Company number: 11043077

CRITICAL MINERAL RESOURCES PLC
(FORMALLY CAERUS MINERAL RESOURCES PLC)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Contents

Company Information

Directors	Dominic Traynor Charles Oliver Long Noureddine Sabraoui Russell Thomson
Company Secretary	Orana Corporate LLP
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Company Number	11043077
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Chairman's Report

2023 was a year of important and successful transition for the Company, during which it developed a clear strategy and made strong operational progress. With the Company's clear focus on taking opportunities to develop commodities urgently required for Western economies, and reflecting our progress, it was only appropriate to change the Company name to Critical Mineral Resources Plc ("CMR"), on 17 August 2023. I am delighted to have recently taken the position of Chairman following the year of progress and with so much opportunity ahead.

The sale of the Cyprus assets during the period marked a significant milestone for the Company and enabled the leadership team to concentrate on its strategy of evaluating and acquiring development opportunities in the critical metals sector.

Mindful of the Company's human and financial resources, CMR undertook a strategic review analysing appropriate jurisdictions where the Company could fully focus. This included analysis of jurisdictions that offer substantial resource opportunities, are not constrained by geopolitical sensitivities and have developed downstream and customer markets nearby. As part of this exercise, CMR also took the difficult decision not to pursue the opportunity to develop its RIWAQ Al Mawarid for Mining ("RIWAQ") portfolio of exploration licence applications in the Kingdom of Saudi Arabia due to the large size of the portfolio, which our Board deemed unfeasible for CMR's current resources.

Following the completion of the strategic review in June, the Company entered the Moroccan market via the 80% acquisition of a local Moroccan exploration company, Atlantic Research Minerals ("ARM"), led by a highly regarded Moroccan geologist with a deep understanding of the region. Morocco is an excellent jurisdiction for upstream and longer-term midstream battery materials projects. Critically, it has deposits of copper, manganese, cobalt and other critical metals and minerals. However, the well-mineralised geology is largely under-explored. Morocco's main trading partner is the European Union, and its modern infrastructure, proximity to Europe, and political stability make it an excellent country in which CMR can operate. During 2023, Morocco continued to gain significant recognition from global organisations as a battery commodity and materials hub, as evidenced by several large-scale investments from multinational organisations operating in the battery supply chain.

In the second half of the year, CMR gained momentum in building an extensive portfolio of projects proving the geological potential of the Moroccan regions where the Company is prospecting and the strong know-how of its Moroccan subsidiary ARM. After extensive exploration during the summer months, the Company announced it had staked several research permits, from which it kept the Ighrem Permit. The Ighrem permit is 16km^2 and contains high-grade manganese and barite mineralisation. It is also prospective for copper and silver. At the same time, CMR announced that it had entered into binding heads of terms on the Anzar Project, a potentially exciting high-grade copper-silver project in central Morocco. This earn-in approach allows CMR to take majority equity stakes for modest investment sums, and only once CMR has derived confidence from development studies.

The Company maintained its momentum and continued to build out its Moroccan incubator portfolio, ensuring it has a healthy balance of commodities supporting critical minerals demand and the clean energy transition. In this regard, CMR increased its exposure to copper, a commodity vital for electrification, with the announcement in December that the Company had been granted four new exploration permits in the Rabat and Beni-Mellal regions. The permitted area covers an area of approximately 80 km^2 in north Morocco, 80km south of Rabat, and is easily accessible by roads. Three new permits comprise the Meseta Project, primarily prospective for copper, though in a region also renowned for tungsten, tin and lead-zinc mineralisation.

Post Period

In January 2024, the Company announced that it had agreed to acquire 26 exploration permits in central Morocco prospective for copper, antimony, tungsten, lead-zinc and gold. This acquisition will transform CMR's incubator portfolio in terms of the Company's footprint of prospective ground in Morocco and its exposure to a wide range of critical metals and minerals. The permits that will be acquired through the issuance of 3.0m CMR shares are located in the Rabat, Beni-Mellal, Agadir and Errachidia administrative regions and cover approximately 400 km^2. In addition to transforming the Company's footprint in Morocco, the transaction will firmly established CMR as a key player in the Moroccan commodity development sector. Having only entered the market six months earlier, this is an excellent achievement and testament to the strength and experience of the Company's leadership.

In March 2024, the Company raised £0.25m before expenses through the sale of new shares and treasury Shares. The announced net proceeds of the Placing will enable the Company to advance the Ifri Project ('Ifri'), which the Company will gain access to as part of the group of exploration permits to be acquired as mentioned above. Ifri is in the Anti-Atlas and has delivered very positive initial results. Prospecting by CMR's geological team demonstrates copper and silver in multiple quartz vein and shear zone structures, with some zones assaying for gold. The Ifri Project is located in an alteration hotspot, and initial channel sampling included an assay of 3.1% copper and 17 g/t silver.

Outlook

In the last nine months, the Company has gained significant momentum in Morocco, with an extensive portfolio that presents exciting opportunities with multiple commodities critical for western economies and the energy transition.

In addition to rapid progress we have made with our existing Moroccan portfolio, we are also utilising the board’s extensive contacts to source larger-scale projects with or without the support of potential strategic investors. The Company has ambitions to grow its portfolio of critical minerals assets and aims to become a producer in the medium term, sooner if the right opportunity is sourced. As touched on below this could extend to the wider renewables sector depending on project availability.

Given the operational traction CMR has achieved, it has built extensive relationships within the mining sector at a domestic level. This includes relationships with clean energy stakeholders evaluating Morocco as a destination for renewable energy given its excellent solar and wind characteristics. These relationships may present opportunities for the Company to produce commodities using renewable energy sources, in effect producing low carbon, sustainable critical metals.

This would be a natural extension of the Company's existing strategy and provide significant appeal to end customer markets, who are increasingly embedding strategies to address their scope two and scope three carbon emissions.

I want to thank the entire CMR team, who, after the turmoil of 2022, have worked tirelessly during the last year to reposition the business, establish a clear strategy and make excellent progress in its execution. I am confident CMR is now well-positioned to continue operational progress, achieve growth and deliver value for all stakeholders.

Dominic Traynor
Chair
24 April 2024

Strategic and Corporate Governance Report

The Directors present their Strategic Report and Corporate Governance Report of Critical Mineral Resources plc for the year ended 31 December 2023.

Principal Activity
The principal activity of the Group is the exploration for, and development of mineral resources and the identification of future acquisition targets in the same industry. On 17 August 2023, the Company changed its name from Caerus Mineral Resources Plc to Critical Mineral Resources Plc.

Review of Business and Operations
A review of the Group's Business and Operations is as detailed in the Chairman's Report on pages 4 to 5.

Financial Review and Key Performance Indicators ("KPI")
Profit/(loss) for the year
The group profit for the year before taxation amounted to £248,048 (2022: loss of £5,526,529). This includes the gain attributable to the disposal of the Cyprus assets of £1,342,841. The Company's loss for the period from operations is £1,025,471 (2022: loss of £4,177,016).

Cashflow and financing
During the year net cash outflow from operating activities was £798,389 (2022: £889,114). The decreased outflow is primarily attributable to the disposal of the Cyprus operations. Cashflow forecasts are reported to the Board on a monthly basis to ensure progress is in line with budget. Long term forecasts are also provided to ensure that the strategy of the business can be adequately funded.

In December 2022, the Company announced the payment of a deposit of £500,000 to secure the exclusivity of RIWAQ and its portfolio of 146 exploration licences in Saudi Arabia. In May, a review was completed which took the difficult decision not to pursue the opportunity. This deposit was received back during the year and was used, along with the first payment on account from the sale of the Cyprus assets of £257,641, to fund its new operations in Morocco.

As a result, the Group had a £117,233 net decrease in cash and cash equivalents at year end.

Balance Sheet
During 2023, current assets decreased to £168,419 (2022: £1,158,857), this was mainly due to the sale of the Cyprus assets.

The total liabilities decreased to £334,972 (2022: £1,399,319). This resulted from the disposal of the Cyprus assets and the potential liability that was being provided for in the group consolidation. This liability of £1,126,589, which related to a clause in an amended Sales and Purchase Agreement with PM Ploutonic Metals ltd ("Ploutonic") and Indo-European Mining PR Ltd ("Indo") for the sale of the Company's Cyprus subsidiaries, ("SPA"), had arisen in one of the subsidiaries that was sold in 2023 and therefore this potential liability is no longer in the group.

The three main financial KPIs for the Group are as follows. These would normally allow the Group to monitor costs and plan future exploration and development activities, however due to the change of the strategic direction of the Company are only provided for reference purposes:

Continuing and discontinued activities:	**2023**	**2022**
Cash and cash equivalents	£24,785	£142,018
Administrative expenses as a percentage of total assets	22.73%	93.9%
Exploration costs capitalised during the year	£2,331	£1,003,612

Cash has been used to fund the Group's operations and facilitate its acquisition of future targets. Administrative expenses are the expenses related to the Group's ability to run the corporate functions to ensure they can perform their operational commitments. Exploration costs capitalised during the year consist of exploration expenditure on the Group's exploration licences.

Section 172(1) statement and stakeholder engagement
The Directors have acted to promote the success of the Company for the benefit of its members as a whole. Members are the shareholders of the Company as listed in its shareholder register as well as underlying shareholders that hold shares through dematerialised nominee accounts. The success of the Company is dependent on strategy and decision making of the Directors, behaviour and actions of its employees and the support of a wide range of stakeholders notably citizens and government departments of the countries in which it operates. Strong relationships with its suppliers and the ability of those suppliers to deliver services as required is also important to long term success.

The Directors also believe the long-term interests of its members is closely aligned to the Company making a positive impact on local communities and minimising the impact on the environment. The Directors are firmly of the belief that, above all else, the quality of its employees including management and contractors defines the Company's interaction with all stakeholders and contributes greatly to success. As a result, the character and core values of its Directors, employees and contractors is paramount to the success of the Company.

Long term decision making
The Company is committed to investing in and developing critical minerals projects. In Morocco, where we are currently focused, most if not all regions have excellent solar power potential allowing for mining operations to be powered by renewable energy through photovoltaic facilities. There are also opportunities to develop solar power projects for other industries. Copper remains one of the main metals of interest due to its importance global electrification as the world moves towards renewable energy.

	Shareholders	
	The Company publishes regular announcements to ensure shareholders are kept up to date with developments within the Group. Going forward the Directors expect to increase the number of face-to-face meetings with its shareholders and potential investors.	
	Employees and contractors	
	During the period under review the Company directly employed geologists and when required engaged contractors to provide specialist technical services. Management and the Company's Directors maintain regular direct contact with employees to ensure any concerns they have are considered and action taken if necessary.	
	Suppliers	
	Procurement of technical services such as drilling, geophysics, geological and assaying relies on the expertise of management and the availability of those services at the time (both geographically and the supplier’s capacity). Relations with suppliers is maintained through regular contact, prompt payment and where necessary ensuring high standards of health and safety are maintained or implemented. Health and safety management by the Company is most important during supplied drilling and geophysics work.	
	Local community	
	At the subsidiary level, management and the Company's employees continue to maintain excellent relationships with the local communities where they operate. During the year under review, the Company used local businesses for the provision of certain services, specifically for geological prospecting assistance, earth works, food and shelter. This created and will continue to create increased economic activity in the areas in which the Company operates. Local management also maintains regular dialogue with the local population and leaders to ensure support for its activities.	
	Environment	
	The Company's current activities are restricted to exploration related activities with trenching the most environmentally impactful due to the small-scale excavations this consists of and the occasional refurbishment of access roads. In some cases, trenches are backfilled, primarily for safety but also environmental reasons. Going forward the Company expects to be drilling exploration targets which includes a range of specific	

	environmental considerations including managing water runoff and post-drilling rehabilitation.	

Business Conduct Standards
The Company continues to expand and develop a range of policies and procedures to ensure its business conduct is both ethical and cost effective. It has reorganised its Board to bring in expertise in the country in which it has chosen to expand its operations for the foreseeable future and reduce corporate costs. It also follows the QCA rules on corporate governance as disclosed in the Corporate Governance Report which is included in this set of report and financial statements.

Principal Risks and Uncertainties
The principal risks and uncertainties lie in the future investment opportunities being available to the Group to meet its strategy to acquire high quality upstream development opportunities in the critical minerals and electrification sectors, as well as in the wider renewables sector. The Directors also consider the key risk for the Group to be the maintenance of its reserves of cash and cash equivalents to meet this strategy.

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors consider the following risk factors are of particular relevance to the Group's activities and to any investment in the Group. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised in the table below:

Description	Impact	Mitigation
Strategic risks		
• Successful acquisition of future opportunities to build shareholder value, the generation of future income streams or net asset growth may not materialise. • Competitors with significantly greater financial and technical resources will be able to outbid the Company on future upstream opportunities. • Over reliance on a small number of key individuals, in particular the Directors. The Company may be negatively affected by the departure of these individuals.	High	• Board actively seeking to diversify current portfolio risk by acquiring further exploration assets. • The Company has a supportive shareholder base and will look to raise further finance as and when new opportunities present themselves. • The Company has supportive advisors and other stakeholders who show the Company assets available for potential acquisition and potential new investors. • The Company has issued share option grants to its directors to incentivise and retain these directors who are considered key to enhancing the future market value of the Company.
Commodity prices		
• The value of further opportunities, assets and potential earnings, will be affected by fluctuations in metals and minerals prices (e.g. Copper). • High inflation including of talent are significantly increasing mining costs and this could affect valuations of future acquisitions.	Medium	• The Company monitors commodity pricing trends to ensure new opportunities are regularly reassessed in light of expected price movements to ensure these opportunities continue to offer good value. • Demand for metals is set to increase as electrification and clean energy technologies grow rapidly, and as global GDP growth adds to overall demand. The Company will continue to focus on those commodities exposed to renewable energy themes in its strategic plan, but also on critical minerals, particularly those on the US and EU lists.

Financial risks		
• Difficulty raising external funding for new investment opportunities and exploration activities in volatile capital markets. The future availability of such financing is uncertain.	High	• Regular review of cashflow, working capital and funding options are performed by the Board to ensure the Company remains a Going Concern. • Build strong and sustainable relationships with shareholders. The Company placed some of the gifted shares post year end to avoid unnecessary dilution of the share base. • Prudent approach to budgeting and strong financial stewardship - managing commitments and liquidity to ensure the Group has sufficient capital to meet spending commitments.
Environmental, social and governance risks (“ESG”)		
• ESG reporting is constantly evolving and is a risk for the majority of mining and metal companies. The Company must seek to improve diversity, equity and inclusion as well as be aware of the urgent priorities to address climate change. All stakeholders have increased expectations of the Company’s ESG reporting and the Company must meet these demands.	Medium	• ESG is part of the Company’s longer-term, more strategic view and the Board will consider ESG at board meetings and understand how their decisions will meet the various stakeholder demands. • Policies and processes are being further enhanced to ensure there is a more rigorous reporting cycle in which requirements are identified and met before giving rise to any issues.
Legal and compliance risks		
• Bribery and corruption. • London Stock Exchange or the Financial Conduct Authority Rule breaches	Medium	• The Company follows the QCA code of corporate governance and this is set out in this annual report and accounts. The Company also has the various policies in place which are overseen by the Audit Committee and reviewed on a regular basis: o Anti Bribery and Corruption Policy o Whistle Blowing Policy o Anti Money Laundering Policy • The Board reorganisation late in the year was to ensure the skill set of the Board matches the Company’s strategic requirements. Operations in Morocco are led by a Director on the ground with the appropriate skill set to perform this work and the remainder of the Board continue to support the Company with their expertise. It is also able to consult with outside advisers to ensure full compliance.

CORPORATE GOVERNANCE

Introduction:
The Directors recognise the importance of sound corporate governance and seek to apply The Quoted Companies Alliance Corporate Governance Code for Small and Medium size Companies (2018) (the ‘QCA Code’), which they believe is the most appropriate recognised governance code for a company of the Company’s size and with a Standard Listing on the London Stock Exchange. The Directors believe that the QCA Code will provide the Company with the framework to help ensure that a strong level of governance is developed and maintained, enabling the Company to embed a governance culture into its organisation. The QCA code can be found on our website: https://www.cmrplc.com

The QCA Code has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. These principles are:

1. Establish a strategy and business model which promote long-term value for shareholders;
2. Seek to understand and meet shareholder needs and expectations;
3. Take into account wider stakeholder and social responsibilities and their implications for long term success;
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation;
5. Maintain the board as a well-functioning balanced team led by the Chair;
6. Ensure that between them the Directors have the necessary up to date experience, skills and capabilities;
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement;
8. Promote a corporate culture that is based on ethical values and behaviours;
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board; and
10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

Here follows a short explanation of how the Company applies each of the principles, including where applicable any deviation from those principles.

Principle One
Business Model and Strategy
The Board believes that considerable shareholder value can be delivered if the Company remains focused on its strategy of taking opportunities aligned to the global trend towards renewable energy and electrification. This includes battery storage and the Electric Vehicle supply chain but more importantly the increasing need for new copper supplies. The Company is also committed to complying with transparent, ethical and sustainable supply chains.

Principle Two
Understanding Shareholder Needs and Expectations
The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Virtual roadshows have been held during the year and the Directors have met with shareholders to discuss issues and provide feedback over the Group's evolving strategy. In addition, all shareholders were invited to attend the annual AGM that was held in 2023 and are again encouraged to attend the next AGM that will be held in June 2024. Investors also have access to current information on the Group through its website, www.cmrplc.com

Principle Three
Considering wider stakeholder and social responsibilities
The Board recognises that the long-term success of the Group is reliant upon open communication with its internal and external stakeholders: employees, investee companies, shareholders, contractors, suppliers, regulators and other stakeholders. The Group has an ongoing relationship with a broad range of its stakeholders and has regular and direct interaction where it provides these stakeholders with opportunities to raise issues and provide feedback to the Group.

Principle Four
Risk Management
The Board is responsible for ensuring that procedures are in place and being implemented effectively to identify, evaluate and manage the significant risks faced by the Group. It has an established framework of internal financial controls to address financial risk and is regularly reviewing the non-financial risks to ensure all exposures are adequately managed. The Group maintains appropriate insurance cover in respect of legal actions against the Directors as well as against material loss or claims against the Group. The principal risks and uncertainties are as set out in the Strategic Report on pages 8 to 9. An internal audit function is not considered necessary or practical due to the size of the Group and the close control exercised by the Board as a whole.

Principle Five

A Well Functioning Board of Directors

After the Board reorganisation at the end of the year, the Board comprises of two executive directors, Charlie Long and Noureddine Sabraoui, and two non-executive Directors, Dominic Traynor and Russell Thomson. The Board considers Dominic Traynor to be an independent director. Further information about the directors can be found on the company website at www.cmrplc.com

Dominic Traynor is a capital markets solicitor and company director with extensive experience in the public markets and corporate governance. He is a partner at City law firm, Druces LLP and was a founding director of both EV Metals Group plc and EV Metals UK Ltd. His other corporate positions include director of Prism Group AG, an investment firm focussed on Fintech and money services and MAST Energy Developments plc where he is a non-executive director and chairman of the audit committee. He was also a founding director of AIM-listed SigmaRoc plc.

Charlie Long is a mining specialist with industry and financial services experience. He started his career in mining over 20 years ago as the founder of a building materials quarrying company in China. He has worked as a sell-side mining analyst for over 10 years, including roles at Singer Capital Markets, Sanlam Securities and finnCap. Charlie was business development manager for AIM-listed Avesoro Resources and more recently CFO for Audere Solutions, a UK based risk management advisory group.

Noureddine Sabraoui was appointed at the Chief Operating Officer to the Group. He is an experienced field geologist, mine manager and geological services supplier. He has an unrivalled knowledge of Morocco's geology and its exploration and mining opportunities. As well as managing operations in Morocco, Noureddine also provides high quality deal-flow and project development know-how.

Russell Thomson is a professional accountant (CPA) with over 30 years working experience in the construction, engineering, railway, energy, natural resources and mining industries in Australia, SE Asia, USA and South Africa. He has been a Director and CFO of EV Metals Group plc since 2014 and is a director of all EV Metal subsidiaries. Russell was formerly CFO and Director of ASX-listed Podium Minerals Ltd.

All Directors are subject to re-election in accordance with both the requirements of the UK Companies Act and the Company's articles of association ("Articles"). The Company's Articles state that Directors are subject to re-election at intervals of no more than three years. The letters of appointment for all Directors stipulate the time commitment that each Director is expected to provide to the Company. The executive Directors are contracted to provide these services on an exclusive basis, though board approval may be given to engage in outside paid work. The non-executive Directors acknowledge in their letter of appointment that the nature of the role makes it impossible to be specific on maximum time commitment, but that there will be a minimum of 2-3 days a month, which will include preparation for and attendance at monthly board meetings. Dominic Traynor now serves as chair of every meeting of the Board of Directors.

The Board is expected to meet at least 6 times per year. It has established an Audit Committee and a Remuneration Committee, particulars of which appear hereafter. The Board has agreed that decisions on appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. The Board considers that this is appropriate given the Group's current stage of operations. It shall continue to monitor the need to match resources to its operational performance and costs and the matter will be kept under review going forward.

Attendance at Board and Committee Meetings

Directors meet formally and informally both in person and by telephone. To date there have been 11 formal meetings during 2023, and the volume and frequency of such meetings is expected to continue at this rate.

Director	*Number of formal board meetings with possible attendance record in 2023*
Adrian England	5/6 (and 1/1 Remuneration Committee Meetings and 2/2 Audit Committee Meetings)
Christopher Lambert	4/6
Charles Long	8/8
Russell Thomson	6/8 (and 1/1 Remuneration Committee Meetings and 2/3 Audit Committee Meetings)
Dominic Traynor	7/8 (and 1/1 Remuneration Committee Meetings and 3/3 Audit Committee Meetings)
Noureddine Sabraoui	1/1

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of four Directors and, in addition, the Company has employed the outsourced services of Orana Corporate LLP to act as the Company Secretary. The Company believes that the Directors have wide ranging experience working for, and, or advising businesses operating within the natural resources sector. They also have an extensive network of relationships to reach key decision-makers to help achieve their strategy.

The Board recognises that it currently has a limited, all male, Board and does not have a Finance Director. This will form a part of any future recruitment consideration if the Board concludes that replacement or additional Directors are required. The Board is aware, that as it grows, it will look to recruit and develop a diverse and gender-balanced team.

There is no formal process to keep Directors' skill sets up-to-date given their wealth of experience. However, the Company's lawyers, auditors and broker provide regular updates on governance, financial reporting and Listing rules and the Board is able to obtain advice from other external bodies when necessary.

Principle Seven

Evaluation of Board Performance

Internal evaluation of the Board, the Committees and individual Directors will be undertaken on an annual basis in the form of peer appraisal and discussions to determine the effectiveness and performance against targets and objectives. As a part of the appraisal the appropriateness and opportunity for continuing professional development whether formal or informal is discussed and assessed.

Principle Eight

Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Group as a whole which in turn will impact the Group's performance. The Directors are very aware that the tone and culture set by the Board will greatly impact all aspects of the Group and the way that consultants or other representatives behave. The corporate governance arrangements that the Board has adopted are designed to instil a firm ethical code to be followed by Directors, consultants and representatives alike throughout the entire organisation. The Group strives to achieve and maintain an open and respectful dialogue with representatives, regulators, suppliers and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Group to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Group does. The Directors consider that at present the Group has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Group has adopted, with effect from the date on which its shares were admitted to the LSE's main market for listed securities, a code for Directors' dealings in securities which is appropriate for a company whose securities are traded on this main market and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Issues of bribery and corruption are taken seriously. The Group has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Group, its employees and those third parties to which the business engages with. The policy is provided to staff upon joining the business and training is provided to ensure that all employees within the business are aware of the importance of preventing bribery and corruption. Each employment contract specifies that the employee will comply with the policies. There are strong financial controls across the business to ensure on going monitoring and early detection.

Principle Nine

Maintenance of Governance Structures and Processes

The Group's governance structures are appropriate for a company of its size. The Board also meets regularly and the Directors continuously maintain an informal dialogue between themselves. Dominic Traynor is responsible for the effectiveness of the Board and Charlie Long is responsible for the execution of the Group's investment strategy and the primary contact with shareholders. The current Governance structure is outlined below:

Audit committee – This is led by Dominic Traynor (Chair). Russell Thomson is also on the committee. This committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee meets at least twice in each financial year and it has unrestricted access to the Company's auditors.

Remuneration committee – This is led by Russell Thomson (Chair). Dominic Traynor is also on the committee. The Remuneration Committee reviews the performance of the executive directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options/warrants pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy, disclosed on page 24.

Principle Ten

Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders in compliance with regulations applicable to companies quoted on the LSE's Main Market. All shareholders are encouraged to attend the Company's Annual General Meeting where they will be given the opportunity to interact with the Directors.

Investors also have access to current information on the Company through its website, www.cmrplc.com and via Charlie Long, CEO, who is available to answer investor relations enquiries.

Report of the Audit Committee

This report is prepared in accordance with the Quoted Companies Alliance (QCA) corporate governance code for small and mid-sized quoted companies, revised in April 2018. A summary of the Committee's role and membership can be found in the Corporate Governance section of this Annual Report. Committee meetings are held at least twice a year, and the external accountant is invited to attend together with the external auditor. Three meetings of the Committee were held during the year, and the following significant issues were considered:

Significant issue	Summary of significant issue	Actions and Conclusion
Going concern	Assessment of the Group's ability to continue as a going concern as part of the preparation of the financial statements. This assessment of going concern covers a period of at least 12 months from the date of signing the financial statements.	The Company has funded its operations in the year from the return of the RIWAQ deposit and the initial receipt of cash from the sale of the Cyprus assets. On 15 March 2024, the Company announced a raise of c£250,000. In addition to this funding, the Company is expecting a further receipt of funds from its sale of the Cyprus assets and is confident that various fund raising opportunities are available in the coming months and therefore the Committee, whilst they draw attention to the material uncertainty that exists at the date of these accounts, nevertheless consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. The going concern statement is detailed in full in note 3 of the consolidated financial statements.
Accounting treatment of the disposal of the Cypriot assets	There is a risk that the accounting treatment for the disposal of the Cypriot assets is incorrectly recorded in the company and group accounts.	Management concluded that the investment cost had been appropriately written down to the sales value in the prior year and therefore no gain or loss was recognised in the Parent company accounts on disposal. The gain on disposal in the consolidation has mainly arisen due to the group no longer being responsible for the potential liability belonging to these subsidiaries.
Recoverability of the final balance receivable in relation to the sale of Cypriot subsidiaries	The final payment amounting to $214,251 (£181,254) in relation to the sale of Cypriot subsidiaries was due at the end of December 2023. However, this amount remains outstanding at the date of this report. There is a risk that the balance is not recoverable and should be impaired, however the Company notes that the buyers of our Cypriot subsidiaries have thus far paid US$313,750 of the US$528,001 total consideration.	Management is in regular dialogue with the acquirors and have put a payment plan in place to ensure these monies are received in a timely manner. It has been agreed that interest will be charged on the outstanding amount. The Company has made a provision of £79,256 against this amount at year end.

External Auditor's Fees

There was no significant non-audit work carried out by PKF subsequent to their appointment. Full details of fees paid during the year may be found in note 6 to the financial statements.

Objectivity and Independence

The Committee continues to monitor the Auditor's objectivity and independence and is satisfied that PKF and the Company have appropriate policies and procedures in place to ensure that these requirements are not compromised.

Re-appointment of External Auditor
The Committee recommends to the Board the re-appointment of PKF Littlejohn LLP as Auditor at the forthcoming 2024 annual general meeting (AGM), and PKF Littlejohn LLP has expressed its willingness to continue in office.

Internal controls/audit
The Directors acknowledge their responsibility for the Group's system of internal control and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and ensure the reliability of financial information for both internal use and external publication. Whilst the Directors are aware no system can provide absolute assurance against material misstatement or loss, regular review or internal controls are undertaken to ensure that they are adequate and effective.

The Group does not currently have an internal audit function due to the small size of the Group and limited resources available. To date, the Committee has decided that an internal audit function is not required but will continue to assess the situation on a regular basis.

Going Concern
The Directors, whilst they draw attention to the material uncertainty that exists at the date of these financial statements, nevertheless consider it appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements. The going concern statement is detailed in full in note 3 of the consolidated financial statements.

Environment, Social and Governance Statement

The Group is committed to providing a safe working environment for all its employees and to responsibly manage all of the environmental interactions of its business. Its objective is to perform and achieve at a level notably in excess of the regulatory minima required by the host countries in which it does business.

To meet these objectives, the Group has defined and adopted a Health, Safety, Environment, and Community ("HSEC") policy that applies to all Group activities in Morocco and elsewhere.

The Group is committed to the implementation of a high standard of HSEC management and delivery from exploration through production to eventual mine closure. Its field staff are accountable for delivery of the HSEC policy and its Directors, Officers and Employees are responsible for compliance with the expected high standards of HSEC performance.

The following specific commitments are made as regards HSEC matters:

Health & Safety
- Provision of health and safety training to all employees;
- All necessary measures are taken to minimise workplace injuries, and
- Establishment of management and advisory programmes for the prevention of transmissible diseases.

Environment
The Group prides itself on being a skilled and responsible developer. It functions with the clear mandate of being in full compliance with corporate standards, applicable environmental laws, regulations and permit requirements. It has an internal monitoring programme in place that plays a critical role in continuously improving its environmental performance. This is reported to the Board annually.

The Group strives to minimise its environmental effects wherever and to:

- Comply with applicable laws, regulations and commitments wherever it operates;
- Ensure it has the necessary resources, procedures, training programmes and responsibilities in place to achieve its environmental objectives;
- Strive to protect air and water quality, minimise consumption of water and energy, and protect natural habitats and biodiversity;
- Promote an ongoing environmental dialogue with its stakeholders in the communities where it conducts business;
- Collaborate with stakeholders to define environmental priorities and to protect the environment; and
- Consider the requirement for environmental protection in all aspects of exploration and development.

Communities
As well as recognising the need to protect the natural environment the Group will follow best practices in:

- its interactions with local communities,
- respecting customs and cultural practices, and
- minimising intrusion upon lifestyles and traditions.

The Group will not violate human rights and will, wherever possible, favour employment for local people when it recruits. It will strive to be recognised as a socially aware and responsible business.

Climate-Related Financial Disclosures
The Group recognises that climate change represents one of the most significant challenges facing the world today. Under the Listing Rules compliance with the Task Force on Climate-Related Financial Disclosures (TCFD) is required for premium and standard listed companies on a comply or disclose basis. These new listing rules came into effect on 1st January 2021 for UK premium listed companies and 1st January 2022 for those on the standard list.

TCFD Purpose
In contrast to the Streamlined Energy and Carbon Reporting disclosures which requires listed companies to disclose their greenhouse gases emissions, CO_2 and energy usage, TCFD is primarily designed to protect shareholders from the impacts of climate change by ensuring companies adapt to the risks and opportunities that climate change presents. In the mining industry an example would be a brown thermal coal exploration company faced with reduced market demand over the next 25 years.

TCFD adherence requires disclosure of greenhouse gas emissions as part of the Metrics and Targets section. This creates a degree of overlap with SECR requirements, however TCFD's focus is understanding how GHG emissions may expose a company to future changes in law, regulation or market dynamics which penalise higher polluting industry sectors, sub sectors or companies.

Climate change risks and opportunities
The following table includes our TCFD disclosures and where necessary explanations why the Company has not fully met and the board's plans to implement these in future.

As a UK listed entity, headquartered in London, the Company has a commitment to achieving net zero by 2050. The Company's assets are currently located in Morocco which has a similar commitment to renewable energy as the UK. In Morocco this will predominantly be from solar power investments. The Board will look to maximise solar power opportunities available to the Company in Morocco, including potential investments by the Company in the renewable energy sector, either to provide power for its own mining operations, or to power other industrial projects. The Board believes that this strategy will ensure the Company remains on track to achieve net zero or near net zero by 2050.

Critical Mineral Resources' Governance, Strategy, Risk Management, Metrics and Targets

Governance	
Board of director's oversight	The company does not currently have a risk or climate risk committee although climate risk is discussed at board meetings when relevant. A climate risk committee will be implemented when deemed necessary, most likely once a development project reaches the Bankable Feasibility Stage. Our strategy and business plan are to capitalise on climate change by investing in Clean Technology raw materials such as copper, and renewable energy opportunities aligned to mining projects. Climate change opportunity is embedded in our activity.
Assessment and management	Climate related issues identified and discussed during the period include the availability of water for exploration projects in Morocco (risk) and the availability of improved solar technology

	for mine power (opportunity). In Morocco, solar technology may also present opportunities for power projects for non-mining industrial operations or complexes.
Strategy	
Risks and opportunities	Climate related issues identified and discussed include: 1. the availability of water due to changes in precipitation patterns for a potential mining operation in Morocco (risk). 2. the improving technology and lower cost of renewable solar energy to power a mining operation (opportunity). In the medium term, the directors believe that global electrification and rising demand for Clean Technologies will increase demand for a range of metals and minerals including copper, nickel, aluminium and lithium. Alongside global GDP growth, the electrification theme provides additional metals demand which is the basis for the Company's strategy.
Strategy	The company's strategy includes acquiring and developing mining projects directly exposed to the Clean Technology economy of the future. The company's historical and future acquisitions, investments and operating costs are intended to deliver the strategy of developing Clean Technology metals and minerals. Under all climate change scenarios, the board anticipates an increase in Clean Technology demand and therefore the metals and minerals that make these technologies possible.
Risk Management	
Risk identification	The company has identified key climate change related risks as follows: 1. Supplier disruption. 2. Competition for clean technology related metals and minerals projects. 3. Competition for equity capital between similar upstream companies in the clean technology metals sub sector. 4. Climate change physical impacts on jurisdiction and regions where metals and minerals deposits are located. 5. Potential for higher input costs, notably for fossil fuels and building materials such as cement and steel. 6. Reduced demand for metal concentrates which have been produced using higher than average GHG emissions energy such as coal fired power.
Processes and management	The company's strategy is to acquire and develop mining projects directly exposed to Clean Technology industries. A key part of the mine development process are the Pre-Feasibility and Bankable Feasibility studies ("PFS" and "BFS"), both of which include investigations into mine emissions (gases and fluids) and waste (including tailings). The PFS and BFS studies also include: 1. Investigations into the use of new technologies (especially renewable sources of energy such as solar). 2. Environmental baseline studies. 3. Water supply studies, rainfall pattern change, and regional hydrogeology.

	4. Climate and weather patterns including average monthly temperatures. The PFS and BFS studies are authored by independent technical experts and managed by senior management and board members. For new project acquisitions, the company's due diligence processes include a desktop review which cover all the above potential risks and opportunities.
Metrics and Targets	
GHG metrics	The company's greenhouse gas emissions are currently low due to the nature of operations. During the period under review the main GHG emitters were: 1. Travel in Morocco. 2. Employee / contractor accommodation and associated energy use. As noted in the Company's SECR disclosure below, energy usage was below 40,000 kWh and as a result complete Scope 1, 2 and 3 GHG data was not collected. During 2024 the Company will implement improved GHG data collection methodology at the Company and subsidiary levels although it expects GHG emissions and energy usage to remain relatively low.
Climate related physical risks	The Company's exposure to physical risk relates to changes to the environment where its development operations are based. The principal physical risk identified in Morocco is the potential for reduced rainfall and how this impacts water supply at a future operation. A prolonged season of the hottest weather (currently July and August) has the potential to have an impact on productivity in Morocco. The Company is working on a metric which fairly quantifies these physical risks.

At the UK Company level, the directors ensure that climate change risks and opportunities are embedded in strategy. The directors are of the view that the successful acquisition and development of Clean Technology metals projects is aligned to TCFD opportunities and will result in share price appreciation. As a result, at this stage through an option scheme, the executive directors are incentivised to deliver share price appreciation which is the only KPI for Directors.

Where it works with host communities, the Company aims to help build their understanding of how to minimise greenhouse gas and other emissions.

The Board will ensure that in its strategic plans climate related risks and opportunities are identified over the short, medium and long term and the impact of these risks are included in financial and scenario planning. This will principally be achieved through understanding how risks and opportunities are likely to affect the company's development projects and planning accordingly.

Governance will be strengthened to ensure reporting on these climate related risks is meaningful and transparent. Risk Management will include a process for identifying, assessing, and managing climate-related risks and the Group will establish various metrics and targets to assess climate-related risks and opportunities.

Streamlined Energy and Carbon Reporting

The Group's current operations are limited to exploration activities in Morocco and due diligence activities in various other jurisdictions where it has and will continue to assess potential development projects for investment. During 2023, the Company estimated journey distance in miles based on recorded mileage, mainly at the Morocco operations. This was used to estimate fuel consumption, energy useage and CO_2 emissions. A similar approach was used to estimate the energy use involved in business travel, including flights, and hotel use. The Moroccan operations were restricted to approximately 6 months of the year and included both permanent and temporary contractual employment of four geologists. Operations in Cyprus were largely administrative.

One of the requirements of the Streamlined Energy and Carbon Reporting (SECR) initiative is to report energy use that is used to calculate the GHG emissions reported in the Directors' Report. This needs to be provided in kilowatt hours (kWh). However, only quoted companies and large unquoted companies that have consumed more than 40,000 kilowatt-hours (kWh) of energy in the reporting period must include energy and carbon information within their Directors' report. The Group does not currently exceed this threshold and is therefore presently exempt from the SECR reporting requirements.

The Group works to minimise its contribution to greenhouse gas emissions in Morocco and will maintain this focus at all future operations. The Group intends to publish GHG and energy emissions data in line with the SECR regulations as the Group's projects develop. The company improved GHG data collection processes in 2023 versus 2022 and will continue to improve these processes throughout the Group during 2024.

Whistleblowing

The Group has adopted a formal whistleblowing policy which aims to promote a very open dialogue with all its employees which gives every opportunity for employees to raise concerns about possible improprieties in financial reporting or other matters.

Diversity

The Board are aware of its lack of diversity in its Board and senior management. It has an all male Board, with one African-Moroccan Director. It therefore does not meet, either during the year or at the current time, the board diversity targets as detailed out in Policy Statement PS 22/3 of the Listing Rules and DTR requirements, on gender but now meets it on ethnicity. The Board will continue to address these issues going forward, however, the Board is conscious that the Group is small, with no employees except Directors and the recruitment of a diverse Board in the immediate future may not be feasible owing to the necessary expertise required.

Events after the reporting date

Events after the reporting date are as described in the Directors' Report and Note 26 to the financial statements.

Market Abuse Regulations

The Group is required to comply with article 18(2) of the Market Abuse Regulation ("MAR") with reference to insider dealing and unlawful disclosure of inside information. The LSE requires traded companies to maintain insider lists as set out in the MAR. The Board has put in place a MAR compliance process and this and the Company's regulatory announcements are overseen by the Board of Directors.

This report was approved by the Board on 24 April 2024 and signed on its behalf by:

Charlie Long
Director

Report Of The Directors

The Directors present their report, together with audited consolidated financial statements for the year ended 31 December 2023 (with comparative figures for the twelve month period ended 31 December 2022).

Critical Mineral Resources plc ("the Company") is incorporated and domiciled in England and Wales, with Registered Number 11043077, under the Companies Act 2006. The Company was incorporated on 1 November 2017 under the name Leopard Mineral Investments Limited as a private limited company and subsequently re-registered as a public limited company on 9 January 2018; and changed its name to Caerus Mineral Resources plc on 18 September 2018, and then Critical Mineral Resources Plc on 17 August 2023.

The Company's registered office is at Eccleston Yards, 25 Eccleston Place, London SW1W 9NF.

Principal Activities

The principal activity of the Group is the exploration for, and development of mineral resources, including in Morocco, and the identification of future acquisition targets in the same industry.

Results and Dividends

The group profit for the year before taxation amounted to £248,098 (2022: loss of £5,526,529). This includes the gain attributable to the disposal of the Cyprus assets of £1,342,841 which largely arose due to the removal of the potential liability that was being provided for in the prior year group consolidation. This liability of £1,126,589, had arisen in one of the subsidiaries that was sold in 2023 and therefore this potential liability is no longer in the group.

Cash held by the Group as at 31 December 2023 was £24,785 (2022: £142,018).

The Directors do not recommend the payment of a dividend (2022: £Nil). The nature of the Group's business means that it is unlikely that the Directors will recommend a dividend in the coming years. The Directors believe the Group should seek to generate capital growth for its Shareholders. The Group may recommend distributions at some future date when it becomes commercially prudent to do so, having regard to the availability of the Group's distributable profits and the retention of funds required to finance future growth.

Directors' and Officers' Indemnity Insurance

During the financial year, the Group maintained insurance cover for its Directors and Officers under a Directors' and Officers' liability insurance policy. The Group has not provided any qualifying indemnity cover for the Directors.

Business Review, Future Developments and Key Performance Indicators

A review of the business, future developments and key performance indicators are outlined in the Strategic and Corporate Governance Report.

Directors

The Directors who held office during the year under review, and as at the date of this report, were as follows:

Dominic Traynor
Charles Oliver Long
Noureddine Sabraoui (appointed 20 December 2023)
Russell Thomson
Adrian Charles England (resigned 31 December 2023)
Christopher Lambert (resigned 20 December 2023)

Directors' interests

The beneficial interests of the Directors who held office at 31 December 2023 and their connected parties in the share capital of the Company is included in the Remuneration report on pages 24-28.

Substantial shareholders

The Company has been notified of the following interests of 3 per cent. or more in its issued share capital as at 12 April 2024 (as calculated using the TVR holding):

	Number of Ordinary shares	**Percentage of TVR** holding**	**Percentage of overall holding**
Hargreaves Lansdown (Nominees) Limited	12,696,581	17.94%	17.29%
KM Securities Pty Limited	12,000,000	16.95%	16.34%
The Bank of New York (Nominees) Limited	11,695,498	16.52%	15.92%
Interactive Investor Service Nominees Limited	6,293,338	8.89%	8.57%
Barclays Direct Investing Nominees Limited	5,847,879	8.26%	7.96%
Spreadex LTD	2,840,000	4.01%	3.87%
Critical Mineral Resources Plc*	2,666,666	N/A	3.77%
HSDL Nominees Limited	2,639,355	3.73%	3.63%
Cantor Fitzgerald Europe	2,608,657	3.69%	3.55%
Peel Hunt Partnership Limited	2,193,616	3.10%	2.99%
Edward Bibbey	2,132,815	3.01%	2.90%

***Purchase of own shares**
During the prior year the Company was gifted 10,685,313 Ordinary Shares ("Returned Shares") with a nominal value of £0.01. Nil consideration was paid by the Company for these shares as they were gifted back to the Company by former directors as part of a settlement negotiated for the loss of value in the Company due to previous management decisions. On 15 March 2024, the Company announced the placement of 8,018,647 of these ordinary shares at a price of 1.25 pence per share.

****Total Voting Rights ("TVR")**
The returned shares are registered in the name of the Company and are non-voting shares, they are not capable of being voted on by the Company in respect of any resolutions put forward at any future General Meeting or Annual General Meeting. Therefore the TVR in the Company has been reduced to 70,786,843 Ordinary Shares carrying one vote per share and each shareholders voting rights will be increased on a pro-rata basis. The Company's issued share capital, inclusive of the gifted shares held by the Company, will remain at 73,453,509.

Directors' remuneration

Directors' remuneration is disclosed in the Directors' Remuneration Report on pages 24-28.

Going concern

The financial statements have been prepared under the going concern assumption. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for at least the 12 month period from the date of Board approval of the financial statements, with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. The Group is not currently generating revenues and therefore an operating loss has been reported and is expected in the 12 months subsequent to the date of these financial statements.

On 15 March 2024, the Company announced a placing raising £0.25m which was received by the Company as at the date of these accounts. The Company has the ability to place a further 2.7 million shares held by itself to raise additional finance without dilution to the current shareholders and is aware of further funding sources, as stated below, that are expected to be available to the Company in the immediate future.

The Company is also expected to receive a further $214,521 (£181,254) from the sale of its Cyprus assets. The Board have made the judgement that the receivable is more likely than not to be recovered, however, since the timing of the payments is expected over the next two years, a provision of £79,256 has been made against this amount as at 31 December 2023 (see Note 14).

The Company is also in discussions with a strategic investor which has communicated its commitment to providing the Company with sufficient working capital for at least 12 months from the date of approval of these financial statements, to be provided during the second quarter of 2024. The Board is confident that this source of financing will materialise, however, recognises a possible risk of a delay to the timing, due to unforeseen additional administrative processes. Under these circumstances, the Directors would look to implement further cash preservation policies until the financing is complete, which could include a reduction in the quantum of overseas investments, a further reduction in Directors' fees (or payment through equity), and reduction in non-essential administrative/Public Relations and other suppliers' services to the Company.

The Company has included these funds in its cash flow projections for the twelve month period from the date of this report, and based on this review, and after considering reasonably possible operational downside sensitivities and uncertainties, the Board, whilst acknowledging this material uncertainty, which the auditors make reference to in their audit report, remains confident of raising finance and therefore have concluded that there is a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing the financial statements.

Post Balance Sheet Events

These are detailed out in note 26 to the financial statements.

Financial Risk Management

These are detailed out in note 24 to the financial statements.

Provision of Information to Auditors

The Directors who held office at the date of approval of this Report of the Directors confirm that, so far as they are individually aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that they ought to have taken as Director to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

PKF Littlejohn LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

Corporate Governance

A report on Corporate Governance is set out in the Strategic Report.

Annual General Meeting

The Company will hold its Annual General Meeting for 2024 on June 28 at its registered offices..

Listing

The Company's ordinary shares have been traded on the standard segment of the Main market Listing of the LSE since 19 March 2021. Novum Securities Limited is the Company's broker.

Streamlined Energy and Carbon Reporting

This is referred to in the Strategic and Governance Report on pages 18-19.

Political and charitable contributions

The Company made a charitable donation of £nil in 2023 (2022: £100). No political donations were made in either year.

Statement of Directors Responsibilities

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

Company law requires the Directors to prepare consolidated financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent financial statements in accordance with UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK adopted international accounting standards have been followed, 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 Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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 and the Directors’ Remuneration Report 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 Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company’s website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors’ Responsibility Statement Pursuant to Disclosure and Transparent Rules

Each of the Directors, whose names and functions are listed on page 3 confirm that, to the best of their knowledge and belief:

- The Financial Statements prepared in accordance with UK adopted international accounting standards and give a true and fair view of the assets, liabilities, financial position and loss of the Group and Company; and
- the Annual Report and Financial Statements, including the Business review (included in the Chair’s Report), includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

This report was approved and authorised for issue by the Board on 24 April 2024 and signed on its behalf by:

Charlie Long
Director

Directors' Remuneration Report

The Company has an established Remuneration Committee. The Committee reviews the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Group and Directors.

The Company's auditors, PKF Littlejohn LLP are required by law to audit certain disclosures and where disclosures have been audited, they are indicated as such.

Statement of Critical Mineral Resources Plc's policy on directors' remuneration by the chair of the Remuneration Committee
As chair of the Remuneration Committee I am pleased to introduce our Directors' Remuneration Report. One of the Remuneration Committee's aims is to provide clear, transparent remuneration reporting for our shareholders which adheres to the best practice corporate governance principles that are required for listed organisations.

The Directors' Remuneration Policy, is set out below.

Directors' remuneration packages are designed to motivate and retain Directors, as well as have regard for similar jobs in comparable companies. They also take into consideration reward for individual performance and enhancing value to shareholders. The performance of the Directors will be reviewed annually and an increase in salary is awarded in line with this evaluation.

The executive Directors' remuneration package includes a basic annual salary, a minimum contribution to the Company's stakeholder pension plan, an award of options in line with individual performances.

Due to funding constraints and a reorganisation of the Board, executive salaries were held at their current level and non-executive fees were reduced from £40,000 to £24,00 per annum. Looking forward, the Committee is planning to implement an awards plan which will be based on performance measures and targets for the executive directors. This plan will be implemented once the updated strategic vision of the Group has become fully embedded.

The key activities of the Remuneration Committee are:

- to determine and agree with the Board the framework or broad policy for the remuneration of the Company's chair, chief executive, and such other members of the executive management as it is designated to consider;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements;
- recommend and monitor the level and structure of remuneration for senior management;
- when setting remuneration policy for directors, review and have regard to the remuneration trends across the Company, and review the on-going appropriateness and relevance of the remuneration policy;
- obtain reliable, up-to-date information about remuneration in other companies;
- approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised; and
- oversee any major changes in employee benefits structures throughout the Company.

The Remuneration Committee comprised all three non-executive directors, with the Chair being Russell Thomson.

Remuneration Components
The Company remunerates directors in line with best market practice in the industry in which it operates. The components of Director remuneration that are considered by the Board for the remuneration of directors in future years are likely to consist of:

- Base salaries

• Pension and other benefits
• Share incentive arrangements

The Remuneration Committee do not consider it necessary to have maximum amounts of each remuneration component.

The Company has previously established a workplace pension scheme, however, there are currently no active members of this scheme. The Company has not paid out any excess retirement benefits to any Directors or past Directors. The Company has not paid any compensation to past Directors. Amounts paid by the Group in respect of Directors' services and options issued for performance are shown in note 23 to the financial statements.

Recruitment Policy
Base salary levels will take into account market data for the relevant role, internal relativities, their individual experience and their current base salary. For external and internal appointments, the Board may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Payment for loss of Office
The Committee will honour the Executive Director's contractual entitlements. Service contracts do not contain liquidated damages clauses. If a contract is to be terminated, the Committee will determine such mitigation as it considers fair and reasonable in each case. There is no agreement between the Company and its Executive Director or employees, providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment.

Service Agreements and letters of appointment
The Executive Chairman's (Chris Lambert) service agreement , dated 22 August 2022, was terminated on 20 December 2023. The salary was set at £144,000 per annum.

The Executive Director's (Charlie Long) service agreement , dated 22 October 2022, is not for a fixed term and may be terminated by the Company or the Executive Director by giving 6 months' notice. The current salary is set at £125,000 per annum.

The Executive Director's (Noureddine Sabraoui) service agreement, dated 19 December 2023, is not for a fixed term and may be terminated by the Company or the Executive Director by giving 3 months' notice. The current salary is set at £60,000 per annum.

The Non-Executive Directors (Russell Thomson, Dominic Traynor and Adrian England), have service agreements, dated 10 October 2022, 10 October 2022 and 1 December 2022, respectively, with an appointment period of minimum three years, and thereafter until terminated by either party not giving less than one months' prior written notice. Adrian England resigned on 31 December 2023. The salaries of the Non-Executive Directors was reduced from £40,000 to £24,000, effective 1 December 2023.

The terms of all Directors' appointments are subject to their re-election by the Company's shareholders at any Annual General Meeting at which the Directors stand for re-election on rotation.

Director's remuneration - (audited)
The table below sets out the remuneration received by the Directors for the year ended 31 December 2023 and 31 December 2022:

	Year ended 31 December 2023				Year ended 31 December 2022
	Salary/Fees	**Benefits In Kind**	**Total**	**Amounts outstanding at year end**	**Salary/Fees**
	£	**£**	**£**	**£**	**£**
Executive directors:					
Chris Lambert [1]	139,742	12,124	151,866	6,315	96,248
Charlie Long	125,000	6,125	131,125	13,542	85,677
Noureddine Sabraoui[2]	5,265	-	5,265	4,355	-
Martyn Churchouse[4]	-	-	-	-	49,466
	270,007	**18,249**	**288,256**	**24,212**	**231,391**
Non-executive directors:					
Adrian England[3]	40,000	-	40,000	4,027	3,333
Russell Thomson	38,667	-	38,667	35,333	26,233
Dominic Traynor	38,667	-	38,667	15,333	26,230
Professor Michael Johnson[4]	-	-	-	-	116,013
Andrew Daniels[5]	-	-	-	-	38,727
	117,333	**-**	**117,333**	**54,693**	**210,536**
TOTAL	**387,340**	**18,249**	**405,589**	**78,905**	**441,927**

[1]Terminated as a Director on 20 December 2023
[2]Appointed as a Director on 19 December 2023
[3]Resigned as a Director on 31 December 2023
[4]Resigned as a Director 16 May 2022
[5]Resigned as a Director 11 July 2022

The percentage change from the preceding financial year in respect of each Director has not been included as no Director has been employed for two consecutive full years to permit a meaningful comparison. However, there has been a 0% increase in annualised individual Executive's Directors salaries since prior year.

Statement of Directors' shareholding and share interests (audited)

The beneficial interests of the Directors who held office at any time during the year and their connected parties in the share capital of the Company is shown below:

	2023 number of Ordinary shares	**2023 number of share options**	**2022 number of Ordinary shares**	**2022 number of share options**
Christopher Lambert	-	-	-	2,000,000
Charles Oliver Long	-	1,500,000	-	1,500,000
Noureddine Sabraoui	-	-	-	-
Russell Thomson[1]	-	450,000	-	450,000
Dominic Traynor	650,000	450,000	650,000	450,000

[1]post year end Mr Thomson acquired 6,000,000 shares which are held through KM Securities Pty Limited

Share options
In the prior year, on 25 November 2022, the Company granted options over a total of 4,400,000 Ordinary shares of 1 pence each in the capital of the Company with an exercise price of 7.5 pence per Ordinary share.

The Options will vest in three instalments and will have an exercise period of five years. The first tranche will vest when the closing mid-market share price reaches 7.5 pence or above for three consecutive trading days. The second tranche will vest when the share price reaches 12.5 pence. The third tranche will vest when the share price reaches 17.5 pence. None of these options vested in the year.

The Remuneration Committee approved the issuance of these share option grants to incentivise and retain the Directors, who are considered key to enhancing the future market value of the Company and notes the premium of the exercise price relative to the current share price.

Relative importance of spend on pay

The table below illustrates the year-on-year change in total remuneration compared to distributions to shareholders and operational cash flow for the financial periods ended 31 December 2023 and 2022:

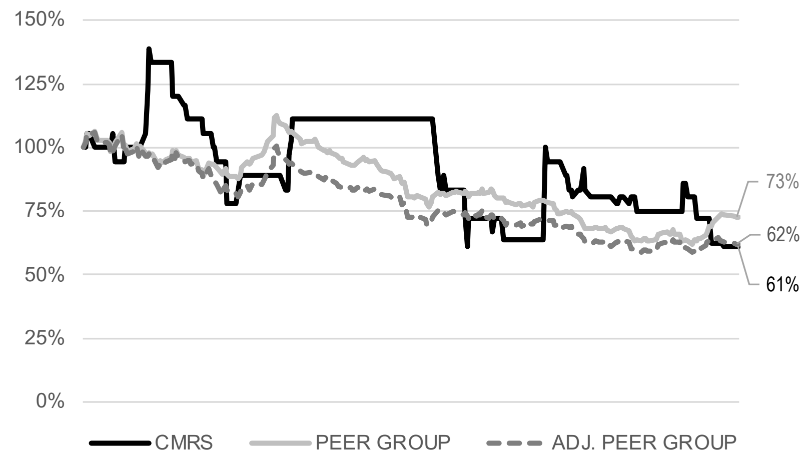
	Distributions to shareholders £	Total directors and employee pay £	Operational cash outflow £
Year ended 31 December 2023	Nil	387,340	798,389
Year ended 31 December 2022	Nil	527,285	1,107,750

Total employee pay includes wages and salaries, social security costs and pension cost for employees in continuing operations. Further details on Employee remuneration are provided in note 8. Operational cash outflow has been shown in the table above as cash flow monitoring and forecasting is an important consideration for the Remuneration Committee and Board of Directors when determining cash-based remuneration for directors and employees.

Historical Share Price Performance Comparison

The Directors have considered the requirement for a UK performance graph comparing the Company's relative shareholder return with that of a comparable indicator. The comparable indicator chosen is a peer group index compiled by the Company, consisting of companies in the same industry classification on London's AIM and Standard Main Market lists. The peer group index has the following constituents: Mkango Resources LTD, Condor Gold PLC, Kore Potash PLC, Xtract Resources PLC, Beowulf Mining PLC, Chesterfield Resources PLC, Power Metal Resources PLC, Keras Resources PLC and Harvest Minerals Limited, all mining exploration and development companies under a £30m market value. Condor Gold PLC was excluded from the peer group due to its exceptional performance and special situation.

The chart below illustrates the Company's share price performance from 31 December 2022 to 31 December 2023 compared to this relevant small cap mining peer group index. The Adjusted Peer Group had a comparable performance to CMRS.



Consideration of shareholder views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Approved on behalf of the Board of Directors.

Russell Thomson
Chair of Remuneration Committee
24 April 2024

Independent Auditor's Report To The Members Of Critical Mineral Resources Plc

We have audited the financial statements of Critical Mineral Resources PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Profit or Loss and Other 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 and as regards the parent company financial statements, 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 2023 and of the group's profit for the year 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 UK-adopted international accounting standards 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest 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.

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that the group will need to raise additional funds during the going concern period to fund exploration expenditure and working capital requirements. The group is reliant on the receipt of outstanding amounts relating to the disposal of the Cypriot subsidiaries, as well as on obtaining further financing, in order to meet its obligations as they fall due over the 12 months from the date of approval of these financial statements. As stated in note 3, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 the cashflow forecasts and budgets prepared by management for the period to 31 December 2025, corroborating and providing challenge to key assumptions and inputs used, which included the expected receipt of outstanding amounts due relating to the disposal of the Cypriot subsidiaries, as well as other anticipated fundraising;

- comparing forecast expenditures to current year actual results and corroborating any significant variances;
- obtaining an understanding of cash preservation measures, and corroborating to supporting documentation where applicable;
- reviewing the accuracy of historic forecasts by comparing to the actual results in the year to assess the accuracy of the forecasting process; and
- reviewing post year-end bank statements and management information to ascertain the group's and the parent company's latest financial position and post year-end performance, and comparing this to the forecasts.

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

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of our audit. Materiality applied to the group financial statements was £50,000 (2022: £94,000) with performance materiality set at £35,000 (2022: £65,800). Materiality has been determined by using a 5% of adjusted loss before tax, which was adjusted for the gain on disposal of subsidiaries (2022: a blended rate of 5% net assets and 10% profit before tax). There has been a change to the materiality benchmark used in the current year due primarily to the change in the group structure following the disposal of the Cypriot subsidiaries. This is deemed to be the most relevant benchmark as the group is not revenue generating and is in early stage of exploration.

We agreed with the audit committee that we would report to them all audit differences identified during the course of our audit in excess of £2,500 (2022: £4,700) for the group. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality applied to the parent company's financial statements was £47,000 (2022: £89,000), with performance materiality set at £32,000 (2022: £62,300). Materiality has been determined by using 5% of loss before tax (2022: a blended rate of 5% net assets and 10% profit before tax). The reason for the change in basis has been described above, and also applies to the parent as a result of the elimination of the significant investment balance. We agreed with the audit committee that we would report all individual audit differences identified during the course of our audit in excess of £2,350 (2022: £4,450) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

A benchmark of 70% (2022: 70%) was applied when calculating the performance materiality for our audit of the group and parent company financial statements, as we believe that this would provide sufficient coverage of significant and residual risks.

Our approach to the audit

In designing our audit approach, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we assessed the areas requiring the management to make subjective judgements, for example in respect of significant accounting estimates and judgements including the accounting treatment of the disposal of the Cypriot subsidiaries, recoverability of disposal-related receivables and the consideration of future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

An audit was performed on the financial information of the group's material operating component which, for the period ended 31 December 2023, was located in the United Kingdom (2022: United Kingdom and Cyprus).

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.

In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matter described below to be the key audit matter to be communicated in our report.

<table>
<tr><th>Key Audit Matter</th><th>How our scope addressed this matter</th></tr>
<tr><td>Accounting treatment of the disposal of the Cypriot subsidiaries (note 19)</td><td></td></tr>
<tr><td>The group announced in September 2023 the completion of the sale of the Cypriot subsidiaries for a cash consideration of US$528,001 and a contingent consideration of US$432,000. The contingent consideration is payable by the purchaser subject to certain conditions relating to the determination of mineral resource estimates which meet specific industry recognised criteria. The achievement of these conditions is outside the control of the group upon disposal and the likelihood is therefore difficult to estimate.

Under the terms of the agreement, the group will receive payments in 3 instalments for the sale of the Cypriot subsidiaries. The final payment of US$214,251 was due at the end of December 2023 and was still outstanding at the date of this audit report.

As a result of the judgements involved in assessing the likelihood of the contingent consideration being received, and the complexity involved in disposal accounting, this matter is determined to be a key audit matter.</td><td>Our work in this area included:
Obtaining the share purchase agreement (the 'SPA') to understand the terms of the disposal, including details of the sale consideration, and when control was deemed to have passed to the acquirer;
Reviewing the net asset position of the Cypriot subsidiaries at the date of disposal, including a review of movements in profit or loss from the last balance sheet date to the date of disposal and, substantively testing those movements on a sample basis;
Reviewing the accounting entries made by management on disposal at the parent company and the group levels, verifying these to the underlying accounting records and the Sales Purchase Agreement, and ensuring these are in accordance with IFRS 10; and
Ensuring the presentation and disclosure surrounding the disposal is complete and accurate.
At the group level, a gain on disposal of £1,342,841 has been recognised in the Statement of Profit and Loss and Other Comprehensive Income for the year in respect of this transaction. Based on the work performed, we are satisfied that the accounting treatment of the disposal of the Cypriot subsidiaries is appropriate in accordance with IFRS.</td></tr>
</table>

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 group and parent company 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 the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and 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 fby 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 and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities, 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's 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 detailed discussions with management about and potential instances of non-compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
    - Companies Act 2006;
    - Listing Rules as applicable to companies listed on the Standard Segment of the London Stock Exchange;
    - Disclosure Guidance and Transparency Rules;
    - UK tax and employment law; and
    - Anti-bribery and money laundering regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Making enquiries of management;
    - Reviewing legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations; and
    - Reviewing minutes of meetings of those charged with governance and Regulatory News Service announcements
- 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 was identified in relation to the accounting treatment of the disposal of the Cypriot subsidiaries. We addressed this by challenging the assumptions and judgements made by management in relation to this balance.
- 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; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing significant transactions in the banks statements to identify potentially large or unusual transactions that do not appear to be in line with our understanding of business operations.

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.

Other matters which we are required to address

We were appointed by the directors of the parent company on 9 February 2021 to audit the financial statements for the period ending 30 November 2018 and subsequent financial periods. Our total uninterrupted period of engagement is 6 years, covering the periods ending 30 November 2018 to 31 December 2023.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of 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.

Imogen Massey

Imogen Massey (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

24 April 2024

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Continuing operations:			
Administrative expenses	6	(1,104,615)	(1,168,034)
Net impairment losses on disposal of assets	11	-	(2,918,303)
Finance costs	7	(5,204)	(380)
Interest income		15,076	-
Operating loss and loss before income tax		**(1,094,743)**	**(4,086,717)**
Income tax expense	9	-	-
Loss after taxation		**(1,094,743)**	**(4,086,717)**
Total loss from continuing operations		**(1,094,743)**	**(4,086,717)**
Gain/(loss) from discontinued and disposed operations	19	1,342,841	(1,439,812)
Profit/(loss) for the year		**248,098**	**(5,526,529)**
Total profit/(loss) is attributable to:			
Owners of Critical Mineral Resources plc		255,564	(5,511,542)
Non-controlling interests		(7,466)	(14,987)
		248,098	**(5,526,529)**
Other comprehensive income:			
Items that may be reclassified to profit and loss:			
Exchange differences on translation of continuing/ discontinued operations	20	56	232,772
Total comprehensive loss for the year		**248,154**	**(5,293,757)**
Total comprehensive loss is attributable to:			
Owners of Critical Mineral Resources plc		255,620	(5,279,620)
Non-controlling interests		(7,466)	(14,137)
		248,154	**(5,293,757)**
Total comprehensive loss attributable to Owners of Critical Mineral Resources plc:			
Continuing operations		(1,087,221)	(3,839,808)
Discontinued operations		1,342,841	(1,439,812)
		255,620	**(5,279,620)**
Earnings per share:			
Total basic and diluted profit (loss) per share (£):			
Continuing operations	10	(0.018)	(0.019)
Continuing and discontinued operations	10	0.004	(0.092)

The accounting policies and notes on pages 42 to 65 form part of these consolidated financial statements.

Consolidated Statement of Financial Position
Company number: 11043077

	Notes	As at 31 December 2023 £	As at 31 December 2022 £
ASSETS			
Non-current assets			
Intangible fixed assets	11	2,331	-
Tangible fixed assets	12	80,325	83,902
Total non-current assets		82,656	**83,902**
Current assets			
Other receivables	14	143,634	527,237
Cash and cash equivalents		24,785	115,824
		168,419	**643,061**
Assets classified as held for sale	19	-	515,796
Total current assets		**168,419**	**1,158,857**
Total assets		**251,075**	**1,242,759**
LIABILITIES			
Non-current liabilities			
Lease liabilities	16	(53,494)	(23,717)
Total non-current liabilities		**(53,494)**	**(23,717)**
Current liabilities			
Trade and other payables	15	(257,894)	(95,826)
Lease liabilities	12	(23,584)	(61,718)
		(281,478)	**(157,544)**
Liabilities directly associated with assets classified as held for sale	19	-	(1,218,058)
Total current liabilities		**(281,478)**	**(1,375,602)**
Total liabilities		**(334,972)**	**(1,399,319)**
Net liabilities		**(83,897)**	**(156,560)**
EQUITY			
Share capital	17	612,113	612,113
Share premium	17	5,840,002	5,840,002
Other equity	18	-	-
Share-based payments reserve		34,584	68,706
Foreign exchange reserve	20	56	212,323
Retained earnings		(6,565,358)	(6,856,948)
Capital and reserves attributable to owners of Critical Mineral Resources plc		**(78,603)**	**(123,804)**
Non-controlling interests		(5,294)	(32,756)
Total equity		**(83,897)**	**(156,560)**

The accounting policies and notes on pages 42 to 65 form part of these consolidated financial statements.

The Financial Statements were approved and authorised for issue by the Board on 24 April 2024 and were signed on its behalf by:

Charlie Long, Director

Parent Company Statement of Financial Position
Company number: 11043077

	Notes	As at 31 December 2023 £	As at 31 December 2022 £
ASSETS			
Non-current assets			
Tangible fixed assets	12	80,325	83,902
Investments in subsidiary	13	7,974	-
Loans to subsidiaries		27,726	-
Total non-current assets		**116,025**	**83,902**
Current assets			
Other receivables	14	139,930	527,237
Cash and cash equivalents		23,366	115,824
		163,296	**643,061**
Assets classified as held for sale	13	-	424,328
Total current assets		**163,296**	**1,067,389**
Total assets		**279,321**	**1,151,291**
LIABILITIES			
Non-current liabilities			
Lease liabilities	16	(53,494)	(23,717)
Total non-current liabilities		**(53,494)**	**(23,717)**
Current liabilities			
Trade and other payables	15	(255,780)	(95,826)
Lease liabilities	12	(23,584)	(61,718)
Total current liabilities		**(279,364)**	**(157,544)**
Total liabilities		**(332,858)**	**(181,261)**
Net assets		**(53,537)**	**970,030**
EQUITY			
Share capital	17	612,113	612,113
Share premium	17	5,840,002	5,840,002
Other equity	18	-	-
Share-based payments reserve		34,584	68,706
Retained earnings		(6,540,236)	(5,550,791)
Total equity		**(53,537)**	**970,030**

The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 by choosing not to present its individual Statement of Comprehensive Income and related notes that form part of these approved financial statements.

The Company's loss for the period from operations is £1,025,471 (2022: loss of £4,177,016).
The accounting policies and notes on pages 42 to 65 form part of these financial statements.
The Financial Statements were approved and authorised for issue by the Board on 24 April 2024 and were signed on its behalf by:

Charlie Long, Director

Consolidated Statement of Changes in Equity

	Share capital £	Share premium £	Share-based payment reserve £	Retained earnings £	Foreign exchange reserve £	Non-controlling interests £	Total £
Balance as at 31 December 2021	**612,113**	**5,840,002**	**98,917**	**(1,512,891)**	**(19,599)**	**(67,225)**	**4,951,317**
Comprehensive income							
Loss for the year	-	-	-	(5,511,542)	-	(14,987)	(5,526,529)
Exchange differences on translation of foreign operations	-	-	-	-	231,922	850	232,772
Total comprehensive income for the year	*-*	*-*	*-*	***(5,511,542)***	***231,922***	***(14,137)***	***(5,293,757)***
Transactions with owners in their capacity as owners							
Transactions with NCI	-	-	-	-	-	48,606	48,606
Share-based payments	-	-	137,274	-	-	-	137,274
Cancelled warrants	-	-	(167,485)	167,485	-	-	-
Total transactions with owners recognised directly in equity	*-*	*-*	***(30,211)***	***167,485***	*-*	***48,606***	***185,880***
Balance as at 31 December 2022	**612,113**	**5,840,002**	**68,706**	**(6,856,948)**	**212,323**	**(32,756)**	**(156,560)**
Comprehensive income							
Loss for the year	-	-	-	255,564	-	(7,466)	248,098
Exchange differences on translation of foreign operations	-	-	-	-	(212,267)	1,164	(211,104)
Total comprehensive income for the year	-	-	-	***255,564***	***(212,267)***	***(6,302)***	***36,995***
Transactions with owners in their capacity as owners							
Elimination of NCI on disposal	-	-	-	-	-	33,764	33,764
Share-based payments	-	-	1,904	-	-	-	1,904
Cancelled warrants	-	-	(36,026)	36,026	-	-	-
Total transactions with owners recognised directly in equity	-	-	***(34,122)***	***36,026***	-	***33,764***	***35,668***
Balance as at 31 December 2023	**612,113**	**5,840,002**	**34,584**	**(6,565,358)**	**56**	**(5,294)**	**(83,897)**

Parent Company Statement of Changes in Equity

	Share capital £	Share premium £	Share-based payment reserve £	Retained earnings £	Total £
Balance at 31 December 2021	**612,113**	**5,840,002**	**98,917**	**(1,541,260)**	**5,009,772**
Comprehensive income					
Loss for the year	-	-	-	(4,177,016)	(4,177,016)
Total comprehensive income for the year	*-*	*-*	*-*	*(4,177,016)*	*(4,177,016)*
Transactions with owners recognised directly in equity					
Share-based payments	-	-	137,274	-	137,274
Cancelled warrants	-	-	(167,485)	167,485	-
Total transactions with owners recognised directly in equity	*-*	*-*	*(30,211)*	*167,485*	*137,274*
Balance as at 31 December 2022	**612,113**	**5,840,002**	**68,706**	**(5,550,791)**	**970,030**
Comprehensive income					
Loss for the year	-	-	-	(1,025,471)	(1,025,471)
Total comprehensive income for the year	*-*	*-*	*-*	*(1,025,471)*	*(1,025,471)*
Transactions with owners recognised directly in equity					
Share-based payments	-	-	1,904	-	1,904
Cancelled warrants	-	-	(36,026)	36,026	-
Total transactions with owners recognised directly in equity	*-*	*-*	*(34,122)*	*36,026*	*1,904*
Balance as at 31 December 2023	**612,113**	**5,840,002**	**34,584**	**(6,540,236)**	**(53,537)**

Consolidated Statement of Cash Flows

	Notes	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Cash flow from operating activities			
Loss for the period before taxation		248,098	(5,526,529)
Adjustments for:			
Interest paid		5,204	380
Interest income		(15,076)	-
Foreign exchange movements		30,287	18,003
Gain on disposed group subsidiaries		(1,342,841)	-
Share-based payments		1,904	137,274
Impairment of intangible assets	11	-	3,067,298
ECL Provision/Bad debt written off		79,256	302,886
Provision for liability in subsidiary	23	-	1,126,589
Depreciation	12	55,197	45,592
Operating cash flows before movements in working capital		**(937,971)**	**(828,507)**
Increase in trade and other receivables		(14,129)	(31,948)
Increase/(decrease) in trade and other payables		153,711	(28,659)
Net cash used in operating activities		**(798,389)**	**(889,114)**
Cash flow from investing activities			
Payment for acquisition of subsidiary	13	(7,974)	-
Proceeds from sale of subsidiary	13	257,641	100,000
Deposit on potential acquisition		500,000	(500,000)
Expenditure on fixed assets		-	(37,032)
Expenditure on intangible assets	11	-	(1,003,612)
Net cash inflow/(outflow) from investing activities		**749,667**	**(1,440,644)**
Cash flow from financing activities			
Finance lease payments		(63,307)	(31,420)
Interest paid		(5,204)	(380)
Net cash outflow from financing activities		(68,511)	**(31,800)**
Net decrease in cash and cash equivalents		**(117,233)**	**(2,361,558)**
Cash and cash equivalent at beginning of period		142,018	2,508,108
Foreign exchange effect of cash movements		-	(4,532)
Cash and cash equivalent at end of period		**24,785**	**142,018**

Significant non-cash transactions
There were no significant non-cash transactions during the year.

The accounting policies and notes on pages 42 to 65 form part of these financial statements.

Parent Company Statement of Cash Flows

	Notes	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Cash flow from operating activities			
Loss for the period before taxation		(1,025,471)	(4,177,016)
Adjustments for:			
Finance and service income		(15,606)	(115,726)
Interest paid		5,034	380
Depreciation	12	55,197	32,586
ECL Provision/Bad debt written off		79,256	302,886
Share-based payments		1,904	137,274
Foreign exchange movement		3,959	(95,081)
Write off of investment in subsidiaries		-	3,243,312
Operating cash flows before movements in working capital		**(895,727)**	**(671,385)**
Increase in trade and other receivables		(10,426)	(51,466)
Increase/(decrease) in trade and other payables		159,564	(28,947)
Net cash used in operating activities		**(746,589)**	**(751,798)**
Cash flow from investing activities			
Investment in subsidiaries through cash advances		(27,196)	(1,127,076)
Payment for acquisition of subsidiary	13	(7,974)	-
Deposit on potential acquisition		500,000	(500,000)
Proceeds from sale of subsidiary	13	257,641	100,000
Net cash used in investing activities		**722,471**	**(1,527,076)**
Cash flow from financing activities			
Finance lease payments		(63,306)	(31,420)
Interest paid		(5,034)	(380)
Net cash outflow from financing activities		**(68,340)**	**(31,800)**
Net decrease in cash and cash equivalents		**(92,458)**	**(2,310,674)**
Cash and cash equivalent at beginning of period		115,824	2,426,498
Cash and cash equivalent at end of period		**23,366**	**115,824**

Significant non-cash transactions

There were no significant non-cash transactions during the year.

The accounting policies and notes on pages 42 to 65 form part of these financial statements.

Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

Critical Mineral Resources plc (the "Company") is incorporated and domiciled in England and Wales with Registered Number 11043077 under the Companies Act 2006. The Company was incorporated on 1 November 2017 under the name Leopard Mineral Investments Limited as a private limited company and subsequently re-registered as a public limited company on 9 January 2018; and changed its name to Caerus Mineral Resources plc on 18 September 2018 and then Critical Mineral Resources Plc on 17 August 2023.

The principal activity of the Group is the exploration for, and development of mineral resources, including in Morocco, and the identification of future acquisition targets in the same industry. The Company's registered office is at Eccleston Yards, 25 Eccleston Place, London, SW1W 9NF.

On 14 September 2023, the Company announced the completion of the sale of its Cyprus assets. On 3 July 2023, the Company acquired 80% of the share capital of Atlantic Resource Minerals (ARM), a company incorporated in Morocco for £7,974. This was accounted for as an asset acquisition.

On 26 January 2023, the Company announced it had signed a Share Purchase Agreement (the "SPA") with PM Ploutonic Metals ltd ("Ploutonic") and Indo-European Mining PR Ltd ("Indo") for the sale of the Company's Cyprus subsidiaries. This was in line with the Heads of agreement that was announced on 7 December 2022. The carrying value of these investments were revalued, in line with IFRS 5, at the fair value less costs to sell, at £424,328, resulting in an impairment of investments of £1,034,595 at the prior year end. The fair value less costs to sell is based on the agreed consideration for the Cypriot assets as per the SPA with the vendor. This is a Level 3 on the fair value hierarchy.

On 19 March 2021, the Company announced its admission to the Main Market of the London Stock Exchange under the Standard Segment of the Official List under the ticker "LSE:CMRS".

2. ADOPTION OF NEW AND REVISED STANDARDS

(a) New standards, amendments and interpretations adopted by the Group.
There were no new or amended accounting standards that required the Group to change its accounting policies for the year ended 31 December 2023 and no new standards, amendments or interpretations were adopted by the Group.

(b) New standards, amendments and interpretations not yet adopted by the Group.
The standards and interpretations that are relevant to the Group, issued, but not yet effective, up to the date of the Financial Statements are listed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard	Effective date	Overview
Amendments to IAS 1 Classification of Liabilities as Current or Non-current	1 January 2024 (early adoption permitted)	The standard has been amended to clarify that the classification of liabilities as current or non-current should be based on rights that exist at the end of the reporting period. In order to conclude a liability is non-current, the right to defer settlement of a liability for at least 12 months after the reporting date must exist as at the end of the reporting period. The amendments also clarify that (for the purposes of classification as current or non-current), settlement is the transfer of cash, the entity's own equity instruments (except as described below), other assets or services.
Amendments to IAS 1 Non-current Liabilities with Covenants	1 January 2024 (early adoption permitted)	The standard confirms that only those covenants with which an entity must comply on or before the end of the reporting period affect the classification of a liability as current or non-current.
Amendments to IFRS 16 Lease Liability in a Sale and Leaseback	1 January 2024 (early adoption permitted)	The amendments address the accounting that should be applied by a seller-lessee in a sale and leaseback transaction when the leaseback contains variable lease payments, such as turnover rentals, that do not depend on an index or rate. Specifically, they confirm that the 'lease payments' or the 'revised lease payments' arising from the leaseback arrangement are measured in such a way that no gain or loss is recognised on the right of use retained by the seller-lessee.
Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements	1 January 2024 (early adoption permitted)	The amendments require an entity to disclose information about its supplier finance arrangements to enable users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and on the entity's exposure to liquidity risk.
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025 (early adoption permitted)	The amendments have been made to clarify: - when a currency is exchangeable into another currency; and - how a company estimates a spot rate when a currency lacks exchangeability.

3. SIGNIFICANT ACCOUNTING POLICIES

Summary of significant accounting policies
The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These polices have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation
The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and requirements of the Companies Act 2006. The Financial Statements have also been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The functional currency for each entity in the Group is determined as the currency of the primary economic environment in which it operates. The functional currency of the parent company CMR is Pounds Sterling (£) as this is the currency that finance is raised in. The functional currency of the Cypriot subsidiaries, which were disposed of on 14 September 2023, is the Euro and the functional currency of ARM, which was acquired on 3 July 2023, is the Moroccan Dirham, as these are the currencies that mainly influence labour, material and other costs of providing services. The Group has chosen to present its consolidated financial statements in Pounds Sterling (£), as the Directors believe it is a more convenient presentational currency for users of the consolidated financial statements. Foreign operations are included in accordance with the policies set out below.

The preparation of financial statements in accordance with UK-adopted International accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial information are disclosed in Note 4.

Going concern

The financial statements have been prepared under the going concern assumption. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for at least the 12 month period from the date of Board approval of the financial statements, with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. The Group is not currently generating revenues and therefore an operating loss has been reported and is expected in the 12 months subsequent to the date of these financial statements.

On 15 March 2024, the Company announced a placing raising £0.25m which was received by the Company as at the date of these accounts. The Company has the ability to place a further 2.7 million shares held by itself to raise additional finance without dilution to the current shareholders and is aware of further funding sources, as stated below, that are expected to be available to the Company in the immediate future.

The Company is also expected to receive a further \$214,521 (£181,254) from the sale of its Cyprus assets. The Board have made the judgement that the receivable is more likely than not to be recovered, however, since the timing of the payments is expected over the next two years, a provision of £79,256 has been made against this amount as at 31 December 2023 (see Note 14).

The Company is also in discussions with a strategic investor which has communicated its commitment to providing the Company with sufficient working capital for at least 12 months from the date of approval of these financial statements, to be provided during the second quarter of 2024. The Board is confident that this source of financing will materialise, however, recognises a possible risk of a delay to the timing, due to unforeseen additional administrative processes. Under these circumstances, the Directors would look to implement further cash preservation policies until the financing is complete, which could include a reduction in the quantum of overseas investments, a further reduction in Directors' fees (or payment through equity), and reduction in non-essential administrative/Public Relations and other suppliers' services to the Company.

The Company has included these funds in its cash flow projections for the twelve month period from the date of this report, and based on this review, and after considering reasonably possible operational downside sensitivities and uncertainties, the Board, whilst acknowledging this material uncertainty, which the auditors make reference to in their audit report, remains confident of raising finance and therefore have concluded that there is a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future. For this reason, the Directors have adopted the going concern basis in preparing the financial statements.

Basis of consolidation

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

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

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

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

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

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

The Group recognises any non-controlling interest in the acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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

Exchange differences are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on transactions entered into to hedge certain foreign currency risks (see below under financial instruments/hedge accounting); and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

Segmental reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision-maker ("CODM"). The CODM has been identified as the Board, at which level strategic decisions are made.

An operating segment is a component of the Group:
- That engages in business activities from which it may earn revenues and earn expenses,
- Whose operating results are regularly reviewed by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance, and
- For which discrete financial information is available.

Intangible assets – exploration and evaluation expenditure
Mineral exploration and evaluation expenditure relates to costs incurred in the exploration and evaluation of potential mineral resources and includes exploration and mineral licences, researching and analysing historical exploration data, exploratory drilling, trenching, sampling and the costs of pre-feasibility studies.

Exploration and evaluation expenditure for each area of interest, other than that acquired from another entity, is charged to the consolidated statement of income as incurred except when the expenditure is expected to be recouped from future exploitation or sale of the area of interest and it is planned to continue with active and significant operations in relation to the area, or at the reporting period end, the activity has not reached a stage which permits a reasonable assessment of the existence of commercially recoverable reserves, in which case the expenditure is capitalised. Purchased exploration and evaluation assets are recognised at their fair value at acquisition. As the capitalised exploration and evaluation expenditure asset is not available for use, it is not depreciated.

Exploration and evaluation assets have an indefinite useful life and are assessed for impairment annually or when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas. IFRS 6 permits impairments of exploration and evaluation expenditure to be reversed should the conditions which led to the impairment improve. The Group continually monitors the position of the projects capitalised and impaired.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of proven viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the Income Statement.

Tangible fixed assets – Property, plant and equipment
Property, plant, and equipment are stated at cost, less accumulated depreciation, and any provision for impairment losses.

Depreciation is charged on each part of an item of property, plant, and equipment to write off the cost of assets less the residual value over their estimated useful lives, using the straight–line method. Depreciation is charged to the income statement. The estimated useful lives are as follows:

Office equipment - 5 years
Office lease – 1 year
Vehicles – 5 years

Leases
Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments less any lease incentive receivable.
- Variable lease payment that are based on an index or rate, initially measured using the index or rate as at the commencement date, and
- Amounts expected to be payable by the group under residual value guarantees.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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.
Right-of -use assets are measured at cost comprising the following:

- The amounts of the initial measurement of lease liability;
- Any lease payments made at or before the commence date less any lease incentives received, and
- And initial direct costs.

Depreciation is charged over the shorter of the lease term and the related leased asset as per the Group's tangible fixed asset policy.

Financial Instruments
Financial assets
Classification
The Group's financial assets consist of financial assets held at amortised cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

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

They are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets. The Group's financial assets at amortised cost comprise trade and other current assets and cash and cash equivalents at the year end.

Recognition and measurement
Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchasing or selling the asset. Financial assets are initially measured at fair value plus transaction costs. Financial assets are de-recognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Financial assets are subsequently carried at amortised cost using the effective interest method.

Other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. The other receivables in the accounts do not contain significant financing components.

Impairment of financial assets
The Group assesses, on a forward-looking basis, the expected credit losses associated with its financial assets carried at amortised cost. For trade and other receivable due within 12 months the Group applies the simplified approach permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but rather recognises a loss allowance based on the financial asset's lifetime expected credit losses at each reporting date.

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 that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably. The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- Significant financial difficulty of the issuer or obligor;
- A breach of contract, such as a default or delinquency in interest or principal repayments;
- The Group, for economic or legal reasons relating the borrower's financial difficulty, granting the borrower a concession that the lender would not otherwise consider;
- It becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flow (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Financial liabilities at amortised cost
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

Other financial liabilities are initially measured at fair value. They are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are de-recognised when the Group's contractual obligations expire or are discharged or cancelled.

Cash and cash equivalents
The Group considers any cash on short-term deposits and other short term investments to be cash equivalents.

Investment and loans in subsidiaries
Subsidiary fixed asset investments are valued at cost less provision for impairment. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all loans in subsidiaries.

Non-current assets (or disposal groups) held for sale and discontinued operations
Non- current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from other liabilities in the notes to the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately in the statements of profit or loss and the prior year is restated to enable prior year comparatives.

Equity Instruments
An equity instrument is any contract that evidences a residual interest in the assets of a Company after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received net of direct issue costs.

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

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

The share-based payments reserve represents equity-settled shared-based employee remuneration for the fair value of the warrants issued. It also includes the warrants issued for services rendered accounted for in accordance with IFRS 2.

Retained earnings include all current and prior period results as disclosed in the Statement of Comprehensive Income, less dividends paid to the owners of the Company.

Treasury Shares (Gifted shares)
Treasury shares are presented within other equity at the consideration paid for them. No gain or loss on the purchase, sale, issue or cancellation is recognised. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of the Company.

Share-based compensation (Employee based benefits)
The Group operates an equity-settled share-based compensation plan, in that it issues share options and warrants to its employees in recognition of their services. The fair value of these is recognised as an employee expense with a corresponding charge to the share-based payment reserve. The total amount to be expensed is determined by reference to the fair value of the options or warrants granted:

- Including any market performance condition (such as the entity's share price).
- Excluding the impact of any service and non-market performance vesting conditions.
- Including the impact of any non-vesting conditions (such as the requirement to hold shares for a specific time).

The fair value of these share options and warrants is determined using an adjusted form of the Black-Scholes option pricing model which includes a Monte Carlo simulation model, which is considered an appropriate valuation model as it is able to incorporate market performance conditions. The assumptions are included in note 21 to the financial statements.

Share-based payments
The Group has two types of share-based payments other than employee compensation.

Warrants issued for services rendered which are accounted for in accordance with IFRS 2 recognising either the costs of the service if it can be reliably measured or the fair value of the warrant (using Black-Scholes option pricing models – see note 21).

Warrants issued as part of share issues have been determined as equity instruments under IAS 32. Since the fair value of the shares issued at the same time is equal to the price paid, these warrants, by deduction, are considered to have been issued at nil value.

Current and deferred income tax
Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the consolidated statement of financial position date, and any adjustment to tax in respect of previous years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In applying the Group's accounting policies, which are described in note 3, the Directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

(a) Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in these financial statements.

Acquisition of subsidiary – accounting *(see note 13)*
Management judgement is involved in determining the appropriate accounting treatment, including whether the acquisition met the definition of an asset acquisition rather than a business combination, date of transfer of control and accounting for consideration. Management judgement is also required in the assessment of the fair values of assets and liabilities acquired, and their associated useful lives, and the use of estimates in the determination of these values and the resultant intangible assets and goodwill recognised.

Management concluded that the acquisition met the requirements of an asset acquisition and the details of this are set out in note 13.

Recoverability of other receivables *(see note 14)*
The Company completed its sale of its Cypriot subsidiaries on 14 September 2023. As at 31 December 2023, £181,523 of this consideration is still outstanding. Management have measured the recoverability of this receivable, the expected credit loss (ECL), using a discounted cash flow over the receivables expected repayment plan. The Board have made the judgement that the receivable is more likely than not to be recovered, as the acquiror has already met a substantial part of the payment and have confirmed that they will continue to pay interest at 10% per annum until the payment has been met in full.
The ECL based on the following assumptions:

- Probability of default – 35%
- Discount rate – 10%
- Future cashflows – repayment profile from April 2024 to December 2025

An ECL provision of £79,256 has been made in the year end accounts.

(b) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Share-based payments (*see note 21*)
The Group has issued share options to its directors to provide long-term incentives to deliver long-term shareholder returns. Participants are granted options which only vest if certain performance standards are met. The amounts of options that will vest depends on the Company's share price growth. Once vested the options remain exercisable for a period of five years. These are valued in accordance with IFRS 2 "Share-based payments". In calculating the related charge on the options granted in 2022, the Company used a variety of estimates and judgements in respect of inputs used including share price volatility, risk free rate, and expected life. These are set out in note 21 to the accounts. Changes to these inputs may impact the related charge.

5. SEGMENTAL REPORTING

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

- Head office, corporate and administrative, including parent company activities of raising finance and seeking new investment opportunities, all based in the UK;
- Mineral exploration, based in Morocco; and
- Mineral exploration, based in Cyprus (all discontinued operations and disclosed in this note as the CODM have continued to review the results of this segment for the year).

The geographical information is the same as the operational segmental information shown below – the segments have not been combined as only the Corporate and Administrative relates to continuing operations.

Year ending 31 December 2023	*(Continuing operations)* **Corporate and Administrative (UK)** **£**	*(Continuing operations)* **Mineral exploration (Morocco)** **£**	*(Discontinued operations)* **Mineral exploration (Cyprus)** **£**	**TOTAL** **£**
Operating loss from total operations before and after taxation	(1,025,469)	(32,286)	(36,988)	(1,094,743)
Gain on disposal of subsidiaries	-	-	1,342,841	1,342,841
				248,098
Segment total assets – (net of investments in subsidiaries)	245,952	5,123	-	**251,075**
Segment liabilities	(303,380)	(31,592)	-	**(334,972)**

Year ending 31 December 2022	*(Continuing operations)* **Corporate and Administrative (UK)** **£**	*(Discontinued operations)* **Mineral exploration (Cyprus)** **£**	**TOTAL** **£**
Operating loss from total operations before and after taxation	(1,168,414)	(4,358,115)	**(5,526,529)**
Segment total assets – (net of investments in subsidiaries)	726,963	515,796	**1,242,759**
Segment liabilities	(181,261)	(1,218,058)	**(1,399,319)**

6. EXPENSES BY NATURE

(Continuing operations)	**Year ended 31 December 2023** **£**	**Year ended 31 December 2022** **£**
Wages and salaries (see note 8)	439,407	314,011
Share-based payment	1,904	137,274

Legal and professional fees	359,062	217,239
Travel	29,294	42,791
Office and sundry expenditure	77,191	40,557
Insurance	19,213	34,413
Regulatory fees	44,085	46,277
ECL Provision/Bad debts	79,262	302,886
Depreciation	55,197	32,586
	1,104,615	**1,168,034**

During the year the Group obtained the following services from their auditors and its associates:

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Fees payable to the Company's auditor and its associates in relation to the audit of the parent company and consolidated financial statements	50,000	48,000
Fees payable to the Company's auditor and its associates in relation to the audit of the Company's subsidiaries	-	9,500
	50,000	**57,500**

7. FINANCE COSTS

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Interest payable	5,204	380
	5,204	**380**

8. DIRECTORS AND EMPLOYEES

The monthly average number of people employed by the Group, including Executive Directors, was:

	2023	2022
Operations	-	2
Corporate and administration	2	3
	2	**5**

The Directors were the key management personnel. Remuneration in respect of these Directors and Employees was:

	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Wages and salaries	405,737	276,498
Social security costs	33,656	34,640
Pension costs	13	2,873
Share-based payments	1,904	137,274
	441,311	**451,285**

The highest paid director received £151,866 in 2023 (2022: £96,248).

9. INCOME TAX

No charge to taxation arises due to the losses incurred.

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the losses of the consolidated entities as follows:

GROUP	Year ended 31 December 2023 £	Year ended 31 December 2022 £
Profit/(loss) before tax	248,098	(5,526,529)
Tax at the applicable rate of 22% (2022:17.2%)	55,159	(949,458)
Disallowed expenses (including gain on disposal/ impairment) at 22%	(293,178)	555,825
Losses for which no deferred tax is recognised	(238,019)	(393,633)
Total tax charge	**-**	**-**

The weighted average applicable tax rate of 22% (2022: 17.2%) used is a combination of the 19/25% (average 24% due to change in UK rate in April 23) standard rate of corporation tax in the UK and 32% Moroccan corporation tax.

The Group has total tax losses of £1,892,636 to carry forward against future profits (2022: £1,655,016 losses carried forward). No deferred tax asset on losses carried forward has been recognised on the grounds of uncertainty as to when profits will be generated against which to relieve said amount**.**

10. EARNINGS PER SHARE

The calculation for earnings per Ordinary Share (basic and diluted) is based on the consolidated loss attributable to the equity shareholders of the Company is as follows:

Continuing operations:	Year ended 31 December 2023	Year ended 31 December 2022
Total loss for the year (£)	(1,094,743)	(1,168,414)
Weighted average number of Ordinary shares**	50,252,945	60,178,208
Total Loss per Ordinary share (£)	**(0.018)**	**(0.019)**
Continuing and discontinued operations:		
Total profit/(loss) for the year (£)	248,098	(5,526,529)
Weighted average number of Ordinary shares	50,252,945	60,178,208
Total profit/(loss) per Ordinary share (£)	**0.004**	**(0.092)**

Earnings and diluted earnings per Ordinary share are calculated using the weighted average number of Ordinary shares in issue during the period. There were no dilutive potential Ordinary shares outstanding during the period.

**Shares held by the Company at year end of 10,685,313 have been excluded from the weighted average number of Ordinary shares calculation from the date of gift.

11. INTANGIBLE ASSETS

Group	**Exploration and Evaluation assets**
Cost and Carrying Value	**£**
At 1 January 2022	1,690,536
Additions	1,003,612
Foreign exchange movements	(104,132)
Impairment in subsidiaries	(148,995)
Group impairment charge on discontinued operations	(2,918,303)
Assets classified as held for sale and other disposal	(410,711)
At 31 December 2022	**-**
Additions	2,331
At 31 December 2023	**2,331**

In accordance with IFRS 6, the Directors undertook an assessment of the following areas and circumstances which could indicate the existence of impairment:

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

No impairment was indicated in the current year.

In prior year, an impairment charge was made in regard to the intangible assets as the Board had taken a decision to discontinue the operations in Cyprus and therefore an impairment charge of £2,918,303 was included in the accounts to write down the value of the intangible assets to their Fair value less cost to sell. This fair value was calculated from the Sales and Purchase Agreement, recognising the Purchase Price of US$528,001. A 10% movement either way in the US/GBP exchange rate would change the fair value by £73,500.

12. TANGIBLE FIXED ASSETS

Group and Company	**Office leases**	**Vehicles**	**Total Assets**
	£	**£**	**£**
Cost			
At 1 January 2023	76,750	39,918	116,488
Adjustment/Additions	(10,996)	62,586	51,620
Disposal	(65,504)	-	(65,604)
At 31 December 2023	**-**	**102,504**	**102,504**
Accumulated depreciation			
At 1 January 2023	(28,210)	(4,376)	(32,586)
Depreciation charge for the year	(37,394)	(17,803)	(55,197)
Disposal	65,504	-	65,604
At 31 December 2023	**-**	**(22,179)**	**(22,179)**
Net book value			

At 31 December 2022	48,360	35,542	83,902
At 31 December 2023	**-**	**80,325**	**80,325**

Right-of-use assets: The Company only assets relate to an office lease and a vehicle which have both been accounted for as finance leases under IFRS 16. Additions to the right-of use assets during 2023 financial year were £62,586 (2022: £116,488) and the depreciation charge was £55,197 (2022: £32,586). The right-of use office lease was not renewed and expired on 5 December 2022.

Lease liabilities
Current £23,584 (2022: £61,718)
Non-current £53,494 (2022: £23,717)

13. INVESTMENTS IN SUBSIDIARIES

Company	**£**
Cost and net book amount	
At 1 January 2023	424,328
Additions	7,974
Disposals	(424,328)
At 31 December 2023	**7,974**

Information about the composition of the Group at the end of the reporting period is as follows:

Name	**Principal activity**	**Place of incorporation and operation**	**% owned subsidiary**
Atlantic Research Minerals SARL (“ARM”)	Mineral exploration	Morocco	80%
The following subsidiaries were disposed of during the year:			
New Cyprus Copper P.A. Ltd (“NCC”)	Mineral exploration	Cyprus	-
Treasure Development Limited (“TDL”)	Mineral exploration	Cyprus	-
GC Gold Mines (Cyprus) Ltd (“CGML”)	Mineral exploration	Cyprus	-

The registered office of ARM is N°31, Bloc E, Lot Admine Ait Melloul Inezgane, Morocco.

On 3 July 2023, the Company acquired 80% of the share capital of Atlantic Resource Minerals (ARM), a company incorporated in Morocco for £7,974. This was accounted for as an asset acquisition.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed as a result of the acquisition are as follows:

	80% Net book value of assets acquired £	**Fair value adjustments £**	**Fair value of assets acquired £**
Intangible assets	-	2,331	2,331
Financial assets	6,233	-	6,233
Financial liabilities	(590)	-	(590)
Total identifiable assets acquired and liabilities assumed	**5,643**	**2,331**	**7,974**
Fair Value of Consideration Paid:			
Total cash consideration			**7,794**

Under IFRS 3, a business must have three elements: inputs, processes and outputs. ARM is an early stage exploration company. It has no mineral reserves and no plan to develop mines. It has a title to mineral properties but this could not be considered an input because of its early stage of development. The company do not have processes to produce outputs and have not completed a feasibility study or a preliminary economic assessment on any of its properties and no infrastructure or assets that could produce outputs. Therefore, the Directors' conclusion is that the above transaction is an asset acquisition and not a business combination. The fair value adjustment to intangible assets of £2,331 represents the excess of the purchase consideration of £7,794 ($10,000 in cash) over the excess of the net assets acquired, £5,643.

During the period since acquisition, ARM made a loss of £31,756. If the acquisition had occurred on 1 January 2023, consolidated pro-forma loss for the year ended 31 December 2023 would have been £33,057.

On 14 September 2023, the Company announced the completion of the sale of its Cyprus assets which had been originally agreed in the Share Purchase Agreement (the "SPA") with PM Ploutonic Metals Ltd ("Ploutonic") and Indo-European Mining PR Ltd ("Indo"), dated 26 January 2023. See note 19 for further details.

14. RECEIVABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Prepayments and other receivables	143,634	527,237	139,930	527,237
Total current receivables	**143,634**	**527,237**	**139,930**	**527,237**

Other receivables at year end includes a balance of £181,524 which is due from the sale of the Cypriot assets. An ECL provision of £79,256 has been provided against this receivable.

In prior year other receivables included a sum of £500,000 which was paid on the 13 December 2022 to EV Metals Group Plc, as a fully refundable deposit, in return for an extendable three month due diligence period to enter into an exclusive option agreement to acquire 90% of RIWAQ Al Mawarid for Mining. This deposit was returned on 10 May 2023.

15. TRADE CREDITORS AND OTHER PAYABLES

	Group		Company	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Trade payables	120,245	21,311	119,642	21,311
Other payables and accruals	125,715	60,800	124,827	60,800
Taxes and social security	11,934	13,715	11,311	13,715
Short term leases	23,584	-	23,584	-
Trade and other payables	**281,478**	**95,826**	**279,365**	**95,826**

The carrying value of these liabilities is deemed to equate to their fair value, due to their short-term nature.

16. NON-CURRENT LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Lease liabilities (see note 12)	53,494	23,717	53,494	23,717
	53,494	**23,717**	**53,494**	**23,717**

The maturity of the lease liabilities are set out in note 24.

17. SHARE CAPITAL AND SHARE PREMIUM

	Number of Ordinary shares	Share capital £	Share premium £	Total £
As at 31 December 2020	**23,900,000**	**239,000**	**1,627,665**	**1,866,665**
Issued 19 March 2021	26,500,000	265,000	2,385,000	2,650,000
Issued 11 June 2021	3,311,258	33,113	716,887	750,000
Issued 5 October 2021	7,500,000	75,000	1,425,000	1,500,000
	61,211,258	**612,113**	**6,154,552**	**6,766,665**
Less share issue costs	-	-	(314,550)	(314,550)
As at 31 December 2022	**61,211,258**	**612,113**	**5,840,002**	**6,452,115**
As at 31 December 2023	**61,211,258**	**612,113**	**5,840,002**	**6,452,115**

On 15 March 2024, the Company announced a fund raise of c.£0.25m (before expenses) by way of a placing of 12,242,251 new Ordinary shares and 8,018,647 of "treasury' shares at a price of 1.25 pence. This increased the total number of shares in issue to 73,453,509.

18. OTHER EQUITY

Other equity consists of "Treasury Shares" in Critical Mineral Resources Plc that are held by the Company. These were gifted back to the Company in prior year for nil consideration and are therefore recognised in other equity at nil value. These have accounted for as Treasury shares, though they are not legally considered to be Treasury Shares as they were not "purchased" by the Company.

The number of shares gifted back to the Company amounts to 10,685,313 Ordinary shares and if recognised at fair value, at the listed price on day of transfer, would be stated at a fair value of £620,745.

8,018,647 of these shares were placed in March 2024 for a value of 1.25 pence per share, resulting in a fair value of £100,233 which will be recognised as other comprehensive profit in 2024.

19. DISPOSAL OF SUBSIDIAIRES

On 14 September 2023, the Company announced the completion of the sale of its Cyprus assets which had been originally agreed in the Share Purchase Agreement (the "SPA") with PM Ploutonic Metals Ltd ("Ploutonic") and Indo-European Mining PR Ltd ("Indo"), dated 26 January 2023. This was in line with the Heads of Agreement that was announced on 7 December 2022. The carrying value of these investments were revalued at 31 December 2022, in line with IFRS 5, at the fair value less costs to sell, at £424,328, resulting in an impairment of investments of £1,034,595 at the prior year end. The fair value less costs to sell is based on the agreed consideration for the Cypriot assets as per the SPA with the vendor. This is Level 3 on the fair value hierarchy.

This valuation did not include the "Revised Valuation Amount" of $432,000 which becomes payable, by the acquirer, if a new JORC or NI 43-101 compliant Troulli mineral resource estimate of 7.75 million tonnes or more at a 0.5% Copper equivalent or higher is reported. No amounts have been recognised in respect of this element of contingent consideration as there is currently insufficient visibility surrounding the probability of this condition being met.

The profit on disposal of the Cypriot assets is calculated as follows:

	£
Fair value of consideration received	**424,328**
Net assets disposed of (other than cash):	
Exploration assets (intangibles)	410,710
Property, plant and equipment	44,828
Trade and other receivables	34,065
Trade and other payables	(102,193)
Legal liability with BMG	(1,126,659)
Total of net liabilities at disposal	**(739,249)**
Less NCI share	33,764
Group's share of net assets on disposal	**(705,485)**
Less foreign exchange	705
Recognition of foreign exchange on disposal (see note 20)	212,323
Total profit on disposal	**1,342,841**

The following information relates to the Cypriot assets from 1 January 2023 to the disposal date of 14 September 2024.

	£
Operating losses	(36,988)
Net cash outflow	(26,194)

Year ended 31 December 2022

The following information relates to Cypriot assets which were disposed of in 2023 and presented as for held as sale in the year ended 31 December 2022.

	2022
	£
Operating losses	1,439,812
Impairment loss	2,918,303
Employment relating to discontinued operations	75,834
Cash outflows from discontinued operations	
Cash outflow from operating activities	(96,824)
Cash outflow from investing activities	(1,040,644)
Cash outflow from financing activities	-
Net cash outflow for the year	**(1,137,468)**
Assets and liabilities of disposal group held for sale as at 31 December 2022	
Intangible assets	410,711
Property, plant and equipment	44,828
Trade and other receivables	34,063
Cash and cash equivalents	26,194
Assets held for sale	**515,796**

Trade and other payables	(45,834)
Deferred tax liabilities	(45,635)
	(91,469)
Liability in subsidiary	(1,126,589)
Liabilities directly associated with the assets held for sale	**(1,218,058)**
Fair value of assets held for resale	**424,328**

In prior year the Group was required to recognise a liability of £1,126,589 in its loss from discontinued activities in relation to the Amendment dated 20 May 2021 to the SPA dated 14 April 2016 between NCC and BMG. This liability was recorded at its full value based on an undiscounted translation of an A$2 million possible payment that could arise for NCC from this disputed contract. The Group has disclaimed the liability and will defend any action taken against it in this matter. The Company has now disposed of these assets and therefore this potential liability is no longer in the Group.

The Board of NCC maintains that the intention behind the Amendment dated 20 May 2021 was for NCC to retain its ability to elect to pay the balance payment via a smelter royalty, as had been the case under the SPA. The fair value of assets held for resale do not include this liability– see note 25 for further details.

20. FOREIGN EXCHANGE TRANSLATION RESERVE

	£
As at 31 December 2021	**(19,599)**
Exchange differences on translating the net assets of foreign operations	232,772
Exchange movements associated with the NCI	(850)
As at 31 December 2022	**212,323**
Exchange movements recognised on the disposal of foreign operations (see note 19)	(212,323)
Exchange movements associated with the NCI	56
As at 31 December 2023	**56**

21. WARRANTS AND SHARE-BASED PAYMENTS

The following table sets out the movement of warrants during the year, no warrants were exercised during either year:

	Number of warrants	Exercise price (pence)
As at 31 December 2020	**5,400,000**	**5.0p**
Issued in the year	11,983,174	12.5p to 30.0p
As at 31 December 2021	**17,383,174**	**5.0p to 30.0p**
Issued in the year	1,000,000	5.0p
Cancelled in the year	(10,100,000)	5.0p to 25.0p
As at 31 December 2022	**8,283,174**	**5.0p to 30.0p**
Issued in the year	-	-
Expired in the year	(7,551,174)	12.5p to 30.0p
As at 31 December 2023	**732,000**	**5.0p to 20.0p**

The weighted average exercise price of the warrants at the year end is £0.14 (2022: £0.21). The weighted average life of the warrants at the year end is 0.54 years (2022: 0.58 years).

Cancelled warrants in prior year

The cancelled warrants were part of the settlement agreement with the former directors. The Company has transferred the amount of £167,485, which was initially recognised in the share-based payment reserve in relation to these cancelled warrants into retained earnings.

On 7 January 2022, 1,000,000 Bonus (2025) warrants were issued to Professor Michael Johnson at a price of 7.5p per share with an expiry date of 7 January 2025. These were issued in lieu of salary. The exercise price was subsequently reduced on 28 April 2022 to 5p per share. The warrants were valued, after repricing, at £47,942. These warrants were subsequently cancelled on 16 November 2022.

On 10 January 2022, the exercise price of the 2,000,000 Performance warrants, issued to Martyn Churchouse in 2021, was reduced to 12.5p and the expiry date was extended to 10 January 2025. On 3 May 2022, the exercise price of the 2,000,000 Bonus (2023) warrants, previously issued to Professor Michael Johnson was reduced to 5p. The original fair value of these warrants as recognised in prior year was £51,158. The value of this change £68,385, was debited to the profit and loss account in the current year. These warrants were subsequently cancelled on 16 November 2022.

1,800,000 Founder warrants, 2,300,000 Seed warrants and 1,000,000 Investor warrants were also cancelled on 16 November 2022, however as they have been determined as equity instruments under IAS 32 their cancellation had nil effect on the profit and loss reserve.

Current warrants

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

Date of Issue	**Reason for issue**	**No. of warrants**	**Exercise price pence per share**	**Remaining life in years**
25/01/2018	Founder warrants – dated from Admission	300,000	5.0p	0.2
05/10/2021	Broker warrants B – Cost of Services	432,000	20.0p	0.8
		732,000		

The Founder warrants have been determined as equity instruments under IAS 32 and as such have been issued at nil cost.

The fair value of the Broker B warrants was calculated using the Black Scholes model with inputs as detailed below:

	Broker (B) warrants
Share price	19.3p
Exercise price	20p
Expected life	2.5 years
Volatility	48%
Risk-Free Interest rate	0.13%
Expected dividends	-
Fair Values	£11,733

Expected volatility has been based on an evaluation of the historical volatility of similar Company's share prices in the same industry and listed on the same Exchange. The fair value has been discounted by 50% to account for the early stage development of the Company and limited liquidity due to its small cap nature.

Expired warrants

The following warrants expired in the year:

	Expiry date	**Treatment**	**Value**

Placing warrants	3,750,000	19.03.23	No effect	£nil
Broker warrants A	3,360,000	16.06.23	Recycle in profit and loss reserve	£17,797
Introduction warrants	441,174	05.10.23	Recycle in profit and loss reserve	£18,229
	7,551,174			£36,026

The placing warrants that expired during the year all related to Investor warrants and therefore had a nil effect on the profit and loss reserve. The remaining expired warrants will be recycled through the profit and loss reserve at their initial recorded value.

Share options
In prior year, on 25 November 2022, the Company granted options over a total of 4,400,000 Ordinary shares of 1 pence each in the capital of the Company with an exercise price of 7.5 pence per Ordinary share. 2,000,000 options were cancelled in the year, resulting in 2,400,000 options being outstanding at year end. None of these options has vested at year end.

The Options will vest in three instalments and will have an exercise period of five years. The first tranche will vest when the closing mid-market share price reaches 7.5 pence or above for three consecutive trading days. The second tranche will vest when the share price reaches 12.5 pence. The third tranche will vest when the share price reaches 17.5 pence.

The Board approved the issuance of these share option grants to incentivise and retain the Directors, who are considered key to enhancing the future market value of the Company and notes the premium of the exercise price relative to the current share price.

These options are valued in accordance with IFRS 2, as equity settled share-based payment transactions. £104,734 has been recognised as the fair value of employee compensation and this will be charged over a period of 5 years in the profit and loss account (£20,947 per annum). In the current year this charge was reduced to £11,426 (net £1,904) due to the forfeiting of 2 million options by a former Director. The fair value was calculated using the Black Scholes model for inputs and a Monte Carlo simulation; this application simulates the stock's share price for a specified number of days. The inputs are shown in the table below.

	Share Options
Share price	5.5p
Exercise price	7.5p
Expected life	5 years
Volatility	83%
Risk-Free Interest rate	3.04 %
Expected dividends	-
Fair Values	£0.024 per share

22. RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation.

Amounts owed to the parent company by subsidiaries are as follows:

Funding provided directly to the subsidiaries by the parent company during the year are as follows:

ARM £28,949

Transactions with Directors:
Remuneration due and paid and share options granted to the Directors is disclosed in the Remuneration Report on pages 24 to 28.

On 3 July 2023, the Company acquired 80% of the share capital of Atlantic Resource Minerals (ARM), a company incorporated in Morocco for £7,974. Noureddine Sabraoui owned 100% of ARM prior to acquisition and 20% post acquisition.

On 16 January 2024, the Company announced the proposed acquisition of Hesperis Resources SARL ("Hesperis"), a Moroccan registered company for an initial consideration of 3,000,000 Ordinary shares. Noureddine Sabraoui is a 25% beneficial owner of Hesperis. The Directors of the Company confirm that having exercised reasonable care, skill and diligence, the related party transaction is fair and reasonable insofar as the shareholders of Critical Mineral Resources are concerned.

Transactions with Other Related Parties:
On 30 January 2024, KM Securities Pty Ltd ("KM Securities"), in which Russell Thomson, a Non – Executive Director of the company is a 50% shareholder acquired 10 million Ordinary shares from EV Metals Group Plc (holding of 16.3%) .

On 15 March 2024, KM Securities acquired a further 2 million Ordinary shares in the Company.

On 26 January 2023, the Company signed the share purchase agreement (the "**SPA**") with PM Ploutonic Metals Ltd ("**Ploutonic**") and Indo-European Mining PR Ltd ("**Indo**") for the sale of the Company's Cyprus subsidiaries. Ploutonic and Indo are shareholders of the Company, holding as at the date of this announcement 1.3 and 8.39 percent respectively of the voting rights of the Company. The beneficial owner of Ploutonic is Andrew Daniels, a previous Non-Executive Director of the Company, and the beneficial owner of Indo is Pierre Richard. The independent directors of the Company have determined that the terms of the proposed transaction are fair and reasonable and in the best interest of its shareholders.

Mr Dominic Traynor is a Partner at Druces LLP who have provided the Company with legal services during the year costing £10,228 (2022: £16,884) and the balance due to Druces LLP at year end was £6,570 (2022: £6,323). Since being appointed as a Director of the Company Dominic has not been part of the legal team providing services to the Company.

23. COMMITMENTS, PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

On 14th September 2023, the Company announced the completion of the Cyprus Asset Sale to PM Ploutonic Metals Ltd ('Ploutonic') and Indo-European Mining PR Ltd ('Indo'). The Company is of the opinion that following this disposal the Company is no longer liable for the dispute noted below and therefore has not recognised any provisions or contingent liabilities in the 2023 Group accounts.

This sale includes the possibility of the Company receiving a contingent consideration with is based on the "Revised Valuation Amount" of £360,000 ($432,000). This becomes payable if a new JORC or NI43-101 compliant Troulli mineral resource estimate of 7.75 million tonnes or more at a 0.5% Copper equivalent or higher is reported. No amounts have been recognised in respect of this element of contingent consideration as there is currently insufficient visibility surrounding the probability of this condition being met.

In prior year, on 12 July 2022, the Company announced that BMG Resources Limited ("BMG") (a minority shareholder in TDL), had notified NCC that it had defaulted on a A$2m payment based upon BMG's interpretation of an amendment to the original share and purchase agreement between BMG, NCC and TDL dated 14 April 2016 (the "Original SPA"), *inter alia*, granting a put-option to BMG in respect of the acquisition of the balance 10% shares of TDL (the "Amendment"). BMG expressed its interest in exercising the put-option and NCC confirmed it elected to revert to payment through a net smelter royalty on 4 July 2022. The Board of NCC maintains that the intention behind the Amendment dated 20 May 2021 was for NCC to retain its ability to elect to pay the balance payment via a smelter royalty. BMG has invoked the dispute resolution process with NCC under the Original SPA.

The Group had not entered into any material capital commitments as at 31 December 2023 (2022: £nil).

24. FINANCIAL INSTRUMENTS – RISK MANAGEMENT

Capital risk management
The Directors' objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for Shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. At the date of these financial statements, the Group had been financed from equity and borrowings.

The Group is exposed through its operations to a number of risks, the most significant of which are credit risk, liquidity risk and foreign exchange risks. In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

Financial instruments
Categories of financial assets and liabilities
The carrying amounts presented in the Consolidated and Company Statement of financial position relate to the following categories of assets and liabilities:

	Group		Company	
	As at 31 December 2023 £	As at 31 December 2022 £	As at 31 December 2023 £	As at 31 December 2022 £
Financial assets measured at amortised cost:				
Trade and other receivables	104,827	561,302	102,268	527,237
Cash and cash equivalents	24,785	142,017	23,366	115,824
	129,612	**703,319**	**125,634**	**643,061**
Financial liabilities measured at amortised cost:				
Trade and other payables	257,894	95,826	255,780	95,826
Lease liabilities	77,078	85,435	77,078	85,435
Liability in subsidiary	-	1,126,589	-	-
	334,972	**1,307,850**	**332,858**	**181,261**

Financial risk management
The risk associated with the cash and cash equivalents is that the Group's banks will enter financial distress and be unable to repay the Group its cash on deposit. To mitigate this risk, cash and cash equivalents are only lodged with independent financial institutions designated with minimum rating "A" in the UK and only required working capital for a 2 month period is retained at overseas branches.

The risk associated with the other payables is that the Group will not have sufficient funds to settle the liability when it falls due.

General objectives, policies and processes
The Directors have overall responsibility for the determination of the Group's risk management objectives and policies. Further details regarding these policies are set out below:

Credit risk
The Group's credit risk arises from cash and cash equivalents with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted in the UK. The Group banks with Coutts & Co, part of the NatWest group, who have a Fitch Credit rating of A and therefore the credit risk is not considered material.

Liquidity risk
Liquidity risk arises from the Directors' management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group has disposed of its assets in Cyprus and the ongoing working capital requirements in relation to these assets. The Group has recently raised c.£0.25m and is still due to receive monies from the sale of its Cyprus assets. Further funding is being discussed with various parties and the Directors are aware that they need to raise further capital to meet the Group's working capital requirements.

Maturities of financial liabilities
The table below analyses the Group's financial liabilities in relation to continuing operations based on their undiscounted contractual maturities (cashflow):

	Within 12 months	*Between 2 and 5 years*
Lease liabilities	£	£
Vehicles	23,787	117,404

Currency risk
Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group reports in Pounds Sterling, but the functional currency of its subsidiary held at year end is the Moroccan Dirham (MAD). The Group does not currently hedge its exposure to other currencies. The Group's cash and cash equivalents are held in Pounds Sterling and MAD. At 31 December 2023, only 6% of the Group's cash and cash equivalent were held in MAD. Any movement in the exchange rate would not have a material effect on the Group's results as the Group does not have any significant assets or liabilities denominated in other currencies.

25. ULTIMATE CONTROLLING PARTY

The Directors consider that there is no ultimate controlling party.

26. EVENTS AFTER THE REPORTING DATE

After the year end the Company made the decision to:

On the 16th January 2024, the Company announced the proposed acquisition of 26 Moroccan permits through the acquisition of Hesperis Resources SARL. The agreement is split into two stages, with an Initial Consideration of 3,000,000 ordinary shares, followed by Deferred Consideration by the issue of 1,500,000 shares, conditional on CMR electing to commence exploration drilling on any one of the Hesperis permits.

On 15th March 2024, the Company announced that it had conditionally raised approximately £0.25 million by way of a placing of 12,242,251 new ordinary shares in the Company ('New Shares') and 8,018,647 ordinary shares held in the Company's name ('Treasury Shares') at a price of 1.25 pence per new Ordinary Share.