

**Company number: 11043077**

**CRITICAL MINERAL RESOURCES PLC**

**ANNUAL REPORT AND CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2024**

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**Company Information**

|                            |   |
|----------------------------|---|
| <b>Directors</b>           | Dominic Traynor<br>Charles Oliver Long<br>Noureddine Sabraoui<br>Russell Thomson                    |
| <b>Company Secretary</b>   | Orana Corporate LLP   |
| <b>Registered Office</b>   | Eccleston Yards<br>25 Eccleston Place<br>London SW1W 9NF  |
| <b>Company Number</b>      | 11043077  |
| <b>Independent Auditor</b> | PKF Littlejohn LLP<br>Statutory Auditor<br>15 Westferry Circus<br>Canary Wharf<br>London<br>E14 4HD |
| <b>Registrars</b>          | Share Registrars Limited<br>3 Millennium Centre<br>Crosby Way<br>Farnham<br>Surrey GU9 7XX          |
| <b>Brokers</b>             | Novum Securities Limited<br>8-10 Grosvenor Gardens<br>Belgravia<br>London SW1W 0DH                  |
| <b>Legal</b>               | Druces LLP<br>Salisbury House<br>London Wall<br>London EC2M 5PS                                     |

## Chief Executive Officer's Report

With Cyprus behind us, during 2024 we focused solely on developing the Moroccan operations and our portfolio of exploration and development permits. This involved field work on the Critical Mineral Resources ("CMR") portfolio, which sits within our subsidiary Atlantic Research Minerals, but primarily consisted of the assessment of multiple base metals and speciality metals opportunities across the country. By late Q3 the Board had started negotiations with the owner of what we believe to be a special copper development opportunity, a view based on the style of mineralisation, the scale potential and the trenching and mapping work completed by the current owner. We also collected our own data during several months of due diligence and formed our own assessment on the deposit's metallurgy.

We actually first visited the project in Q2 2023 and expressed our interest in entering a joint venture shortly afterwards. However, the owner wanted to complete its work programme to understand the grade and scale potential, and the project's overall economic feasibility, an internal study which it completed and shows excellent financial returns.

Our small team, which although sadly not omniscient, believes there is potential for many very good metals projects in Morocco, yet is very confident that this project is amongst the best. Negotiations have continued into Q1 2025 culminating in us entering into an exclusive, conditional term sheet which, once conditions have been satisfied will allow us to proceed with the formal transaction. Due to the work carried out in 2023 and 2024, the potential transaction has substantial exploration history including trenching and limited drilling which demonstrate continuity and ore-grade copper over a multi kilometre strike length. The orebody is shallow, gently dipping, open down dip and supportive of low Capex development and a very significant discovery.

The permits have been secured through an exclusivity agreement, and the target is a large copper deposit. The project is an analogue of an existing large and proximal development project, and the Board is confident this conditional transaction will transform CMR.

An initial exploration target of 100,000 to 200,000 tonnes of contained copper equivalent at circa 1.20%, open pit and shallow underground, has been calculated by our team. Although this is a target, and there is both upside and downside risk to this number, the work undertaken thus far strongly suggests whatever happens with the drill bit, there is sufficient tonnage and grade to take this project into production on an industrial scale. This fits perfectly with CMR's main strategy of securing one or more high quality development opportunities to complement the earlier stage projects in the portfolio.

I believe the project represents one of the best undeveloped copper projects in Morocco and is transformational for CMR. Although, the Company cannot yet provide a detailed update until the conditions are met, the CMR Board would like to assure investors it will provide more details and positive news shortly, once the outstanding conditions have been achieved. This will be followed by an exciting drill programme which once started is likely to continue until the end of 2025 and into 2026. Given the shallow nature of the mineralisation, we anticipate low cost drilling and a quick turnaround from drilling to assay results.

Other activities during the year included a review of the Hesperis Portfolio, due diligence at the high grade silver Igli Project and building up the metals and minerals trading business. These remain important to CMR and we will provide more material updates in due course. However, we have been prioritising our time and most of our capital on securing this company-making copper transaction, carrying out the due diligence and investments necessary to deliver a signed and announced formal earn-in agreement in the short term.



**Charles Long**  
CEO  
29 April 2025

## 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 2024.

### Principal Activity

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

### Review of Business and Operations

A review of the Group's Business and Operations is as detailed in the CEO's Report on page 4.

### Financial Review and Key Performance Indicators ("KPI")

#### (Loss)/profit for the year

The Group recorded a pre-tax loss of £928,680 for the year, compared to a profit of £248,048 in 2023. The prior year's profit included a £1,342,841 gain from the disposal of Cyprus assets.

The Company's operating loss for the period was £855,675 (2023: £1,025,471).

#### Cashflow and financing

During the year, net cash outflow from operating activities was £749,467 (2023: £798,389). Cash flow forecasts are reported to the Board monthly to ensure alignment with the budget, while long-term forecasts help ensure the business strategy remains adequately funded.

The Company raised approximately £153,000 through a placement of new ordinary shares and generated around £100,000 from the sale of its gifted shares. Additionally, £575,000 was raised through the issuance of Convertible Loan Notes (CLNs).

As a result, the Group recorded a net cash increase of £45,288 at year-end.

#### Balance Sheet

In 2024, current assets rose to £187,606 (2023: £168,419), primarily due to increased cash held by the Group and a £79,000 deposit held for exclusivity options on future acquisitions.

Total liabilities increased to £519,107 (2023: £334,972), largely driven by the issuance of CLNs during the year. At year end, the remaining CLNs were recorded at their face value of £215,560, following the conversion of a significant portion.

The only financial Key Performance Indicators "KPIs" for the Group used in the year are as follows.

| <i>Continuing activities:</i> | <b>2024</b> | <b>2023</b> |
|-------------------------------|-------------|-------------|
| Cash and cash equivalents     | £70,073     | £24,785     |
| Administrative expenses       | £898,919    | £1,104,615  |

Cash has been used to fund the Group's operations and facilitate its acquisition of future targets. Monitoring administrative expenses is a KPI as it reflects the Group's commitment to good cost control and responsible management of shareholders' funds.

**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 nominee accounts. The success of the Company is dependent on strategy and decision making of the Directors, the behaviour and actions of its employees and contractors, 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 and focused to investing and developing minerals projects in Morocco, where 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 use wind power. Copper is currently the main metal of interest due to its importance to global electrification and the expansion and replacement of ageing power distribution networks.

|  | <b>Shareholders</b>   |  |
|--|---|--|
|  | The Company publishes regular announcements to ensure shareholders are kept up to date with developments within the Group. The Board recognises that there have been prolonged periods of limited newsflow, however this is the nature of the Company's stage of development and the slow process of due diligence, negotiation and legal work required to reach completion. Going forward, in line with expectations of a significant transaction, the Directors expect to increase the number of face-to-face meetings with its shareholders and potential investors. |  |
|  | <b>Employees and contractors</b>  |  |
|  | 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 its staff to ensure any concerns they have are considered and action taken if necessary.  |  |
|  | <b>Suppliers</b>  |  |
|  | 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. Based on future activities, health and safety management by the Company is most important when drilling and geophysics work is undertaken.           |  |
|  | <b>Local community</b>  |  |
|  | At the subsidiary level, management and the Company's employees continue to maintain excellent relationships with the local communities where they operate. The Company regularly uses local businesses for the provision of certain services, specifically for geological prospecting assistance, earth works, food and shelter. This creates increased economic activity in the areas in which the Company operates. Local management also maintains regular dialogue with the local population and community leaders to ensure support for its activities.           |  |

| <b>Environment</b> |   |
|--------------------|---|
|                    | The Company's current activities are restricted to exploration related activities with trenching the most environmentally impactful. In some cases, trenches are backfilled, for safety and environmental reasons. Going forward the Company expects to be drilling exploration targets which includes a different range of environmental considerations including managing water runoff, fuel and other fluid spillages, and post-drilling rehabilitation. |

### **Business Conduct Standards**

The Company continues to consider its policies and procedures to ensure its business conduct is ethical and cost effective. The Board includes a Moroccan director who has country expertise and importantly, has excellent values which include respect for community, integrity and high standards of business practice. The Company 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 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 less important may apply.

The risk factors are summarised in the table below:

| <b>Description</b>   | <b>Impact</b> | <b>Mitigation</b>   |
|--|---------------|---|
| <b>Strategic risks</b>   |               |   |
| <ul style="list-style-type: none"> <li>• Successful acquisition of future opportunities to build shareholder value, the generation of future income streams or net asset growth may not materialise.</li> <li>• Competitors with significantly greater financial and technical resources will be able to outbid the Company on future upstream opportunities.</li> <li>• 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.</li> </ul> | High          | <ul style="list-style-type: none"> <li>• Board actively seeking to diversify current portfolio risk by acquiring further exploration assets.</li> <li>• The Company has a supportive shareholder base and will look to raise further finance as and when new opportunities present themselves.</li> <li>• The Company has supportive advisors and other stakeholders who show the Company assets available for potential acquisition and potential new investors.</li> <li>• 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.</li> </ul> |
| <b>Commodity prices</b>  |               |   |
| <ul style="list-style-type: none"> <li>• The value of further opportunities, assets and potential earnings, will be affected by fluctuations in metals and minerals prices (e.g. Copper).</li> <li>• High inflation including of talent are significantly increasing mining costs and this could affect valuations of future acquisitions.</li> </ul>  | Medium        | <ul style="list-style-type: none"> <li>• 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.</li> <li>• 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</li> </ul>   |

|  |        |  |
|--|--------|--|
|  |        | <p>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.</p> <ul style="list-style-type: none"> <li>Recent global tariffs and the change in the political environment are regularly assessed but no impact is noted due to the early stage of the Group's operations in Morocco.</li> </ul>  |
| <b>Foreign exchange (FX) risks</b>   |        |  |
| <ul style="list-style-type: none"> <li>The Company's investments and acquisitions are priced in US dollars and Moroccan dirhams (a currency which is pegged 60% to EUR and 40% to USD FX fluctuations).</li> </ul>   | Medium | <ul style="list-style-type: none"> <li>Regular review of currency requirements and currency movements to ensure the Board is aware of the short, medium and long term currency risks.</li> <li>Simple FX Policy based on securing the best FX rates where possible.</li> <li>The FX Policy will be updated to reflect larger currency exposures and risks as they occur, however the philosophy towards hedging is conservative, both for FX and commodity prices.</li> </ul>  |
| <b>Financial risks</b>   |        |  |
| <ul style="list-style-type: none"> <li>Difficulty raising external funding for new investment opportunities and exploration activities in volatile capital markets. The future availability of such financing is uncertain.</li> </ul>   | High   | <ul style="list-style-type: none"> <li>Regular review of cashflow, working capital and funding options are performed by the Board to ensure the Company remains a Going Concern.</li> <li>Build strong and sustainable relationships with shareholders and other investors. The Company placed some of the gifted shares post year end to avoid unnecessary dilution of the share base.</li> <li>Prudent approach to budgeting and strong financial stewardship - managing commitments and liquidity to ensure the Group has sufficient capital to meet spending commitments.</li> </ul> |
| <b>Environmental, social and governance risks ("ESG")</b>  |        |  |
| <ul style="list-style-type: none"> <li>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.</li> </ul> | Medium | <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>   |
| <b>Legal and compliance risks</b>  |        |  |
| <ul style="list-style-type: none"> <li>Bribery and corruption.</li> <li>London Stock Exchange or the Financial Conduct Authority Rule breaches</li> </ul>  | Medium | <ul style="list-style-type: none"> <li>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:</li> </ul>   |

|  |  |   |
|--|--|---|
|  |  | <ul style="list-style-type: none"> <li>○ Anti Bribery and Corruption Policy</li> <li>○ Whistle Blowing Policy</li> <li>○ Anti Money Laundering Policy</li> <li>● Board changes during the year 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.</li> </ul> |
|--|--|---|

## 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 2024 and are again encouraged to attend the next AGM that will be held in June 2025. Investors also have access to current information on the Group through its website, [www.cmrplc.com](http://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 7 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 three executive directors, Dominic Traynor, Charlie Long and Nouredine Sabraoui, and one non-executive Director, Russell Thomson. The Board is actively seeking an appropriate candidate to be an independent director. Further information about the directors can be found on the Company website at [www.cmrplc.com](http://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. 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.

Nouredine Sabraoui is 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, Nouredine 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 was formerly a Director and CFO of EV Metals Group plc and 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. Charlie Long and Nouredine Sabraoui are contracted to provide these services on an exclusive basis, though board approval may be given to engage in outside paid work and Dominic Traynor is engaged on a part-time basis. Russell Thomson acknowledges in his 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. There have been 20 formal Board meetings during 2024, and the volume and frequency of such meetings is expected to continue at this rate.

| <i>Director</i>    | <i>Number of formal board meetings with possible attendance record in 2024</i> |
|--------------------|--|
| Charles Long       | 15/15 Board  |
| Russell Thomson    | 12/15 Board, 3/3 Audit Committee, 2/2 Remuneration Committee                   |
| Dominic Traynor    | 15/15 Board, 3/3 Audit Committee, 2/2 Remuneration Committee                   |
| Nouredine Sabraoui | 12/15 Board  |

### **Principle Six**

#### *Appropriate Skills and Experience of the Directors*

The Board currently consists of four Directors, 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 instill 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. 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 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 was led by Dominic Traynor (Chair) for most of 2024 and then Russell Thomson became the Chair when Dominic became an executive director. 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 has met twice during 2024. It has met to approve changes in remuneration and to consider and approve the granting of share options 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 22.

### **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](http://www.cmrplc.com) and via Charlie Long, CEO, who is available to answer investor relations enquiries.

The Company acknowledges the recent changes to the QCA Code (2023) and remains committed to maintaining high standards of corporate governance. A full review of the updated Code will be conducted, and any necessary adjustments will be implemented in the next financial year to ensure compliance and alignment with best practices.

### 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  | <p>Assessment of the Group's ability to continue as a going concern as part of the preparation of the financial statements.</p> <p>This assessment of going concern covers a period of at least 12 months from the date of signing the financial statements.</p>  | <p>The Company has funded its operations during the year through equity raises and the issuance of CLNs. In addition to this funding, post year end the entered into an investment agreement with Gilini Holdings Ltd (the "Investor") which has committed to an investment of up to £2,500,000, of which £2,075,000 is structured to have an average price of 1.48p. At the date of the signing of these accounts the Company had received £425,000 of this investment. Management has concluded that the Company has enough funding to continue as a going concern for at least 12 months from the date of signing the financial statements.</p> |
| Recoverability of the final balance receivable in relation to the sale of Cypriot subsidiaries | <p>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.</p> | <p>Management is in regular dialogue with the acquirors and have put a payment plan in place to ensure these monies will be received once the related assets can be monetised. It has also been agreed that interest will be charged on the outstanding amount.</p> <p>The Company has made a full provision against this amount at year end as the timing of the repayment is not certain and have therefore taken a prudent approach to the recovery of this debt.</p>   |

#### *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 2025 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 all listed companies on a comply or disclose basis.

### TCFD Purpose

In contrast to the Streamlined Energy and Carbon Reporting (SECR) disclosures which requires listed companies to disclose their greenhouse gases emissions, CO<sub>2</sub> 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 (GHG) emissions as part of the Metrics and Targets section. This creates a degree of overlap with SECR requirements, however TCFD's main focus on emissions is to understand how GHG emissions may expose a company to future changes in law or legal challenges, 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

|                              |  |
|------------------------------|--|
| <b><i>Governance</i></b>     |  |
| Board of directors oversight | <p>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.</p> <p>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 such as solar or wind power. Climate change opportunity is embedded in our activity.</p> |
| Assessment and management    | <p>Climate related issues identified and discussed during the period include the availability of water for exploration and development projects in Morocco (risk) and the availability of improved solar and wind technology for mine power (opportunity). In Morocco, renewable energy may also present opportunities for power projects for non-mining industrial operations or complexes.</p>   |
| <b><i>Strategy</i></b>       |  |
| Risks and opportunities      | <p>Climate related issues identified and discussed include:</p> <ol style="list-style-type: none"> <li>1. the availability of water due to changes in precipitation patterns for a potential mining operation in Morocco (risk).</li> </ol>  |

|                               |   |
|-------------------------------|---|
|                               | <p>2. the improving technology and lower cost of renewable solar energy to power a mining operation (opportunity).</p> <p>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. Alongside global GDP growth, the electrification theme provides additional metal demand which is the basis for the Company's strategy.</p>   |
| Strategy                      | <p>The Company's strategy includes acquiring and developing mining projects directly exposed to the global and electrification economies of the future.</p> <p>The Company's historical and future acquisitions, investments and operations are intended to deliver the strategy of developing Clean Technology metals or minerals.</p> <p>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.</p>  |
| <b><i>Risk Management</i></b> |   |
| Risk identification           | <p>The Company has identified key climate change related risks as follows:</p> <ol style="list-style-type: none"> <li>1. Supplier disruption.</li> <li>2. Competition for clean technology related metals and minerals projects.</li> <li>3. Competition for equity capital between similar upstream companies in the clean technology metals sub sector.</li> <li>4. Climate change physical impacts on jurisdiction and regions where metals and minerals deposits are located.</li> <li>5. Potential for higher input costs, notably for fossil fuels and building materials such as cement and steel.</li> <li>6. Reduced demand for metal concentrates which have been produced using higher than average GHG emissions energy such as coal fired power.</li> </ol>  |
| Processes and management      | <p>The Company's strategy is to acquire and develop mining projects directly exposed to Clean Technology industries.</p> <p>A key part of the mine development process are the Pre-Feasibility and Feasibility studies ("PFS" and "FS"), both of which include investigations into mine emissions (gases and fluids) and waste (including tailings). The PFS and FS studies also include:</p> <ol style="list-style-type: none"> <li>1. Investigations into the use of new technologies (especially renewable sources of energy such as solar).</li> <li>2. Environmental baseline studies.</li> <li>3. Water supply studies, rainfall pattern change, and regional hydrogeology.</li> <li>4. Climate and weather patterns including average monthly temperatures.</li> </ol> <p>The PFS and FS studies are authored by independent technical experts and overseen by senior management and board members.</p> <p>For new project acquisitions, the company's due diligence processes include a desktop review which cover all the above potential risks and opportunities.</p> |

| <i>Metrics and Targets</i>     |   |
|--------------------------------|---|
| GHG metrics                    | <p>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:</p> <ol style="list-style-type: none"> <li>1. Travel in Morocco.</li> <li>2. International flights associated with due diligence.</li> <li>3. Employee / contractor accommodation and associated energy use.</li> </ol> <p>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 2025 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.</p> |
| Climate related physical risks | <p>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 a modest impact on productivity in Morocco. The Company is working on a metric which fairly quantifies these physical risks.</p>  |

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 non-financial 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**

CMR qualifies as a quoted company which has consumed less than 40MWh of energy, and as such is not required to report its emissions, energy usage and calculation methodologies.

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 2024, the Company estimated journey distance in miles based on recorded mileage. This was used to estimate fuel consumption, energy usage, CO<sub>2</sub> and other emissions. A similar approach was used to estimate the energy use involved in business travel, including flights, and hotel use. Excluding our Chief Operations Officer who is himself a geologist, our Moroccan operations included permanent employment of two geologists.

One of the requirements of the 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 GHG 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 will continue to improve these processes throughout the Group during 2025.

The SECR guidelines require the discloser to produce a base year of emissions against which subsequent years may be compared. The guidelines suggest this year be recalculated or rebased if and when the company experiences a significant structural or operational change, which for CMR could be the transition from exploration through development to production.

CMR is anticipating investing in a significant drilling campaign during 2025 and most probably into financial and calendar year 2026. This could be followed by a period of permitting, construction and production of one or more metals in concentrate. CMR is expecting drilling activity to result in an increase in emissions from a drilling rig engine. Once in production, the Company's emissions will include processing emissions in addition to an increase in energy consumption and the use of more mobile equipment and explosives. Our SECR policy is under consideration however it is likely to include setting new base years as the Company progresses through this timeline.

### **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 Moroccan Director. The Company also engages on a permanent basis a Moroccan senior geological consultant, who forms part of the senior management team in Morocco. Despite this the Company does not meet 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 seek 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 29 April 2025 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 2024 (with comparative figures for the twelve month period ended 31 December 2023).

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 2024.

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 and the identification of future acquisition targets and mineral trading opportunities in the same industry.

## Results and Dividends

The group loss for the year before taxation amounted to £928,680 (2023: Profit of £248,098). The prior year amount included a gain attributable to the disposal of the Cyprus assets of £1,263,579. Cash held by the Group as at 31 December 2024 was £70,073 (2023: £24,785).

The Directors do not recommend the payment of a dividend (2023: £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  
Russell Thomson

## Directors’ interests

The beneficial interests of the Directors who held office at 31 December 2024 and their connected parties in the share capital of the Company is included in the Remuneration report on pages 22-25.

## Substantial shareholders

The Company has been notified of the following interests of 3 per cent. or more in its issued share capital as at 23 April 2025:

|   | <b>Number of<br/>Ordinary<br/>shares</b> | <b>Percentage of<br/>overall<br/>holding</b> |
|---|--|--|
| Hargreaves Lansdown (Nominees) Limited  | 40,427,866                               | 29.9%  |
| Lawshare Nominees Limited   | 17,926,844                               | 13.2%  |
| The Bank of New York (Nominee) Limited  | 17,446,839                               | 12.9%  |
| Interactive Investor Services Nominees Limited                                | 17,359,137                               | 12.8%  |
| Williamsons Private Equity Pty Ltd (formerly KM Securities Pty Limited)*      | 12,000,000                               | 8.9%   |
| Russell Thomson (6.0M Shares held through Williamsons Private Equity Pty Ltd) | 6,734,535                                | 5.0%   |

*\*6 million of these shares are held by Russell Thomson*

### **Directors' remuneration**

Directors' remuneration is disclosed in the Directors' Remuneration Report on pages 22-25.

### **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. Further details are given on this in note 3 to 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 in June 2025 at its registered offices. The date of this will be communicated separately to shareholders.

### **Listing**

The Company's ordinary shares have been traded on the standard segment of the Main Market of the London Stock Exchange since 19 March 2021, and transitioned to the single segment under the new Equity Shares (transition) category effective 29 April 2024. 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 17-18.

### **Political and charitable contributions**

The Company made a charitable donation of £nil in 2024 (2023: £nil). 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 29 April 2025 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, an award of options and/or shares in line with individual performances.

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 of two 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 consider 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 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 £150,000 per annum (increased from £125,000 effective 1 August 2024).

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 for the parent company and Noureddine also received a salary of £12,530 in the year from ARM.

Dominic Traynor's original service agreement for Non-Executive services, dated 10 October 2022 was replaced on the 17 July 2024 with a new service agreement in line with his role as an executive chairman to the Company. It is not for a fixed term and may be terminated by the Company or the Executive Director by giving 6 months' notice. The salary was increased from £24,000 to £90,000 effective 1 August 2024

The Non-Executive Director, Russell Thomson, has a service agreements, dated 10 October 2022, with an appointment period of minimum three years, and thereafter until terminated by either party not giving less than one months' prior written notice. The current fees paid are £24,000.

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 2024 and 31 December 2023:

|                                  | Year ended 31 December 2024 |                          |                |  | Year ended 31 December 2023 |  |                                |
|----------------------------------|-----------------------------|--------------------------|----------------|--|-----------------------------|--|--------------------------------|
|                                  | Salary/<br>Fees<br>£        | Benefits<br>in kind<br>£ | TOTAL<br>£     | Amounts<br>outstanding<br>at year end<br>£ | TOTAL<br>£                  | Amounts<br>outstanding<br>at year end<br>£ | Change<br>year on<br>year<br>% |
| <b>Executive directors:</b>      |                             |                          |                |  |                             |  |                                |
| Chris Lambert <sup>1</sup>       | -                           | -                        | -              | -  | 151,866                     | 6,315                                      | N/A                            |
| Charlie Long                     | 135,417                     | 11,660                   | 147,077        | 45,833                                     | 131,125                     | 13,542                                     | 12%                            |
| Noureddine Sabraoui <sup>2</sup> | 72,530                      | -                        | 72,530         | 24,355                                     | 5,265                       | 4,355                                      | N/A                            |
| Dominic Traynor <sup>3</sup>     | 51,500                      | -                        | 51,500         | 31,917                                     | 38,667                      | 15,333                                     | 33%                            |
|                                  | <b>259,447</b>              | <b>11,660</b>            | <b>271,107</b> | <b>102,105</b>                             | <b>326,923</b>              | <b>39,545</b>                              |                                |
| <b>Non-executive directors:</b>  |                             |                          |                |  |                             |  |                                |
| Adrian England <sup>4</sup>      | -                           | -                        | -              | -  | 40,000                      | 4,027                                      | N/A                            |
| Russell Thomson                  | 24,000                      | -                        | 24,000         | 25,500                                     | 38,667                      | 35,333                                     | (38%)                          |
|                                  | <b>24,000</b>               | <b>-</b>                 | <b>24,000</b>  | <b>25,500</b>                              | <b>78,667</b>               | <b>39,360</b>                              |                                |
| <b>TOTAL</b>                     | <b>283,447</b>              | <b>11,660</b>            | <b>295,107</b> | <b>127,605</b>                             | <b>405,590</b>              | <b>78,905</b>                              | <b>(27%)</b>                   |

<sup>1</sup>Terminated as a Director on 20 December 2023

<sup>2</sup>Appointed as a Director on 19 December 2023

<sup>3</sup>Appointed as an Executive Director on 17 July 2024, prior year numbers have been reclassified to reflect this

<sup>4</sup>Resigned as a Director on 31 December 2023

**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:

|                              | 2024 number of<br>Ordinary shares | 2024 number of<br>share options | 2023 number of<br>Ordinary shares | 2023 number of<br>share options |
|------------------------------|-----------------------------------|---------------------------------|-----------------------------------|---------------------------------|
| Charles Oliver Long          | 2,203,605                         | 1,500,000                       | -                                 | 1,500,000                       |
| Noureddine Sabraoui          | 2,203,605                         | -                               | -                                 | -                               |
| Russell Thomson <sup>1</sup> | 6,734,535                         | 450,000                         | -                                 | 450,000                         |
| Dominic Traynor              | 2,853,605                         | 450,000                         | 650,000                           | 450,000                         |

<sup>1</sup>Mr Thomson holds 6,000,000 shares through Williamsons Private equity Pty Limited (formerly KM Securities Pty Limited)

**Equity Incentive Scheme**

On 22 July 2024, the Company issued equity to the Directors under the Company Equity Incentive Scheme and these were valued at the share price on the date of their Admission. The Scheme was constituted to incentivise eligible employees and further align their interests with those of shareholders with performance conditions relating to a long-term and sustainable increase in the value of the Company.

The total number of shares granted to an eligible employee will be divided by three - referred to as the first, second and third tranches. The first tranche will be released from forfeiture obligations if after 12 months the share price is 2.5p or higher, the second tranche will be released from forfeiture obligations if, after 24 months the share price is 3.5p or higher, and the third tranche will be released from forfeiture obligations if after 36 months the share price is 5.0p or higher.

**Share Options**

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**

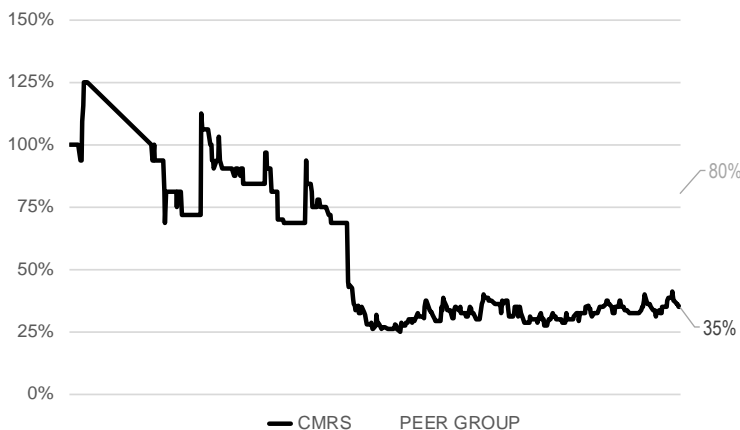
The table below illustrates the year-on-year change in total remuneration compared to distributions to shareholders and operational cash flow for the financial periods ended 31 December 2024 and 2023:

|                             | Distributions to shareholders<br>£ | Total directors and employee pay<br>£ | Operational cash outflow<br>£ |
|-----------------------------|------------------------------------|---------------------------------------|-------------------------------|
| Year ended 31 December 2024 | Nil                                | 295,107                               | 749,467                       |
| Year ended 31 December 2023 | Nil                                | 405,590                               | 798,389                       |

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 Main Market lists. The peer group index has the following constituents: Mkango Resources LTD, Kore Potash PLC, Xtract Resources PLC, Beowulf Mining PLC, Chesterfield Resources PLC, Power Metal Resources PLC and Harvest Minerals Limited, all mining exploration and development companies under a £30m market value. The chart below illustrates the Company’s share price performance from 31 December 2022 to 31 December 2024 compared to this relevant small cap mining peer group index.



**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**  
**29 April 2025**

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

**Opinion**

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 2024 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 2024 and of the group's loss 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 is reliant on the receipt of financing both through existing arrangements entered into post-year end, as well as on securing further financing in the 12 month period following the approval of the financial statements, in order to fund working capital requirements and project investment. 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:

- critically reviewing the cashflow forecasts and budgets prepared by management for the 12 month period to 30 April 2026, corroborating and providing challenge to key assumptions and inputs used, including obtaining relevant agreements relating to post-year end funding and understanding the key terms attached;
- comparing forecast expenditures to current year actual results and corroborating any significant variances;

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- obtaining an understanding of cash preservation measures, and corroborating to supporting documentation where applicable;
- comparing historic forecasts 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 (2023: £50,000) with performance materiality set at £35,000 (2023: £35,000). Materiality has been determined by using a 5% of loss before tax (2023: 5% of adjusted loss before tax, which was adjusted for the gain on disposal of subsidiaries). This is deemed to be the most relevant benchmark as the group is not revenue generating and is in early stages of exploration activity.

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 (2023: £2,500) 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 £45,000 (2023: £47,000), with performance materiality set at £31,500 (2023: £32,000). Materiality has been determined by using 5% of loss before tax for both years. We agreed with the audit committee that we would report all individual audit differences identified during the course of our audit in excess of £2,250 (2023: £2,350) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds. We also performed specific scope audit procedures of certain account balances and classes of transaction within the group's 80% owned subsidiary, Atlantic Research Minerals SARL, using a performance materiality of £17,500 based on a proportionate allocation of group performance materiality.

A benchmark of 70% (2023: 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 carrying value and recoverability of investments in subsidiary and intercompany loans, recoverability of the disposal of the Cypriot 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.

A full scope audit was performed on the parent company and specific scope audit work on the group's 80% owned subsidiary, with the key accounting function for both being located in the United Kingdom (2023: United Kingdom).

### **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

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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 matters described below to be the key audit matters to be communicated in our report.

| Key Audit Matter  | How our scope addressed this matter   |
|---|---|
| <p><b>Carrying value and recoverability of investments in subsidiary and intercompany loans (Notes 13 and 14)</b></p> <p>As at 31 December 2024, the Company's investment in its subsidiary and related receivables have a carrying value of £108k and £75k, respectively. The amounts relate to the group's 80% owned subsidiary, Atlantic Research Minerals SARL, which was acquired in the previous financial year.</p> <p>Given the continuing losses, there is a risk that the investment in subsidiary and related receivable balances are not recoverable in full.</p> <p>As a result of the level of judgement management is required to exercise in assessing the valuation and recoverability of these balances, we consider this to be a key audit matter.</p> | <p>Our work in this area included:</p> <ul style="list-style-type: none"> <li>• Verifying ownership of investment in subsidiary held as at 31 December 2024;</li> <li>• Reviewing the classification of the intercompany receivables in the financial statements and ensuring this is appropriate in light of any agreement/s in place in respect of these balances, as well as the substance of the arrangement;</li> <li>• As appropriate, considering whether indicators of impairment are present in accordance with IAS 36 in relation to the investment in subsidiary balance, or whether there is a need to recognise an expected credit loss provision in accordance with IFRS 9 in respect of the intercompany receivables;</li> <li>• Reviewing the carrying value of these balances against the value of underlying assets held by the subsidiary, as well as the progress achieved to date in respect of licencing and future work plans; and</li> <li>• Ensuring disclosures made in the financial statements in relation to critical accounting judgements are adequate.</li> <li>• Based on the procedures performed, we did not identify indicators of impairment to the year-end carrying values.</li> </ul> |

### 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

## **CRITICAL MINERAL RESOURCES PLC**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements 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.

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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;
  - 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;
  - Obtaining and reviewing the certificate of good standing in relation to the group's subsidiary in Morocco;
  - 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 carrying value of the investment in subsidiary and intercompany receivables. We addressed this by challenging the assumptions and judgements made by management in relation to this balance. The work performed on this area is disclosed above.
- 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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### 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 7 years, covering the periods ending 30 November 2018 to 31 December 2024.

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

15 Westferry Circus  
Canary Wharf  
London E14 4HD

*29 April 2025*

CRITICAL MINERAL RESOURCES PLC

Consolidated Statement of Profit or Loss and Other Comprehensive Income

|  | Notes | Year ended<br>31 December<br>2024<br>£ | Year ended<br>31 December<br>2023<br>£ |
|--|-------|--|--|
| <i>Continuing operations:</i>  |       |  |  |
| Administrative expenses  | 6     | (792,656)                              | (1,025,353)                            |
| Finance costs  | 7     | (38,203)                               | (5,204)                                |
| Interest income  |       | 8,442                                  | 15,076                                 |
| <b>Operating loss and loss before income tax</b>   |       | <b>(822,417)</b>                       | <b>(1,015,481)</b>                     |
| Income tax expense   | 9     | -                                      | -                                      |
| <b>Loss after taxation</b>   |       | <b>(822,417)</b>                       | <b>(1,015,481)</b>                     |
| <b>Total loss from continuing operations</b>   |       | <b>(822,417)</b>                       | <b>(1,015,481)</b>                     |
| (Loss)/gain from discontinued and disposed operations  | 19    | (106,263)                              | 1,263,579                              |
| <b>(Loss)/profit for the year</b>  |       | <b>(928,680)</b>                       | <b>248,098</b>                         |
| <b>Total (loss)/profit is attributable to:</b>   |       |  |  |
| Owners of Critical Mineral Resources plc   |       | (914,079)                              | 255,564                                |
| Non-controlling interests  |       | (14,601)                               | (7,466)                                |
|  |       | <b>(928,680)</b>                       | <b>248,098</b>                         |
| <b>Other comprehensive income:</b>   |       |  |  |
| <i>Items that may be reclassified to profit or loss:</i>   |       |  |  |
| Exchange differences on translation of continuing/<br>discontinued operations                          | 20    | (5,690)                                | 56                                     |
| <b>Total comprehensive (loss)/income for the year</b>  |       | <b>(934,370)</b>                       | <b>248,154</b>                         |
| <b>Total comprehensive (loss)/income is attributable to:</b>   |       |  |  |
| Owners of Critical Mineral Resources plc   |       | (920,493)                              | 255,620                                |
| Non-controlling interests  |       | (13,877)                               | (7,466)                                |
|  |       | <b>(934,370)</b>                       | <b>248,154</b>                         |
| <b>Total comprehensive (loss)/income attributable to<br/>Owners of Critical Mineral Resources plc:</b> |       |  |  |
| Continuing operations  |       | (814,230)                              | (1,007,959)                            |
| Discontinued operations  |       | (106,263)                              | 1,263,579                              |
|  |       | <b>(920,493)</b>                       | <b>255,620</b>                         |
| <b>Earnings per share:</b>   |       |  |  |
| <b>Total basic and diluted (loss)/profit per share (£):</b>  |       |  |  |
| Continuing operations  | 10    | (0.012)                                | (0.020)                                |
| Continuing and discontinued operations   | 10    | (0.013)                                | 0.004                                  |

The accounting policies and notes on pages 39 to 61 form part of these consolidated financial statements.

**CRITICAL MINERAL RESOURCES PLC**

**Consolidated Statement of Financial Position**

|   |              | As at<br>31 December<br>2024<br>£ | As at<br>31 December<br>2023<br>£ |
|---|--------------|-----------------------------------|-----------------------------------|
| <b>ASSETS</b>   | <b>Notes</b> |                                   |                                   |
| <i>Non-current assets</i>   |              |                                   |                                   |
| Intangible fixed assets   | 11           | 2,331                             | 2,331                             |
| Tangible fixed assets   | 12           | 54,699                            | 80,325                            |
| <b>Total non-current assets</b>   |              | <u>57,030</u>                     | <u>82,656</u>                     |
| <i>Current assets</i>   |              |                                   |                                   |
| Other receivables   | 14           | 117,533                           | 143,634                           |
| Cash and cash equivalents   |              | 70,073                            | 24,785                            |
| <b>Total current assets</b>   |              | <u>187,606</u>                    | <u>168,419</u>                    |
| <b>Total assets</b>   |              | <u>244,636</u>                    | <u>251,075</u>                    |
| <b>LIABILITIES</b>  |              |                                   |                                   |
| <i>Non-current liabilities</i>  |              |                                   |                                   |
| Lease liabilities   | 16           | (34,980)                          | (53,494)                          |
| <b>Total non-current liabilities</b>  |              | <u>(34,980)</u>                   | <u>(53,494)</u>                   |
| <i>Current liabilities</i>  |              |                                   |                                   |
| Trade and other payables  | 15           | (244,983)                         | (257,894)                         |
| Convertible loan notes  | 15           | (215,560)                         | -                                 |
| Lease liabilities   | 12           | (23,584)                          | (23,584)                          |
| <b>Total current liabilities</b>  |              | <u>(484,127)</u>                  | <u>(281,478)</u>                  |
| <b>Total liabilities</b>  |              | <u>(519,107)</u>                  | <u>(334,972)</u>                  |
| <b>Net liabilities</b>  |              | <u>(274,471)</u>                  | <u>(83,897)</u>                   |
| <b>EQUITY</b>   |              |                                   |                                   |
| Share capital   | 17           | 1,149,318                         | 612,113                           |
| Share premium   | 17           | 5,913,081                         | 5,840,002                         |
| Other equity  | 18           | 117,141                           | -                                 |
| Share-based payments reserve  |              | 39,222                            | 34,584                            |
| Foreign exchange reserve  | 20           | (6,358)                           | 56                                |
| Retained earnings   |              | (7,467,704)                       | (6,565,358)                       |
| Capital and reserves attributable to owners of Critical Mineral Resources plc |              | <u>(255,300)</u>                  | <u>(78,603)</u>                   |
| Non-controlling interests   |              | (19,171)                          | (5,294)                           |
| <b>Total equity</b>   |              | <u>(274,471)</u>                  | <u>(83,897)</u>                   |

The accounting policies and notes on pages 39 to 61 form part of these consolidated financial statements.

The Financial Statements were approved and authorised for issue by the Board on 29 April 2025 and were signed on its behalf by:



Charlie Long, Director

CRITICAL MINERAL RESOURCES PLC

Parent Company Statement of Financial Position

|                                      | Notes | As at<br>31 December<br>2024<br>£ | As at<br>31 December<br>2023<br>£ |
|--------------------------------------|-------|-----------------------------------|-----------------------------------|
| <b>ASSETS</b>                        |       |                                   |                                   |
| <i>Non-current assets</i>            |       |                                   |                                   |
| Tangible fixed assets                | 12    | 54,699                            | 80,325                            |
| Investments in subsidiary            | 13    | 107,881                           | 35,700                            |
| <b>Total non-current assets</b>      |       | <b>162,580</b>                    | <b>116,025</b>                    |
| <i>Current assets</i>                |       |                                   |                                   |
| Other receivables                    | 14    | 175,727                           | 139,930                           |
| Cash and cash equivalents            |       | 9,188                             | 23,366                            |
| <b>Total current assets</b>          |       | <b>184,915</b>                    | <b>163,296</b>                    |
| <b>Total assets</b>                  |       | <b>347,495</b>                    | <b>279,321</b>                    |
| <b>LIABILITIES</b>                   |       |                                   |                                   |
| <i>Non-current liabilities</i>       |       |                                   |                                   |
| Lease liabilities                    | 16    | (34,980)                          | (53,494)                          |
| <b>Total non-current liabilities</b> |       | <b>(34,980)</b>                   | <b>(53,494)</b>                   |
| <i>Current liabilities</i>           |       |                                   |                                   |
| Trade and other payables             | 15    | (238,787)                         | (255,780)                         |
| Convertible loan notes               | 15    | (215,560)                         | -                                 |
| Lease liabilities                    | 12    | (23,584)                          | (23,584)                          |
| <b>Total current liabilities</b>     |       | <b>(477,931)</b>                  | <b>(279,364)</b>                  |
| <b>Total liabilities</b>             |       | <b>(512,911)</b>                  | <b>(332,858)</b>                  |
| <b>Net assets</b>                    |       | <b>(165,416)</b>                  | <b>(53,537)</b>                   |
| <b>EQUITY</b>                        |       |                                   |                                   |
| Share capital                        | 17    | 1,149,318                         | 612,113                           |
| Share premium                        | 17    | 5,913,081                         | 5,840,002                         |
| Other equity                         | 18    | 117,141                           | -                                 |
| Share-based payments reserve         |       | 39,222                            | 34,584                            |
| Retained earnings                    |       | (7,384,178)                       | (6,540,236)                       |
| <b>Total equity</b>                  |       | <b>(165,416)</b>                  | <b>(53,537)</b>                   |

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 £855,675 (2023: loss of £1,025,471).  
The accounting policies and notes on pages 39 to 61 form part of these financial statements.

The Financial Statements were approved and authorised for issue by the Board on 29 April 2025 and were signed on its behalf by:



Charlie Long, Director

CRITICAL MINERAL RESOURCES PLC

Consolidated Statement of Changes in Equity

|   | Share capital<br>£ | Share premium<br>£ | Other equity<br>£ | Share-based payment reserve<br>£ | Retained earnings<br>£ | Foreign exchange reserve<br>£ | Non-controlling interests<br>£ | Total<br>£       |
|---|--------------------|--------------------|-------------------|----------------------------------|------------------------|-------------------------------|--------------------------------|------------------|
| <b>Balance as at 31 December 2022</b>                               | <b>612,113</b>     | <b>5,840,002</b>   | -                 | <b>68,706</b>                    | <b>(6,856,948)</b>     | <b>212,323</b>                | <b>(32,756)</b>                | <b>(156,560)</b> |
| <i>Comprehensive income</i>   |                    |                    |                   |                                  |                        |                               |                                |                  |
| Loss for the year   | -                  | -                  | -                 | -                                | 255,564                | -                             | (7,466)                        | 248,098          |
| Exchange differences on translation of foreign operations           | -                  | -                  | -                 | -                                | -                      | (1,108)                       | 1,164                          | 56               |
| <b>Total comprehensive income for the year</b>                      | <b>-</b>           | <b>-</b>           | <b>-</b>          | <b>-</b>                         | <b>255,564</b>         | <b>(1,108)</b>                | <b>(6,302)</b>                 | <b>248,154</b>   |
| <i>Transactions with owners in their capacity as owners</i>         |                    |                    |                   |                                  |                        |                               |                                |                  |
| Elimination of NCI and foreign exchange on disposal                 | -                  | -                  | -                 | -                                | -                      | (211,159)                     | 33,764                         | (177,395)        |
| Share-based payments  | -                  | -                  | -                 | 1,904                            | -                      | -                             | -                              | 1,904            |
| Cancelled warrants  | -                  | -                  | -                 | (36,026)                         | 36,026                 | -                             | -                              | -                |
| <b>Total transactions with owners recognised directly in equity</b> | <b>-</b>           | <b>-</b>           | <b>-</b>          | <b>(34,122)</b>                  | <b>36,026</b>          | <b>(211,159)</b>              | <b>33,764</b>                  | <b>(175,491)</b> |
| <b>Balance as at 31 December 2023</b>                               | <b>612,113</b>     | <b>5,840,002</b>   | -                 | <b>34,584</b>                    | <b>(6,565,358)</b>     | <b>56</b>                     | <b>(5,294)</b>                 | <b>(83,897)</b>  |
| <i>Comprehensive income</i>   |                    |                    |                   |                                  |                        |                               |                                |                  |
| Loss for the year   | -                  | -                  | -                 | -                                | (914,079)              | -                             | (14,601)                       | (928,680)        |
| Exchange differences on translation of foreign operations           | -                  | -                  | -                 | -                                | -                      | (6,414)                       | 724                            | (5,690)          |
| <b>Total comprehensive income for the year</b>                      | <b>-</b>           | <b>-</b>           | <b>-</b>          | <b>-</b>                         | <b>(914,079)</b>       | <b>(6,414)</b>                | <b>(13,877)</b>                | <b>(934,370)</b> |
| <i>Transactions with owners in their capacity as owners</i>         |                    |                    |                   |                                  |                        |                               |                                |                  |
| Issue of shares   | 537,205            | 86,775             | -                 | -                                | -                      | -                             | -                              | 623,980          |
| Gifted shares issued  | -                  | -                  | 117,141           | -                                | -                      | -                             | -                              | 117,141          |
| Cost of shares issued   | -                  | (13,696)           | -                 | -                                | -                      | -                             | -                              | (13,696)         |
| Warrant charge  | -                  | -                  | -                 | 4,945                            | -                      | -                             | -                              | 4,945            |
| Share-based payments  | -                  | -                  | -                 | 11,426                           | -                      | -                             | -                              | 11,426           |
| Lapsed warrants   | -                  | -                  | -                 | (11,733)                         | 11,733                 | -                             | -                              | -                |
| <b>Total transactions with owners recognised directly in equity</b> | <b>537,205</b>     | <b>73,079</b>      | <b>117,141</b>    | <b>4,638</b>                     | <b>11,733</b>          | <b>-</b>                      | <b>-</b>                       | <b>743,796</b>   |
| <b>Balance as at 31 December 2024</b>                               | <b>1,149,318</b>   | <b>5,913,081</b>   | <b>117,141</b>    | <b>39,222</b>                    | <b>(7,467,704)</b>     | <b>(6,358)</b>                | <b>(19,171)</b>                | <b>(274,471)</b> |

CRITICAL MINERAL RESOURCES PLC

Parent Company Statement of Changes in Equity

|   | Share<br>capital<br>£ | Share<br>premium<br>£ | Other<br>equity<br>£ | Share-<br>based<br>payment<br>reserve<br>£ | Retained<br>earnings<br>£ | Total<br>£         |
|---|-----------------------|-----------------------|----------------------|--|---------------------------|--------------------|
| <b>Balance at 31 December 2022</b>                                  | <b>612,113</b>        | <b>5,840,002</b>      | -                    | <b>68,706</b>                              | <b>(5,550,791)</b>        | <b>970,030</b>     |
| <i>Comprehensive income</i>   |                       |                       |                      |  |                           |                    |
| Loss for the year   | -                     | -                     | -                    | -  | (1,025,471)               | (1,025,471)        |
| <b>Total comprehensive income for the year</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>                                   | <b>(1,025,471)</b>        | <b>(1,025,471)</b> |
| <i>Transactions with owners recognised directly in equity</i>       |                       |                       |                      |  |                           |                    |
| Share-based payments  | -                     | -                     | -                    | 1,904                                      | -                         | 1,904              |
| Cancelled warrants  | -                     | -                     | -                    | (36,026)                                   | 36,026                    | -                  |
| <b>Total transactions with owners recognised directly in equity</b> | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>(34,122)</b>                            | <b>36,026</b>             | <b>1,904</b>       |
| <b>Balance as at 31 December 2023</b>                               | <b>612,113</b>        | <b>5,840,002</b>      | -                    | <b>34,584</b>                              | <b>(6,540,236)</b>        | <b>(53,537)</b>    |
| <i>Comprehensive income</i>   |                       |                       |                      |  |                           |                    |
| Loss for the year   | -                     | -                     | -                    | -  | (855,675)                 | (855,675)          |
| <b>Total comprehensive income for the year</b>                      | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>-</b>                                   | <b>(855,675)</b>          | <b>(855,675)</b>   |
| <i>Transactions with owners recognised directly in equity</i>       |                       |                       |                      |  |                           |                    |
| Issue of shares   | 537,205               | 86,775                | -                    | -  | -                         | 623,980            |
| Gifted shares issued  | -                     | -                     | 117,141              | -  | -                         | 117,141            |
| Cost of shares issued   | -                     | (13,696)              | -                    | -  | -                         | (13,696)           |
| Warrant charge  | -                     | -                     | -                    | 4,945                                      | -                         | 4,945              |
| Share-based payments  | -                     | -                     | -                    | 11,426                                     | -                         | 11,426             |
| Lapsed warrants   | -                     | -                     | -                    | (11,733)                                   | 11,733                    | -                  |
| <b>Total transactions with owners recognised directly in equity</b> | <b>537,205</b>        | <b>73,079</b>         | <b>117,141</b>       | <b>4,638</b>                               | <b>11,733</b>             | <b>743,796</b>     |
| <b>Balance as at 31 December 2024</b>                               | <b>1,149,318</b>      | <b>5,913,081</b>      | <b>117,141</b>       | <b>39,222</b>                              | <b>(7,384,178)</b>        | <b>(165,416)</b>   |

CRITICAL MINERAL RESOURCES PLC

Consolidated Statement of Cash Flows

|   |       | Year ended<br>31 December<br>2024 | Year ended<br>31 December<br>2023 |
|---|-------|-----------------------------------|-----------------------------------|
|   | Notes | £                                 | £                                 |
| <b>Cash flow from operating activities</b>                      |       |                                   |                                   |
| (Loss)/profit for the period before taxation                    |       | (928,680)                         | 248,098                           |
| <i>Adjustments for:</i>   |       |                                   |                                   |
| Interest paid   |       | 38,203                            | 5,204                             |
| Interest income   |       | (8,442)                           | (15,076)                          |
| Foreign exchange movements                                      |       | (1,225)                           | 30,287                            |
| Gain on disposed group subsidiaries                             |       | -                                 | (1,342,841)                       |
| Share-based payments  |       | 111,861                           | 1,904                             |
| ECL provision   |       | 106,263                           | 79,256                            |
| Depreciation  | 12    | 25,626                            | 55,197                            |
| <b>Operating cash flows before movements in working capital</b> |       | <b>(656,394)</b>                  | <b>(937,971)</b>                  |
| Increase in trade and other receivables                         |       | (80,162)                          | (14,129)                          |
| (Decrease)/increase in trade and other payables                 |       | (12,911)                          | 153,711                           |
| <b>Net cash used in operating activities</b>                    |       | <b>(749,467)</b>                  | <b>(798,389)</b>                  |
| <b>Cash flow from investing activities</b>                      |       |                                   |                                   |
| Payment for acquisition of subsidiary                           |       | -                                 | (7,974)                           |
| Proceeds from sale of subsidiary                                |       | -                                 | 257,641                           |
| Deposit on potential acquisition                                |       | -                                 | 500,000                           |
| <b>Net cash inflow from investing activities</b>                |       | <b>-</b>                          | <b>749,667</b>                    |
| <b>Cash flow from financing activities</b>                      |       |                                   |                                   |
| Proceeds from issue of shares                                   | 17    | 153,029                           | -                                 |
| Proceeds from issue of gifted shares                            | 18    | 100,233                           | -                                 |
| Cost of share issue   | 17    | (13,696)                          | -                                 |
| Finance lease payments  |       | (18,514)                          | (63,307)                          |
| Interest paid   |       | (5,268)                           | (5,204)                           |
| Interest and income received                                    |       | 3,971                             | -                                 |
| Proceeds from CLNs  | 15    | 575,000                           | -                                 |
| <b>Net cash inflow/(outflow) from financing activities</b>      |       | <b>794,755</b>                    | <b>(68,511)</b>                   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>     |       | <b>45,288</b>                     | <b>(117,233)</b>                  |
| Cash and cash equivalent at beginning of period                 |       | 24,785                            | 142,018                           |
| <b>Cash and cash equivalent at end of period</b>                |       | <b>70,073</b>                     | <b>24,785</b>                     |

**Significant non-cash transactions**

The only significant non-cash transactions in either year are set out in note 19. These are in relation to the discontinued operations, the gain in the disposal of subsidiaries and the loss from the estimated credit loss provision.

The accounting policies and notes on pages 39 to 61 form part of these financial statements.

CRITICAL MINERAL RESOURCES PLC

Parent Company Statement of Cash Flows

|   | Notes | Year ended<br>31 December<br>2024<br>£ | Year ended<br>31 December<br>2023<br>£ |
|---|-------|--|--|
| <b>Cash flow from operating activities</b>                      |       |  |  |
| Loss for the period before taxation                             |       | (855,675)                              | (1,025,471)                            |
| <i>Adjustments for:</i>   |       |  |  |
| Finance and other income  |       | (11,062)                               | (15,606)                               |
| Interest paid   |       | 38,203                                 | 5,034                                  |
| Depreciation  | 12    | 25,626                                 | 55,197                                 |
| ECL provision   |       | 106,263                                | 79,256                                 |
| Share-based payments  |       | 111,861                                | 1,904                                  |
| Foreign exchange movement                                       |       | 6,525                                  | 3,959                                  |
| <b>Operating cash flows before movements in working capital</b> |       | <b>(578,259)</b>                       | <b>(895,727)</b>                       |
| Increase in trade and other receivables                         |       | (66,998)                               | (10,426)                               |
| (Decrease)/increase in trade and other payables                 |       | (16,933)                               | 159,564                                |
| <b>Net cash used in operating activities</b>                    |       | <b>(662,190)</b>                       | <b>(746,589)</b>                       |
| <b>Cash flow from investing activities</b>                      |       |  |  |
| Investment in subsidiaries through cash advances                |       | (147,243)                              | (27,196)                               |
| Payment for acquisition of subsidiary                           |       | -                                      | (7,974)                                |
| Deposit on potential acquisition                                |       | -                                      | 500,000                                |
| Proceeds from sale of subsidiary                                |       | -                                      | 257,641                                |
| <b>Net cash (outflow)/inflow from investing activities</b>      |       | <b>(147,243)</b>                       | <b>722,471</b>                         |
| <b>Cash flow from financing activities</b>                      |       |  |  |
| Proceeds from issue of shares                                   | 17    | 153,029                                | -                                      |
| Proceeds from issue of gifted shares                            | 18    | 100,233                                | -                                      |
| Cost of share issue   | 17    | (13,696)                               | -                                      |
| Finance lease payments  |       | (18,514)                               | (63,306)                               |
| Interest paid   |       | (5,268)                                | (5,034)                                |
| Interest and income received                                    |       | 4,471                                  | -                                      |
| Proceeds from CLNs  | 15    | 575,000                                | -                                      |
| <b>Net cash inflow/(outflow) from financing activities</b>      |       | <b>795,255</b>                         | <b>(68,340)</b>                        |
| <b>Net decrease in cash and cash equivalents</b>                |       | <b>(14,178)</b>                        | <b>(92,458)</b>                        |
| Cash and cash equivalent at beginning of period                 |       | 23,366                                 | 115,824                                |
| <b>Cash and cash equivalent at end of period</b>                |       | <b>9,188</b>                           | <b>23,366</b>                          |

**Significant non-cash transactions**

The only significant non-cash transactions in either year are set out in note 19. These are in relation to the discontinued operations, the gain in the disposal of subsidiaries and the loss from the estimated credit loss provision.

The accounting policies and notes on pages 39 to 61 form part of these financial statements.

**CRITICAL MINERAL RESOURCES PLC**  
**NOTES TO THE CONSOLIDATED 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 Ecclestone Yards, 25 Ecclestone Place, London, SW1W 9NF.

**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 2024 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. However, they are not expected to have any material impact.

| <b>Standard</b>  | <b>Effective date</b>                | <b>Overview</b>  |
|--|--------------------------------------|--|
| IFRS 18 Presentation and Disclosure in Financial Statements and<br><br>IFRS 19 Subsidiaries without Public Accountability: Disclosures | 1 January 2027                       | IFRS 18 (replacing IAS 1) introduces new profit or loss presentation requirements to enhance comparability. Early adoption is allowed, but UK/EU endorsement is pending (UK expected late 2025).<br><br>IFRS 19 allows eligible subsidiaries to apply IFRS with reduced disclosures, simplifying group reporting. Early adoption is permitted, but special rules apply if adopted before IFRS 18. UK/EU endorsement is also pending, with UK considerations for FRS 101’s framework. |
| UK Sustainability Reporting Standards  | 1 January 2026 (expected no earlier) | The UK Government's endorsement of ISSB’s IFRS Sustainability Disclosure Standards is expected in early 2025, with UK Sustainability Reporting Standards (UK SRS) available by Q1 2025. The FCA may require UK-listed companies to apply UK SRS, while the Government will decide on broader mandatory disclosures. UK SRS will be effective no earlier than 1 January 2026 and align with existing TCFD-based regulations, aiming to avoid reporting duplication.                   |

**CRITICAL MINERAL RESOURCES PLC**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**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 policies 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 its Moroccan subsidiary ARM, which was acquired on 3 July 2023, is the Moroccan Dirham, as this is the currency that mainly influences 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 10 March 2025, the Company announced it had signed an investment agreement with Gilini Holdings Ltd (the "Investor") which has committed to an investment of up to £2,500,000, of which £2,075,000 is structured to have an average price of 1.48p. The first £425,000 investment was received by the Company in March 2025. The Subsequent Finance is contingent on the Company entering into a formal agreement on one or more development projects in Morocco, most likely to be copper or manganese. On 20 March 2025, the Company announced that it had secured an additional £462,474 (US\$600,000) through the issue of convertible loan notes, convertible into ordinary shares in the Company at £0.0145 per share, accruing interest of 5% per annum with a redemption date of 31 December 2025.

The Group is reliant on the receipt of financing both through existing arrangements entered into post-year end as set out above, as well as on securing further financing in the 12-month period following the approval of the financial statements, in order to fund working capital requirements and any other project investment. Therefore, this indicates 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.

The Group and 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 that this

## **CRITICAL MINERAL RESOURCES PLC**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

subsequent financing will be received and therefore have concluded there is a reasonable expectation that the Group 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 affect 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

## **CRITICAL MINERAL RESOURCES PLC**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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

## **CRITICAL MINERAL RESOURCES PLC**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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:

Vehicles – 4 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.

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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 to 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.

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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.

#### **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 share-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.

#### **Gifted Shares/Other equity**

Gifted shares are presented within other equity at the consideration paid for them. (this was £nil as they were gifted shares). No gain or loss on the purchase, sale, issue or cancellation is recognised in the profit or loss account. 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 ("Other equity").

#### **Borrowings - Convertible Loan Notes ('CLNs')**

Where the equity component is material, CLNs are split into a liability component (measured at amortised cost) and an equity component (residual value). The liability is initially recognised at the present value of future cash flows, discounted at a market rate for similar non-convertible debt. The equity component is recorded in equity and not subsequently remeasured.

Upon conversion, the liability is extinguished and transferred to equity without any gain or loss. If settled early, any difference between the carrying amount and settlement price is recognised in profit or loss.

If the equity component is not material, the entire CLN is treated as a financial liability at amortised cost.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

Warrants issued as part of CLNs have been determined as equity instruments under IAS 32 and are considered to have been issued at nil value.

#### **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 payment**

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).

Investor 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.

#### **Equity incentive scheme**

The Group operates an equity incentive scheme under which conditional share awards are granted to employees and directors. These awards are conditional on market performance criteria but are issued in full at the grant date, with no vesting period in accordance with IFRS 2 *Share-based Payment*, the fair value of the share-based payment is measured as the number of shares granted multiplied by the market value of the shares on the grant date. As the shares are issued immediately, the full expense is recognised in the income statement at the grant date, with a corresponding credit to equity.

No further expense is recognised in future periods, and no adjustments are made for non-market conditions.

#### **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.

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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.

**Company only - Critical judgement in the impairment assessment of investment in subsidiaries and recoverability of intragroup balances (see note 13 and 14)**

In preparing the parent company financial statements, the Directors apply their judgement to decide if any or all of the Company's investment (including capital contributions) in its subsidiary should be impaired and whether the intragroup balances is recoverable.

After a review of the licences and opportunities held by its subsidiary, the Directors do not believe an impairment is appropriate in relation to the investment in its subsidiary and that intragroup balances are fully recoverable.

**Recoverability of other receivables (see note 14)**

The Company completed its sale of its Cypriot subsidiaries on 14 September 2023. As at 31 December 2024, £185,520 of this consideration is still outstanding. In the prior year, management measured the recoverability of this receivable, the expected credit loss (ECL), using a discounted cash flow over the receivables expected repayment plan and made a provision of £79,256. In the current year, the Board have made the judgement that the receivable may not be recovered and have therefore increased the provision made in the prior year to cover all of the debt, including the interest due.

**Equity incentive scheme (see note 21)**

The Group has exercised judgement in determining the appropriate accounting treatment for its equity incentive scheme, under which conditional share awards are granted. Although the awards are subject to market performance conditions, all shares were issued immediately at the grant date with no vesting period.

Management has judged that, in line with IFRS 2 *Share-based Payment*, the fair value of the awards is appropriately measured as the number of shares granted multiplied by their market value at the grant date. As there is no vesting period and the shares were issued immediately, the full expense has been recognised in the income statement at the grant date. This treatment reflects the substance of the arrangement and the absence of any ongoing service requirement.

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**(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.

**Convertible loan notes and warrants (see note 15)**

The Group has issued convertible loan notes (CLNs) with attached warrants. Estimation is required to determine the appropriate accounting treatment and fair value of each component: the host debt, the embedded conversion option, and the warrants.

The CLN is separated into its components in line with IAS 32 and IFRS 9 and:

- **Host debt** was measured at amortised cost, with initial fair value being its face value due to the short timeframe of the debt.
- **Conversion option**, the equity component was not considered to be material and therefore the entire CLN is treated as a financial liability at amortised cost.
- **Warrants** have been assessed as equity instruments under IAS 32 and have therefore no adjustment has been made to recognise these separately as they form part of the equity component which is immaterial.

**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; and
- Mineral exploration, based in Morocco.

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

| <b>Year ending 31<br/>December 2024</b>                        | <i>(Continuing<br/>operations)</i><br><b>Corporate and<br/>Administrative<br/>(UK)</b><br>£ | <i>(Continuing<br/>operations)</i><br><b>Mineral<br/>exploration<br/>(Morocco)</b><br>£ | <i>(Discontinued<br/>operations)</i><br><b>Mineral<br/>exploration<br/>(Cyprus)</b><br>£ | <b>TOTAL</b><br>£ |
|--|---|---|--|-------------------|
| Operating loss from total operations before and after taxation | (749,412)   | (73,005)  | (106,263)  | <b>(928,680)</b>  |
| Segment total assets – (net of investments in subsidiaries)    | 166,883   | 77,753  | -  | <b>244,636</b>    |
| Segment liabilities  | (512,912)   | (6,195)   | -  | <b>(519,107)</b>  |

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| <b>Year ending 31<br/>December 2023</b>                        | <i>(Continuing<br/>operations)</i><br><b>Corporate and<br/>Administrative<br/>(UK)<br/>£</b> | <i>(Continuing<br/>operations)</i><br><b>Mineral<br/>exploration<br/>(Morocco)<br/>£</b> | <i>(Discontinued<br/>operations)</i><br><b>Mineral<br/>exploration<br/>(Cyprus)<br/>£</b> | <b>TOTAL<br/>£</b> |
|--|--|--|---|--------------------|
| Operating loss from total operations before and after taxation | (946,207)  | (32,286)   | (36,988)  | (1,015,481)        |
| Gain on disposal of subsidiaries                               | -  | -  | 1,263,579   | 1,263,579          |
|  |  |  |   | <b>248,098</b>     |
| Segment total assets – (net of investments in subsidiaries)    | 245,952  | 5,123  | -   | <b>251,075</b>     |
| Segment liabilities  | (303,380)  | (31,592)   | -   | <b>(334,972)</b>   |

**6. EXPENSES BY NATURE**

| <i>(Continuing operations)</i>    | <b>Year ended 31<br/>December 2024<br/>£</b> | <b>Year ended 31<br/>December 2023<br/>£</b> |
|-----------------------------------|--|--|
| Wages and salaries (see note 8)   | 417,478                                      | 439,407                                      |
| Share-based payment (see note 21) | 16,371                                       | 1,904  |
| Legal and professional fees       | 194,463                                      | 359,062                                      |
| Travel                            | 30,511                                       | 29,294                                       |
| Office and sundry expenditure     | 30,675                                       | 77,191                                       |
| Insurance                         | 16,141                                       | 19,213                                       |
| Regulatory fees                   | 61,391                                       | 44,085                                       |
| ECL provision*                    | -  | -  |
| Depreciation                      | 25,626                                       | 55,197                                       |
|                                   | <b>792,656</b>                               | <b>1,025,353</b>                             |

\*The ECL provision relates to discontinued operations which arose from disposal of subsidiaries in prior years of £106,263 (2023: £79,262) (see note 19 for further details). The prior year charge has been reclassified from continuing to discontinued operations.

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

|   | <b>Year ended 31<br/>December 2024</b> | <b>Year ended 31<br/>December 2023</b> |
|---|--|--|
|   | £                                      | £                                      |
| Fees payable to the Company's auditor and its associates in relation to the audit of the parent company and consolidated financial statements | 51,800                                 | 50,000                                 |
| Fees payable to the Company's auditor and its associates in relation to the audit of the Company's subsidiaries                               | -                                      | -                                      |
|   | <b>51,800</b>                          | <b>50,000</b>                          |

**7. FINANCE COSTS**

|                  | <b>Year ended 31<br/>December 2024</b> | <b>Year ended 31<br/>December 2023</b> |
|------------------|--|--|
|                  | £                                      | £                                      |
| Interest payable | 38,203                                 | 5,204                                  |
|                  | <b>38,203</b>                          | <b>5,204</b>                           |

**8. DIRECTORS AND EMPLOYEES**

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

|                              | <b>2024</b> | <b>2023</b> |
|------------------------------|-------------|-------------|
| Operations                   | -           | -           |
| Corporate and administration | 4           | 2           |
|                              | <b>4</b>    | <b>2</b>    |

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

|                                     | <b>Year ended 31<br/>December 2024</b> | <b>Year ended 31<br/>December 2023</b> |
|-------------------------------------|--|--|
|                                     | £                                      | £                                      |
| Wages and salaries                  | 305,663                                | 405,737                                |
| Social security costs               | 16,325                                 | 33,656                                 |
| Pension costs                       | -                                      | 13                                     |
| Equity incentive plan (see note 21) | 95,490                                 | 1,904                                  |
|                                     | <b>417,478</b>                         | <b>441,310</b>                         |

The highest paid director received £147,077 in 2024 (2023: £151,866).

**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:

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| <b>GROUP</b>  | <b>Year ended<br/>31 December<br/>2024<br/>£</b> | <b>Year ended<br/>31 December<br/>2023<br/>£</b> |
|---|--|--|
| (Loss)/profit before tax  | (928,680)  | 248,098  |
| Tax at the applicable rate of 25% (2023:22%)                    | (236,551)  | 55,159   |
| Disallowed expenses (including ECL and gain on disposal) at 25% | 33,942   | (293,178)  |
| Losses for which no deferred tax is recognised                  | (202,609)  | (238,019)  |
| <b>Total tax charge</b>   | <b>-</b>   | <b>-</b>   |

The weighted average applicable tax rate of 25% (2023: 22%) used is a combination of the 25% standard rate of corporation tax in the UK and 32% Moroccan corporation tax.

The Group has total tax losses of £2,710,627 to carry forward against future profits (2023: £2,508,018 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:

| <i>Continuing operations:</i>                     | <b>Year ended<br/>31 December 2024</b> | <b>Year ended<br/>31 December 2023</b> |
|---|--|--|
| Total loss for the year (£)                       | (822,417)                              | (1,015,481)                            |
| Weighted average number of Ordinary shares*       | 71,072,477                             | 50,252,945                             |
| <b>Total loss per Ordinary share (£)</b>          | <b>(0.012)</b>                         | <b>(0.020)</b>                         |
| <i>Continuing and discontinued operations:</i>    |  |  |
| Total (loss)/profit for the year (£)              | (928,680)                              | 248,098                                |
| Weighted average number of Ordinary shares        | 71,072,477                             | 50,252,945                             |
| <b>Total (loss)/profit per Ordinary share (£)</b> | <b>(0.013)</b>                         | <b>0.004</b>                           |

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 1,129,592 (gifted shares) have been excluded from the weighted average number of Ordinary shares calculation from the date of gift as these shares are non-voting shares as they are held by the Company.

## **11. INTANGIBLE ASSETS**

| <b>Group</b>                     | <b>Exploration and<br/>Evaluation assets<br/>£</b> |
|----------------------------------|--|
| <b>Cost and Carrying Value</b>   |  |
| At 1 January 2023                | -  |
| Additions                        | 2,331  |
| <b>At 31 December 2023, 2024</b> | <b>2,331</b>                                       |

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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.

**12. TANGIBLE FIXED ASSETS**

| <b>Group and Company</b>         | <b>Vehicles</b> | <b>Total Assets</b> |
|----------------------------------|-----------------|---------------------|
|                                  | <b>£</b>        | <b>£</b>            |
| <b>Cost</b>                      |                 |                     |
| At 1 January 2024                | 102,504         | 102,504             |
| <b>At 31 December 2024</b>       | <b>102,504</b>  | <b>102,504</b>      |
| <b>Accumulated depreciation</b>  |                 |                     |
| At 1 January 2024                | (22,179)        | (22,179)            |
| Depreciation charge for the year | (25,626)        | (25,626)            |
| <b>At 31 December 2024</b>       | <b>(47,805)</b> | <b>(47,805)</b>     |
| <b>Net book value</b>            |                 |                     |
| At 31 December 2023              | <b>80,325</b>   | <b>80,325</b>       |
| <b>At 31 December 2024</b>       | <b>54,699</b>   | <b>54,699</b>       |

Right-of-use assets: The assets relate to vehicle leases which have been accounted for as Right-of-use assets under IFRS 16. Additions to the right-of use assets during 2024 financial year were £nil (2023: £62,586) and the depreciation charge was £25,626 (2023: £55,197).

**Lease liabilities**

Current £23,584 (2023: £23,584)

Non-current £34,980 (2023: £53,494)

**13. INVESTMENTS IN SUBSIDIARIES**

| <b>Company</b>                           | <b>£</b>              |
|--|-----------------------|
| <b>Cost and net book amount</b>          |                       |
| At 1 January 2024, investments           | 7,974                 |
| At 1 January 2024, capital contributions | 27,726                |
|  | <u>35,700</u>         |
| Additions, capital contributions         | 72,181                |
| <b>At 31 December 2024</b>               | <b><u>107,881</u></b> |

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

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| <b>Name</b>                             | <b>Principal activity</b> | <b>Place of incorporation and operation</b> | <b>% owned subsidiary</b> |
|---|---------------------------|---|---------------------------|
| Atlantic Research Minerals SARL (“ARM”) | Mineral exploration       | Morocco                                     | 80%                       |

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:

|   | <b>80% Net book value of assets acquired</b> | <b>Fair value adjustments</b> | <b>Fair value of assets acquired</b> |
|---|--|-------------------------------|--------------------------------------|
|   | <b>£</b>                                     | <b>£</b>                      | <b>£</b>                             |
| Intangible assets   | -  | 2,331                         | 2,331                                |
| Financial assets  | 6,233  | -                             | 6,233                                |
| Financial liabilities   | (590)  | -                             | (590)                                |
| <b>Total identifiable assets acquired and liabilities assumed</b> | <b>5,643</b>                                 | <b>2,331</b>                  | <b>7,974</b>                         |

**Fair Value of Consideration Paid:**

|                          |              |
|--------------------------|--------------|
| Total cash consideration | <b>7,794</b> |
|--------------------------|--------------|

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 prior 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 Plutonic Metals Ltd (“Plutonic”) and Indo-European Mining PR Ltd (“Indo”), dated 26 January 2023. See note 19 for further details.

**14. RECEIVABLES**

|   | <b>Group</b>   |                | <b>Company</b> |                |
|---|----------------|----------------|----------------|----------------|
|   | <b>2024</b>    | <b>2023</b>    | <b>2024</b>    | <b>2023</b>    |
|   | <b>£</b>       | <b>£</b>       | <b>£</b>       | <b>£</b>       |
| Prepayments and other receivables               | 117,533        | 143,634        | 100,665        | 139,930        |
| Amounts receivable from subsidiary undertakings | -              | -              | 75,062         | -              |
| <b>Total current receivables</b>                | <b>117,533</b> | <b>143,634</b> | <b>175,727</b> | <b>139,930</b> |

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Other receivables at year end includes a balance of £185,520 which is due from the sale of the Cypriot assets. A full ECL provision of £185,520 (2023: £79,257) has been provided against this receivable, a charge of £106,263 has been made to the profit and loss account in the year (2023: £79,257).

**15. TRADE CREDITORS AND OTHER PAYABLES**

|                                 | Group          |                | Company        |                |
|---------------------------------|----------------|----------------|----------------|----------------|
|                                 | 2024           | 2023           | 2024           | 2023           |
|                                 | £              | £              | £              | £              |
| Trade payables                  | 58,049         | 120,245        | 53,547         | 119,642        |
| Other payables and accruals     | 184,576        | 125,715        | 184,575        | 124,827        |
| Taxes and social security       | 2,358          | 11,934         | 665            | 11,311         |
| <b>Trade and other payables</b> | <b>244,983</b> | <b>257,894</b> | <b>238,787</b> | <b>255,780</b> |

|                               | Group          |          | Company        |          |
|-------------------------------|----------------|----------|----------------|----------|
|                               | 2024           | 2023     | 2024           | 2023     |
|                               | £              | £        | £              | £        |
| <b>Convertible loan notes</b> | <b>215,560</b> | <b>-</b> | <b>215,560</b> | <b>-</b> |

|                                       | Group         |               | Company       |               |
|---------------------------------------|---------------|---------------|---------------|---------------|
|                                       | 2024          | 2023          | 2024          | 2023          |
|                                       | £             | £             | £             | £             |
| <b>Lease liabilities – short term</b> | <b>23,584</b> | <b>23,584</b> | <b>23,584</b> | <b>23,584</b> |

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

**Convertible loan notes:**

During 2024, the Company announced the issue of an unsecured convertible loan note instrument with a facility of up to £1 million. The main terms being a maturity date of 12 months from issue, a conversion price of £0.011 and interest rate of 5%. These terms were subsequently changed during the year to a maturity date of 31 December 2025 and a backdated interest rate of 15% was charged. Warrants were also attached to these CLNs with a ratio of one warrant for every one convertible share and an exercise price of £0.013.

Between 16 July 2024 and 20 September 2024, the Company issued £575,000 of CLNs.

Between 27 November 2024 and 23 December 2024, £376,460 of the total loan notes were converted and interest was calculated and paid up to the 31 December 2024. The remaining portion of the loan notes were converted on the 27 March 2025. The convertible loan notes are presented in the balance sheet as follows:

|   |                |
|---|----------------|
|   | £              |
| Face value of notes issued                            | 575,000        |
| Other equity securities – value of conversion rights* | -              |
| Loan notes converted                                  | (376,460)      |
|   | 198,540        |
| Interest expense**                                    | 32,929         |
| Interest paid   | (15,909)       |
| <b>Balance as at 31 December 2024</b>                 | <b>215,560</b> |

\* There is no material difference between the initial fair value of the notes and their carrying amount, since the interest payable on those borrowings is close to the current market rate for such a loan and

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the redemption date is 31 December 2025, therefore the equity component is not material and has not been recognised.

\*\*interest expense is calculated by applying the actual interest rate of 15% to the liability outstanding on a daily basis and was paid in shares at the request of the note holders.

**16. NON-CURRENT LIABILITIES**

|                                 | Group         |               | Company       |               |
|---------------------------------|---------------|---------------|---------------|---------------|
|                                 | 2024          | 2023          | 2024          | 2023          |
|                                 | £             | £             | £             | £             |
| Lease liabilities (see note 12) | 34,980        | 53,494        | 34,980        | 53,494        |
|                                 | <b>34,980</b> | <b>53,494</b> | <b>34,980</b> | <b>53,494</b> |

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

**17. SHARE CAPITAL AND SHARE PREMIUM**

|                               | Number of<br>Ordinary<br>shares | Share capital<br>£ | Share<br>premium<br>£ | Total<br>£       |
|-------------------------------|---------------------------------|--------------------|-----------------------|------------------|
| <b>As at 31 December 2023</b> | <b>61,211,258</b>               | <b>612,113</b>     | <b>5,840,002</b>      | <b>6,452,115</b> |
| Issued 26 March 2024          | 12,242,251                      | 122,423            | 30,606                | 153,029          |
| Issued 25 July 2024           | 7,345,350                       | 73,454             | 22,036                | 95,490           |
| Issued 23 October 2024        | 3,068,243                       | 30,682             | 3,068                 | 33,750           |
| Issued 27 November 2024       | 1,462,926                       | 14,629             | 1,463                 | 16,092           |
| Issued 23 December 2024       | 29,601,743                      | 296,017            | 29,602                | 325,619          |
| Movement                      | 53,720,513                      | 537,205            | 86,775                | 623,980          |
| Less share issue costs        | -                               | -                  | (13,696)              | (13,696)         |
| <b>As at 31 December 2024</b> | <b>114,931,771</b>              | <b>1,149,318</b>   | <b>5,913,081</b>      | <b>7,062,399</b> |

On 26 March 2024, the Company issued 12,242,251 new ordinary shares and 8,018,647 ordinary shares held as gifted shares as part of a placing, raising cash of £253,262 at a price of £0.0125 per ordinary share. The expenses for this of £13,696 were netted off the share premium account.

On 25 July 2024, the Company issued 7,345,350 new ordinary shares to its Directors as part of its 2024 Equity Incentive Scheme.

On 23 October 2024, the Company issued 3,068,243 new ordinary shares to convert both the principal and accrued interest of an existing CLN and extinguished £33,750 of debt.

On 27 November 2024, the Company issued 1,462,926 new ordinary shares and 1,537,074 ordinary shares held as gifted shares, to convert both the principal and accrued interest of a CLN and extinguished £33,000 of debt.

On 23 December 2024, the Company issued 29,601,743 new ordinary shares to convert both the principal and accrued interest of an existing CLN and extinguished £325,619 of debt.

**18. GIFTED SHARES/OTHER EQUITY**

Other equity consists of gifted Shares in Critical Mineral Resources Plc that are held by the Company. These were gifted back to the Company in 2022 for nil consideration and were therefore recognised in other equity at nil value.

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|                                      | <b>Number of Gifted<br/>Shares</b> | <b>Price<br/>£</b> | <b>Other Equity<br/>£</b> |
|--------------------------------------|------------------------------------|--------------------|---------------------------|
| <b>As at 31 December 2023</b>        | <b>10,685,313</b>                  | -                  | -                         |
| Issue 26 March 2024 gifted shares    | 8,018,647                          | 0.0125             | 100,233                   |
| Issue 27 November 2024 gifted shares | 1,537,074                          | 0.011              | 16,908                    |
| <b>As at 31 December 2024</b>        | <b>1,129,592</b>                   | -                  | <b>117,141</b>            |

On 15 March 2024 (admitted to trading on 26 March 2024), the Company announced the placement of 8,018,647 of these ordinary shares at a price of 1.25 pence per share and on 27 November 2024, the Company announced the placement of 1,537,074 of these ordinary shares at a price of 1.1 pence per share.

Post year end, on 27 March 2025, the Company announced the placement of the remaining 1,129,592 gifted shares at a conversion price of £0.011 per share.

## **19. DISPOSAL OF SUBSIDIARIES**

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:

|   |                  |
|---|------------------|
|   | <b>£</b>         |
| <b>Fair value of consideration received</b>               | <b>424,328</b>   |
| <i>Net assets disposed of (other than cash):</i>          |                  |
| 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)      |
| <b>Total of net liabilities at disposal</b>               | <b>(739,249)</b> |
| Less NCI share  | 33,764           |
| Group’s share of net assets on disposal                   | <b>(705,485)</b> |
| Less foreign exchange                                     | 705              |
| Recognition of foreign exchange on disposal (see note 20) | 212,323          |
| <b>Total profit on disposal</b>                           | <b>1,342,841</b> |
| Less reclassification of prior year ECL                   | (79,262)         |
| <b>Total profit on disposal</b>                           | <b>1,263,579</b> |

In current year a further ECL provision of £106,263 was made for the outstanding receivable due from the disposal of the Cypriot assets. This has been included in discontinued operations in the current year

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consolidated statement of profit or loss.

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

|                  |          |
|------------------|----------|
|                  | <b>£</b> |
| Operating losses | (36,988) |
| Net cash outflow | (26,194) |

**20. FOREIGN EXCHANGE TRANSLATION RESERVE**

|                                  |                |
|----------------------------------|----------------|
|                                  | <b>£</b>       |
| <b>As at 31 December 2023</b>    | <b>56</b>      |
| Foreign exchange movements Group | (5,690)        |
| Foreign exchange movements NCI   | (724)          |
| <b>As at 31 December 2024</b>    | <b>(6,358)</b> |

**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) |
|-------------------------------|--------------------|------------------------|
| <b>As at 31 December 2023</b> | <b>732,000</b>     | <b>5.0p to 20.0p</b>   |
| Issued in the year            | 27,227,273         | 1.1p to 1.3p           |
| Lapsed in the year            | (732,000)          | 5.0p to 20.0p          |
| <b>As at 31 December 2024</b> | <b>27,227,273</b>  | <b>1.3p</b>            |

The weighted average exercise price of the warrants at the year end is £0.013 (2023: £0.14). The weighted average life of the warrants at the year end is 2.56 years (2023: 0.54 years).

**Current warrants**

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

| <b>Date of Issue</b> | <b>Reason for issue</b>       | <b>No. of warrants</b> | <b>Exercise price pence per share</b> | <b>Remaining life in years</b> |
|----------------------|-------------------------------|------------------------|---------------------------------------|--------------------------------|
| 16 July 2024         | CLN 1 Warrants to CLN holders | 22,727,273             | 1.3p                                  | 2.5                            |
| 16 July 2024         | Broker warrants- services     | 1,090,909              | 1.1p                                  | 2.5                            |
| 20 September 2024    | CLN 2 Warrants to CLN holders | 3,409,091              | 1.3p                                  | 2.7                            |
|                      |                               | <b>27,227,273</b>      |                                       |                                |

The Broker warrants have been identified as warrants issued for the cost of financing and the services with respect to this financing and are therefore accounted for in accordance with IFRS 2. As the costs of the service cannot be reliably measured, the fair value of the warrants have been calculated using Black-Scholes option pricing models.

| <b>Broker Warrants</b>  |         |
|-------------------------|---------|
| Share price             | 1.35p   |
| Exercise price          | 1.1p    |
| Expected life           | 3 years |
| Volatility              | 99.4%   |
| Risk-free interest rate | 3.9%    |
| Expected dividends      | -       |
| Fair values             | £4,946  |

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

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by 50% to account for the early stage development of the Company and limited liquidity due to its small cap nature.

**Share options**

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 prior year this annual 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.

|                         | <b>Share Options</b> |
|-------------------------|----------------------|
| 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     |

**Equity incentive scheme**

On 22 July 2024, the Company issued equity (7,345,350 new ordinary shares) to the Directors under the Company Equity Incentive Scheme and these were valued at the share price on the date of their Admission (1.3p). This resulted in a one-off annual charge to the profit and loss account in the year of £95,490.

The total number of shares granted to an eligible employee will be divided by three - referred to as the first, second and third tranches. The first tranche will be released from forfeiture obligations if after 12 months the share price is 2.5p or higher, the second tranche will be released from forfeiture obligations if, after 24 months the share price is 3.5p or higher, and the third tranche will be released from forfeiture obligations if after 36 months the share price is 5.0p or higher.

**Share based payment charge**

|                     | <b>Year ended 31<br/>December 2024</b> | <b>Year ended 31<br/>December 2023</b> |
|---------------------|--|--|
|                     | <b>£</b>                               | <b>£</b>                               |
| Broker warrants     | 4,945                                  | -                                      |
| Share option charge | 11,426                                 | 1,904                                  |
|                     | <b>16,371</b>                          | <b>1,904</b>                           |

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**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 £150,083 (2023: £28,949)

***Transactions with Directors:***

Remuneration due and paid and share options granted to the Directors is disclosed in the Remuneration Report on pages 22 to 25.

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. Nouredine 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. Nouredine 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. This acquisition has not taken place as at the date of this report and accounts.

***Transactions with Other Related Parties:***

On 30 January 2024, KM Securities Pty Ltd (“KM Securities”, now Williamsons Private Equity Pty Limited), 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 (Williamsons Private Equity Pty Limited) acquired a further 2 million Ordinary shares in the Company.

Mr Dominic Traynor is a Partner at Druces LLP who have provided the Company with legal services during the year costing £32,098 (2023: £10,228) and the balance due to Druces LLP at year end was £1,966 (2023: £6,570). 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**

The Group had not entered into any material capital commitments as at 31 December 2024 (2023: £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.

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**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:

|  | <b>Group</b>       |                    | <b>Company</b>     |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | <b>As at</b>       | <b>As at</b>       | <b>As at</b>       | <b>As at</b>       |
|  | <b>31 December</b> | <b>31 December</b> | <b>31 December</b> | <b>31 December</b> |
|  | <b>2024</b>        | <b>2023</b>        | <b>2024</b>        | <b>2023</b>        |
|  | <b>£</b>           | <b>£</b>           | <b>£</b>           | <b>£</b>           |
| <b>Financial assets measured at amortised cost:</b>      |                    |                    |                    |                    |
| Trade and other receivables                              | -                  | 104,827            | 75,061             | 102,268            |
| Cash and cash equivalents                                | 70,073             | 24,785             | 9,188              | 23,366             |
|  | <b>70,073</b>      | <b>129,612</b>     | <b>84,249</b>      | <b>125,634</b>     |
| <b>Financial liabilities measured at amortised cost:</b> |                    |                    |                    |                    |
| Trade and other payables                                 | 244,982            | 257,894            | 238,788            | 255,780            |
| Lease liabilities and CLNs                               | 156,995            | 77,078             | 156,995            | 77,078             |
|  | <b>401,977</b>     | <b>334,972</b>     | <b>395,783</b>     | <b>332,858</b>     |

**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. Liquidity risk has reduced due to the investment in the Company entered into post year end.

*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):

|                          | <i>Within 12 months</i> | <i>Between 2 and 5 years</i> |
|--------------------------|-------------------------|------------------------------|
|                          | <b>£</b>                | <b>£</b>                     |
| <b>Lease liabilities</b> |                         |                              |
| Vehicles                 | 23,782                  | 80,332                       |

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**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 2024, 87% (2023:6%) of the Group's cash and cash equivalent were held in MAD. A 10% movement in the exchange rate would have an effect of £6,088 on the Group's results.

**25. ULTIMATE CONTROLLING PARTY**

The Directors consider that there is no ultimate controlling party.

**26. EVENTS AFTER THE REPORTING DATE**

On 10 March 2025, the Company announced it had signed an investment agreement with Gilini Holdings Ltd (the "Investor") which has committed to an investment of up to £2,500,000, of which £2,075,000 is structured to have an average price of 1.48p.

The investment will be used to fund project acquisitions, working capital and to expand its commodities trading venture. The Company will continue to focus all its efforts in Morocco.

The first £425,000 investment, which has been received by the Company, is made via the issue of convertible loan notes, convertible into ordinary shares of the Company at £0.011 per share, maturing on 31 December 2028. The CLNs attract interest of 15% pa and have one for two warrants attached to each share represented by the principal amount of CLNs. Each of the warrants will be exercisable at a price of £0.013 until 31 December 2028 ("First Tranche CLNs").

The second tranche of £1,325,000 is expected in the second quarter of 2025 and will consist of a £825,000 subscription for Ordinary Shares at a price of 1.45p and £500,000 through a second convertible loan instrument ("Second Tranche Investment").

The third tranche of £750,000 will be invested in the first quarter of 2026 through a subscription of ordinary Shares at a price of 1.53p.

The second and third tranches are contingent on the Company entering into a formal agreement on one or more development projects in Morocco, most likely to be copper or manganese. The Investor may choose to accelerate the Subsequent Finance, depending on the capital requirements of the Company.

If the issue of Ordinary Shares to the Investor brings their shareholding above 29.9% and require them to make a mandatory offer for the Company under the Takeover Code, the ratio of Ordinary Shares to convertible loan notes to be subscribed for would be adjusted to ensure this does not occur.

On 20 March 2025, the Company announced that it had secured an additional £462,474 (US\$600,000) through the issue of convertible loan notes, convertible into ordinary shares in the Company at £0.0145 per share and accruing interest of 5% per annum. The loan notes have a redemption date twelve months from the date of issue.

On 27 March 2025, the Company announced that it had converted the balance of the outstanding loan notes of £237,483 into 20,459,728 new ordinary shares of £0.01 each and the remaining 1,129,592 gifted shares at a conversion price of 1.1p per share.