business combination is the estimated amount for which a property could be exchanged on the date of acquisition between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably. The fair value of items of plant and equipment is based on the market approach and cost approaches using quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.

(ii) Intangible assets

The fair value of other intangible assets is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

(iii) Trade and other receivables

The fair value of trade and other receivables is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purposes or when such assets are acquired in a business combination.

(iv) Share-based payments

The fair value of the employee share options is measured using the Black-Scholes formula. Measurement inputs include the share price on the measurement date, the exercise price of the instrument, expected volatility (based on an evaluation of the Company's historic volatility, particularly over the historic period commensurate with the expected term), expected term of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

(v) Investments – other

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. A discount is applied to the value of any Performance shares to reflect the possibility that the milestones for conversion into ordinary shares may not be met.

7. Revenue

Revenue comprises:

Group:

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Sale of phosphate (USA)	994	452
	994	452

8. Operating segments

The Group considers that it operated during the period in two distinct business areas, being that of manganese exploration and development in West Africa, which is now treated as an asset held for sale, and phosphate mining in Utah, USA. These business areas form the basis of the Group's operating segments. For each segment, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

Other operations relate to the Group's administrative functions conducted at its head office and by its intermediate holding company together with consolidation adjustments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment result before tax, as included in the internal management reports that are reviewed by the Group's Managing Director. Segment results are used to measure performance as management believes that such information is the most relevant in evaluating the performance of certain segments relative to other entities that operate within the exploration industry.

Notes to the Consolidated Financial Statements

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8. Operating segments continued

Information about reportable segments

Year ended 31 December 2022	Manganese £'000	Phosphate £'000	Other operations £'000	Total £'000
External revenue	–	994	–	994
Cost of sales	–	263	–	263
Depreciation, amortisation and impairment	34	144	1	179
(Loss)/profit before Tax	(131)	68	(934)	(997)
Assets	1,558	5,027	99	6,684
Exploration and capital expenditure	–	3,558	–	3,558
Liabilities	471	601	1,831	2,903

15 months ended 31 December 2021	Manganese £'000	Phosphate £'000	Other operations £'000	Total £'000
External revenue	–	452	–	452
Cost of Sales	–	496	–	496
Depreciation, amortisation and impairment	43	143	1	187
Share of associate loss to date of becoming a subsidiary	–	116	–	116
(Loss)/profit before tax	(60)	(569)	(1,385)	(2,014)
Assets	1,535	4,229	144	5,908
Exploration and capital expenditure	1,332	3,274	–	4,606
Liabilities	360	2,113	155	2,628

Information about geographical segments

Year ended 31 December 2022	West Africa £'000	US £'000	Other £'000	Total £'000
External revenue	–	994	–	994
Cost of sales	–	263	–	263
Depreciation, amortisation and impairment	34	144	1	179
(Loss)/profit before tax	(131)	68	(934)	(997)
Assets	1,558	5,027	99	6,684
Exploration and capital expenditure	–	3,558	–	3,558
Liabilities	471	601	1,831	2,903

15 months ended 31 December 2021	West Africa £'000	US £'000	Other £'000	Total £'000
External revenue	–	452	–	452
Cost of Sales	–	496	–	496
Interest expense	–	–	–	–
Depreciation, amortisation and impairment	43	143	1	187
Share of associate loss	–	(116)	–	(116)
(Loss)/profit before tax	(44)	(569)	(1,385)	(2,014)
Assets	1,541	4,229	138	5,908
Exploration and capital expenditure	1,332	3,274	–	4,606
Liabilities	360	2,113	155	2,628

9. Expenses

Expenses include:

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Depreciation and amortisation expense	179	187
Auditor's remuneration		
– Audit fee	41	33
Foreign exchange differences	13	12

Auditor's remuneration for the period in respect of the Company amounted to £15,000 (Period ended 31 December 2021: £11,000).

10. Personnel expenses

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Wages and salaries	382	672
Social security costs	26	–
Pension costs	7	–
Fees	114	100
Equity-settled share-based payments (see note 27)	9	37
	538	809

The average number of employees (including directors) during the period was:

	Year ended 31 December 2022	15 months ended 31 December 2021
Directors	4	4
Other	2	3
	6	7

Notes to the Consolidated Financial Statements

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11. Directors' emoluments

	Executive directors £'000	Non-executive directors £'000	Total £'000
Year ended 31 December 2022			
Wages and salaries (incl. fees)	232	58	290
	232	58	290
15 months ended 31 December 2021			
Wages and salaries (incl. fees)	234	82	316
	234	82	316

Fees in respect of the services of D Reeves are payable to a third party, Wilgus Investments (Pty) Limited.

These amounts are disclosed by director in the Directors' report on page 18.

Emoluments disclosed above include the following amounts payable to the highest paid director:

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Emoluments for qualifying services	118	219

12. Finance costs

Recognised in loss for period

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Discount unwinding on deferred consideration and loan payable to previous minority shareholder	152	–
Other	52	43
	204	43

The Discount unwinding disclosed above relates to the deferred consideration explained in Note 17.

13. Taxation

Current tax

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Tax recognised in profit or loss		
Current tax		
Current period	–	–
Deferred tax		
Origination and reversal of temporary differences	–	–
Total tax	–	–

Reconciliation of effective tax rate

	Year ended 31 December 2022 £'000	15 months ended 31 December 2021 £'000
Loss before tax (continuing operations)	(997)	(2,014)
Tax using the Company's domestic tax rate of 19.0% (2021: 19.0%)	(189)	(383)
Effects of:		
Expenses not deductible for tax purposes	29	2
Overseas (profits)/losses	10	116
Equity-settled share-based payments	2	7
Tax losses carried forward not recognised as a deferred tax asset	148	258
	–	–

The UK corporation tax rate was 19% throughout the year.

UK budget on 3 March 2021 announced the intention to increase the tax rate from the current rate of 19% to 25%, with effect from April 2023.

None of the components of other comprehensive income have a tax impact.

Factors that may affect future tax charges

At the year end, the Group had unused tax losses available for offset against suitable future profits of approximately £7,907,000 (Period ended 31 December 2021: £7,128,000). A deferred tax asset has not been recognised in respect of such losses due to uncertainty of future profit streams.

Notes to the Consolidated Financial Statements

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14. Property, plant and equipment

Group	Plant and equipment £'000	Office and computer equipment £'000	Total £'000
Cost			
Balance at 1 October 2020	329	25	354
Acquisition of Falcon Isle	172	–	172
Additions	185	3	188
Disposals	–	–	–
Effect of movements in exchange rates	(25)	–	(25)
Balance at 31 December 2021	661	28	689
Balance at 1 January 2022	661	28	689
Effect of movements in exchange rates	59	–	59
Transfers to assets held for sale (Note 23)	(323)	(16)	(339)
Balance at 31 December 2022	397	12	409
Depreciation and impairment provisions			
Balance at 1 October 2020	67	24	91
Depreciation for the year	34	2	36
Depreciation on disposals	–	–	–
Effect of movements in exchange rates	8	–	8
Balance at 31 December 2021	109	26	135
Balance at 1 January 2022	109	26	135
Depreciation for the period	47	1	48
Effect of movements in exchange rates	6	–	6
Transfers to assets held for sale	(145)	(16)	(161)
Balance at 31 December 2022	17	11	28
Carrying amounts			
At 1 October 2020	262	1	263
At 31 December 2021	552	2	554
At 31 December 2022	380	1	381

Depreciation is recognised within administrative expenses.

Company	Computer equipment £'000
Cost	
Balance at 1 October 2020	5
Transfers	3
Balance at 31 December 2021	8
Balance at 1 January 2022	8
Additions	–
Balance at 31 December 2022	8
Depreciation and impairment provisions	
Balance at 1 October 2020	5
Depreciation for the year	1
Balance at 31 December 2021	6
Balance at 1 January 2022	6
Depreciation for the period	2
Balance at 31 December 2022	8
Carrying amounts	
At 31 December 2021	2
At 31 December 2022	–

15. Right of use assets

Group	Land and buildings £'000
Cost	
Balance at 1 October 2020	–
Additions	314
Balance at 31 December 2021	314
Balance at 1 January 2022	314
Effect of movements in exchange rates	39
Balance at 31 December 2022	353
Depreciation and impairment provisions	
Balance at 1 October 2020	–
Depreciation for the year	99
Balance at 31 December 2021	99
Balance at 1 January 2022	99
Depreciation for the period	118
Effect of movements in exchange rates	15
Balance at 31 December 2022	232
Carrying amounts	
At 1 October 2020	–
At 31 December 2021	215
At 31 December 2022	121

Depreciation is recognised within administrative expenses.

Notes to the Consolidated Financial Statements

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16. Intangible assets – Group

	Prospecting and exploration rights £'000
Cost	
Balance at 1 October 2020	1,227
Acquisition of Falcon Isle	3,046
Additions	538
Disposals	(158)
Effect of movement in exchange rates	(10)
Balance at 31 December 2021	4,643
Balance at 1 January 2022	4,643
Additions	–
Disposals	–
Effect of movements in exchange rates	349
Transfers to assets held for sale	(1,379)
Balance at 31 December 2022	3,613
Amortisation and impairment losses	
Balance at 1 October 2020	158
Amortisation	37
Disposals	(158)
Balance at 31 December 2021	37
Balance at 1 January 2022	37
Amortisation	13
Effect of movements in exchange rates	5
Balance at 31 December 2022	55
Carrying amounts	
At 1 October 2020	1,069
At 31 December 2021	4,606
At 31 December 2022	3,558

The carrying value of the prospecting and exploration rights is supported by the estimated resource and current market values.

Amortisation is recognised within administrative expenses.

17. Investments in subsidiaries and associates

Company – subsidiaries	2022 £'000	2021 £'000
Equity investments		
Balance at beginning of period	1,959	–
Additions – Increased investment in Falcon Isle Resources LLC	635	1,959
Balance at 31 December	2,594	1,959

	Activity	Country of incorporation	Ownership interest	
			2022	2021
Directly				
Southern Iron Limited	Investment	Guernsey	100%	100%
Falcon Isle Resources LLC	Mining	USA	100%	51%
Keras US LLC	Holding company	USA	100%	100%
Indirectly				
Société Générale des Mines SA	Exploration	Togo	85%	85%
Falcon Isle Holdings LLC	Holding company	USA	100%	100%

Registered offices of subsidiary companies are:

- Southern Iron Limited, 1st Floor, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey
- Société Générale des Mines, Quartier Adidogome Apedokoe 02, BP 20022, Lome, Togo
- Falcon Isle Resources LLC, Falcon Isle Holdings LLC and Keras US LLC, 8 The Green, Suite B8, Dover, Kent, Delaware 19901, USA

Société Générale des Mines SA and Southern Iron Limited have been classified as assets held for sale at the year end, see Note 23 for further details.

Group and Company – associates	2022 £'000	2021 £'000
Accounted for using the equity method		
At 1 October / January	–	1,622
Additions – including acquisition costs	–	453
Share of loss for the period	–	(116)
Transfer to investment in subsidiary	–	(1,959)
At 31 December	–	–

The interest in Falcon Isle was acquired for nominal consideration under a binding heads of terms dated 28 July 2020. Under this agreement the Company agreed to provide US\$2.5m in loans to Falcon Isle payable in agreed tranches. Falcon Isle is the 100% owner of the Diamond Creek phosphate mine located in Utah (USA) which is a fully permitted, high grade direct shipping ore organic phosphate operating mine.

At 30 September 2020 the Company had advanced US\$ 1.9m to Falcon Isle, resulting in an equity interest of 40% and bringing the cost of the investment in the associate to £1,626,000.

On 31 December 2020 the Company advanced the balance of \$0.6m and its equity interest has increased to a controlling interest of 51%.

The initial acquisitions were accounted for under the equity method of accounting but upon achieving control on 31 December 2020, the acquisition method of accounting has been applied.

The investment in associate was revalued prior to acquisition to fair value based on the price paid to acquire the additional 11% shareholding. Under IFRS 3, on acquisition of the controlling stake, the Group remeasured its original 40% investment in Falcon Isle. This led to a loss on change of ownership of £363,000 being recognised in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Statements

continued

17. Investments in subsidiaries and associates continued

On acquisition the non-controlling interest, valued based upon net assets at acquisition, was valued at £645,000. No goodwill has arisen from the acquisition.

On 29 March 2022, the Company agreed to acquire the outstanding 49% equity interest in Falcon Isle for consideration of \$1,383,473 and loans totalling \$1,816,527 made by the vendor to Falcon Isle, for total consideration of \$3.2 million, payable in four annual tranches of \$800,000 commencing on 1 July 2022 and as such the deferred consideration and loan due to the vendor has been discounted at 12% with the discount being applied against the investment in full. As a result the non-controlling interest has been eliminated against the consideration with the remaining balance of £199,311 transferred to retained earnings. The tranche due on 1 July 2023 was paid late, which constituted an event of default under the agreement. This default has been remedied within the 30 day period provided for in the agreement.

18. Lease liabilities

The following lease liabilities arose in respect of the recognition of right of use assets with a net book value of £121k (2021 - £215k). The Group holds one lease that it accounts for under IFRS 16.

Maturity analysis	2022 £'000	2021 £'000
Within one year	129	115
In one to five years	–	115
Total undiscounted liabilities	129	230
Future finance charges	(3)	(11)
Lease liabilities in the financial statements	126	219
Current liabilities – Within one year	126	107
Non-current liabilities – In one to five years	–	112
	126	219

The entities in the group were not party to any other leases as at 31 December 2022 and 31 December 2021.

19. Loans

Company - current

	2022 £'000	2021 £'000
Balance at beginning of period	2,081	1,534
Funds advanced to subsidiaries	756	547
Impairment of loans	(534)	–
Purchase of subsidiary loans	1,383	–
Balance at 31 December	3,686	2,081

All loans to subsidiaries are currently unsecured and interest free and repayable on demand. All loans are denominated in GBP with the exception of the loan purchased from the Falcon Isle Resources LLC non-controlling interest of \$1,816,527.

20. Inventories

	2022 £'000	2021 £'000
Phosphate, including processed material held for sale	668	273
	668	273

21. Trade and other receivables

Group

	2022 £'000	2021 £'000
Trade receivables	69	7
Other receivables	85	87
Prepayments	37	–
	191	94

Company

	2022 £'000	2021 £'000
Other receivables	8	20
Prepayments	37	–
	45	20

Other receivables are stated at their nominal value less allowances for non-recoverability.

The Group and Company's exposure to credit and currency risk is disclosed in note 29. Trade receivables are net of a provision for bad debts of £nil (2021: £nil). No bad debt expense has been recognised in the current or prior years.

22. Cash and cash equivalents

Group

	2022 £'000	2021 £'000
Bank balances	207	166
Cash and cash equivalents	207	166

Company

	2022 £'000	2021 £'000
Bank balances	54	122
Cash and cash equivalents	54	122

There is no material difference between the fair value of cash and cash equivalents and their book value.

Notes to the Consolidated Financial Statements

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23. Assets held for sale

Through its 100% owned, Guernsey incorporated subsidiary, Southern Iron Ltd, Keras holds an 85% interest in Société Générale des Mines SA ("SGM") which holds research permits for the Nayéga manganese project in northern Togo ("Nayéga"). The research permits are effectively the equivalent of a mining exploration licences and cover a 19,903 ha area in northern Togo.

Keras completed feasibility studies on Nayéga in 2015 and 2019 and completed a metallurgical bulk sample of 10,000 tonnes of saleable manganese product in 2019. In October 2019, the Council of Ministers of the Republic of Togo published a decree granting the right for large-scale exploitation of the manganese deposit at Nayéga to SGM. Since that date Keras has concentrated its efforts in Togo on obtaining the required exploitation permit. The terms of the permit and associated protocols have been agreed; however, the exploitation permit approval has not been forthcoming.

Keras will no longer pursue the Nayéga exploitation permit and will sell all the IP comprising reports, feasibility studies etc to a newly formed mining company set up by the state for \$1.7m less costs leaving net proceeds of \$1.33m and as such no impairment has been recognised and all assets and liabilities of SGM have been classified as held for sale as follows:

	2022
	£'000
Property, plant and equipment	178
Prospecting and exploration rights	1,379
Cash and cash equivalents	1
	1,558
Trade and other payables	(471)
	1,087

The operating, financing and investing cashflows in respect of discontinued operations were immaterial in 2022 and in 2021 amounted to £233k, £88k and (£329k) respectively.

24. Retirement benefit schemes

	2022	2021
	£'000	£'000
Charge to profit or loss in respect of defined contribution schemes	7	7

The Group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Group in an independently administered fund.

At the year end, an amount of £2,042 (2021 - £2,042) was held in trade and other payables in respect of accrued unpaid pension contributions.

25. Capital and reserves

Share capital

	Number of ordinary shares		
	Presented after share consolidation 31 December 2022 Shares of 1p each	Presented before share consolidation 31 December 2022 Shares of 0.01p each	31 December 2021 Shares of 0.01p each
In issue at beginning of period	62,960,731	6,296,073,068	4,866,007,851
Issued for cash	16,775,000	1,677,500,000	1,369,565,217
Issued in settlement of debt	–	–	60,500,000
In issue at 31 December/ - fully paid	79,735,731	7,973,573,100	6,296,073,068

All ordinary shares rank equally with regard to the Company's residual assets. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at general meetings of the Company.

Issues of ordinary shares

On 5 May 2022 1,000,000,000 ordinary shares of 0.01p each were issued at 0.12p per share of which 880,000,000 were issued for cash, 83,333,333 to settle loans and 36,666,667 to settle creditors.

On 17 May 2022 677,500,000 ordinary shares of 0.01p each were issued at 0.12p per share of which 521,366,666 were issued for cash and 156,133,333 to settle creditors.

Consolidation of shares

On 25 July 2022 every 100 existing ordinary shares of 0.01p each was consolidated into 1 ordinary share of 1p each. The figures presented in the 31 December 2022 column above are shown after the consolidation.

Warrants

	31 December 2022				31 December 2021	
	Presented after share consolidation		Presented before share consolidation		Average exercise price	
	Average exercise price	Number	Average exercise price	Number	Average exercise price	Number
In issue at beginning of period	18p	4,347,856	0.18p	434,785,608	0.24p	984,357,334
Issued in period	18p	16,775,000	0.18p	1,677,500,000	0.20p	684,785,608
Lapsed	18p	(4,347,856)	0.18p	(434,785,608)	0.23p	(1,234,357,334)
In issue at 31 December	18p	16,775,000	0.18p	1,677,500,000	0.18p	434,785,608

The figures presented in the 31 December 2022 column above are shown after the consolidation and as such each exercise price has been multiplied by 100 and each number of shares divided by 100.

On 16 April 2022 1,000,000,000 warrants were agreed to be issued to subscribers for the Ordinary Shares agreed to be issued for cash on 16 April 2022 on the basis of 1 warrant for every 2 shares subscribed. The warrants are exercisable at price of 0.18p at any time up to 31 May 2024.

On 18 May 2022 677,500,000 warrants were agreed to be issued to subscribers for the Ordinary Shares agreed to be issued for cash on 18 May 2022 on the basis of 1 warrant for every 2 shares subscribed. The warrants are exercisable at price of 0.18p at any time up to 31 May 2024.

The warrants had a fair value of £nil at the balance sheet date and were considered to fall outside the scope of IFRS2.

The weighted average remaining contractual life of the warrants outstanding is 1 year and 152 days.

Notes to the Consolidated Financial Statements

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25. Capital and reserves continued

Other reserves

Share option/warrant reserve

The share option/warrant reserve comprises the cumulative entries made to the consolidated statement of comprehensive income in respect of equity-settled share-based payments as adjusted for share options cancelled.

Exchange reserve

The exchange reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

26. Earnings per share

Basic and diluted earnings/(loss) per share

The calculation of basic earnings/(loss) per share at 31 December 2022 is based on the following (loss)/profit attributable to ordinary shareholders and a weighted average number of ordinary shares in issue.

Loss attributable to ordinary shareholders (£)

	Year ended 31 December 2022	15 months ended 31 December 2021
Continuing operations	(751,000)	(1,948,000)
Discontinued operations	(96,000)	–
Loss attributable to ordinary shareholders	(847,000)	(1,948,000)

Basic weighted average number of ordinary shares

	Year ended 31 December 2022	15 months ended 31 December 2021
Issued ordinary shares at beginning of year	62,960,731	48,660,079
Effect of shares issued	10,807,397	10,854,832
Weighted average number of ordinary shares	73,768,128	59,514,911

Diluted weighted average number of shares

	Year ended 31 December 2022
Basic weighted average number	73,768,128
Effect of share options in issue	1,300,000
Effect of warrants in issue	11,510,197
Weighted average number of ordinary shares	86,578,325

As a result of the group being loss making the earning per share is presented on a basic weighted average number of shares basis and not diluted.

Consolidation of shares

On 25 July 2022 every 100 existing ordinary shares of 0.01p each was consolidated into 1 ordinary share of 1p each. The figures presented in the table above for both the current and prior period are shown after the impact of the consolidation.

27. Share-based payments

	Number of share options			Average exercise price		
	Presented after share consolidation 2022	Presented before share consolidation 2022	2021	Presented after share consolidation 2022 pence	Presented before share consolidation 2022 Pence	2021 pence
Outstanding at 1 January 2022	1,450,000	145,000,000	120,000,000	16	0.16	0.16
Granted in the period	–	–	25,000,000	–	–	0.12
Forfeited in the period	(150,000)	(15,000,000)	–	12	0.12	–
Outstanding at 31 December 2022	1,300,000	130,000,000	145,000,000	16	0.16	0.16
Exercisable at 31 December 2022	1,033,333	103,333,333	70,000,000	16	0.16	0.16

The figures presented in the 31 December 2022 column above are shown after the consolidation of shares completed in July 2022 and as such each exercise price has been multiplied by 100 and each number of shares divided by 100.

The Company established an Enterprise Management Incentive Scheme to incentivise Directors and senior executives. On 17 January 2020, 120,000,000 options were granted at £0.001639 with 10,000,000 vesting immediately, 30,000,000 vesting on 9 March 2020, 30,000,000 vesting on 17 January 2021, 30,000,000 vesting on 17 January 2022 and 20,000,000 vesting on 17 January 2023. The options lapse if not exercised within 5 years. Of the total, 90,000,000 options were granted to R Lamming, a Director.

The Black Scholes pricing model was used to calculate the share based payment charge incorporating an annual volatility rate of 55%, expected life of between 2 and 5 years and risk free investment rate of between 0.23% and 0.39%. The charge for the year ended 31 December 2022 for these rights which was included in administrative and exploration expenses amounted to £4,485 (2021 – £25,233).

On 7 April 2021, 10,000,000 options were granted at £0.001183 with 3,333,333 vesting on 1 April 2022, 3,333,333 vesting on 1 April 2023 and 3,333,334 vesting on 1 April 2024. The options lapse if not exercised within 5 years. The Black Scholes pricing model was used to calculate the share based payment charge incorporating an annual volatility rate of 57%, expected life of between 4 and 6 years and risk free investment rate of between 0.6% and 0.93%. The charge for the period ended 31 December 2022 for these rights which was included in administrative and exploration expenses amounted to £4,370 (2021 - £5,450).

On 27 May 2021, 15,000,000 options were granted at £0.001121 with 5,000,000 vesting on 17 May 2022, 5,000,000 vesting on 17 May 2023 and 5,000,000 vesting on 17 May 2024. The Black Scholes pricing model was used to calculate the share based payment charge incorporating an annual volatility rate of 57%, expected life of between 4 and 6 years and risk free investment rate of between 0.6% and 0.93%. The charge for the year ended 31 December 2022 for these rights which was included in administrative and exploration expenses amounted to £nil (2021 - £6,706). The employee which these options were granted to left the company during the year and as such the options lapsed and the balance within the share based payment reserve relating to these options of £6,706 was transferred to retained earnings.

Notes to the Consolidated Financial Statements

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28. Trade and other payables

Group - Current

	2022 £'000	2021 £'000
Trade payables	262	962
Accrued expenses	59	93
Amounts due to Falcon Isle Resources' minority interest	–	593
Other payables	209	11
Deferred consideration and loans to previous minority shareholders	628	–
	1,158	1,658

Group – Non-Current

	2022 £'000	2021 £'000
Amounts due to Falcon Isle Resources' minority interest	–	749
Other payables	83	–
Deferred consideration and loans to previous minority shareholders	1,065	–
	1,148	749

Company - Current

	2022 £'000	2021 £'000
Trade payables	68	46
Accrued expenses	60	91
Other payables	11	13
Deferred consideration and loans to previous minority shareholders	628	–
	767	150

Company – Non-Current

	2022 £'000	2021 £'000
Deferred consideration and loans to previous minority shareholders	1,065	–
	1,065	–

There is no material difference between the fair value of trade and other payables and accruals and their book value. The Group's and Company's exposure to currency and liquidity risk related to trade and other payables is disclosed in Note 29.

Deferred consideration and loans to previous minority shareholders relates to the acquisition of the outstanding 49% equity interest in Falcon Isle and loans totalling \$1,816,527 made by the vendor to Falcon Isle, for total consideration of \$3.2 million, payable in four annual tranches of \$800,000 commencing on 1 July 2022 and as such the deferred consideration and loans to previous minority shareholders has been discounted at 12%.

29. Financial instruments

Financial risk management

The Group's operations expose it to a variety of financial risks that include liquidity risk. The Group has in place a risk management programme that seeks to limit the adverse effect of such risks on its financial performance.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Exposure to credit risk

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

Group

Credit risk	Financial assets at amortised cost Carrying amount	
	2022 £'000	2021 £'000
Trade and other receivables	191	94
Cash and cash equivalents	207	166
	398	260

Expected credit loss assessment

Trade receivables	Balance £'000	Expected loss rate %	Loss allowance £'000
Current	19	–	–
1-30 days overdue	7	–	–
31-60 days overdue	28	–	–
61-90 days overdue	9	–	–
Over 90 days overdue	6	–	–
	69	–	–

The director considers that the carrying amount of trade and other receivables is approximately equal to their fair value.

Company

	Financial assets at amortised cost Carrying amount	
	2022 £'000	2021 £'000
Loans	2,586	2,081
Trade and other receivables	45	20
Cash and cash equivalents	54	122
	2,685	2,223

Notes to the Consolidated Financial Statements

continued

29. Financial instruments continued

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group reviews its facilities regularly to ensure it has adequate funds for operations and expansion plans.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements.

Group 2022

	Carrying amount £'000	Contractual cash flows £'000	3 months or less £'000	3-12 months £'000	2-5 years £'000
Non-derivative financial assets					
Inventory	668	668	668	–	–
Trade and other receivables	191	191	191	–	–
Assets held for sale	1,558	1,558	1,558	–	–
Cash and cash equivalents	207	207	207	–	–
	2,624	2,624	2,624	–	–
Non-derivative financial liabilities					
Trade and other payables	2,306	2,306	331	828	1,147
Liabilities held for sale	471	471	471	–	–
Lease liabilities	126	126	31	95	–
	2,903	2,903	833	923	1,147
Liquidity gap	(279)	(279)	1,791	(923)	(1,147)

Group 2021

	Carrying amount £'000	Contractual cash flows £'000	2 months or less £'000	2-12 months £'000	2-5 years £'000
Non-derivative financial assets					
Inventory	273	273	273	–	–
Trade and other receivables	94	94	94	–	–
Cash and cash equivalents	166	166	166	–	–
	533	533	533	–	–
Non-derivative financial liabilities					
Trade and other payables	2,407	2,407	168	1,490	749
Lease liabilities	219	219	19	88	112
	2,626	2,626	187	1,578	861
Liquidity gap	(2,093)	(2,093)	346	(1,578)	(861)

**Company
2022**

	Carrying amount £'000	Contractual cash flows £'000	3 months or less £'000	3-12 months £'000	2-5 years £'000
Non-derivative financial assets					
Loans	3,686	3,686	3,686	–	–
Trade and other receivables	45	45	45	–	–
Cash and cash equivalents	54	54	54	–	–
	3,785	3,785	3,785	–	–

Non-derivative financial assets

Trade and other payables	1,832	1,832	139	628	1,065
	1,832	1,832	139	628	1,065
Liquidity gap	1,953	1,953	3,646	(628)	(1,065)

**Company
2021**

	Carrying amount £'000	Contractual cash flows £'000	2 months or less £'000	2-12 months £'000	2-5 years £'000
Non-derivative financial assets					
Loans	2,081	2,081	2,081	–	–
Trade and other receivables	20	20	20	–	–
Cash and cash equivalents	122	122	122	–	–
	2,223	2,223	2,223	–	–

Non-derivative financial liabilities

Trade and other payables	150	150	25	125	–
	150	150	25	125	–
Liquidity gap	2,073	2,073	2,198	(125)	–

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to foreign currency risk on purchases that are denominated in currencies other than GBP. The currencies giving rise to this risk are primarily the CFA Franc and the US dollar.

The carrying amounts of the group's foreign currency denominated monetary assets and liabilities at the reporting date are as follows:

	GBP £'000	USD £'000	CFA £'000
Cash and cash equivalents	52	155	–
Trade and other receivables	46	145	–
Trade and other payables	(138)	(2,168)	–
	40	(1,868)	–

Notes to the Consolidated Financial Statements

continued

29. Financial instruments continued

Fair values

The fair values of financial instruments such as trade and other receivables/payables are substantially equivalent to carrying amounts reflected in the balance sheet.

Capital management

The Group's objective when managing capital is to safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining a sufficient level of funds, in order to support continued operations.

The Group considers its capital to be total shareholders' equity which at 31 December 2022 for the Group totalled £3,927,000 (2021: £3,053,000) and for the Company totalled £4,547,000 (2021: £4,034,000).

30. Related parties

The Group's related parties include its key management personnel and others as described below.

No guarantees have been given or received and all outstanding balances are usually settled in cash.

As part of a placing in April 2022 which raised a total of £1,200,000 by the issue of 1,000,000,000 new ordinary shares (before consolidation) at 0.12p per share, the Directors subscribed for 200,000,000 Placing Shares in aggregate. Brian Moritz, Russell Lamming and Dave Reeves subscribed for 35,000,000 (£42,000), 45,000,000 (£54,000) and 120,000,000 (£144,000) new ordinary shares respectively.

Azets, a firm in which Claire Parry is a partner, charged the Company £9,340 plus VAT for accounting services during the period from 1 September to 31 December 2022.

Other related party transactions

Transactions with Group companies

The Company had the following related party balances from financing activities:

	2022 £'000	2021 £'000
Southern Iron Limited		
– Loans and receivables (interest free)	1,100	1,622
Falcon Isle Resources LLC		
– Loans and receivables (interest free)	2,586	459
Southern Iron Limited had the following related party balances from financing activities:		
Société Générale des Mines SA		
– Loans and receivables (interest free)	1,100	1,777

31. Subsequent events

On 17 May 2023 Keras signed an agreement with the Republic of Togo (the “State”) relating to the Nayéga Manganese project (“Nayéga”) in Northern Togo. Under this agreement Keras agreed that Nayéga is a Togolese strategic asset and Keras will no longer pursue the Nayéga exploitation permit. Keras agreed to transfer all its intellectual knowledge on Nayéga to the State and provide advisory and brokerage services to expedite the development of Nayéga.

The State agreed to pay Keras a cash consideration of \$1,700,000 which was received in July 2023, and thereafter;

- Keras will be paid an advisory fee of 1.5% of gross revenue generated from the Nayéga mine for the provision of advisory services for three years; and
- Keras will be paid 6.0% of gross revenue generated from the Nayéga mine for the provision of brokerage services for the lesser of three and a half years or 900,000 tonnes of beneficiated manganese ore produced and sold from Nayéga.

In addition, Keras will liquidate its interest in Société Générale des Mines SA, the company through which Keras holds its interest in Nayéga.

