Company No. 11170056

Cobra Resources plc

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Cobra Resources plc

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Cobra Resources plc

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS
Greg Hancock - Non-Executive Chairman
Rupert Verco - Chief Executive Officer
David Clarke - Executive Director
Daniel Maling - Non-Executive Director

SECRETARY
Ben Hodges

REGISTERED OFFICE
9th Floor
107 Cheapside
London, EC2V 6DN

REGISTERED NUMBER
11170056 (England and Wales)

BROKERS
SI Capital Limited
46 Bridge Street
Godalming
Surrey, GU7 1HL

Global Investment Strategy UK Limited
200 Aldersgate Street
London, EC1A 4HD

AUDITOR
PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus, Canary Wharf
London, E41 4HD

SOLICITORS
Orrick, Herrington & Sutcliffe (UK) LLP
107 Cheapside
London EC2V 6DN

PRINCIPAL BANKERS
National Australia Bank

REGISTRARS
Link Group
10th Floor, Central Square
29 Wellington Street, Leeds, LS1 4DL

BOARD OF DIRECTORS

The Directors of the Company at the end of the year are listed below. The Directors have held office for the entire year unless otherwise stated:

DIRECTORS

Greg Hancock

Non-Executive Chairman - BA (Econs) B.Ed. (Hons), F. Fin

Greg Hancock has over 25 years' experience in capital markets and corporate finance. He has extensive experience in both Australia and the United Kingdom through his close links to the stockbroking and investment banking community. In this time, he has specialised in mining and natural resources and has had a background in financing and management of small companies. He was a founding shareholder and first Chairman of Cooper Energy Ltd, an exploration and production oil and gas company. He is currently Chairman of AusQuest Limited, an Australian mining exploration company with projects in Peru and Australia, Triangle Energy (Global) Limited an Australian company with Oil production and Oil/Gas exploration assets in Australia, Non – Executive Director of BMG Resources Ltd, Group 6 Metals Ltd. And Golden State Mining Limited. Greg continues his close association with capital markets in Australia and the United Kingdom through his private investment company Hancock Corporate Investments Pty Ltd.

Rupert Verco

Chief Executive Officer - Fellow of the Australasian Institute of Mining and Metallurgy, BSc. Hons

Rupert Verco is a mining specialist with over 17 years' experience in Australia and internationally. His key areas of focus include resource definition, reserve optimisation, mine planning, and mine operation. He has managed operations through all phases of the mining cycle on projects that cover a range of commodities including gold, copper, uranium, tin, and iron ore.

David Clarke

Executive Director, Business Development & Asset Marketing

David Clarke is a geologist with more than 55 years of professional experience and more than 40 years' experience as a director of Australian public companies. He was previously a senior geologist with the Commonwealth Department of the Interior and a Chief Geologist at Santos Limited. He was also the founder and Chairman of Australian Vintage Limited, a winemaking company based in the Riverland of South Australia, as well as the founder and owner of a wine company in the Barossa Valley of South Australia. He has been a Non-Executive Director of the Company since 1 May 2020 and became an Executive Director on 18 March 2024.

Daniel Maling

Non-Executive Director

Daniel Maling is a member of the Chartered Accountants of Australia & New Zealand. He has over 25 years of senior corporate and commercial management experience primarily in the natural resource and technology sectors. He has worked with several AIM, ASX and TSX-listed companies providing corporate finance, business development and strategic advice. Daniel is a director of UK listed Metals One plc and Hydrogen Future Industries plc.

Cobra Resources plc

CHAIRMAN'S STATEMENT

INTRODUCTION

In 2023, Cobra made a game-changing ionic Rare Earth Element ("REE") discovery at Boland that has the potential to reshape global supply of magnet and heavy REEs, and materialised significant exploration success by gold and REE resource growth. The unique geology of the Boland discovery lends itself to In Situ Recovery ("ISR") mining. This is a huge advantage for the Company that makes Boland highly cost competitive and unrivalled for environmental credentials.

The value of ionic REE discoveries is defined from their cost-efficient metallurgy and their simplistic mining process. Australia's long climate history and relatively arid climate mean that many Australian clay hosted REE discoveries lack the simple chemistry that enables cost efficient extraction. Cobra is focusing on the efficiencies required to make REE mining successful. This has been achieved through defining a 41.6Mt REE resource that sits within clay overburden to a shallow 279,000 Oz gold resource, and discovering standalone ionic REEs with excellent metallurgy that are present within a geological setting that lends itself to ISR mining – the lowest cost method available.

ISR mining has been highly successful in the uranium industry where over 50% of the global average annual production is mined via ISR. The CAPEX, OPEX and scale of these mines yield the lowest costs. We believe that by applying this form of mining at Boland, a future operation could be cost competitive with the ionic REE producers of southern China.

The Boland discovery is regionally scalable and the Company has expanded its landholding along the Narlaby Palaeochannel from 3,621km^2 to 4,773km^2 to have a controlling land position within a jurisdiction that actively regulates and supports ISR mining.

During the year, the Company demonstrated both technical capability and prudent use of finances through executing a 20-hole, 2,466m Reverse Circulation ("RC") programme and a 95-hole, 3,950m Aircore ("AC") drilling programme that contributed to:

- The Boland discovery that has yielded high grade ionic REEs with favourable metallurgy, achieving recoveries of up to 79% Tb, 67% Dy, 60% Nd and 47% Pr at pH3 with low acid consumptions
- A 109% increase in the complementary clay hosted REE resource that occurs within gold resource overburden
- A 32% increase in the Wudinna Project gold mineral resource that now stands at 279,000 Oz and is amenable to open pit mining

The Company is also pleased to have finalised its acquisition of the remaining 25% of the Wudinna Project, welcoming Andromeda Metals (ASX: ADN) to the share register as a significant shareholder.

In the current turbulent gold and critical minerals markets, where gold prices are at all-time highs but investment sentiment remains suppressed, it is important for junior explorers to have upside exposure to a range of commodities and the ability to advance the economic assessment of production at an early stage. Cobra is well placed to provide shareholders with exposure to:

- A scalable and low-cost source of magnet and heavy REEs which are critical to electrification and from which we plan to demonstrate value through ISR
- The rising gold price as we evaluate commercial opportunities for the Wudinna gold resource
- The strong uranium market where our recently added land tenure contains defined sandstone hosted uranium mineralisation - Cobra will look to grow these assets as we demonstrate the regional scale of the Boland ionic REE discovery

BACKGROUND

Cobra began life as a publicly listed company with the aim of finding suitable precious, base or other energy metals and minerals projects in Australia or Africa. During 2019, the Board identified several potentially suitable projects, which were reviewed in detail to evaluate their strengths, growth potential and long-term value to shareholders.

The Wudinna Project has been the Company's primary focus since acquiring earn-in rights to the project in 2019 through the negotiation of the "Wudinna Heads of Agreement". The primary objective of the Company's exploration focus to date has been to add to the 211,000 Oz gold JORC Mineral Resource Estimate at the project, and the success of this strategy materialised during 2023 when the Company increased the gold resource by 32% to 279,000 Oz whilst defining a complementary source of REE metals in gold overburden.

Since Cobra's involvement in the Wudinna Project began in 2019, the Company's approach to exploration has been to provide exposure to exploration success across a range of commodities, considerate of cost and discovery potential, from a world-class mineral domain.

The balance of exploration activities executed in 2023 focused on:

1. Adding ounces to the Wudinna Gold Resource
2. Defining a complementary REE resource that adds economic value to gold resources and provides a competitive basis for REE extraction
3. Advancing an exploration model for ionic REEs amenable to cost efficient ISR extraction

Since identifying REEs in saprolite at the Wudinna Project in 2021, the Company has diligently assessed the economic, mineralogical and metallurgical requirements that underpin a successful REE project and has considered that the economic viability of clay hosted REEs is more dependent upon low mining and processing costs, a consequence of mineralogy rather than grade. On this basis, the Company has focused on:

1. REE resource expansion aimed at growing its complementary dual gold and REE resources, where the spatial proximity of REE mineralisation to gold enables cost efficient, value add potential
    - This resulted in an REE JORC resource to date of 41.6Mt at 699 ppm TREO overlying the Clarke and Baggy Green gold resources

2. Targeting low cost, easily extractable ionic clay hosted mineralisation by defining and targeting conditions that promote ionic mineralisation

By focusing on the environmental and chemical conditions that promote ionic adsorption, the Company defined an exploration model that satisfied the geological conditions for ionic adsorption and supported the potential for cost-efficient ISR mining.

AC drilling confirmed the presence of REE mineralisation within palaeochannel sediments at the Boland prospect in June 2023, where basket accumulations contained both enriched and depleted zones of Heavy Rare Earths Elements ("HREEs"), a common trait of ionic REE deposits. Follow-up metallurgical tests performed by Australia's Nuclear Science and Technology Organisation ("ANSTO") confirmed high recoveries of heavy and magnet REEs across three zones, where acid consumptions are low and recoveries are achieved over six hours. Owing to the interbedded presence of highly permeable sand layers, the Company believed that mineralisation could be recovered via ISR.

In November 2023, the Company finalised a deal to acquire the remaining 25% of the Wudinna Project from Peninsula Resources and subsequently raised £993,000 to fund the acquisition and advance the Boland discovery. The strategy to demonstrate the value of the discovery is to focus on advancing three key components:

1. **Scale**: the Narlaby Palaeochannel is a significant system spanning over 250km in length. Cobra holds over 1,000km^2 of palaeochannel ground across the Narlaby, Yaninee and Corrobinnie systems - the geological units that host ionic REEs occur across all these systems.

2. **Grade concentration**: the catalysts for ionic adsorption are believed to be confined to, or within proximity to, geology with high permeability. Samples from initial AC drilling were performed on 3m composites that were unlikely to represent the true nature of the mineralisation.

3. **ISR potential:** aim to de-risk the ISR potential of Boland by installing ISR infrastructure to advance the project to a pilot study.

OPERATIONAL REVIEW

Results from the 2023 exploration programme contributed to exploration success and significant resource growth which was achieved through:

- Drilling of 20 RC holes for ~2,500m aimed at expanding existing gold resources
- Drilling of 95 AC drillholes for over 3,950m aimed at expanding the existing complementary REE resource and testing an alternate model for ionic REEs
- Metallurgical testing of over 20 composite samples

AC Drilling - The Boland Discovery

A total of 17 holes for 775m were drilled at the Boland prospect. Significant results included:

- CBAC0164: 3m at 942 ppm TREO (22% Magnet Rare Earth Oxides (“MREO”)) from 15m, and 3m at 1,333 ppm TREO (13% MREO) from 30m and 42m at 2,189 ppm TREO (25% MREO) from 36m

- CBAC0163: 3m at 559 ppm TREO (24% MREO) from 18m, and 3m at 618 ppm TREO (22% MREO) from 21m and 12m at 1,191 ppm TREO (27% MREO) from 36m

- CBAC0168: 12m at 948 ppm TREO (19% MREO) from 42m

- CBAC0176: 3m at 429 ppm TREO (23% MREO) from 27m, and 3m at 661 ppm TREO (19% MREO) from 48m and 3m at 1,984 ppm TREO (22% MREO) from 54m

Results demonstrated:

- Mineralisation is most prominent along the eastern margin of the tested area, where channel clays are in direct contact with granitic saprolite
- HREEs are depleted within saprolite zones and enriched in assemblage within the palaeochannel sediments
- REE enrichment in playa smectite clays at discrete changes in sample acidity/alkalinity
- Light Rare Earth Oxides (“LREO”) enrichment in saprolite that is in direct contact with palaeochannel sediments

- REE grades are highest where there are the greatest changes in alkalinity/acidity i.e. between acidic saprolite and alkaline smectite clays

Confirmation of Ionic Mineralisation Through ANSTO Metallurgical Testing

A total of 15 composite samples from the Boland prospect were submitted to ANSTO for ionic desorption testing. ANSTO is a world leader in REE metallurgy and the development in REE metallurgical flowsheets. Diagnostic testing parameters included:

- 0.5 M (NH4)2SO4 as lixiviant
- pH4; pH3
- pH4: 0.5 h & 6 h, pH3: 0.5 h, 2 h & 6 h
- Ambient temperature (~22°C)
- 4 wt% solids density
- Acidity maintained through the addition of H2SO4

Results confirmed highly recoverable ionic mineralisation within the palaeochannel sediments with low acid consumptions. Higher recoveries were achieved by increasing the acidity to pH3 and increasing the leach time to six hours. Recoveries are summarised in the table below:

Average recoveries of tested composites by mineralisation zone.

Min Zone	Lith Summary	Acidity (pH)	Pr	Nd	Tb	Dy	Acid consumption (kg/t)
Zone 1	Upper playa clay	4	16%	20%	31%	33%	15.9
		3	**22%**	**26%**	**31%**	**40%**	**29.1**
Zone 2	Middle playa clay and sand interbeds	4	22%	25%	37%	41%	17.3
		3	**36%**	**40%**	**52%**	**54%**	**28.8**
Zone 3	Organic rich - clayey sand	4	35%	45%	44%	49%	9.4
		3	**47%**	**60%**	**79%**	**67%**	**17.6**
Upper Saprolite	Weathered granite	4	8%	11%	21%	16%	10.9
		3	9%	13%	27%	25%	29.2

Metallurgical results demonstrate:

- Desorption is greatest within palaeochannel clays
- Zone 3 exhibits the highest metallurgical recoveries with the lowest acid consumption
- Recoveries increase with time and increasing acidity
- HREOs are recovered in greater ratios than LREOs
- Moderate desorption times are interpreted to be a consequence of sample composite dilution. Faster desorption rates are likely with refined sample compositing
- Acid consumption calculations includes ions (Mg, Na & K) that are likely to be present in salts and therefore acid consumptions are likely to be lower than presented

RC Drilling

A gold focused, 20-hole, 2,466m RC programme aimed at expanding the Wudinna Project's existing gold and REE resources delivered the following gold results:

White Tank

- CBRC0070 intersected 12m at 2.35 g/t Au from 54m (including 2m at 8.5 g/t Au from 55m) 40m east of RHBN-0248 that intersected 21m at 2.9 g/t Au from 59m (including 6m at 7.95 g/t Au from 61m)

- CBRC0069 intersected 9m at 0.41 g/t Au from 46m 80m east of RCBN-246 that intersected 3m at 0.53 g/t Au from 115m and represents the most southern intersection at White Tank

Barns Prospect

- CBRC0072 intersected 2m at 0.69 g/t Au from 45m confirming up dip extensions to the gold resource

- CBAC0092 intersected 2m at 1.00 g/t Au from 12m

At Clarke, drilling extended the strike of intersected gold mineralisation to beyond 700m where:

- Mineralisation has been extended a further 50m to the south through:
    - CBRC0075 intersecting 2m at 0.93 g/t Au from 58m and 1m at 0.56 g/t Au from 73m
    - CBRC0076 intersecting 8m at 0.63 g/t Au from 101m including 1m at 1.93 g/t Au from 105m

- Mineralisation to the north increased in strike by a further 50m beyond the 2022 drilling intersection of CBRC0059 that intersected 6m at 4.15 g/t Au from 34m (including 4m at 5.74 g/t Au) through:
    - CBRC0082 intersecting 2m at 0.61 g/t Au from 137m
    - CBRC0083 intersecting 1m at 0.80 g/t Au from 64m and 1m at 0.70 g/t Au from 122m

- Down dip continuities were validated through additional intersections, including:
    - CBRC0077 intersecting 1m at 0.55 g.t Au from 91m and 4m at 0.80 g/t Au from 96m (including 1m at 2.09 g/t Au)
    - CBRC0078 intersecting 1m at 1.37 g/t Au from 81m and 1m at 1.50 g/t Au from 90m and 37m at 0.50 g/t Au from 100m (including 2m at 4.58 g/t Au)
    - CBRC0086 intersecting 3m at 1.13 g/t Au from 123m validating the down dip continuity of the intersection received in CBRC0050 that intersected 33m at 1.03 g/t Au from 65m that was drilled in 2021

AC Drilling Programme

A total of 78 holes across seven targets were drilled to define REE resource extensions, test priority REE targets and assess further gold anomalies results, including at:

- Clarke North, where a further 1km^2 of REE mineralisation was defined through the following intersections:
    - CBAC0109: 25m at 739 ppm TREO from 12m, where the MREO equates to 26%, including 9m at 1187 ppm TREO, where the MREO equates to 28%
    - CBAC0108: 10m at 710 ppm TREO from 27m, where the MREO equates to 22%
    - CBAC0105: 12m at 550 ppm TREO from 18m, where the MREO equates to 21%
    - CBAC0105: 12m at 550 ppm TREO from 18m, where the MREO equates to 21%
    - CBAC0104: 6m at 719 ppm TREO from 16m, where the MREO equates to 17%

- CBAC0103: 6m at 602 ppm TREO from 18m, where the MREO equates to 22% and 2m at 683 ppm TREO from 40m, where the MREO equates to 23%
- CBAC0102: 4m at 831 ppm TREO from 14m, where the MREO equates to 28%

- Clarke South, where results from 8 of 11 holes received demonstrated further REE mineralisation beyond the southern extent of Clarke gold mineralisation and the REE resource extent with the following intersections:

  - CBAC0112: 6m at 621 ppm TREO from 24m, where the MREO equates to 23%
  - CBAC0113: 15m at 607 ppm TREO from 18m, where the MREO equates to 23%, including 3m at 1146 ppm TREO from 18m, where the MREO equates to 24%
  - CBAC0114: 21m at 736 ppm TREO from 15m, where the MREO equates to 24%, including 3m at 1298 ppm TREO from 33m, where the MREO equates to 22%
  - CBAC0115: 3m at 674 ppm TREO from 21m, where the MREO equates to 29%
  - CBAC0116: 3m at 634 ppm TREO from 21m, where the MREO equates to 26%, and 3m at 609 ppm TREO from 36m, where the MREO equates to 22%
  - CBAC0130: 10m at 2,349 ppm TREO (23% MREO) from 21m, including 3m at 5,382 ppm TREO (23% MREO)
  - CBAC0128: 23m at 847 ppm TREO (23% MREO) from 12m, including 3m at 1,701 ppm TREO (24% MREO) from 12m
  - CBAC0133: 15m at 1,040 ppm TREO (22% MREO) from 24m, including 6m at 1,206 ppm TREO (22% MREO) from 27m
  - CBAC0135: 3m at 1823 ppm TREO from 18m, where the MREO equates to 22%
  - CBAC0137: 12m at 629 ppm TREO from 15m, where the MREO equates to 20%

- Grace, where 23 exploration holes were drilled to test structures similar to gold and REE enriched structures at the Clarke prospect. Results from 11 holes received include:

  - CBAC0146: 3m at 544 ppm TREO from 18m, where the MREO equates to 23%
  - CBAC0141: 9m at 756 ppm TREO from 21m, where the MREO equates to 21%
  - CBAC0139: 13m at 698 ppm TREO from 24m, where the MREO equates to 21%
  - CBAC0179: 18m at 2,854 ppm TREO (24% MREO) from 36m, including 6m at 5,066 ppm TREO (25% MREO) from 39m
  - CBAC0180: 9m at 1,107 ppm TREO (22% MREO) from 39m

- Baggy Green West, where results from two of six holes drilled tested demagnetised zones that demonstrate increased saprolite horizons prospective for REE resource extensions, as supported by:

  - CBAC0135: 3m at 1,823 ppm TREO from 18m, where the MREO equates to 22%
  - CBAC0134: 18m at 1,123 ppm TREO from 21m, where the MREO equates to 21%, including 3m at 3,568 ppm TREO from 24m, where the MREO equates to 21%

- Bradman, where 11 holes have verified the electromagnetic interpretation of an extensive palaeo-drainage system. Here, the channel sediments are more oxidised and clay intervals limited, and REE mineralisation is enriched on the contact to the palaeo-sediments, where the following intersections are present:

  - CBAC0147: 9m at 977 ppm TREO from 12m, where the MREO equates to 19%, including 3m at 1,719 ppm TREO from 12m, where the MREO equates to 19%
  - CBAC0149: 9m at 897 ppm TREO from 54m, where the MREO equates to 23%, including 6m at 1,076 ppm TREO from 54m, where the MREO equates to 23%

- CBAC0153: 6m at 821 ppm TREO from 27m, where the MREO equates to 19%
- CBAC0156: 15m at 825 ppm TREO from 45m, where the MREO equates to 25%, including 3m at 1417 ppm TREO from 48m, where the MREO equates to 25%
- CBAC0158: 15m at 946 ppm TREO from 33m, where the MREO equates to 24%, including 3m at 1687 ppm TREO from 33m, where the MREO equates to 22%
- CBAC0159: 6m at 637 ppm TREO from 54m, where the MREO equates to 23%

Update to Mineral Resource Estimates

During 2023, Cobra published three resource updates:

In January 2023, the Company released a maiden inferred REE JORC 2012 Mineral Resource Estimate ("MRE") of 20.9Mt and 658 ppm TREO, where MREO equate to 23.6% of the TREO. The MRE covers the Clarke and Baggy Green prospects, where underlying gold mineralisation is expected to improve future economic analysis of the published resource.

Following the 2,466m RC and 3,950 AC drilling campaigns, the Company incorporated both sets of drilling results and updated both gold and REE MREs. This update yielded considerable increases in resources that are summarised below **(and are not yet inclusive of any REE resources for the Boland discovery):**

REE MRE Update:

- Upgraded REE MRE includes:
  - +99% increase in tonnes
  - +5% increase in MREO grade
  - +109% increase in MREO metal content
- An exclusively unique REE resource that overlies the Baggy Green, and now, Clarke gold resources, providing a competitive metric for low operational costs

Gold MRE Update:

- Upgraded gold MRE includes:
  - +32% increase in gold metal (+68,000 Oz)
  - +1.4Mt increase in ore tonnes
  - 33,000 Oz maiden MRE estimate at the Clarke prospect
- Shallow resource - all resource ounces occur within 200m of surface, presenting as low cost, camp scale open pit extraction with enhanced economics from REE overburden
- Total gold resource of 5.81Mt at 1.5 g/t Au for 279,000 Oz
- Gold ounce increases across all deposits, demonstrating potential for additional growth through infill and further extensional drilling

The 2023 Gold and REE JORC MRE update is tabled below:

		Gold Mineral Resource estimate			REE Mineral Resource estimate								
Category	**Deposit**	**Tonnes** Mt	**Au** g/t	**Ounces** oz	**Tonnes** Mt	**TREO** ppm	**MREO** ppm	**LREO** ppm	**HREO** ppm	**Pr_6O_{11}** ppm	**Nd_2O_3** ppm	**Dy_2O_3** ppm	**Tb_4O_7** ppm
Indicated	Barns	0.44	1.3	18,000	-	-	-	-	-	-	-	-	-
Inferred		2.19	1.6	116,000	-	-	-	-	-	-	-	-	-
Inferred	Baggy Green	2.12	1.4	96,000	15.1	652	142	512	140	29	97	14	2
Inferred	Clarke	0.73	1.4	33,000	26.5	725	175	571	154	35	122	16	3
Inferred	White Tank	0.33	1.5	16,000	-	-	-	-	-	-	-	-	-

Total	**5.81**	**1.5**	**279,000**	**41.6**	**699**	**163**	**549**	**149**	**33**	**113**	**15**	**3**

Resource estimates were prepared by external consultants Mrs Justine Tracey and Mrs Christine Standing of Snowden Optiro.

Granting of New Project

In November 2023, the Company was granted a new tenement named "Deloraine", located in northern Tasmania. The tenement ("EL22/2022") was staked in 2022 as the Company considered that the ground was prospective for further extensions to the neighbouring Deep Leads-Rubble Mound 52Mt 817 ppm TREO REE Resource owned by ABX group. The Deep Leads-Rubble Mound REE project has ionic metallurgy comparative to Cobra's Boland project.

Whilst this project will not be the Company's main focus going forward, Cobra believes it can materially add value to the project by cost effectively:

1. Defining the extent of palaeovalley colluvium that hosts the ionic mineralisation through low-cost Loupe TEM geophysics
2. Confirming the presence of REE mineralisation across mapped channels by shallow auger drilling
3. Confirming ionic metallurgy through sighter testing

100% Wudinna Project Acquisition (refer to note 22 for further detail)

In November, the Company announced that it had signed an agreement to acquire the remaining 25% of the Wudinna project from Andromeda Metals for A$500,000 cash and A$1,000,000 in consideration shares issued at 1p. Pursuant to the Wudinna Subdivision and Sale Agreement, Cobra's wholly owned subsidiary will acquire all the exploration rights in the relevant tenements held by Andromeda's subsidiary Peninsula Resources Pty Ltd ("Peninsula") by Peninsula relinquishing existing tenement rights and LAM applying for the grant of new tenements over the areas. The partial surrender process is a preferred process for acquisition as the granting of new tenements resets the tenement clocks, enabling renewals of up to a further 18 years. The transaction process is expected to be completed in May of this year.

ISSUES OF SHARES DURING THE PERIOD

On 21 November 2023, 74,400,000 shares were issued raising £744,000. A further 2,730,000 shares were issued in lieu of fees. All shares were issued at a 10% premium (1p) to the trading price. On 14 December 2023, shareholders approved the acquisition of the remaining 25% of the Wudinna Project through the issue of 52,000,000 "Consideration Shares".

Post period, a prospectus was published for the issue of the Consideration Shares and to raise a further £220,000 through the issue of 22,000,000 shares.

POST PERIOD END EVENTS

As stated above, post period, a prospectus was published for the issue of the Consideration Shares and to raise a further £220,000 through the issue of 22,000,000 shares.

Also, in January 2024, Cobra was granted two additional tenements (EL 6966 "Smokey Bay" and EL 6967 "Pureba"). The tenements cover a combined 1,512km^2 and overlie a further 1,000km^2 of the Narlaby paleochannel, the system that hosts the Boland ionic discovery located at the Wudinna Project. The prospectivity of the new tenements can be summarised as follows:

- A review of historical datasets confirms that the geological units host ionic REEs

- Cobra's newly granted tenement EL 6967 ("Pureba") covers the eastern roll-front mineralisation of the Yarranna South East prospect, where numerous intersections occur within broad > 200m spaced drilling from multiple mapped roll-fronts where, on Cobra's tenement, they exceed 3km in length and remain open. Intersections include[1]:
    - 1m at 708 ppm U_3O_8 from 66m (IR1436)
    - 3m at 340 ppm U_3O_8 from 72m, including 1m at 420ppm U_3O_8 from 73m (IR1435)
    - 1m at 209 ppm U_3O_8 from 68m (IR1448)
    - 0.95m at 617 ppm eU_3O_8 from 69.95m (IR1065)

- Historical plans and reports reference gamma eU3O8 grades of up to 1,000 ppm[2]. Samples from these holes are being sought from the South Australian core library to be analysed as part of Cobra's REE re-analysis strategy to confirm the grade of uranium mineralisation.

- Similar geological mechanisms dictate REE and uranium mobilisation through the palaeochannel system where economic occurrences may be recoverable through low-cost, low disturbance ISR mining

REEs and uranium are sourced from similar minerals such as zircon, monazite, and xenotime within the enriched Hiltaba Suite granites of the Gawler Craton. Natural weathering and supergene leaching mobilises both uranium and REEs within acidic (and enriched) groundwaters that migrate through the Narlaby system. Whilst the chemistry for the secondary deposition for REDOX and ionic adsorption differ, the geological mechanisms that promote the oxidation for REDOX roll-fronts are likely to produce chemical boundaries that promote physisorption (the adsorption of REEs to clays). This warrants that the exploration approach targets oxidation sources that promote the deposition of both REEs and uranium.

On the 22 April 2024, the Company announced that subject to only departmental and ministerial approvals, the Wudinna Sale Transaction, entitling Cobra to 100% ownership of the Wudinna Project had been completed.

On 26 April 2024, the Company announced the completion of a share placement raising £600,000 through the issue of 60,000,000 ordinary shares. The shares will be admitted to trading after the date of signing this report, on 2 May 2024.

Boland Project Advancement

In February 2024, Cobra completed a five drillhole sonic core drilling programme aimed at advancing the Boland ionic REE discovery by:

- Installing x5 cased bores to form the infrastructure for a future ISR pilot study
- Gaining better understanding of the nature of the ionic REE mineralisation and its amenability to ISR
- Obtaining samples to perform bench scale ISR tests and to obtain sufficient samples to advance the development of a processing flow sheet

In March 2024, Cobra announced preliminary results from the drilling programme which further demonstrated that the discovery could be a world class source of magnet and heavy rare earths.

Sonic core drilling provided greater geological detail which confirmed the Company's thesis that grade concentrations are high, mineralisation is amenable to low-cost extraction via ISR, and the discovery has exceptional province scale potential. Results demonstrated:

- High grade concentrations across three zones of mineralisation
- High grades in geological formations with high permeabilities amenable to ISR

- Modelled mineralised units support exceptional scale

In April 2024, Cobra announced re-assay results from historical drillholes which support regionally scalable, high grade REE mineralisation at Boland which is amenable to ISR.

CONCLUSION

The Company has consciously allocated its capital to ensure that future shareholder value is obtained through exploration success and the definition of resources. Delivering substantial increases in gold and REE resources provides a solid foundation but the upside post the discovery of Australia's only REE project with ISR potential is exceptional, and an opportunity we look forward to advancing. I thank my fellow directors for their contribution throughout the year, our CEO Rupert Verco, and Exploration Manager Robert Blythman, for their tireless efforts, our valued stakeholders, and our contractors and service providers. We are committed to unlocking the mineral wealth of the Wudinna Project and the greater Eyre Peninsula region and to providing a low cost, low disturbance supply of magnet and heavy REEs from outside of China.

Greg Hancock
Non-Executive Chairman
30 April 2024

STRATEGIC REPORT

The Directors present the Strategic Report for Cobra Resources plc (the "Company" or "Cobra", and collectively with its Subsidiary Companies, the "Group") for the year ended 31 December 2023. The information required by section 172 of the Companies Act 2006 are included within the Corporate Governance Statement.

INTRODUCTION

This Strategic Report comprises a number of sections, namely: the Group's objectives, the Group's strategy and business model, a financial review, a review of the Group's business using key performance indicators, and the principal risks and uncertainties facing the business.

OBJECTIVES

The Company's objective is to explore, develop and mine precious and base metal projects.

STRATEGY AND BUSINESS MODEL

To achieve its objective, the Company has adopted a strategy that focuses on advanced resource exploration projects that have the potential, through the application of disciplined and structured exploration and analysis, to be progressed towards the development of a mining operation.

As a secondary focus, the Company will also review investment opportunities for exploration projects and near-production assets. For clarity:

- Newly defined resource exploration projects are projects that are at an advanced stage of resource definition, with a majority of the necessary permitting and tenure in place;
- Exploration projects are projects with the potential for significant discovery but have yet to have detailed geological work completed; and
- Near-production assets have gone through the typical mining stages of development and require funds in order to progress from development to first production.

With any of these types of investments, the Company commits to only investing in projects where the Board believes that it can add long-term value to all shareholders. This will be achieved through either applying alternative geological models based on experience with similar mineralised systems, advancing the project through structured and disciplined exploration analysis or by leveraging alternative geochemical or geophysical technologies.

Lady Alice Mines provides the Company with a project portfolio from which it aims to unlock embedded value and deliver shareholder returns through capital growth. It is the aim of the Company to explore and analyse the assets within this portfolio to the point that will, in the view of the Board, optimise the risk-reward value equation for its shareholders. This may include monetising or divesting assets at any stage up to and including the building of economically sustainable operations.

The Company does not intend to limit its asset reviews to particular geographic regions; however, the initial focus will be on projects located in Australia. If geologically and economically attractive project opportunities are identified in other countries, investments will only be considered in jurisdictions with established mining operations and regulation, and with acceptable levels of sovereign risk.

OPERATIONAL REVIEW AND OUTLOOK

The operational review and outlook are set out in the Chairman's Statement.

RESULTS AND DIVIDENDS

During the year, the Group made a loss of £921,113 (31 December 2022: £509,138 loss).

The Directors do not propose a dividend in respect of the year ended 31 December 2023 (31 December 2022: £nil).

Cash used in operations totalled £736,439 (31 December 2022: £348,618).

As at 31 December 2023, the Group had a cash balance of £638,475 (31 December 2022: £1,272,743).

KEY PERFORMANCE INDICATORS ("KPI")

The financial statements of a natural resource investing company can provide a moment in time snapshot of the financial health of the Group but do not provide a reliable guide to the performance of the Group or its Board.

At this stage in the Group's development the Directors regularly monitor key performance indicators associated with funding risk, being primarily projected cash flows associated with operational activities and general administrative expenses. Upon readmission to the main market, the Company has been able to raise the funds as needed to finance its activities.

KPIs are not appropriate as a means of assessing the value creation of a company which is involved in natural resource investment, and which currently has no turnover. The Board considers that the detailed information in the Operational Review in the Chairman's Statement is the best guide to the Group's performance during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment of the principal risks facing the Group, including those that threaten its business model, future performance, solvency or liquidity. They consider the following risk factors are of particular relevance to the Group's activities and to any investment in the Group. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised below:

Exploration, Development and Operating Risks

Mineral exploration and development operations generally involve a high degree of risk. The Group's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The Group's activities are directed towards the search for, evaluation of, and development of mineral deposits. There is no certainty that the expenditures to be made by the Group will result in discoveries of commercial quantities of minerals. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Group will compete with other interests, many of which have greater financial resources than the Company has for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Group not receiving an adequate return on invested capital.

Government Regulation

The mineral exploration and development activities which are undertaken by the Group is subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration and development activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organisations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Group's ability to undertake exploration and development activities in respect of its properties, as well as its ability to explore and operate those properties in which it currently holds an interest or in respect of which it obtains exploration and/or development rights in the future.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Group.

Permitting

The Group's operations may be subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for future operations. Management of the Group believes it has received the necessary permits for the current operations. Prior to any development on any properties, the Group must receive permits from appropriate governmental authorities. There can be no assurance that the Group will obtain and/or continue to hold all permits necessary to develop or continue operating at any particular property. See also "Exploration, Development and Operating Risks" above.

Environmental and Other Regulatory Requirements

The event of a breach with any environmental or regulatory requirements may give rise to reputational, financial or other sanctions against the Group, and therefore the Board considers these risks seriously and designs, maintains and reviews its policies and processes so as to mitigate or avoid these risks. Whilst the Board has a good record of compliance, there is no assurance that the Group's activities will always be compliant.

Financing

The development of the Group's properties and its ability to earn into projects will require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Group's properties from time to time, or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Group.

Gold Price

The price of the Ordinary Shares, the Company's financial results and exploration and development activities may in the future be significantly adversely affected by declines in the price of gold. The gold price fluctuates widely and is affected by numerous factors beyond the Group's control such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world.

The gold price is subject to fluctuations, and future serious price declines could cause development of any properties in which the Group may hold an interest from time to time to be impracticable. Future production from the Group's properties, if any, will be dependent upon, among other things, a gold price that is adequate to make these properties economic.

In addition to adversely affecting the Group's financial condition and exploration and development activities, a declining gold price can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Gold is regarded as a traditional safe-haven asset and has historically been used as a hedge against inflation. Geopolitical tensions and rising inflation support short term outlooks for a stable gold price. Over the last two decades gold has returned an 11% compound annual growth rate. The role of gold in electronic and space technologies, coupled with the commodity's traditional role in backing currency, supports demand matching forecasts of market Compound Annual Growth Rate ("CAGR") at 7.2% for through to 2024[1].

Recent high inflation, high interest rates and heightened geopolitical tensions have seen the gold price break record levels with the spot price recently reaching US$2,400 (A$3,700). Tightening global supply, decreasing mined grades coupled with rising commodity forecasts bode well for gold equities and mineable resources.

1. *Adamas Intelligence – Rare Earth Market Outlook to 2030*

REEs Market

Supply of REEs is dominated by China, which accounts for 80% of global supply. Projected REEs market growth is reported to grow at 7.2% CAGR growth from 2020 production to meet market demands by 2030[1]. The effective doubling in demand is driven by global decarbonisation and the critical role of REEs in the production of REE magnets for electric motors. China's dominant position in both production and downstream refining of REE metals has been recognised by western countries as a critical sovereign risk, with particular exposure to REE supplies sustaining defence technologies.

REEs are not particularly rare in occurrence. REE occurrences are amenable to low-cost extraction and low radioactivity and complete REE elemental partitioning. The 'weathered crust elution-deposited rare earth' (also referred to as ionic clay adsorbed REEs) reserves of southern China contribute to approximately 35% of China's REE production, and advancements in recovery techniques and environmental management lend to this style of REE mineralisation, significantly contributing to market growth.

Sourcing REEs from sustainable and ethically conscious jurisdictions will be a primary focus of developed countries looking to secure stable supplies of critical minerals to drive technological advancement and the level of electrification necessary to achieve global decarbonisation targets. As western markets for REE metals mature, a key challenge for aspiring producers is the volatility of rare earth metal prices that are influenced by subsidised Chinese production and processing. REE sourcing needs to be cost competitive with Chinese production. As a number of discoveries advance, extraction technologies and cost efficiencies shall be an important industry focus to underpin resilient supply chains.

Recently, the Australian Government has demonstrated its commitment to grow the Australian Rare Earths Industry through:

- A A$2 billion Critical Minerals Facility providing loans to the sector. Projects are accessing grants under the Modern Manufacturing Initiative and concessional finance through the Northern Australia Infrastructure Facility. From this, financing of REE projects includes:
    - Providing a $1.25 billion non-recourse loan to Iluka Resources for the Eneabba Rare Earth refinery
    - Providing up to $840 million to help deliver Arafura Rare Earths combined rare earth mine and refinery at Nolan's bore in the Northern Territory.

The Board considers market growth and the future development of downstream processing within Australia as a significant opportunity to define critical REE resources within an ethical and environmentally conscious mining jurisdiction. Instigating a dual approach to defining mineral resources in both gold and REEs enables the Company to mitigate exposure to market volatility in a single commodity.

At the time of this report, Serra Verde is the only clay-hosted REEs project in operation outside of China. Deposit mineralogy, chemistry and jurisdiction supply chain logistics play a critical role in the economic viability of REE projects. Downstream processing is a critical driver of REE value and vulnerability in accessing downstream processing may impact project viability. The unique geology of the Company's Boland Ionic REE project is amenable to insitu recovery mining, the board believes that by demonstrating the economic and environmental advantages attributed to ISR the Boland project can be proven to be a very low-cost source of magnet and heavy rare earths.

1. Arafura internal Supply Demand forecast referencing against data from CRU, REE Market Study 2020; Roskill, REE Market Analysis, Adamas Intelligence, REE Market outlook to 2030.

Foreign Currency Exchange Rates

Fluctuations in currency exchange rates, principally between the British pound and Australian dollar, can impact the Group's earnings and cash flows. If the value of the Australian dollar increases relative to the British pound, the Group's results of operations, financial condition and liquidity could be materially adversely affected.

Market Conditions

Market conditions, including general economic conditions and their effect on exchange rates, interest rates and inflation rates, may impact the ultimate value of the Group regardless of its operating performance. The Group also faces competition from other organisations, some of which may have greater resources or be more established in a particular territory. The Board considers and reviews all market conditions to try and mitigate any risks that may arise from these.

Dependence on Key Personnel

The Group has a small management team and the loss of a key individual or the inability to attract suitably qualified personnel in the future could materially and adversely affect the Group's business.

Ukraine Conflict

The conflict in Ukraine does not currently have any direct impact on Cobra's business as we have no operations or offices in Ukraine or Russia. There is potential for broader markets and supply chains to be affected and we are working with our partners and industry bodies to monitor the situation and prepare for any disruption.

Prices of oil, metal and other commodities have soared as fighting in Ukraine has intensified, adding to concerns that the rising prices will contribute to higher inflation rates, which are already at their highest in decades. The Group expects that costs of raw materials will increase over the next 12 months and will work to mitigate the effects of these increases as much as possible.

ENVIRONMENTAL, SOCIAL, COMMUNITY AND HUMAN RIGHTS RESPONSIBILITY

Environmental Responsibility

Cobra Resources adopts a strategic and innovative approach to its exploration activities. The Company approaches its exploration activities with two considerations aiming to achieve environmentally ethical exploration and future mining. They are:

1. Targeting critical minerals required for decarbonisation that that are amenable to low impact, sustainable mining.
2. Using low-impact exploration methods to minimise or eliminate the environmental impacts.

Our commitment and proactive approach to rehabilitation ensures minimised disturbance and promotes positive environmental impacts. Cobra Resources is a mineral exploration and resource development company, not a mining company and therefore the environmental impact associated with its operations is minimal.

In 2022 Cobra Resources published its first sustainability report in which the company details its commitment to Environmental responsibility, Community relations and Corporate governance. The Company aspires to overachieve baseline targets for ESG management and adopt an industry-leading approach to environmental management and reporting as the Group's operations grow.

Cobra Resources executes exploration activities in accordance with regulatory requirements and in adherence to the Company's approved Programme for Environmental Protection and Rehabilitation. Previous disturbance, progressive rehabilitation and programme planning is actively documented and communicated with all stakeholders.

Recently, the Company made the strategic decision to commence environmental studies to advance the Insitu recovery potential at the Boland prospect. This decision has been made before a resource has been defined. This is a mature approach for an exploration company to make so soon after discovery. The Company anticipates that this strategy will enable the company to efficiently determine both operational and environmental remediation efficiencies required to support a sustainable future ISR operation.

Climate Related Emissions and Energy Performance

As an exploration business, the Company's operations are campaign based and their environmental impact is small when compared to operating mining companies. The Group is currently considered a low energy user, with energy consumption being below the minimum for disclosure. The Board recognises its responsibility and is committed to monitoring its energy usage as its activities continue to scale. The Company has collected and collated its energy consumption data and is pleased to disclose its usage below:

In 2023, the Company made a conscious effort to further reduce its current and future energy consumption, this was done by:

- Relocating its head office to Base 64, a serviced office facility that is 100% powered by renewable energy
- The Board recognises that air travel contributes the most to its energy consumption and has committed to offsetting future international travel when purchasing airfares
- Focusing on the Boland ionic REE discovery, which is amenable to sustainable ISR mining that has a low disturbance footprint and very low carbon intensity
- As the project advances, Cobra intends to model future energy consumption and environmental impacts, which the Company believes will highlight the environmental significance of the discovery as an unrivalled green source of critical magnet REEs

The Company has estimated its Global energy consumption for the period, with its total energy consumption being approximately 36,000 kwh (11.4T CO_2), where:

- A total of 94.1% of its energy consumption is attributed to air travel
- A total of 0.2% of its energy consumption is attributed to administrative undertakings
- A total of 5.7% of its energy consumption is attributed to its exploration activities

Energy Efficiency

The Company continues to focus on reducing energy consumption and carbon emissions. As part of the Company's sustainability plan, reviews of its operations have been undertaken and recommendations implemented. The Company has endorsed new and evolving technologies as part of its ambition to reduce energy consumption.

The Company's focus on the Boland REE project and proving ISR as the preferred mining method is an important approach in advancing an energy efficient mining process that can be powered from an energy network that is composed of 70% renewable energy sources.

In 2023 Cobra relocated is corporate head office to a shared office facility called Base64 whose energy requirements are largely self-sufficient. More details about Cobra's new energy sufficient offices can be found at: www.base64.com.au/event-spaces/facilities/

Environmental footprint and mitigation

Task Force on Climate-related Financial Disclosures (TCFD)

The Financial Stability Board's TCFD recommendations serve as a global foundation for effective reporting on the operational and financial implications of the interrelationship between climate change and business, and set out recommended disclosures structured under four core elements:

- Governance – The organisation's governance around climate-related risks and opportunities
- Strategy – The actual and potential impacts of climate-related risks and opportunities for an organisation's businesses, strategy, and financial planning
- Risk Management – The processes used by the organisation to identify, assess, and manage climate-related risks; and
- Metrics and Targets – The metrics and targets used to assess and manage relevant climate-related risks and opportunities.

These are supported by recommended disclosures that build on the framework with information intended to help investors and others understand how reporting companies assess climate-related risks and opportunities.

As a company with its ordinary shares admitted to listing on the standard segment of the of Official List of the Financial Conduct Authority and to trading on the main market for listed securities of London Stock Exchange plc, Cobra reports on a 'comply or explain' basis against the recommendations of the TCFD, as required pursuant to Listing Rule 14.3.27.

The Company is not yet consistent with all TCFD criteria as this is the first year when we have expanded our work on this area, we are on a continuous journey to implement all criteria. We are partially compliant with 11 of TCFD recommendations, as explained in the following table.

TCFD Recommendation	Response	TCFD compliance	Disclosure location
GOVERNANCE			
Describe the board's oversight of climate-related risks and opportunities	Cobra's board comprises two executive directors and two non-executive directors. The board is responsible for regularly reviewing and assessing business risk across the Group's operations, and the Company's climate ambition, strategy, and risk. The board met for 4 board meetings, and 12 meetings of directors in the last financial year. In 2022, the board oversaw and approved the Company's first sustainability policy, which is located on the Company's website: https://cobraplc.com/sustainabilitystakeholders/	Partial	Company Policies – Cobra Resources (cobraplc.com) Sustainability Report, page 13

TCFD Recommendation	Response	TCFD compliance	Disclosure location
Describe management's role in assessing and managing climate related risks and opportunities	Management assumes sustainability related responsibilities, as directed by the board. The board and management assess and discuss principal risks facing the Company and the financial and reporting requirements of any material developments. The board met to evaluate the Company's adherence to its sustainability plan and to define short-, medium- and long-term targets beyond 2023.	Partial	To disclose in Climate Change Policy currently in draft
STRATEGY			
Describe the climate-related risks and opportunities the organisation has identified over the short-, medium- and long-term	Cobra operates from a corporate head office in Australia, and undertakes exploration activities in South Australia and Tasmania Cobra faces a broad range of climate-related risks. These include the requirement for sustainable sourcing of rare earths, and the Company has devised an exploration strategy to pursue both cost efficient and environmentally sustainable approaches in identifying economically competitive sources of REEs. This has materialised in the Company defining a REE resource that occurs within gold over burden and making an ionic REE discovery that has unprecedented environmental advantages that relate to its amenability to ISR mining. The Wudinna Project is still in the very early stages of exploration and resource development, however the following work programmes have been initiated to inform the Company's ability to manage climate-related risks and opportunities that may impact future operations and the environment which will help propel a sustainable model during 2024 and beyond: - the Company has installed 5 monitoring bores to obtain baseline environmental and hydrology data to assess the risks associated with ISR with the aim of developing a pilot study to test REE extraction and remediation; - at the completion of a pilot study, the Company is committed to evaluate the emissions associated with ISR production at Boland and to benchmark those emissions; and - the Company's sustainability plan is periodically reviewed to evaluate future climate change related risks and opportunities and how they may influence our goals over the short-, medium- and long-term.	Partial	Sustainability Report, page 7

TCFD Recommendation	Response	TCFD compliance	Disclosure location
Describe the impact of climate-related risks and opportunities on the organisation's business, strategy, and financial planning	Climate-related opportunities have driven Cobra's business strategy to define environmentally considerate sources of REEs. Cobra aspires to contribute to the green energy transition with the responsible production of rare earths, particularly magnet rare earths (Nd, Pr, Dy & Tb), to be sourced through low-impact ISR mining. Magnet REEs are pivotable in the production of the permanent magnets used in energy efficient turbines and engines. The financial impacts of climate risks and opportunities facing the business will likely change as the project progresses. They shall be evaluated and reported as the project advances and inform Cobra's ongoing business strategy and financial planning in relation to climate-related risks and opportunities. As the Wudinna Project progresses scoping studies, Cobra is committed to integrating environmental considerations into project scoping and economic analysis, this includes environmental protection, commercial use of renewable energy sources, energy efficiency, sustainable resource extraction and remediation.	Partial	Sustainability Report, page 11
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Cobra's ambition to produce rare earth oxides the ISR or from gold overburden provides reliance and ethics to our mineral resources business strategy as in both circumstances, energy intensive steps are greatly reduced through ISR mining and recovering value from overburden. Cobra is also exploring opportunities to produce acid from groundwater and to deacidify lixiviants through filtration rather than relying on natural attenuation for remediation. As the business grows, Cobra will consider the use of climate change scenario analysis to evaluate the resilience of the Company's strategy to climate change risks and opportunities. As the Wudinna Project progresses through scoping studies, Cobra shall aim to define a baseline carbon footprint to assist in managing the performance of meeting emission reduction targets.	Partial	Sustainability Report, page 11
RISK MANAGEMENT			
Describe the organisation's process for identifying and assessing climate-related risks	Cobra's published sustainability plan outlines the Company's goals in addressing climate-related risks. As the Company's operations mature and studies are conducted to evaluate feasibility, both baseline and scenario analysis shall be considered in emissions calculations and project optimisations.	Partial	Sustainability Report, page 11

TCFD Recommendation	Response	TCFD compliance	Disclosure location
Describe the organisation's processes for managing climate-related risks	Cobra's team is currently small and relies on external support to advance its current processes for managing climate related risks. Our published sustainability plan outlines our goals to develop this process.	Partial	Sustainability Report, page 11
Describe how processes for identifying, assessing, and managing climate related risks are integrated into the organisations overall risk management	As we progress from a low energy user (explorer) to a higher energy consumer (miner) the board shall look to developing a Sustainability Committee to assist the Audit Committee for assessing the groups Sustainability performance and advance the processes for identifying and assessing climate-related risks. As the Company matures, Cobra will look to formalise the processes for identifying, evaluating and managing climate related risks and look to intergrate this process into the organisations overall risk management. As the Company defines the environmental baselines for the Boland ISR pilot study, environmental and social management plans will be developed as overarching documents to manage project related risk.	Partial	To disclose in Climate Change Policy currently in draft
METRICS AND TARGETS			
Disclose the metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process	In a commitment to climate related disclosure, we have calculated the Scope 1 and Scope 2 emissions for our office and exploration related activities. We see this as an important step in demonstrating our commitment to transparent disclosure as we progress and mature our operations. Cobra already minimises business travel, and therefore energy use and emissions, through the use of internet-based communications tools. It has a policy of preferring devices with low energy consumption where a choice is available, and switching them off when not in use.	Partial	To disclose in Climate Change Policy currently in draft

TCFD Recommendation	Response	TCFD compliance	Disclosure location
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and the related risks	Cobra's carbon footprint for its exploration activities and offices are shown below. This represents Cobra's first stage of annual carbon disclosure. Scope 1 - 1.8 tCO_2e Scope 2 - 9.5 tCO2e Owing to the campaign nature of Cobra's exploration activities, the presented carbon emissions do not serve as a baseline for future operations. These will be calculated and evaluated if and when operations commence. We do not yet monitor Scope 3 and GHG emissions and report on them annually but will look to do so in 2024.	Partial	This report
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	As the Company matures, Cobra will consider setting targets to manage climate-related risks and opportunities. These targets will be subject to project scoping and the setting of carbon baselines.	Partial	N/A

Social, Community and Human Rights Responsibility

The Board recognises its responsibility under UK corporate law to promote the success of the Company for the benefit of its members as a whole. The Board also understands that it has a responsibility towards employees, partners, suppliers and contractors and the local communities in which it operates.

The Board appreciates the social importance its operating presence has on the community in which it operates. The Company strives to increase its presence within, and level of communication with, the Wudinna and Streaky Bay Communities by opening a locally based office and proactively engaging and educating the community of our operations and our future ambitions. We actively engage local contractors, support local business and look to educate and promote opportunities for local employment that will evolve as our operations expand.

As we progress our project towards mining operations, the Company aims to exceed the South Australian Government's expectations for stakeholder engagement through its local presence, early engagement, ongoing education and local employment.

FINANCIAL INSTRUMENTS

The Group's financial instruments comprise investments, cash at bank and various items such as trade and other receivables, loans and creditors. The Group has not entered into derivative transactions nor does it trade financial instruments as a matter of policy.

Credit Risk

The Group's credit risk arises primarily from cash at bank, trade and other receivables and the risk the counterparty fails to discharge its obligations.

The Company's credit risk primarily arises from inter-company debtors, which are considered to form part of the Company's investment in the subsidiaries (see Note 8 to the Financial Statements) and cash at bank and trade and other receivables, as per the Group. Should the subsidiaries' exploration activities not be successful, it is possible that these receivables may become irrecoverable.

Liquidity Risk

Liquidity risk arises from the management of cash funds and working capital. The risk is that the Group will fail to meet its financial obligations as they fall due. The Group operates within the constraints of available funds and cash flow projections are produced and regularly reviewed by management.

Interest Rate Risk Profile of Financial Assets

The only financial assets (other than short term debtors) are cash at bank and in hand, which comprises money at call. The interest earned in the year was negligible. The Directors believe the fair value of the financial instruments is not materially different to the book value.

Foreign Currency Risk

The Group includes an Australian subsidiary which may affect the Group's Sterling denominated reported results as a consequence of movements in the Sterling/Australian dollar exchange rate. The Group also incurs costs denominated in foreign currencies which gives rise to short-term exchange risk. The Group does not currently hedge against these exposures as they are deemed immaterial and there is no material exposure as at the year-end (31 December 2022: £nil).

CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard its ability to continue as a going concern and develop its mining and exploration activities to provide returns for shareholders. The Group's funding comprises equity and debt. The Directors consider the Company's capital and reserves to be capital. When considering the future capital requirements of the Group and the potential to fund specific project development via debt, the Directors consider the risk characteristics of all the underlying assets in assessing the optimal capital structure.

Approved by the Board of Directors
and signed on behalf of the Board

G Hancock

Greg Hancock
Non-Executive Chairman
30 April 2024

DIRECTORS' REPORT

The Directors are pleased to submit their annual report and audited financial statements for Cobra Resources Plc (the "Company" and collectively with its subsidiaries the "Group") for the year ended 31 December 2023.

The Chairman's Statement and Strategic Report contain details of the Group's principal activities and includes an Operational Review which provides detailed information on the development of the Group's businesses during the last 12 months, likely future developments and events that have occurred after the Balance Sheet date.

This Directors' Report includes the information required to be included under the Companies Act or, where provided elsewhere, an appropriate cross-reference is given. The Corporate Governance Statement, approved by the Board, is provided on pages 31 to 35 and is incorporated by reference herein.

PRINCIPAL ACTIVITY

The Group's principal activity is to explore, develop and mine precious and base metal projects.

RISKS AND UNCERTAINTIES AND FINANCIAL INSTRUMENTS

The business of mineral exploration, evaluation and development has inherent risks. The Group's exposure to risks is explained in Risks and Uncertainties in the Strategic Report set out on pages 14 to 25 together with the policies of the Board for the review and management of those risks.

THE GROUP'S PERFORMANCE AND FUTURE DEVELOPMENTS

A review of the Group's projects and their performance during the financial period and details of future developments and an indication of the outlook for the future, are contained in the Chairman's Statement on pages 3 to 12.

The Board will continue with its strategic plans to generate growth in value for shareholders in line with its business model which is explained in the Strategic Report on page 13.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the Company during the year were as follows:

	Date Appointed
Greg Hancock – Non-executive Chairman	1 March 2018
Daniel Maling – Non-executive Director	1 May 2020
David Clarke – Non-executive Director*	1 May 2020
Rupert Verco – Executive Director	22 August 2022

* *David Clarke was appointed Executive Director, Business Development & Asset Marketing post year end on 18 March 2024.*

DIRECTORS' REPORT (continued)

The Directors who held office as 31 December 2023 had the following beneficial interests in the Ordinary shares of the Company at 31 December 2023 according to the register of directors' interests:

	Ordinary shares			
	Number of Ordinary shares at 31 Dec 2023	**% of Issued Share Capital at 31 Dec 2023**	Number of Ordinary Shares at 31 Dec 2022	% of Issued Share Capital at 31 Dec 2022
Greg Hancock	400,000	0.07%	400,000	0.08%
Daniel Maling	2,075,000	0.35%	1,075,000	0.21%
David Clarke	64,036,166	10.81%	45,636,166	8.86%
Rupert Verco	833,333	0.14%	333,333	0.06%

Within 2023 the following shares were issued to Directors:

- In November 2023, David Clarke acquired 18,400,000 shares at 1.0 pence per share pursuant to participation in a private placement.
- In January 2024, David Clarke was issued 1,800,000 shares at 1.0 pence per share pursuant to participation in a private placement. As at 31 December 2023, these shares are not called up and unpaid.
- In November 2023, Daniel Maling acquired 1,000,000 shares at 1.0 pence per share pursuant to participation in a private placement.
- In November 2023, Rupert Verco acquired 500,000 shares at 1.0 pence per share pursuant to participation in a private placement.

DIRECTORS' WARRANTS AND OPTIONS

As at 31 December 2023 the Directors held the following options and warrants over the Company's ordinary shares:

	Options				
	Date of grant	Number of options at start of year	Options granted or acquired during year	Options lapsed during year	Number of options at end of year
Greg Hancock					
	11 Feb 2019	672,336	-	(672,336)	-
	15 July 2020	5,000,000	-	-	5,000,000
TOTAL		5,672,336	-	(672,336)	5,000,000
Rupert Verco					
	22 Jan 2022	3,000,000	-	-	3,000,000
	TOTAL	3,000,000	-	-	3,000,000
Daniel Maling					
	15 July 2020	5,000,000	-	-	5,000,000
TOTAL		5,000,000	-	-	5,000,000
David Clarke					
	15 July 2020	5,000,000	-	-	5,000,000
TOTAL		5,000,000	-	-	5,000,000

Warrants

	Date of grant	Number of warrants at start of year	Warrants granted or acquired during year	Warrants lapsed during year	Number of warrants at end of year
Greg Hancock					
	26 Oct 2022	200,000	-	-	200,000
TOTAL		200,000	-	-	200,000
Rupert Verco					
	26 Oct 2022	166,666	-	-	166,666
	21 Nov 2023	-	500,000	-	500,000
TOTAL		166,666	500,000	-	666,666
Daniel Maling					
	26 Oct 2022	200,000	-	-	200,000
	21 Nov 2023	-	1,000,000	-	1,000,000
TOTAL		200,000	1,000,000	-	1,200,000
David Clarke					
	26 Oct 2022	1,666,667	-	-	1,666,667
	21 Nov 2023	-	18,400,000	-	18,400,000
TOTAL		1,666,667	18,400,000	-	20,066,667

MANAGEMENT INCENTIVES

On 27 March 2018, the Company introduced a Share Option Plan with Non-Employee Sub-Plan to enable the issue of options as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. However, the Share Option Plan was amended by the Board and re-entered into on 11 February 2019.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

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

INDEPENDENT ADVICE TO THE BOARD

The Board has the ability to seek independent professional advice although none was considered necessary in the year under review or in the previous financial year.

SHARE CAPITAL

Details of the issued share capital, together with details of the movement in issued share capital during the year, are shown in note 15 to the Financial Statements.

SUBSTANTIAL INTERESTS

At the date of approval of this report, the Company had been notified that of the following interests of 3% or more of the issued Ordinary share capital of the Company:

	Number of Ordinary Shares	*% of Share Capital*
Nortrust Nominees Ltd	68,010,082	10.20
Mr Craig P Ball & Mrs Suzanne K Ball	65,836,166	9.88
Springton Trust*	65,836,166	9.88
Peninsula Resources Pty Ltd	52,010,000	7.80
Christoph Weiss	15,557,587	3.02

**The Springton Trust is an entity in which Company Directors Mr David Clarke has a beneficial interest.*

CORPORATE GOVERNANCE

The Corporate Governance Report is contained in pages 32 to 37 of this Report.

POLITICAL AND CHARITABLE DONATIONS

No donations were made during 2023 (2022: £1,122 (A$2,000) charitable donations)

POST PERIOD EVENTS

Events subsequent to year end are set out in the Chairman's Statement.

GOING CONCERN

The Group's ability to meet operational objectives and general overheads is reliant on raising further capital in the near future.

The Group meets its working capital requirements from its cash and cash equivalents. The Company is pre-revenue, and to date the Company has raised finance for its activities through the issue of equity and debt.

The Group has £ 638,475 of cash and cash equivalents at 31 December 2023, raised a further £202,000 in January 2024. The Group's and Company's ability to meet operational objectives and general overheads is reliant on raising further capital in the near future.

The Directors are confident that further funds can be raised and it is appropriate to prepare the financial statements on a going concern basis, however there can be no certainty that any fundraise will complete. These conditions indicate existence of a material uncertainty related to events or conditions that may cast significant doubt about the Group's ability to continue as a going concern, and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The board regularly reviews market conditions, the groups cash balance in alignment with the company's forward commitments and shall where deemed necessary revise expenditure commitments, defer director payments and terminate short term contracts as a means of cash preservation. Post-period end, on 26 April the Company announced a share placement raising £600,000 before costs (refer to note 22). The auditors have made reference to this material uncertainty within their audit report. These financial statements do not include the adjustments that would be required if the Group could not continue as a going concern.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each person who was a Director at the time this report was approved:

- so far as that Director was aware there was no relevant audit information of which the Company's auditor was unaware; and
- that Director had taken all steps that the Director ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

This information is given and should be interpreted in accordance with the provisions of section 418 of Companies Act 2006.

AUDITORS

A resolution to re-appoint the Company's Auditors, PKF Littlejohn LLP, will be proposed at the next Annual General Meeting of the Company, to be held in June 2024 at a date to be determined.

Approved by the Board of Directors
and signed on behalf of the Board

Greg Hancock
Non-Executive Chairman
30 April 2024

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group and parent company financial statements in accordance with 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. 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 company and of the group and of the profit or loss of the company and the group for that year.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements 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 and group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and enable them to ensure that the Financial Statements and the Directors Remuneration Report comply with the Companies Act 2006 and, as regards the group Financial Statements, UK-adopted international accounting standards. They are also responsible for safeguarding the assets of the Group and Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are also responsible to make a statement that they consider that the Annual Report and Financial Statements, taken as a whole, is fair, balanced, and understandable and provides the information necessary for the shareholders to assess the Group and Company's position and performance, business model and strategy.

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 financial statements may differ from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Legislation in England and Wales governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement Pursuant to Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on page 1, confirm that, to the best of their knowledge and belief:

- The Financial Statements prepared in accordance with UK-adopted International accounting standards, 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, includes a fair review of the development and performance of the business and the position of the Group and parent company, together with a description of the principal risks and uncertainties that they face.

CORPORATE GOVERNANCE STATEMENT

Introduction

The Company is not required to comply with the UK Code of Corporate Governance and has not voluntarily adopted it. However, the Directors recognise the importance of sound corporate governance and the Board intends, to the extent it considers appropriate in light of the Company's size, stage of development and resources, to implement certain corporate governance recommendations.

The Directors have responsibility for the overall corporate governance of the Company and recognise the need for the highest standards of behaviour and accountability. The Board has a wide range of experience directly related to the Company and its activities and it structure ensures that no one individual or group dominates the decision-making process.

The ways in which the Company has applied the Code are explained below:

- The Code requires that a smaller company should have at least two Independent Non-Executive Directors. The Board currently consists of one Executive Director and three Non-Executive Directors. The Non-Executive Directors are interested in either Ordinary shares in the Company, options over ordinary shares in the Company, or both, and cannot therefore be considered fully independent under the Code. The remuneration of the Non-Executive Directors includes options and this is contrary to D.1.3 of the Code, and thus the Company is not in full compliance. Post year end on 18 March 2024, Mr. David Clarke became an Executive Director of the Company. However, the Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company, and all are considered to be independent in character and judgement.

- Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re- election in accordance with the Company's Articles of Association. The terms and conditions of appointment of Non-Executive Directors will be made available upon written request.

The Company is a small company with a modest resource base. The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation.

The Company will hold Board meetings periodically as issues arise which require the Board's attention. The Board will be responsible for the management of the business of the Company, setting its strategic direction, establishing its policies and appraising the making of all material investments. It will be the Board's responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company on behalf of the shareholders, to whom the Directors are accountable. The primary duty of the Board will be to act in the best interests of the Company at all times. The Board will also address issues relating to internal control and the Company's approach to risk management.

Set out below are the Company's corporate governance practices for the year ended 31 December 2023.

Leadership

The Company is headed by an effective Board which is collectively responsible for the long-term success of the Company.

The role of the Board – The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company.

Board Meetings – The core activities of the Board are carried out in scheduled meetings of the Board. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings. During the year, the Board met on five occasions.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

Summary of the Board's work in the year – During the year, the Board considered all relevant matters within its remit, but focused in particular on the execution and completion of the Lady Alice acquisition.

A table setting out the Directors' attendance at Board meetings during the year is set out below.

	Role	Board Meeting	Audit Committee	Remuneration Committee
Greg Hancock	Non-Executive Chairman	4/4	1/1	2/2
Daniel Maling	Director	4/4	1/1	N/A
David Clarke*	Director	4/4	N/A	2/2
Rupert Verco	Chief Executive Officer	4/4	N/A	N/A

* *David Clarke was appointed Executive Director, Business Development & Asset Marketing post year end on 18 March 2024.*

Directors attended an extremely high number of directors meetings and all Board meetings they were entitled to attend during the year. The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's Articles of Association.

Non-Executive Directors

The Non-Executive Director brings a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the Executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets. Cobra had two Non-Executive Directors during 2023, being Daniel Maling and David Clarke, as well as a Non-executive Chairman, Greg Hancock.

Non-Executive directors are initially appointed for an initial term of one year, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Committees

The Company has established Audit and Remuneration Committees.

Audit Committee

The Audit Committee was established in 2020. The Committee has responsibility for, among other things, the monitoring of the integrity of the financial statements of the Company and its Enlarged Group and the involvement of the Group's auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of external audit and financial control is maintained, including considering the scope of the annual audit and the extent of the non-audit work undertaken by external auditors and advising on the appointment of external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will meet at least two times a year at the appropriate times in the financial reporting and audit cycle.

The members of the Audit Committee are Daniel Maling, who acts as Chairman of the Committee, and Greg Hancock.

The Group’s external auditor is PKF Littlejohn LLP who have served as external auditor for six years. The role of external auditor last went to tender in 2018. The Audit Committee closely monitors the level of audit and non-audit services that they provide to the Company and Group.

Having assessed the performance, objectivity and independence of the auditors, the Committee will be recommending the reappointment of PKF Littlejohn LLP as auditors to the Company at the 2024 Annual General Meeting.

During the year to 31 December 2023 the Audit Committee considered the following key issues in relation to the Financial Statements:

Issue	Action
• Accounting policies	The Committee reviewed and discussed the significant accounting policies with management and the external auditor and reached the conclusion that each policy was appropriate to the Group and Company.
• Carrying value of investment in Lady Alice Mines	The Committee reviewed the impairment assessment report prepared by management and agreed that given the reasonable expectation that the Group will achieve its milestone targets over the next 18 months that no impairment to the value of the investment in Lady Alice Mines was required as at 31 December 2023.

Issue	Action
• Going Concern review	The Committee considered the ability of the Group to operate as a Going Concern considering cash flow forecast for the next 12 months and operational milestone. It was determined by the Committee that the Group will need to raise funds within the next 12 months in order to achieve its 12-month operational objectives. Whilst there can be no certainty that funds will be received, the Committee formed the opinion that it was reasonable to expect that additional funds will be raised, and that it was appropriate for the Financial Statements to be prepared on a going concern basis.
• Review of audit and non-audit services and fees	The Committee reviewed the fees charged for the provision of audit and services and determined that they were in line with fees charged to companies of similar size and stage of development. The Committee considered and was satisfied the external auditor's assessment of its own independence. There were no non-audit services provided during the year to 31 December 2023.

Remuneration Committee

The Remuneration Committee was established in 2020. The Committee has the responsibility of reviewing the performance of the Executive directors and make recommendations to the Board on matters relating to their remuneration and terms of employment. The Committee will also make recommendations to the Board on proposals for the granting of share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The Remuneration Committee will meet at least once a year. The aggregate remuneration of the directors is limited by the Company's Articles of Association and this aggregate amount can only be changed by the Company in general meeting.

The members of the Remuneration Committee are Daniel Maling, who acts as Chairman of the Committee, and Greg Hancock.

Nomination Committee

The Board as a whole will be responsible for the appointment of executive and Non-Executive Directors. The Board does not currently believe it is necessary to have a separate nominations committee at this time. The requirement for a nominations committee will be considered on an ongoing basis.

Share Dealing Code

The Board has adopted a share dealing code (the "Share Dealing Code") regulating trading in the Company's shares for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are listed on the Official List and admitted to trading on the Main Market for listed securities of the London Stock Exchange (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of the Share Dealing Code.

Diversity

The Company has not adopted a formal policy on diversity, however it is committed to a culture of equal opportunities for all, regardless of age, race or gender.

During the year the Group had the following gender composition of employees and directors:

Gender Composition	Male	Female
Male	4	0
Female	0	0

In 2023 0% of the Board was made up of women. As the Company grows and develops it is eager to increase its gender diversity by appointing more women to its Board, adding new perspectives and contributions. However, at present the Board and Company remains fairly small.

0% of the Company's Board is formed of individuals from ethnic minority backgrounds, as defined by the Listing Rules.

The company relies upon and engages external consultants to provide technical services in its operations. Over five key service agreements, over 60% of the key personnel engaged by the company are women.

Relations with Stakeholders

Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole

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

The requirements of s172 are for the Directors to:

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

The Company operates in the extractive industry to explore, develop and mine precious and base metal projects which is inherently speculative in nature and, whilst currently pre-revenue will be dependent upon fund-raising for its continued operations The nature of the business is well understood by the Company's members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements as is allowed under LSE regulations.

The application of the s172 requirements can be demonstrated in relation to some of the key decisions made during 2023:

- Pursuing the execution and completion of work requirements under the terms of the Lady Alice acquisition;
- Pursuing the REE exploration strategy which the Directors believe will be value accretive for shareholders; and
- Any contracts for services provided have been undertaken with a clear cap on financial exposure.

During the year, the Board assessed its current activities between the Board and its stakeholders, which demonstrated that the Board actively engages with its stakeholders and takes their various objectives into consideration when making decisions. Specifically, actions the Board has taken to engage with its stakeholders in 2023 include:

- Attended the 2023 AGM to answer questions and receive additional feedback from investors;
- Arranged meetings with certain stakeholders to provide them with updates on the Company's operational activities and other general corporate updates;
- Made presentations and published recordings and slide decks on the Company's exploration programme; and
- Monitored company culture and engaged with employees on efforts to continuously improve company culture and morale.

The Board believes that appropriate steps and considerations have been taken during the year so that each Director has an understanding of the various key stakeholders of the Company. The Board recognises its responsibility to contemplate all such stakeholder needs and concerns as part of its discussions, decision-making, and in the course of taking actions, and will continue to make stakeholder engagement a top priority in the coming years.

Greg Hancock
Non-Executive Chairman
30 April 2024

DIRECTORS' REMUNERATION REPORT

The Company has established a Remuneration Committee which is responsible for reviewing, determining and recommending to the Board the future policy for the remuneration of the directors, the scale and structure of the directors' fees, taking into account the interests of shareholders and the performance of the Company and directors.

The items included in this report are unaudited unless otherwise stated.

Statement of Cobra Resources Plc's policy on Directors' Remuneration by the Chairman of the Remuneration Committee, Daniel Maling.

As Chairman of the Remuneration Committee, I am pleased to introduce our Directors' Remuneration Report. The Directors' Remuneration Policy, which is set out on pages 40 to 42 of this report, will be submitted to shareholders for approval at our Annual General Meeting on a date to be advised in June 2024.

A key focus of the Directors' Remuneration Policy is to align the interests of the Directors to the long-term interests of the shareholders and it aims to support a high performance culture with appropriate reward for superior performance, without creating incentives that will encourage excessive risk taking or unsustainable company performance. This will be underpinned through the implementation and operation of incentive plans.

The Remuneration Committee which comprises myself as Chairman and Greg Hancock will meet at least once a year. Directors' remuneration is fixed although Board meetings are held where the remuneration of Directors is considered.

Key Activities of the Remuneration Committee

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 Chief Executive Officer and such other members of 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, the provisions and recommendations of the UK Corporate Governance Code (the "Code") and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- 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. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board;
- Be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- 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;
- Review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other designated senior executives and the performance targets to be used;
- 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.

DIRECTORS' REMUNERATION REPORT, continued

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 consist of:

- Base salaries;
- Pension and other benefits;
- Annual bonus; and
- Share Incentive arrangements.

All such contracts impose certain restrictions as regards the use of confidential information and intellectual property and they impose restrictive covenants which apply following the termination of their agreements. There are no planned changes to future remuneration policy as at the date of signing this Report.

Other Matters

The Company does not currently have any annual or long-term incentive schemes or any other scheme interests in place for any of the Directors.

The Company has established a workplace pension scheme but it does not presently have any employees qualifying under the auto-enrolment pension rules who have not opted out of the scheme. It does not currently pay pension amounts in relation to Directors' remuneration. The Company has not paid out any excess retirement benefits to any Directors or past Directors.

Recruitment Policy

Base salary levels take into account market data for the relevant role, internal relativities, their individual experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time, subject to performance in the role. Benefits will generally be in accordance with the approved policy. 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 Executive Directors' contractual entitlements. Service contracts do not contain liquidated damages clauses. If a service contract is to be terminated, the Company will determine such mitigation as it considers fair and reasonable in each case.

The Company 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 terms of all the Directors' appointments are subject to their re-election by the Company's shareholders at Annual General Meetings at which certain of the Directors will retire on a rotational basis and offer themselves for re-election.

DIRECTORS' REMUNERATION REPORT, continued

The Non-executive Directors of the Company do not have service agreements but are appointed by letters of appointment. Each Non-Executive Director's term of office runs for an initial period of one year and thereafter, with the approval of the Board, will continue subject to periodic retirement and re-election or termination or retirement in accordance with the terms of the letters of appointment.

The details of each Non-Executive Director's current terms are set out below:

Name	Date of letter of appointment	Notice period by Company (months)	Notice period by Director (months)
Greg Hancock	12 March 2018	1 month	1 month
Daniel Maling	1 May 2020	1 month	1 month
David Clarke*	1 May 2020	1 month	1 month

* Mr Clarke became an Executive Director of the Company post year-end, on 18 March 2024.

Executive Directors' Remuneration - Audited

The table below sets out the remuneration received by the Executive Director excluding any share-based payments for the years ended 31 December 2023 and 2022:

	Short-term benefits – salary & fees	Total
	2023	2023
	£	£
Name		
Rupert Verco	138,934	138,934
Total	138,934	138,934

	Short-term benefits – salary & fees	Total
	2022	2022
	£	£
Name		
Rupert Verco	131,516	131,516
Total	**131,516**	**131,516**

DIRECTORS' REMUNERATION REPORT, continued

Non-Executive Directors' Remuneration - Audited

The table below sets out the remuneration received by each non-executive director during the years ended 31 December 2023 and 2022:

Name	Short-term benefits – salary & fees 2023 £	Total 2023 £
Greg Hancock	31,166	31,166
Daniel Maling	24,000	24,000
David Clarke*	24,000	24,000
Total	79,166	79,166

* Mr Clarke became an Executive Director of the Company post year-end, on 1st January 2024.

Name	Short-term benefits – salary & fees 2022 £	Total 2022 £
Greg Hancock	36,361	36,361
Dan Maling	24,000	24,000
David Clarke	24,000	24,000
Total	**84,361**	**84,361**

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.

Daniel Maling
Chairman of the Remuneration Committee
30 April 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBRA RESOURCES PLC

Opinion

We have audited the financial statements of Cobra Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Cash Flow Statements and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's 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 1 in the financial statements, which indicates that the group and parent company will need to raise additional funds during the going concern period to fund exploration expenditure and working capital requirements.

As stated in note 1, these events or conditions, along with the other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's assessment of the group's and parent company's going concern which included cash flow forecasts for the period up to 30 April 2025;
- Testing the mathematical accuracy of the forecasts and challenging management on the accuracy of key assumptions and inputs;

- Assessing the reasonableness of the cash flow forecast by analysing management's historical forecasting accuracy;
- Reviewing the exploration licences for any committed expenditures and ensuring these were considered as part of the assessment;
- Comparing the forecasted general and administrative expenses and project spend to current year actual costs to assess the reasonableness of the cost base;
- Comparing management's forecasts to actual results to date and performing inquiries to the date of this report;
- Sensitising the forecasts to determine the impact of reasonably possible changes in key assumptions and inputs;
- Considering the impact of post-balance sheet events on going concern; and
- Assessing the adequacy of the going concern disclosures in the financial statements.

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

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. We determined materiality for the financial statements to be:

Entity	Overall materiality £	Performance materiality at 70% (2022: 65%) £	Triviality threshold at 5% (2022: 5%) £
Group	93,000 (2022: 92,000)	65,100 (2022: 60,000)	4,600 (2022: 4,000)
Parent company	25,800 (2022: 20,000)	18,100 (2022: 13,100)	1,300 (2022: 1,000)

The benchmark for overall materiality was net assets. Our determination was considered appropriate based upon the carrying value and recoverability of exploration assets being the key audit matter for the group, and the benchmark most relevant to shareholders of an entity undertaking exploration and evaluation activities. The percentage of 2.5% (2022: 2.5%) applied to this benchmark has been selected to bring into scope all significant classes of transactions, account balances and disclosures considered relevant for the shareholders, and also to ensure that matters that would have a significant impact on the results during the year were appropriately considered.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures. We have increased the performance materiality from 65% to 70% of overall materiality for both the group and parent company since there have been no significant changes to the control environment or inherent risk within the group.

The component overall materiality was set at £91,000 (2022: £52,000) based upon an appropriate percentage of group overall materiality, having regard to the size, asset contribution, and risk profile of this component, with performance materiality set at £63,700 (2022: £33,900) which is 70% (2022: 65%) of overall materiality.

We agreed with the audit committee that we would report all individual audit differences identified for the group during the course of our audit in excess of £4,600 (2022: £4,000). We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

The benchmark for determining the overall materiality of the parent company was loss before tax. The percentage of 5% (2022: 5%) applied to this benchmark has been selected based on our risk assessment of the parent company. We agreed with the audit committee that we would report all individual audit differences identified for the parent company during the course of our audit in excess of £1,300 (2022: £1,000) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. This included the valuation and recoverability of the exploration and evaluation intangible asset at a group level and the recoverability of investment in subsidiary and intercompany debtors at the parent company level. Our group audit scope focused on the principal areas of operation, being Australia and the UK. We also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud. Exploration and evaluation activities take place within the subsidiaries based in Australia and this is also the location of the accounting function.

The audit was performed by us as group auditors based in London. Each component within the group was assessed as to whether they were significant or not significant to the group by either their size or risk. The parent company and the subsidiary were considered to be significant due to identified risk and size. A full scope audit was completed on both components.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters 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
Valuation and recoverability of intangible fixed assets (Note 9)	
Intangible fixed assets comprise capitalised exploration and evaluation costs together with the fair value of acquiring the project licenses. Costs capitalised within intangible fixed assets are required to satisfy the eligibility criteria under IFRS 6 Exploration for and Evaluation of Mineral Resources. The carrying amount of the intangible fixed assets related to exploration and evaluation assets amounted to £3,258,753 (2022: £2,727,290) as at 31 December 2023. Given the level of management judgement involved in assessing whether there are indications of impairment to the carrying value of exploration and evaluation assets, we considered this to be a key audit matter.	Our work in this area included: • Reviewing management's assessment of impairment, providing appropriate challenge to any significant assumptions; • Assessing whether indications of impairment exist in line with IFRS 6, including the following: - obtaining evidence that the licences are still held by the group and expiry is not imminent or there is evidence to support the likelihood of licence extension; - checking good title to project licences and that any minimum expenditure terms therein have been adequately met or are expected to be met within the contractual terms; - assessing the progress and results of the exploration activities as part of the earn-in arrangement; and - discussing with management their plans regarding future exploration of the licenced areas. • Testing additions to intangible fixed assets during the year and assessing the appropriateness of capitalisation under IFRS 6; and • Reviewing the associated disclosures in the financial statements to ensure that they are appropriate and in accordance with IFRS. **Key observation** The Directors' judgements in their assessment of impairment are reasonable and our work did not identify any impairment indicators regarding the carrying value and recoverability of intangible fixed assets.

Recoverability of investment in subsidiary undertakings and intercompany debtors (Notes 8 and 11)	
The investment in subsidiary and intercompany debtors amounted to £432,260 (2022: £432,260) and £3,810,385 (2022: £2,659,164), respectively, as at 31 December 2023. The investment in subsidiary and intercompany debtors are material to the parent company financial statements. Given that their recoverability is directly linked to the recoverability of intangible fixed assets, we considered the recoverability of investment in subsidiary and intercompany debtors to be a key audit matter.	Our work in this area included: • Evaluating recoverability by reference to management's assessment of impairment of the underlying exploration projects; • Considering the need for provision against intercompany debtors in accordance with the expected credit loss model within IFRS 9 Financial Instruments; • Assessing whether indications of impairment exist in relation to the investment in subsidiary in accordance with IAS 36 Impairment of Assets; and • Reviewing the associated disclosures in the financial statements to ensure that they are appropriate and in accordance with IFRS. **Key observation** The Directors' judgements in their assessment of impairment are reasonable and our work, in conjunction with that performed on the recoverability of intangible assets, did not identify any impairment indicators.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept 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.

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

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of our experience of the resource exploration sector.

- 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;
  - Bribery Act 2010;

    - Anti-money laundering legislations;
    - Disclosure Guidance and Transparency Rules for listed entities;
    - UK-adopted international accounting standards;
    - Local industry laws and regulations in South Australia and Tasmania where exploration activity took place; and
    - Local tax and employment laws in UK and Australia.
- 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:
    - conducting enquiries of management and those charged with governance regarding potential instances of non-compliance;
    - reviewing board minutes and other correspondence from management;
    - reviewing regulatory news service announcements; and
    - reviewing legal and professional fees for evidence of any litigation or claims against the group.
- We communicated relevant laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with law and regulations throughout the audit.
- 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 impairment assessment of intangible fixed assets and recoverability of investment in subsidiary and intercompany debtors represented the highest risk of management bias. Please refer to the key audit matters section 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; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the subsidiary level was ensured through conducing enquiries of management and reviewing correspondence for any instances of non-compliance.

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

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

Other matters which we are required to address

We were appointed by the directors of the parent company on 28 February 2019 to audit the financial statements for the period ending 31 December 2018 and subsequent financial periods. Our total uninterrupted period of engagement is 6 years, covering the periods ending 31 December 2018 to 31 December 2023.

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

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

Use of our report

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

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

15 Westferry Circus
Canary Wharf
London E14 4HD

Date: 30 April 2024

Cobra Resources plc

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023 £	31 December 2022 £
Other Expenses	2	(885,029)	(488,608)
Operating loss		(885,029)	(488,608)
Finance income and costs	3	(21,773)	(20,530)
		(906,802)	(509,138)
Change in estimate of contingent consideration	14	(14,311)	-
Loss before tax		(921,113)	(509,138)
Taxation	6	-	-
Loss for the year attributable to equity holders		(921,113)	(509,138)
Earnings per Ordinary share			
Basic and diluted loss per share attributable to owners of the Parent Company	7	(£0.0018	(£0.0010)

All operations are considered to be continuing.

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	31 December 2023 £	31 December 2022 £
Loss for the year	(921,113)	(509,138)
Other Comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
- Exchange differences on translation of foreign operations	(132,058)	290,754
Total comprehensive loss attributable to equity holders of the Parent Company	(1,053,171)	(218,384)

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2023

	Notes	2023	2022
		£	£
Non-current assets			
Intangible Fixed Assets	9	3,258,753	2,727,290
Property, plant and equipment	10	1,649	1,428
Other non-current assets	11	31,036	-
Total non-current assets		3,291,438	2,728,718
Current assets			
Trade and other receivables	11	36,248	84,469
Cash and cash equivalents	12	638,475	1,272,742
Total current assets		674,723	1,357,211
Current liabilities			
Trade and other payables	13	198,687	79,998
Contingent consideration	14	163,225	148,914
Total current liabilities		361,912	228,912
Net assets		3,604,249	3,857,017
Capital and reserves			
Share capital	15	5,923,794	5,152,494
Share premium account		2,785,366	2,794,649
Share based payment reserve		21,476	(16,908)
Retained losses		(5,269,293)	(4,348,182)
Foreign currency reserve		142,906	274,964
Total equity		3,604,249	3,857,017

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 30 April 2024.

G Hancock

Signed on behalf of the Board of Directors
Greg Hancock, Non-Executive Chairman, Company No. 11170056

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2023

	Notes	2023 £	2022 £
Non-current assets			
Investment in subsidiary	8	432,260	432,260
Property, plant and equipment	10	1,428	1,428
Intangible Fixed Assets	9	-	33,251
Total non-current assets		433,688	466,939
Current assets			
Trade and other receivables	11	3,841,258	2,664,404
Cash and cash equivalents	12	313,071	1,075,372
Total current assets		4,154,329	3,739,776
Current liabilities			
Trade and other payables	13	166,739	11,873
Contingent consideration	14	163,225	148,914
Total current liabilities		329,964	160,787
Net assets		4,258,053	4,045,928
Capital and reserves			
Share capital	15	5,923,794	5,152,494
Share premium account		2,785,366	2,794,649
Share based payment reserve		21,476	(16,908)
Retained losses		(4,472,583)	(3,884,307)
Equity shareholders' funds		4,258,053	4,045,928

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not included its own income statement and statement of comprehensive income in these financial statements. The Parent Company's loss for the period amounted to £588,276 (2022: £399,363 loss).

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 30 April 2024.

G Hancock

Signed on behalf of the Board of Directors
Greg Hancock, Non-Executive Chairman, Company No. 11170056

Cobra Resources plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium	Share based payment reserve	Retained losses	Foreign currency reserve	Total
	£	£	£	£	£	£
As at 1 January 2022	3,601,104	1,378,561	962,201	(3,848,456)	(15,790)	2,077,620
Loss for the year	-	-	-	(509,138)	-	(509,138)
Translation differences	-	-	-	9,414	290,754	300,168
Total Comprehensive loss for the year	-	-	-	(499,724)	290,754	(208,970)
Shares issued	1,551,390	640,291	(44,576)	-	-	2,147,105
Share issue cost		(207,735)				(207,735)
Warrants expired	-	924,906	(924,906)	-	-	-
Warrants issued		58,626	(58,626)	-	-	-
Share option charge			49,000	-	-	49,000
Total transactions with owners	1,551,390	1,416,088	(979,108)	-	-	1,998,370
At 31 December 2022	5,152,494	2,794,649	(16,908)	(4,348,182)	274,964	3,857,017
Loss for the year	-	-	-	(921,113)	-	(921,113)
Translation differences	-	-	-	-	(132,058)	(132,058)
Total Comprehensive loss for the year	-	-	-	(921,113)	(132,058)	(1,053,171)
Shares issued	771,300	-	-	-	-	771,300
Share issue cost	-	(6,900)	-	-	-	(6,900)
Warrants issued	-	(2,383)	2,383	-	-	-
Share options charge	-	-	36,000	-	-	36,000
Total transactions with owners	771,300	(9,283)	38,383	-	-	800,400
At 31 December 2023	5,923,794	2,785,366	21,476	(5,269,293)	142,906	3,604,249

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income
Foreign currency reserve:	Gains/losses arising on translation of foreign controlled entities into pounds sterling.

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Share premium	Share based payment reserve	Retained losses	Total
	£	£	£	£	£
At 1 January 2022	3,601,104	1,378,561	962,201	(3,484,944)	2,456,921
Loss for the year	-	-	-	(399,363)	(399,363)
Total Comprehensive loss for the year	-	-	-	(399,363)	(399,363)
Shares issued	1,551,390	640,291	(44,576)	-	2,147,105
Warrants expired	-	924,906	(924,906)	-	-
Share issuance costs	-	(207,735)	-		(207,735)
Issuance of warrants		58,626	(58,626)		-
Share option charge	-	-	49,000	-	49,000
Total transactions with owners	1,551,390	1,416,088	(979,108)	-	1,998,370
At 31 December 2022	5,152,494	2,794,649	(16,908)	(3,884,307)	4,045,928
Loss for the year	-	-	-	(588,276)	(588,276)
Total Comprehensive loss for the year	-	-	-	(588,276)	(588,276)
Shares issued	771,300	-	-	-	771,300
Share issue costs	-	(6,900)	-	-	(6,900)
Warrants issued	-	(2,383)	2,383	-	-
Share option charge	-	-	36,000	-	36,000
Total transactions with owners	771,300	(9,283)	38,383	-	800,400
At 31 December 2023	5,923,794	2,785,366	21,476	(4,472,583)	4,258,053

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income

The accompanying notes are an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023 £	31 December 2022 £
Cash flows from operating activities			
Loss before tax		(921,113)	(509,138)
Share-based payments		36,000	49,000
Depreciation	10	-	252
Foreign exchange		(23,104)	159,015
Interest income	3	(5,708)	-
Change in fair value of contingent consideration		14,311	-
Increase in contingent consideration	14	14,311	-
(Increase) in trade and other receivables	11	(13,850)	(13,493)
Increase in Other non-current assets	11	31,036	-
Increase / (decrease) in trade and other payables	13	131,678	(34,254)
Net cash used in operating activities		(736,439)	(348,618)
Cash flows from investing activities			
Payments for exploration and evaluation activities	9	(640,414)	(714,885)
Payments for property, plant and equipment	10	(222)	-
Interest received	3	5,708	-
Net cash used in investing activities		(634,928)	(714,885)
Cash flows from financing activities			
Proceeds from the issue of shares		744,000	2,279,500
Payment for share issuance costs		(6,900)	(207,735)
Net cash generated from financing activities		737,100	2,071,765
Net increase/(decrease) in cash and cash equivalents		(634,267)	1,008,262
Cash and cash equivalents at beginning of year		1,272,742	264,480
Cash and cash equivalents at end of year	12	638,475	1,272,742

Major non-cash transactions

During the year £27,300 in fees owing to suppliers and directors were settled via the issue of 2,730,000 Ordinary shares at 1p each.

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

PARENT COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023 £	31 December 2022 £
Cash flows from operating activities			
Loss before tax		(588,276)	(399,363)
Share based payments		36,000	49,000
Depreciation	10	-	252
Change in fair value of contingent consideration		14,311	-
Increase in contingent consideration	14	14,311	-
Increase in trade and other receivables	11	(1,143,601)	(196,283)
Increase/(decrease) in trade and other payables	13	167,854	(20,087)
Net cash used in operating activities		(1,499,401)	(566,481)
Cash flows from investing activities			
Loan to Subsidiary	11	-	-
Net cash used in investing activities		-	-
Cash flows from financing activities			
Proceeds from the issue of shares		744,000	1,649,500
Share issue costs		(6,900)	(207,735)
Net cash generated from financing activities		737,100	1,441,765
Net increase/(decrease) in cash and cash equivalents		(762,301)	875,284
Cash and cash equivalents at beginning of year		1,075,372	200,088
Cash and cash equivalents at end of year	12	313,071	1,075,372

Major non-cash transactions

During the year £27,300 in fees owing to suppliers and directors were settled via the issue of 2,730,000 Ordinary shares at 1p each.

The accompanying notes are an integral part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

General information

The Company is a public company limited by shares which is incorporated in England. The registered office of the Company is 9th Floor, 107 Cheapside, London, EC2V 6DN, United Kingdom. The registered number of the Company is 11170056.

The principal activity of the Group is to objective is to explore, develop and mine precious and base metal projects.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below (‘Accounting Policies’ or ‘Policies’). These Policies have been consistently applied to all the periods presented, unless otherwise stated.

Accounting policies

Basis of preparation of Financial Statements

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006. The Group and Company Financial Statements have also been prepared under the historical cost convention, except as modified for assets and liabilities recognised at fair value on an asset acquisition.

The Financial Statements are presented in pounds sterling, which is the functional currency of the Parent Company. The functional currency of Lady Alice Mines Pty Ltd is Australian Dollars.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board 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 Statements are disclosed in Note 1.

Changes in accounting policies

i) New and amended standards adopted by the Group and Company

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the period ended 31 December 2023 but did not result in any material changes to the financial statements of the Group or Company.

Of the other IFRS and IFRIC amendments, none are expected to have a material effect on the future Group or Company Financial Statements.

ii) New standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IAS 1 (Amendments)	Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current	1 January 2024

None are expected to have a material effect on the Group or Company Financial Statements.

Going concern

The Financial Statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, the Directors have taken into account all relevant available information about the current and future position of the Group and Company, including the current level of resources and the required level of spending on exploration and evaluation activities. As part of their assessment, the Directors have also taken into account the ability to raise additional funding whilst maintaining sufficient cash resources to meet all commitments. The Board regularly reviews market conditions, the Group's cash balance in alignment with the Company's forward commitments and shall where deemed necessary revise expenditure commitments, defer director payments and terminate short term contracts as a means of cash preservation. Post-period end, on 26 April the Company announced a share placement raising £600,000 before costs (refer to note 22).

The Group meets its working capital requirements from its cash and cash equivalents. The Company is pre-revenue, and to date the Company has raised finance for its activities through the issue of equity and debt.

The Group has £638,475 of cash and cash equivalents at 31 December 2023. The Group's and Company's ability to meet operational objectives and general overheads is reliant on raising further capital in the near future.

The Directors are confident that further funds can be raised and it is appropriate to prepare the financial statements on a going concern basis, however there can be no certainty that any fundraise will complete. These conditions indicate existence of a material uncertainty related to events or conditions that may cast significant doubt about the Group's and Company's ability to continue as a going concern, and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. These financial statements do not include the adjustments that would be required if the Group and Company could not continue as a going concern.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and companies controlled by the Parent Company, the Subsidiary Companies, drawn up to 31 December each year.

Control is recognised where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities, and is exposed to, or has rights to, variable returns from its involvement in the subsidiary. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, where appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Investments in subsidiaries are accounted for at cost less impairment.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

The Group's operations are located Australia with the head office located in the United Kingdom. The main tangible assets of the Group, cash and cash equivalents, are held in the United Kingdom and Australia. The Board ensures that adequate amounts are transferred internally to allow all companies to carry out their operational on a timely basis.

The Directors are of the opinion that the Group is engaged in a single segment of business being the exploration of gold in Australia. The Group currently has two geographical reportable segments – United Kingdom and Australia.

Foreign currencies

For the purposes of the consolidated financial statements, the results and financial position of each Group entity are expressed in pounds sterling, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences arising are included in the profit or loss for the period.

For the purposes of preparing 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. Gains and losses from exchange differences so arising are shown through the Consolidated Statement of Changes in Equity.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates:
Office Equipment: 33.33% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the Statement of Comprehensive Income.

Impairment of tangible fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Exploration and evaluation assets
Exploration and evaluation assets, held as intangible fixed assets on the statement of financial position comprises all costs which are directly attributable to the exploration of a project area. The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure capitalised as exploration and evaluation assets relates to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets recorded at fair-value on acquisition
Exploration assets which are acquired are recognised at fair value. When an acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is attributed to the fair value of the exploration asset.

Impairment of intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Early stage exploration projects are assessed for impairment using the methods specified in IFRS 6.

Financial Assets
Loans and Receivables
(a) Classified as receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an instrument level.
The Group's and Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:
- financial assets at amortised cost (debt instruments);
- financial assets at fair value through OCI with recycling of cumulative gains and losses through profit or loss (debt instruments);
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition through profit or loss (equity instruments); and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)
This category is the most relevant to the Group and Company. The Group and Company measure financial assets at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group’s and Company’s financial assets at amortised cost include trade and other receivables (not subject to provisional pricing) and cash and cash equivalents.

Derecognition
A financial asset is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group and Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement; and either (a) the Group and Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets
The Group and Company recognise an allowance for expected credit losses (“ECLs”) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Financial liabilities
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process. Financial liabilities at fair value through profit or loss include contingent liability. Gains or losses are recognised in the consolidated income statement.

Derecognition
A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

Cash and cash equivalents

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

Share capital

The Company's Ordinary shares of nominal value £0.01 each ("Ordinary Shares") are recorded at such nominal value and proceeds received in excess of the nominal value of Ordinary Shares issued, if any, are accounted for as share premium. Both share capital and share premium are classified as equity. Costs incurred directly to the issue of Ordinary Shares are accounted for as a deduction from share premium, otherwise they are charged to the income statement.

Current and deferred income tax

Tax represents income tax and deferred tax. Income tax is based on profit or loss for the year. Taxable profit or loss differs from the loss for the year as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items of income or expense that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

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

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

Share based payments

The fair value of services received in exchange for the grant of share warrants and options is recognised as an expense in share premium or profit or loss, in accordance with the nature of the service provided. A corresponding increase is recognised in equity.

The total expense to be apportioned over the vesting period of the benefit is determined by reference to the fair value (excluding the effect of non market-based vesting conditions) at the date of grant. Fair value is measured by the use of the Black-Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of the non- transferability, exercise restrictions and behavioural considerations. A cancellation of a share award by the Group is treated consistently, resulting in an acceleration of the remaining charge within the consolidated income statement in the year of cancellation.

Judgements and key sources of estimation uncertainty

The preparation of the Financial Statements in conformity with IFRS requires the directors to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

<u>Recoverability of exploration and evaluation assets</u>

Exploration and evaluation costs have a carrying value at 31 December 2023 of £3,258,753 (2022: £2,727,290). Such assets have an indefinite useful life as the Group has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 2. Each exploration project is subject to an annual review to determine if the exploration results during the period warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long term prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside, a decision will be made to discontinue exploration; an impairment charge will then be recognised in the statement of comprehensive income.

As a result of the exploration results received to date, budget for further exploration works and licences being in good standing, Management do not consider that the exploration and evaluation assets are impaired as at 31 December 2023 and 2022.

Share-based payments valuations

Accounting estimates and assumptions are made concerning the future and, by their nature, may not accurately reflect the related actual outcome. Share options and warrants are measured at fair value at the date of grant. The fair value is calculated using the Black Scholes method for both options and warrants as the management views the Black Scholes method as providing the most reliable measure of valuation.

Contingent Consideration

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. The determination of fair value is based on key assumptions involving estimation of the probability of meeting each performance target and the timing thereof which are judgement based decisions made by Management. As part of the acquisition of Lady Alice Mines Pty Ltd, contingent consideration with an estimated fair value of £296,536 was recognised at the acquisition date. See note 18 for further details. The Group is required to remeasure the contingent liability at fair value at each reporting date with changes in fair value recognised through profit or loss in accordance with IFRS 9. Therefore, as at 31 December 2023, the contingent consideration reflects an estimated fair value of £163,225.

Recoverable value of investment in subsidiary and intercompany debtors

As at 31 December 2023, the Company recognised an investment in subsidiary of £432,260 (2022: £432,260), and loans to the subsidiary of £3,810,385 (2022 £2,659,164). The carrying values of the investment and loans are assessed for indications of impairment, as set out in IFRS 9, on an annual basis. As part of this impairment assessment, the recoverable value of the investment and loans is required to be estimated.

The main consideration for Management when considering recoverability is the probability of realising value from the exploration intangible assets owned by the subsidiary which will generate future cashflow to enable both repayment of the loans and realisation of value of investment.

As a result of the exploration results received to date, budget for further exploration works in 2024 and licences being in good standing, Management do not consider that the investment in subsidiary, or loans to subsidiary are impaired as at 31 December 2023 and 2022.

These estimates and assumptions are subject to risk and uncertainty and therefore a possibility that changes in circumstances will impact the assessment of impairment indicators.

2. EXPENSES BY NATURE

	31 December 2023 £	31 December 2022 £
Administrative expense	163,312	79,908
Corporate expense and Finance	451,420	169,813
Professional fees	-	960
Wages & Salaries expense	270,297	237,927
	885,029	**488,608**

Auditor's remuneration

	31 December 2023 £	31 December 2022 £
Fees payable to the Group's auditor for the audit of the Group's annual accounts	30,000	21,000
	30,000	21,000

3. FINANCE COSTS

	31 December 2023 £	31 December 2022 £
Interest income	(5,708)	-
Other finance costs	27,481	20,530
Net finance costs	**21,773**	**20,530**

4. SEGMENT INFORMATION

The Group's prime business segment is mineral exploration.

The Group operates within two geographical segments, the United Kingdom and Australia. The UK sector consists of the parent company which provides administrative and management services to the subsidiary undertaking based in Australia.

4. SEGMENT INFORMATION (continued)

The following tables present expenditure and certain asset information regarding the Group's geographical segments for the years ended 31 December 2023 and 2022:

Operational Results	31 December 2023 £	31 December 2022 £
Revenue	-	-
Loss after taxation		
- United Kingdom	(588,276)	(399,363)
- Australia	(332,837)	(109,776)
Total	(921,113)	(509,139)

2023	Australia £	United Kingdom £	Total £
Non-current assets	2,979,789	280,613	3,260,402
Current assets	279,846	425,913	705,759
Total liabilities	(31,948)	(329,964)	(361,912)

2022	Australia £	United Kingdom £	Total £
Non-current assets	2,261,779	466,939	2,728,718
Current assets	242,603	1,114,608	1,357,211
Total liabilities	(55,480)	(173,433)	(228,913)

5. DIRECTORS' EMOLUMENTS

There were no employees during the period apart from the directors, who are the key management personnel. No directors had benefits accruing under money purchase pension schemes.

Year ended 31 December 2023	Salaries £	Fees £	Other £	Share Based payment charge £	Total £
G Hancock	-	31,166	-	8,143	**39,309**
R Verco	138,934	-	-	11,000	**149,934**
D Maling	-	24,000	19,000	8,714	**51,714**
D Clarke	-	24,000	-	8,143	**32,143**
	138,934	**79,166**	**19,000**	**36,000**	**273,100**

- During the year £31,166 (2022: 36,361) was paid to Hancock Corporate Investments Pty Ltd, a company in which Greg Hancock is a Director, in respect of Directors fees and consultancy services.
- During the year £24,000 (2022: £24,000) was paid to Dan Maling, in respect of Directors fees.
- During the year £24,000 (2022: £24,000) was paid to The Springton Trust & Queens Road Mines, in which David Clarke is a Trustee, in respect of Directors fees and consultancy services.

Rupert Verco was the highest paid Director for the year who received remuneration of £149,934.

Year ended 31 December 2022	Remuneration £	Fees £	Share Based payment charge £	Total £
G Hancock	-	36,361	8,143	**44,504**
R Verco	131,516	-	-	**131,516**
D Maling	-	24,000	7,714	**31,714**
D Clarke	-	24,000	8,143	**32,143**
	131,516	**84,361**	**24,000**	**239,877**

- In 2022, £36,361 was paid to Hancock Corporate Investments Pty Ltd, a company in which Greg Hancock is a Director, in respect of Directors fees and consultancy services.
- In 2022, £24,000 was paid to Dan Maling, in respect of Directors fees.
- In 2022, £24,000 was paid to The Springton Trust & Queens Road Mines, in which David Clarke is a Trustee, in respect of Directors fees and consultancy services.

Rupert Verco was the highest paid Director for the year who received remuneration of £131,516.

6. INCOME TAXES

a) Analysis of tax in the period

	31 December 2023 £	31 December 2022 £
Current tax	-	-
Deferred taxation	-	-
	-	-

b) Factors affecting tax charge or credit for the period

The tax assessed on the loss on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 19% (2022: 19%) and Australia of 25% (2022: 25%). The differences are explained below:

	31 December 2023 £	31 December 2022 £
Loss on ordinary activities before tax	(921,113)	(509,138)
Loss multiplied by weighted average applicable rate of tax	(202,645)	(112,010)
Effects of:		
Expenses not deductible for tax	-	-
Losses carried forward not recognised as deferred tax assets	202,645	112,010
	-	-

The weighted average applicable tax rate of 22% (2022: 22%) used is a combination of the standard rate of corporation tax rate for entities in the United Kingdom of 19% (2022: 19%), and 25% (2022: 25%) in Australia.

No deferred tax asset has been recognised due to uncertainty over future profits. Tax losses in the United Kingdom of approximately £1,522,000 (2022: £1,072,000) have been carried forward.

7. EARNINGS PER SHARE

Basic and diluted loss per share is calculated by dividing the loss attributed to ordinary shareholders of £921,113 (2022: £509,138 loss) by the weighted average number of shares of 524,970,043 (2022: 515,249,550) in issue during the year.

The basic and dilutive loss per share are the same as the effect of the exercise of share warrants and options would be anti-dilutive.

8. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	Investments	Total
Company	**£**	**£**
At 1 January 2023	432,260	432,260
At 31 December 2023	432,260	432,260

Investments in Group undertakings are stated at cost less impairment. In 2019 the Company acquired 100% of the issued share capital of Lady Alice Mines Pty Ltd and in turn, 100% of the units in the Lady Alice Trust which is wholly owned by Lady Alice Mines Pty Ltd.

At 31 December 2023 and 2022 the Company held the following interests in subsidiary undertakings, which are included in the consolidated financial statements and are unlisted.

Name of company	Registered office address	Proportion held	Business
Lady Alice Mines Pty Ltd	Level 2, 40 Kings Park Road, West Perth, WA, Australia	100%	Mining
Lady Alice Mines Unit Trust[1]	Level 2, 40 Kings Park Road, West Perth, WA, Australia	100%	Mining

[1]Lady Alice Mines Pty Ltd is the Trustee company of the Lady Alice Mines Unit Trust.

9. INTANGIBLE FIXED ASSETS

Intangible assets comprise exploration and evaluation costs. Exploration and evaluation assets are all internally generated except for those acquired at fair value as part of a business combination.

	Total
Group	**£**
At 1 January 2022	2,012,405
Additions	714,885
At 1 January 2023	2,727,290
Additions	640,414
Foreign exchange movement	(108,951)
At 31 December 2023	3,258,753

	Total
Company	**£**
At 1 January 2022	33,251
Additions	-
At 1 January 2023	33,251
Reclassification	(33,251)
At 31 December 2023	-

9. INTANGIBLE FIXED ASSETS (continued)

The Directors undertook an assessment of the following areas and circumstances that 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; or
• Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment, the Directors concluded that no impairment charge was necessary for the year ended 31 December 2023 and 2022.

10. PROPERTY, PLANT AND EQUIPMENT

	Office Equipment	Total
2023 - Group		
Cost	£	£
At 31 December 2022	4,407	4,407
Additions during the year	222	222
At 31 December 2023	4,629	4,629
Depreciation		
At 31 December 2022	(2,980)	(2,980)
Charge for the year	-	-
At 31 December 2023	(2,980)	(2,980)
Net book value		
At 31 December 2023	1,649	1,649

	Office Equipment	Total
2023 - Company		
Cost	£	£
At 31 December 2022	4,407	4,407
Additions during the year	-	-
At 31 December 2023	4,407	4,407
Depreciation		
At 31 December 2022	(2,980)	(2,980)
Charge for the year	-	-
At 31 December 2023	(2,980)	(2,980)
Net book value		
At 31 December 2023	1,428	1,428

11. TRADE AND OTHER RECEIVABLES

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
Current	£	£	£	£
Prepayments	30,000	45,211	30,000	-
Intercompany debtors	-	-	3,810,385	2,659,164
Goods & Services Tax	-	33,995	-	-
Other debtors	6,248	5,263	873	5,240
	36,248	84,469	3,841,258	2,664,404

The intercompany debt is interest free and repayable on demand.

The fair value of trade and other receivables approximates to their book value. Other classes of financial assets included within trade and other receivables do not contain impaired assets.

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
	£	£	£	£
UK pounds	30,873	5,240	3,841,258	2,664,400
Australian dollars	5,375	79,229	-	-
	36,248	84,469	3,841,258	2,664,400

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
Non-Current	£	£	£	£
Other non-current assets	31,036	-	-	-
	31,036	-	-	-

Other non-current assets are environmental bonds on the Group's exploration licences and are all denominated in Australian Dollars.

The fair value of trade and other receivables approximates to their book value. Other classes of financial assets included within trade and other receivables do not contain impaired assets.

12. CASH AND CASH EQUIVALENTS

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
	£	£	£	£
Cash at bank and in hand	638,475	1,272,742	313,071	1,075,372
	638,475	1,272,742	313,071	1,075,372

The fair value of cash at bank is the same as its carrying value.

The carrying amounts of the Group and Company's cash and cash equivalents are denominated in the following currencies:

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
	£	£	£	£
UK pounds	309,881	1,075,372	309,881	1,075,372
Australian dollars	328,594	197,370	-	-
	638,475	1,272,742	309,881	1,075,372

13. TRADE AND OTHER PAYABLES

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
Current	£	£	£	£
Trade creditors	107,726	81,535	78,759	18,124
Accruals	87,980	1,249	87,980	1,249
Other payables	2,981	(2,786)	-	(7,500)
	198,687	79,998	166,739	11,873

The fair value of trade and other payables approximates to their book value.

The carrying amounts of the Group and Company's trade and other payables are denominated in the following currencies:

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
	£	£	£	£
UK pounds	188,206	38,072	166,739	11,873
Australian dollars	10, 481	41,926	-	-
	198,687	79,998	166,739	11,873

14. CONTINGENT CONSIDERATION

2023	Total
Group and Company	**£**
Amounts payable under business combination	148,914
Remeasurement of contingent consideration	14,311
At 31 December 2023	163,225
Categorised as:	
Current liabilities	163,225
Non-current liabilities	-

Refer to note 18 for further detail.

2022	Total
Group and Company	**£**
Amounts payable under business combination	187,500
Less payment	(38,586)
At 31 December 2022	148,914
Categorised as:	
Current liabilities	148,914
Non-current liabilities	-

During the year 2023, there has been a movement in the Contingent Consideration of £14,311 reflecting a change in fair value estimates. The Contingent Consideration as at 31 December 2023 of £163,225, reflects the fair value amount still outstanding. Fair value measurement was based on a quoted price in an active market (Level 1).

15. SHARE CAPITAL

	Dec 2023 Number of shares	Dec 2023 £	Dec 2022 Number of shares	Dec 2022 £
Issued, called up and fully paid				
Ordinary shares of £0.01				
As at the start of the year	515,249,550	5,152,494	360,110,510	3,601,103
Issued in the year	77,130,000	771,300	155,139,040	1,551,391
Total	592,379,550	5,923,794	515,249,550	5,152,494

On 15 November 2023, 74,400,000 Ordinary shares were issued pursuant to a private placement at 1.0 pence each.
On 15 November 2023, 2,730,000 Ordinary shares were issued at 1.0 pence each to third party suppliers for settlement of fees in lieu of cash.
On 16 February 2022, 63,000,000 Ordinary shares were issued pursuant to a private placement at 1.5 pence each.
On 26 October 2022, 88,966,668 Ordinary shares were issued pursuant to a private placement at 1.5 pence each, 2,572,372 Ordinary shares were issued to former LAM owners at 1.5p each, and 600,000 Ordinary shares were issued to third party suppliers for settlement of fees in lieu of cash.

Each Ordinary share is entitled to one vote in any circumstances. Each Ordinary share is entitled pari passu to dividend payments or any other distribution and to participate in a distribution arising from a winding up of the Company.

As at 31 December 2023 the Company had 126,743,334 warrants outstanding and exercisable (2022: 49,613,334).

16. SHARE BASED PAYMENTS

2023

Warrants

	Warrants Number	Weighted average exercise price
Warrants at 31 December 2022	49,613,334	£0.03
Granted during year	77,130,000	£0.01
Exercised during year	-	-
Lapsed during year	-	-
Warrants at 31 December 2023	126,743,334	£0.02
Exercisable at year end	126,743,334	£0.02

At 31 December 2023 the weighted average remaining contractual life of the warrants outstanding was 2.46 years.

2022

Warrants

	Warrants Number	Weighted average exercise price
Warrants at 31 December 2021	67,543,461	£0.03
Granted during year	49,613,334	£0.03
Exercised during year	-	-
Lapsed during year	(67,543,461)	£0.03
Warrants at 31 December 2022	49,613,334	£0.03
Exercisable at year end	49,613,334	£0.03

At 31 December 2022 the weighted average remaining contractual life of the warrants outstanding was 2.78 years.

2023

Options

	Options Number	Weighted average exercise price
Options at 31 December 2022	18,672,336	£0.033
Issued during the period	-	-
Exercised during the year	-	-
Lapsed during the year	(672,336)	£0.015
Options at 31 December 2023	18,000,000	£0.033
Exercisable at year end	-	-

At 31 December 2023 the weighted average remaining contractual life of the options outstanding was 1.79 years.

The fair value of options is valued using the Black-Scholes pricing model. An expense of £36,000 (2022: £49,000) has been recognised in the year in respect of share options granted.

2022

Options

	Options Number	Weighted average exercise price
Options at 31 December 2021	15,672,336	£0.033
Issued during the period	3,000,000	£0.03
Exercised during the year	-	-
Options at 31 December 2022	18,672,336	£0.033
Exercisable at year end	672,336	£0.015

At 31 December 2022 the weighted average remaining contractual life of the options outstanding was 2.43 years The fair value of equity settled share options and warrants granted is estimated at the date of grant using a Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

	Options	Options	Warrants	Warrants
Date of grant	14 July 2020	14 January 2022	16 February 2022	26 October 2022
Expected volatility	94.59%	107.33%	104.98%	96.35%
Expected life	5	5	3	3
Risk-free interest rate	0.10%	0.25%	1.29%	3.36%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Fair value per option/warrant	£0.008	£0.009	£0.013	£0.009

17. FINANCIAL INSTRUMENTS

	Group 31 Dec 2023	Group 31 Dec 2022	Company 31 Dec 2023	Company 31 Dec 2022
	£	£	£	£
Financial assets at amortised cost				
Trade and other receivables excluding prepayments	6,248	50,474	3,811,254	2,664,401
Cash and cash equivalents	638,475	1,272,742	313,471	1,075,373
	644,723	1,323,216	4,124,725	3,739,774
Financial liabilities				
Trade and other payables (at amortised cost)	(198,687)	(46,004)	(166,739)	(11,873)
Deferred consideration (at FVPL)	(163,225)	(148,914)	(163,225)	(148,914)
	(361,912)	(194,918)	(329,964)	(160,787)

18. BUSINESS COMBINATION

Lady Alice Mines Pty Ltd

On 7 March 2019, the Company acquired 100% of the share capital of Lady Alice Mines Pty Ltd ('LAM') and its wholly owned subsidiary The Lady Alice Trust (the 'Trust'), for total consideration of £432,260 which is to be satisfied via a mix of cash and share consideration which is shown below. In addition, the Company agreed to settle existing liabilities due to unitholders of the Trust of up to A$250,000. The share based payment consideration was settled on 16 January 2020 upon the successful re-admission to the London's Stock Exchange Main Market. 10,815,297 shares were issued at a close price of 1.25p.

The Trust has an entitlement to earn a 75% equity interest in tenements near Wudinna in South Australia for gold exploration (the 'Wudinna Agreement'), and is also the sole owner of the right, title and interest in the Prince Alfred Licence, a formerly producing copper mine.

The principal terms of the Wudinna Agreement are as follows:

- Stage 1: the Trust will fund A$2.1 million within three years to earn a 50% equity position
- Stage 2: at the completion of Stage 1, a joint venture vehicle can be formed, or alternatively the Trust can spend a further A$1.65 million over an additional two years to earn a 65% equity interest
- Stage 3: at the completion of Stage 2, a joint venture vehicle can be formed, or alternatively the Trust can spend a further A$1.25 million within one year to earn a 75% equity interest

The contingent consideration is due to the unitholders on satisfying the following project milestones:

- First Option - 14% of the total issued share capital on completion of Stage 1
- Second Option - 21% of the total issued share capital on completion of Stage 2
- Third Option - 30,000,000 ordinary shares on announcement of a JORC-compliant Indicated Mineral Resource for the Wudinna Project of not less than 750,000 ounces of gold

The Directors have calculated the consideration payable on a probability basis of satisfying the project milestones in accordance with IFRS 3 Business Combinations. The Directors have also estimated the number of shares to be issued at each milestone and the share price. This has been fixed at the number of consideration shares issued at the time of the RTO and the share price at that time. Management believe that the fair value of contingent consideration was £163,225 (2022: £148,914) as at reporting date.

19. RELATED PARTY TRANSACTIONS

Group

Transactions between the Company and its subsidiary, which are related parties, have been eliminated on consolidation and are disclosed in this part of the note.

Key management compensation

Save as disclosed below there were no related party transactions during the year other than remuneration to Directors disclosed in note 5.

During the year, the Group paid £9,000 in advisor fees to JAS Capital, an entity in which Daniel Maling is a Director.

During the year, the Group paid £10,000 in shares to Hydrogen Future Industries in lieu of consulting fees, an entity in which Daniel Maling is an Executive Director

During the year, the Group paid £138,934 to Rupert Verco, Chief Executive Officer of the Company Mr Verco was appointed as CEO with effect from 12 July 2021 and as Managing Director from 13 August 2022.

Company

Management charges payable by the subsidiary were £81,970 (2022: £nil), and are included in the balance of the receivables due from Lady Alice Mines Pty Ltd.

As at 31 December 2023 included in the other receivables is £3,810,385 (2022: £2,659,160) due from Lady Alice Mines Pty Ltd, a subsidiary company. A loan of £81,970 is subject to interest and is repayable on demand. The remainder of the loans are interest free and repayable on demand.

20. FINANCIAL RISK MANAGEMENT

20.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by executive management.

a) Market risk

The Group is exposed to market risk, primarily relating to foreign exchange and commodity prices. The Group does not hedge against market risks as the exposure is not deemed sufficient to enter into forward contracts. The Company has not sensitised the figures for fluctuations in foreign exchange or commodity prices as the Directors are of the opinion that these fluctuations would not have a significant impact on the Financial Statements at the present time. The Directors will continue to asses
the effect
of movements in market risks on the Group's financial operations and initiate suitable risk management measures where necessary.

b) Credit risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. To manage this risk, the Group periodically assesses the financial reliability of customers and counterparties.

The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The Company will only keep its holdings of cash with institutions which have a minimum credit rating of 'A'.

c) Liquidity risk

The Company's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital or debt. The Directors are reasonably confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed.

The following table summarizes the Group's significant remaining contractual maturities for financial liabilities at 31 December 2023 and 2022.

Contractual maturity analysis as at 31 December 2023 and 2022

	2023			2022		
	Less than 12 Months	1 – 5 Year	Total	Less than 12 Months	1 – 5 Year	Total
	£	£	£	£	£	£
Accounts payable	107,726	-	107,726	81,535	-	81,535
Accrued liabilities	87,980	-	87,980	1,249	-	1,249
Other payables	2,981	-	2,981	(2,786)		(2,786)
	198,687	**-**	**198,687**	**79,998**	**-**	**79,998**

20.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to enable the Group to continue to explore, develop and mine precious and base metal projects. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

The Group defines capital based on the total equity and reserves of the Group. The Group monitors its level of cash resources available against future planned operational activities and may issue new shares in order to raise further funds from time to time.

21. CAPITAL COMMITMENTS & CONTINGENT LIABILITIES

As at 31 December 2023 the Group had £101,500 of minimum licence expenditure commitments required in order to maintain its exploration licences in good standing, but is not committed capital expenditure at year end

There were no changes to contingent liabilities as at 31 December 2023.

22. POST YEAR END EVENTS

On the 1st of January 2024, David Clarke commenced as Executive Director.

Post period, a prospectus was published for the issue of the Consideration Shares and to raise a further £220,000 through the issue of 22,000,000 shares and issuing 52,100,000 shares to Andromeda Metals in alignment to the Wudinna Sale Agreement.

Also, in January 2024, Cobra was granted two additional tenements (EL 6966 “Smokey Bay” and EL 6967 “Pureba”). The tenements cover a combined 1,512km^2 and overlie a further 1,000km^2 of the Narlaby paleochannel, the system that hosts the Boland ionic discovery located at the Wudinna Project.

In February 2024, Cobra completed a five drillhole sonic core drilling programme aimed at advancing the Boland ionic REE discovery.

In March 2024, Cobra announced preliminary results from the drilling programme which further demonstrated that the discovery could be a world class source of magnet and heavy rare earths.

On the 22 April 2024, the company announced that subject to only departmental and ministerial approvals, the Wudinna Sale Transaction, entitling Cobra to 100% ownership of the Wudinna Project had been completed.

On 26 April 2024, the Company announced the completion of a share placement raising £600,000 through the issue of 60,000,000 ordinary shares. The shares will be admitted to trading after the date of signing this report, on 2 May 2024.

23 ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.