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Kodal Minerals PLC
06 September 2023

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Kodal Minerals Plc / Index: AIM / Epic: KOD / Sector: Mining

Kodal Minerals plc

("Kodal" or the "Company" and together with its subsidiaries, the "Group")

Final Results & Notice of Annual General Meeting

Kodal Minerals, the mineral exploration, and development company focused on lithium and gold assets in West Africa, announces its final results for the year ended 31 March 2023.

The Company's Annual Report and Accounts will be made available on the Company's website www.kodalminerals.com shortly. The Company's annual general meeting ("AGM") will be held at11:00am on 29 September 2023 at Fieldfisher LLP, 9th Floor, Riverbank House, 2 Swan Lane, London EC4R 3TT.

Operational Highlights

Bougouni Lithium Project, Mali ("Bougouni" or the Project")

- US$117.75 million funding package agreed with Hainan Mining Co. Limited ("Hainan") a subsidiary of Fosun International Limited ("Fosun") and its industrial platform for mining and resources:
    - US$65 million reserved to fully fund the cost of the Dense Media Separation (DMS) Project targeting delivery of first production within 12 months of receipt of funds.
    - Additional funds will be deployed to:
        - increase the Bougouni Lithium Project's JORC compliant resource inventory currently at 21Mt @ 1.11% Li_2O and extend the mine life; and
        - Support the development of the flotation plant expansion project which has the potential to increase spodumene production from ~125,000 to over 300,000tpa and deliver life of mine (8.5 years) revenue exceeding US $2.15bn.
- DMS Project development scenario presented:
    - Low capital development cost estimated at US$65 million;
    - Payback of two months from commencement of operations;
    - $NPV_{7\%}$ of approximately US$420 million post tax;
    - Over 130,000tpa production of spodumene concentrate with an initial 4-year mine life;
    - DMS operation revenue exceeds US$1.05bn in less than four years based on broker consensus pricing averaging US$2,080 per tonnes.
- Bougouni is fully permitted for development and construction once funding package is completed - long stop date for funding package is 30 September 2023.

Gold Portfolio

- Progress towards establishing a maiden resource at Niéllé, in northern Côte d'Ivoire, based on an identified anomalous trend extending over 4.5km and which remains open along strike.
- Intercepts from Niéllé include: 26m @ 1.95 g/t Au from 32m, and 26m @1.79g/t Au from 108m.
- Further resource definition activities at Fatou, in southern Mali, which has a historical resource estimate of ~350 koz Au.
- Recent drill intercepts from Fatou include 23m @ 1.63 g/t Au from 82m, and 6m @ 1.49 g/t Au from 40m.

Financial and Corporate Highlights

- Group loss before other comprehensive income for the year of £1,461,000 (2022: £903,000).

- **27%** increase in exploration and evaluation expenditure of £3,227,000 (2022: £2,547,000).
- **37%** increase in the value of the gold projects in Mali and Cote d'Ivoire to £3,306,000 (2022: £2,411,000).
- **24%** increase in value of the lithium projects in Mali to £11,216,000 (2022: £9,031,000).
- Cash balance of £545,000 as at 31 March 2023 (2022: £1,046,000).
- Post period end, in August 2023, a conditional prepayment of US$3,500,000 was received as part of the funding package with Hainan.
- Cash balance of £1,984,000as at 31 August 2023

Commenting on the results, Bernard Aylward, CEO of Kodal Minerals said:

"We are now on the final furlong with our pre-construction activities at Bougouni and are well positioned to break ground and start building our mine once our funding transaction with Hainan has been finalised in the coming weeks. We have been working extremely closely with the teams at Hainan and Fosun over recent months, and we are grateful for their continued support as we look to close out the final conditions precedent of our joint agreement. All parties are eager to start construction work and we are confident that this can now be expected in short order, as we look to deliver first production from our DMS plant in 2024.

"The coming weeks and months are set to be extremely active for us and I look forward to keeping shareholders updated as we begin our transition from developer to lithium producer."

For further information, please visit www.kodalminerals.com or contact the following:

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CHAIRMAN'S STATEMENT

I am pleased to present the Annual Report of Kodal Minerals plc ("Kodal" or the "Company" and together with its subsidiaries, the "Group") for the year ended 31 March 2023.

We had two main pillars to our strategy during the year - firstly, to demonstrate that our Bougouni Lithium Project ("Bougouni Project", "Bougouni" or the "Project") is a high-quality asset with the requisite operational and commercial attributes to bring to production, and secondly, to agree a financing package to bring that to realisation.
I am very proud to say that our team has succeeded on both counts. The Company had many parties interested in negotiating for participation in the future of the Bougouni Lithium Project. We are very pleased to have secured an excellent agreement that provides full funding for the development of a mining operation and additional support for the ongoing exploration and development of our highly prospective and extensive land position in southern Mali. The final piece of the agreement is a direct investment into Kodal Minerals Plc that provides funding for the Company to undertake significant growth and assessment of additional opportunities.

Since the acquisition in 2016 of Kodal's most advanced asset, the Bougouni Lithium Project in southern Mali, the Kodal team has worked determinedly to prove up a sizeable resource, undertake test work to confirm an attractive spodumene product for offtake partners, and position itself to be one of the first West African lithium producers by securing key permits early in the development process. This committed and multi-stranded work programme has ensured that Kodal has remained at the front of the pack.

Our ambition of becoming a lithium producer in the near-term is now a reality thanks to the US$117.75 million financing agreement between the Company, Kodal Mining UK Limited ("KMUK") and Hainan Mining Co. Limited ("Hainan") and its wholly owned UK-incorporated subsidiary Xinmao Investment Co. Limited ("Xinmao", and together the "Hainan Group") announced on 19 January 2023. Hainan is a subsidiary of Fosun International Limited ("Fosun") and is the industrial platform for mining and resources within Fosun. Kodal has welcomed the Hainan Group our partners for the development of the Bougouni Lithium Project and we are continuing to work together to ensure conditions precedent can be satisfied. Together the parties are fully committed to the completion of the funding transaction as soon as possible.

Kodal and the Hainan Group have spent a lot of time working together and finalising plans for the development of the project with activities including additional metallurgical testwork, engineering planning and review and finalisation planning for the proposed Dense Media Separation ("DMS") development. This team development will stand the project in good stead when financing is complete and the actual groundwork commences on site.

As shareholders will be aware, countries and major end users around the world are seeking to diversify lithium supply chains given the critical role the mineral plays in the energy transition. Research suggests that in Europe alone, 38 new gigafactories are being developed which could total ~400-700 GWh of annual battery manufacturing capacity by the middle of this decade. To meet this ambitious target, new sources of lithium are absolutely critical.

Set against this dramatic demand backdrop, lithium prices have surged over the past two years, rising tenfold, then correcting in the first half of 2023. The lithium spot price has retracted from the very rapid highs and some analyst and reporting headlines may have certainly concerned investors. Whilst a lithium price of over $6,000/t of spodumene concentrate containing up to 6% Lithium Oxide ("Li2O") would make Bougouni even more profitable, it should be reassuring to shareholders that the Kodal team took a conservative approach to its pricing forecasts, factoring a life of mine average concentrate price for the DMS development scenario of US$2,080/t, which still delivers payback within three months. The significant upside to this should be clearly evident, particularly when, at the date of writing, the 6% Li2O spodumene concentrate price of US$3,600/t FOB is reported.

It is into this strong market, which analysts believe will continue to tighten over the mid- to long-term as demand outstrips new supply, we look to bring the Bougouni Lithium Project into production. We have an ambitious schedule for production, targeting commissioning and first production in 2024.

The economic fundamentals of the initial DMS development that define the phase 1 development of the project are highly compelling. However it is also important to recognise the future value uplift driven firstly by the development of the larger phase 2 spodumene flotation plant that significantly expands the spodumene concentrate production, and secondly by the focused, well-funded, exploration and expansion drilling that is supported by the financing package.

Kodal is fully focused on achieving first production through our DMS operation at Bougouni. Kodal will be in a great position following completion of the financing package with our partners the Hainan Group and the Board has longer-term growth plans for the Company leveraging our West African knowledge, our technical expertise and our ability to acquire, explore and develop new exploration projects.

I would like to take this opportunity to thank our shareholders for their long-term support and interest in the Company, and also to the Kodal team for their diligence, commitment and tenacity in achieving our goals.

Robert Wooldridge
Non-executive Chairman
5 September 2023

OPERATIONAL REVIEW

Kodal has developed a portfolio of exploration and development assets in West Africa, including its most advanced asset, the Bougouni Lithium Project in southern Mali, and a number of gold exploration assets in Mali and Côte d'Ivoire. Kodal's management has continued to ensure that all government compliance, reporting and fees are kept up to date and all concessions are retained in good standing.

Mining Licence and Exploration Concession Review

Kodal's most advanced asset, the Bougouni Lithium Project, is located in southern Mali. Kodal was granted the

Foulaboula Permis d'Exploitation number No2021-0774/PM-RM ("Mining Licence") in November 2021. This covered the proposed open-pit mining and processing operation at Bougouni, making the Project fully permitted for development and construction.

The Mining Licence is valid for an initial 12-year term and renewable in ten-year blocks until all resources are depleted. The Mining Licence is granted under the 2019 Mining Code and extends over a 97.2 square km area that will be a focus for Kodal's exploration programme to delineate further resources to prolong the Bougouni Lithium Project mine life.

Bougouni Lithium Project - Mining Licence details:

Tenements	Country	Kodal Economic Ownership	Project / Joint Venture	Validity
Foulaboula	Mali	100% ownership (prior to Mali State's participation) / 10% free carried + up to 10% contributing interest	Bougouni Lithium Project	Mining Licence N°2021-0774/PM-RM of November 5 2021. Permit is valid for an initial 12 years, renewable in periods of 10 years until depletion of the resources

As detailed above, Kodal announced the financing package with the Hainan Group on 19 January 2023. At completion of the financing package, the Hainan Group will acquire a 51% shareholding in Kodal's newly incorporated UK subsidiary, Kodal Mining UK Limited ("KMUK"), the company formed to be the developer of the Bougouni Lithium mine through its 100% owned Malian subsidiary mining company Les Mines de Lithium de Bougouni ("LMLB").

On completion of the financing package with the Hainan Group, Kodal will have economic interest of 49% of the Foulaboula mining licence prior to Mali State's participation.

Table of Concessions - Kodal Lithium Concessions in Mali:

Tenements	Country	Kodal Economic Ownership	Project / Joint Venture	Validity
Dogobala	Mali	100% economic interest	Bougouni Lithium Project	Licence valid and in good standing. Arrêté number 2018-1115 granted on 13 April 2018 for initial 3-year period, with option for 2 extensions of 2 years validity each Application for first renewal has been lodged and all fees paid. Renewal approval pending
Sogola Nord	Mali	100% economic interest	Bougouni Lithium Project	Licence valid and in good standing. Arrêté number 2020-0072 granted 22 January 2020 for an initial 3-year period, with option for 2 extensions of 2 years validity each. Application for first renewal has been lodged, renewal approval is pending. Licence area modified during 2020 to account for the future Foulaboula Mining Licence.
Fariédélé	Mali	100% economic interest	Bougouni Lithium Project	Licence valid and in good standing. Arrêté number 2020-0073 granted 22

				January 2020 for an initial 3-year period, with option for 2 extensions of 2 years validity each. Application for first renewal has been lodged, renewal approval is pending. Licence area modified during 2020 to account for the future Foulaboula Mining Licence.
Mafélé Ouest	Mali	1.4% gross royalty from future revenue and right to be issued an equity carried interest of 15% in any exploitation company set up for the Concession.	Bougouni West Lithium	Transaction with Leo Lithium Completed
N'Kéméné Ouest	Mali	100% Economic interest On completion of Bougouni West transaction retained interest will be: 1.4% gross royalty from future revenue and right to be issued an equity carried interest of 15% in any exploitation company set up for the Concession.	Bougouni West Lithium	Final transaction with Leo Lithium pending renewal of N'Kéméné Ouest concession by Mali Government

The Bougouni Lithium Project concessions surround the Foulaboula mining licence and will be explored for additional pegmatite hosted resources that can be added to the mining inventory. The concessions are all in good standing, and exploration completed to date by Kodal has indicated priority sites for additional exploration within the concessions.

Kodal reached an agreement post period end to sell its Bougouni West concessions, which do not form part of the main Bougouni Project, to ASX listed Leo Lithium Ltd ("Leo Lithium") for a total cash consideration of £2.5 million subject to all agreements being executed, with Kodal to receive £2.0 million and the original concession holder Bambara Resources SARL ("Bambara") to receive £0.5 million.

Table of Concessions - Kodal Gold Concessions in West Africa:

Tenements	Country	Kodal Economic Ownership	Project / Joint Venture	Validity
Boundiali	Côte d'Ivoire	100% direct ownership (under application)	Gold Exploration	Licence application submitted and in process. Application updated during 2020 and application remains in good standing.
Korhogo	Côte d'Ivoire	100% direct ownership	Gold Exploration	Licence valid and in good standing. Renewal granted on 31 March 2020 for a 3 year-term. Application for extension has been lodged.
Dabakala	Côte	100% direct	Gold Exploration	Licence valid and in good

	d'Ivoire	ownership		standing. Renewal granted on 31 March 2020 for a 3 year-term. Application for extension has been lodged.
Niéllé	Côte d'Ivoire	100% direct ownership	Gold Exploration	Licence valid and in good standing. Initial licence expired on 7 January 2017, and Renewal decree received on the 28 February 2018 for a 3 year-period. Second Renewal decree received 18 December 2020 for a 3 year-period.
Tiebissou	Côte d'Ivoire	100% direct ownership	Gold Exploration	Licence valid and in good standing. Initial term expired 30 September 2018. An application for renewal has been lodged, fees paid and approved. Renewal decree is pending signature.
M'Bahiakro	Côte d'Ivoire	100% direct ownership (under application)	Gold Exploration	Licence application submitted and in process. Application updated during 2020 and application remains in good standing.
Djelibani Sud	Mali	100% direct ownership	Gold Exploration	Licence valid and in good standing. Arrêté number 2021-5133/MMEE-SG granted on 28 December 2021 for an initial 3 year-period, with option for 2 extensions of 3 years validity each. All taxes have been paid.
Nangalasso	Mali	100% direct ownership following completion of option payments	Nangalasso Project Gold Exploration	Nangalasso arrêté completed second renewal on 4 February 2021. A new Convention application covering the same permit has been lodged with the DNGM and is awaiting approval.
Sotian	Mali	Completed option agreement and is 100% beneficial owner of concession.	Nangalasso Project Gold Exploration	Arrêté number 2018-1925 granted on 12 June 2018 for initial 3 years period, with option for 2 extensions of 3 years validity each First renewal has been approved
Tiedougoubougou	Mali	Kodal completed option agreement and is 100% beneficial owner of concession	Nangalasso Project Gold Exploration	Arrêté number 2018-3319 granted on 4 September 2018 for initial 3 years period, with option for 2 extensions of 3 years validity each. Application for first renewal has been lodged and all fees paid. Renewal approval pending
Fininko	Mali	Held through option agreement giving right to acquire 100% ownership	Fatou Project Gold Exploration	Licence in good standing. First renewal granted by Arrêté number 2021-2876/MMEE-SG of 6 August 2021 for a period of 3 years.

Foutiere	Mali	Held through option agreement giving right to acquire 100% ownership	Fatou Project Gold Exploration	Licence in good standing. Arrêté number 2017-0170/MM-SG of 2 February 2017. Application for second three-year renewal has been lodged and all fees and taxes have been paid. Renewal approval pending.

Bougouni Lithium Project Development Status

The Bougouni Project is now approaching construction readiness following the granting of an Environmental Permit in November 2019, a large-scale Mining Licence in November 2021 and securing a financing package (as announced on 19 January 2023).

The Company is implementing a two-phase approach at Bougouni; the first comprising a DMS plant and the second, a larger flotation plant.

The DMS development scenario, announced in September 2022, demonstrated highlights including:

- Capital development cost for the DMS plant and all associated infrastructure and commencement of mining is estimated at US$65 million;
- Estimated NPV@7% of approximately US$557 million (US$420 million post-tax);
- A payback period of three months (based on full equity financing) from commencement of operations.

The DMS option is based on:

- Processing material from the Ngoualana deposit feeding 1Mtpa of lithium ore to a DMS processing plant;
- Utilising a conventional circuit to maximise spodumene recovery of over 130,000 tonnes per annum of spodumene concentrate; and
- An initial four-year mine life.

The DMS operation has a revenue forecast expected to exceed US$1.05 billion in less than four years, based on prevailing broker consensus pricing averaging US$2,080 per tonne (FOB basis). The DMS operation targets production of a 5.5% Li_2O spodumene concentrate product which is consistent with other producers currently active in the market.

The future expansion of Bougouni is expected to continue with the construction and commissioning of a down-stream flotation plant expected to be supported by utilising the DMS plant cashflows in order to exploit the resources at Sogola-Baoulé and Boumou, as well as longer term exploration prospects.

The updated Feasibility Study for the flotation plant, announced in June 2022, confirmed a very robust project with key metric highlights including:

- NPV@7% of US$760M (US$567M post-tax) compared to US$293M (US$201M post tax) in the original Feasibility Study.
- Life of mine (8.5 years) revenue exceeding US$2.145 billion based on an average sell price of US$1,060 per tonne (FOB basis).
- C1* cash costs of US$362 per tonne of 6% Li_2O spodumene concentrate ("SC6"), and costs of US$474 per tonne including transportation and other selling costs.
- Total production of 2,024,000 tonnes with an annual average production of 238,000 tonnes.
- Capital cost of US$154 million.

* C1 cash cost includes all mining, processing and all general and administration costs per tonne sold, and additional to that the costs of transport to port and associated selling costs

Bougouni Lithium Project Resource Expansion

In March 2023, the Company launched a drilling campaign across the Boumou, Bougouni South and Ngoualana

In March 2023, the Company launched a drilling campaign across the Boumou, Bougouni South and Ngoualana prospects with the objective of enhancing the current JORC Resource inventory and further extending the mine life of the asset.

Post period end, the Company reported assay results from the drilling programme which confirmed the identification of further high-grade mineralisation and the extension of wide high-grade pegmatite zones.

Highlights included the confirmation of further wide, high-grade extensions at the Boumou prospect with significant results including 24m at 1.13% Li_2O from 55m (including 8m at 1.37% Li_2O from 55m). The Boumou prospect has been declared as a high priority target for further drilling to extend and define the pegmatite bodies to allow a new resource estimate to be completed.

Results from the Bougouni South target drilling programme also returned significant lithium mineralised intersections including 11m at 1.14% Li_2O from 71m and 6m at 1.48% Li_2O from 101m. This drilling confirmed extensive pegmatite veins at Bougouni South that require additional exploration including diamond drilling to determine structural controls and extent of mineralisation.

At the Ngoualana prospect, diamond drill holes were completed along the strike of the orebody to obtain variability test samples and returned wide high-grade intersections up to 37m at 2.17% Li_2O from 3m to end of hole in drill hole MT004.

Off-take Arrangements

Kodal agreed a binding term sheet with Suay Chin in March 2017 which contemplates that the parties will negotiate an extended off-take agreement for between 80% and 100% of the spodumene product produced at Bougouni for a period of three years. The off-take term sheet sets out certain agreed off-take principles that are to be included in the off-take agreement including the parties agreeing to buy and sell the contract quantity as well as the formal agreement including a right to match any third party off-take terms agreed for a period of three years following the expiry of the formal agreement. Whilst a formal agreement has not been entered into, Suay Chin retains the first right of refusal for a period of three years from first production of product from Bougouni whereby Kodal may not enter into any agreement with a third party to sell more than 20% of future production from Bougouni without having first offered to sell the production to Suay Chin on the terms offered by the third party.

As part of the financing package announced on 19 January 2023, the Company has agreed a 12-month exclusivity period during which Kodal and the Hainan Group will seek to negotiate an off-take agreement over that portion of spodumene production from Bougouni which KMUK is able to sell without breaching its prior agreement with Suay Chin or triggering any existing rights of first refusal.

Gold Exploration Projects

The primary focus during the year under review has been advancing the technical and corporate aspects of project development at the Bougouni Lithium Project, however the Company remains committed to the future exploration and resource development of its gold properties.

In particular, the Board will focus on the progression towards establishing a maiden resource in the near-term for Niéllé, in northern Côte d'Ivoire, where we have identified an anomalous trend extending over 4.5km and which remains open along strike. Intercepts from previous drilling include: 26m @ 1.95 g/t Au from 32m, and 26m @1.79 g/t Au from 108m. Of equal importance is Fatou, in southern Mali, which has a historical resource estimate of ~350 koz Au. Recent drill intercepts from Fatou include 23m @ 1.63 g/t Au from 82m, and 6m @ 1.49 g/t Au from 40m.

Importantly, Kodal will be well funded to advance these gold properties without further dilution to shareholders following Hainan's subscription for new shares in Kodal, which will deliver US$17.75 million in new capital. Some of these funds will be directed towards a comprehensive exploration programme across our priority targets in Côte d'Ivoire and Mali, as well as the assessment of new exploration and development opportunities in West Africa.

A draft budget has been prepared to undertake a major exploration campaign at Fatou, Nielle and Dabakala with the aim of defining significant new gold resources. The exploration programmes will include detailed geological review, geochemical sampling, geophysical surveys, and extensive drilling campaigns.

Bernard Aylward

Chief Executive Officer

5 September 2023

FINANCE REVIEW

Results of operations

For the year ended 31 March 2023, the Group reported a loss before other comprehensive income for the year of £1,461,000, including share-based payment costs of £517,000 (2022: £343,000), compared to a loss of £903,000 in the previous year. Administrative expenses have increased compared to last year as corporate activity has increased with negotiations surrounding the future of the Bougouni Project. The Group has continued to run the offices in Mali and Côte d'Ivoire and significant additional exploration activity for both gold and lithium was undertaken during the year. Further information is provided in the Operational Review above.

During the year, the Group invested £3,227,000 (2022: £2,547,000) in exploration and evaluation expenditure on its various projects and £513,000 of expenditure on the Bougouni West project was reclassified as held for sale. As a result, the carrying value of the Group's capitalised exploration and evaluation expenditure increased from £11,442,000 to £14,522,000 after taking account of the effects of foreign exchange. At 31 March 2023, after taking account of the effects of foreign exchange, the carrying value of the gold projects in Mali and Côte d'Ivoire was £3,306,000 (2022: £2,411,000) and of the lithium projects in Mali was £11,216,000 (2022: £9,031,000).

Cash balances as at 31 March 2023 were £545,000, a decrease of £501,000 on the previous year's level of £1,046,000. Net assets of the Group at the year-end were £14,883,000 (2022: £12,091,000).

Financing

On 4 May 2022 the Company announced that it raised £3,000,000 (before expenses) via a subscription for 130,142,857 shares and an oversubscribed placing of 941,285,712 shares at a price of 0.28 pence per Placing Share (the 'Placing'). The funds raised supported Kodal in the continuing development and preparation for financing and construction of its flagship Bougouni Lithium Project in Mali.

On 3 August 2023, the Company announced the prepayment of US$3,500,000 of the subscription agreement entered into as part of the funding package with Hainan. The prepayment is repayable or convertible into new ordinary shares of the Company should the funding package not proceed. The Company has sole discretion over the use of the funds including for general working capital.

Going concern and funding

The Group has not earned revenue during the year to 31 March 2023 as it is still in the exploration and development phases of its business. The operations of the Group are currently being financed from funds which the Company has raised from the issue of new ordinary shares. On 31 August 2023 the group has cash at bank amounting to £1,984,000.

In January 2023 the Group signed binding agreements with Hainan to enter into a joint venture to develop the Bougouni Lithium Project. Under these agreements, Hainan will subscribe for equity in the joint venture vehicle amounting US$100 million; they will also subscribe for equity of US$17.75m in the ordinary shares of Kodal Minerals Plc, plus the immediate repayment to the Company for historical development expenses amounting to US$5.66m, the agreements together being the Financing Transaction.

Completion of the Financing Transaction is subject to meeting various conditions precedent including Hainan receiving formal Government approval for the investment and Kodal completing a restructure of its Mali subsidiary holdings. At the date of this report, it is noted that Hainan has received all necessary approvals from the Chinese Government authorities to allow it to complete its funding and investment including "Overseas Project Investment Filing Certificates" from the Hainan Province National Development and Reform Commission ("NDRC") and Company Overseas Investment Certificate from the Department of Commerce of Hainan Province.

Kodal has continued with the restructuring of its subsidiary companies and confirms that the new mining company Les Mines de Lithium de Bougouni has been fully registered and the Mali DNGM notified that this new company will be the owner and operator of the mining licence. In addition, the Company has completed the restructure of Future Minerals SARL such that all of Kodal's lithium assets in Mali are now 100% owned by Kodal Mining UK Limited (the joint venture vehicle for Kodal and Hainan to develop the Bougouni Lithium project). Kodal is continuing to work with joint venture vehicle for Kodal and Hainan to develop the Bougouni Lithium project). Kodal is continuing to work with the relevant authorities to finalise all regulatory matters to allow completion of the Financing Transaction.

Both Hainan and the Company remain committed to the Financing Transaction and Hainan has recently advanced to the Company a US$3.5m prepayment on its subscription for ordinary shares in the Company. The long stop date for finalising the conditions precedent has been extended several times by mutual consent and the parties continue to work together to expedite the completion of the Financing Transaction at the earliest opportunity.

The Group has prepared cash flow forecasts for the period ending 30 September 2024 under several scenarios, including on the basis that the Hainan transaction completion is delayed for several more months and also that the Hainan transaction does not proceed. Under both of these scenarios the Group will require further funding within the foreseeable future.

The directors are confident of raising sufficient funding to cover ongoing expenditure and overheads, based on indications from Hainan that they would make further prepayments available, and/or the Group will be able to raise further equity given the quality of the Bougouni lithium project, continuing interest from potential investors and finance providers, and forecasts showing continuing strong demand and pricing for spodumene and lithium. Although the Group has been successful in the past obtaining additional funding, there is no assurance that it will be able to do so in the future or that such arrangements will be on terms advantageous to the Group.

These conditions indicate the existence of a material uncertainty that may cast doubt on the Group's ability to continue as a going concern. The consolidated statements for the year ended 31 March 2023 have been prepared on a going concern basis as the Board is of the opinion that the group will be successful in completing the Hainan transaction in the near future and/or securing further funding in order to meet its liabilities as they fall due for at least 12 months from the date of signing these accounts. Accordingly, these consolidated financial statements do not include any adjustments to the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Group be unable to continue as a going concern.

Utilising key performance indicators ("KPIs")

The following KPIs are used by the Group to assist it in monitoring its cash position and assessing costs and exploration and development activities:

KPI	**31 March 2023**	**31 March 2022**
Cash and cash equivalents (a)	£545,000	£1,046,000
Administrative expense (b)	£944,000	£541,000
Exploration and evaluation expenditure (c)	£3,227,000	£2,547,000

The directors have provided more information on the state of the Group's financing and operational activity above.

a) 'Cash and cash equivalents' is used to measure the Group's financial liquidity. Cash and cash equivalents have decreased by £0.5 million in the year as the Group has incurred a higher level of exploration and evaluation expenditure than in prior year.

b) 'Administrative expenses' is used to measure the Group's administrative costs and operating results. Administrative expenses for the year were £0.9 million, an increase of £0.4 million compared to the previous year. Group corporate activity has increased this year with negotiations surrounding the future of the Bougouni Project. The Group has also continued to run the offices in Mali and Côte d'Ivoire.

c) 'Exploration and evaluation expenditure' is used to measure expenditure on the Group's gold and lithium projects. Exploration and evaluation expenditure in the year was £0.4 million higher than prior year as additional exploration activity for both gold and lithium was undertaken during the year.

Financial risk management objectives and policies

The Group's principal financial instruments comprise cash and trade and other payables. It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Group's financial instruments are liquidity risk, price risk and foreign exchange risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash reserves to fund the Group's exploration and

Prudent liquidity risk management implies maintaining sufficient cash reserves to fund the Group's exploration and operating activities. Management prepares and monitors forecasts of the Group's cash flows and cash balances monthly and ensures that the Group maintains sufficient liquid funds to meet its expected future liabilities. The Group intends to raise funds in discrete tranches to provide sufficient cash resources to manage the activities through to revenue generation.

Price risk

The Group is exposed to fluctuating prices of commodities, including gold and lithium, and the existence and quality of these commodities within the licence and project areas. The Directors will continue to review the prices of relevant commodities as development of the projects continues and will consider how this risk can be mitigated closer to the commencement of mining.

Foreign exchange risk

The Group operates in a number of overseas jurisdictions and carries out transactions in a number of currencies including Sterling, CFA Franc, US dollars and Australian dollars. The Group does not have a policy of using hedging instruments but will continue to keep this under review. The Group operates foreign currency bank accounts to help mitigate the foreign currency risk.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is exposed to a number of risks which it seeks to mitigate as set out in the table below:

Risk	**Comment and Mitigating Actions**
Exploration and Development Risk The Group is a mineral exploration company and the success of the Company is dependent on the discovery and/or acquisition of Mineral Reserves and Mineral Resources and the successful development of mines therefrom. Significant risk exists within technical, legal and financial aspects of the exploration for and the development of mines, which may have an adverse effect on the Group's business.	There is no assurance that the Group's exploration and potential future development activities will be successful, and statistically few properties that are explored are ultimately developed into profitable producing mines. The Group ensures that there is regular review of projects, expenditure and exploration activity to maintain focus on targets and ensure best possible information in the decision-making process to focus resources and expenditure upon key exploration and development targets.
Reliability of Mineral Resources and Mineral Reserves The Group has reported Mineral Resources for its Bougouni Lithium project in West Africa. Any estimates will be based on a range of assumptions, including geological, metallurgical and technical factors; there can be no assurance that the anticipated tonnages or grades will be achieved.	The Mineral Resource estimates are prepared by third party consultants who have considerable experience and are certified by appropriate bodies. Mineral Resources are reported as general indicators and should not be interpreted as assurances of minerals or the profitability of current or future operations.
Licensing and Title Risk The Group's exploration and future development opportunities are dependent upon maintaining clear tenure and access to licences as well as ensuring the relevant operation licences, permits and regulatory consents are valid. The licences and regulatory permits may be withdrawn or made subject to limitations. The granting of licences and permits are a practical matter subject to the discretion of the applicable government or government office. The interpretations, amendments to existing laws and regulations, or more stringent enforcement of existing laws and regulations could have a material adverse impact on the Group's results of operations and financial condition. A new Mining Code has passed before the Republic of Mali Assemblie Nationale. The Company's licences have been granted under the previous Mining Code (June 21 2012 (modified)) and remain subject to these conditions. In addition, future Mining Licence applications will remain subject to the 2012 Mining code unless the Company specifically request a variation to the new code.	The Group complies with existing laws and regulations. The Group ensures that the regulatory reporting and the government compliance requirements for each licence are met. There is a risk that negotiations with a government in relation to the grant, renewal or extension of a licence may not result in the grant, renewal or extension taking effect prior to the expiry of the previous licence period, and there can be no assurance of the terms of any extension, renewal or grant. The Group regularly monitors the good standing of its licences.
Political Risk The Group has significant activities in Mali and Côte d'Ivoire in West Africa. The success of the	. The Transition Government installed following the

Côte d'Ivoire in West Africa. The success of the Group will be influenced by the legal, political and economic situation in Mali, Côte d'Ivoire and the wider African region. Countries in the region have experienced political instability and economic uncertainty in the past. government policy in the countries in which the Group operates can be unpredictable, and the institutions of government and market economy may be unstable and subject to rapid change, which may result in a material adverse effect on the Group's operations. The renewal of exploration and exploitation licences is an area of risk given the countries in which the Group operates. Whilst the Group has in place legal titles on the assets in its portfolio, there remains a risk to the Group that changes within regimes could put the ownership of these assets at risk. The Group is also at risk of taxation reviews that may change or apply more stringently the laws and regulations of the countries in which it operates.	The Transition Government installed following the military coup of 24 May 2021 has continued to confirm proposed election timelines of February 2024 to return Mali to a democratically elected Government. A referendum held in June 2023 allowed for changes to the Mali constitution. Mali adopted a new Mining Code in August 2023 with a key element being the potential for the Government to purchase up to an additional 20% interest in a project (previously 10% interest). In general, the security risk in Mali remains high. The United Nations voted to end the peacekeeping mission in June 2023 with a phased departure of the UN forces between 1 July and 30 December 2023. The security situation in the north and east of the country remains fragile and unrest has continued in neighbouring Burkina Faso and Niger. In Côte d'Ivoire, the political situation has been calm since 2011. The election in 2015 returned the government of President Ouattara with increased popular support and on 31 October 2020 President Ouattara was returned for a further 5-year mandate. The economic situation in Côte d'Ivoire is improving dramatically with significant government expenditure on infrastructure and development activity.
Financial Risk The Group is an exploration company and does not generate revenue or self-sustaining funding at this stage. The Group requires funds to support ongoing exploration and future development of mineral properties. The Group's access to funding will depend on its ability to obtain financing through the raising of equity capital, joint venture projects, debt financing, farm outs or other means. There is no assurance that the Group will be successful in obtaining the necessary financing in a timely manner on acceptable terms to complete its investment strategy. The equity markets and ability to raise finance were significantly affected by the Covid-19 pandemic but have subsequently improved. If the Group is unable to obtain additional financing as needed, some interests may be relinquished, and / or the scope of the operations reduced.	The Board regularly reviews the levels of discretionary spending on capital items and exploration expenditure. This includes regularly updating working capital models, reviewing actual costs against budget and assessing potential impacts on future funding requirements and performance targets. In the past, the Group has been successful in raising additional equity finance to support its ongoing activities.

S172 Statement

The Directors of the Company have a duty to promote the success of the Company. A director of the Company must act in the way they consider, in good faith, to promote the success of the Company for the benefit of its members, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company to maintain a reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

The Directors are committed to developing and maintaining a governance framework that is appropriate to the business and supports effective decision making coupled with robust oversight of risks and internal controls.

The Board believes that long-term success requires good relations with a range of different stakeholder groups both internal and external. The board has identified Kodal's stakeholders to include employees and consultants working for the Company, the local communities and governments in Mali and Cote d'Ivoire in which it operates, suppliers and contractors, as well as shareholders. As the Company looks to bring the Bougouni Lithium project into development, the importance of capital equipment, suppliers, contractors, local workforce, finance providers and offtake customers will increase significantly.

In the Corporate Governance Report, we explain the regular engagement with employees, communities and local governments in West Africa where we operate; and the impact assessment we have performed on the environment and local society as part of our permitting process. We also comment on the decision-making for the long-term success of the Company, its governance and culture; as well as the nature and methods of communication with all shareholders.

The Group relies heavily on having suppliers and contractors with appropriate levels of experience and expertise of working successfully with junior miners in West Africa, as well as professional advice for AIM quoted companies in London. Accordingly, Kodal is committed to maintaining constructive relationships with all its suppliers and advisers and operating in line with its Corporate Code of Conduct.

Signed on behalf of the Board

Bernard Aylward
Chief Executive Officer
5 September 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023

	Note	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Continuing operations			
Administrative expenses		**(944,473)**	(540,655)
Share based payments	5	**(516,581)**	(342,876)
OPERATING LOSS		**(1,461,054)**	(883,531)
Finance charge		-	(19,556)
LOSS BEFORE TAX	2	**(1, 461,054)**	(903,087)
Taxation	6	-	-
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		**(1, 461,054)**	(903,087)
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit or loss			
Currency translation gain / (loss)		**331,259**	(108,167)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(1,129,795)**	(1,011,254)
Loss per share			
Basic and diluted (pence)	4	**(0.0087)**	(0.0057)

The loss for the current and prior years and the total comprehensive income for the current and the prior years are wholly attributable to owners of the parent company.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2023

	Note	Group 31 March 2023	Group 31 March 2022
		£	£
NON-CURRENT ASSETS			
Intangible assets	**7**	**14,521,888**	11,442,403
Property, plant and equipment	**8**	**91,771**	3,309
Amounts due from subsidiary undertakings	**9**	**-**	-
Investments in subsidiary undertakings	**9**	**-**	-
		14,613,659	11,445,712
CURRENT ASSETS			
Other receivables	**10**	**11,175**	5,769
Cash and cash equivalents		**544,988**	1,045,515
		556,163	1,051,284
Non-current assets classified as held for sale	**7**	**513,109**	-
TOTAL ASSETS		**15,682,931**	12,496,996
CURRENT LIABILITIES			
Trade and other payables	**11**	**(800,007)**	(406,341)
TOTAL LIABILITIES		**(800,007)**	(406,341)
NET ASSETS		**14,882,924**	12,090,655
EQUITY			
Attributable to owners of the parent:			
Share capital	**12**	**5,315,619**	4,947,595
Share premium account	**12**	**18,765,206**	15,933,071
Share based payment reserve		**1,537,779**	1,150,678
Translation reserve		**12,632**	(318,627)
Retained deficit		**(10,748,312)**	(9,622,062)
TOTAL EQUITY		**14,882,924**	12,090,655

The Company's loss for the year ended 31 March 2023 was £1,206,922 (2022: £651,696).

The financial statements were approved and authorised for issue by the board of directors on 5 September 2023 and signed on its behalf by

Charles Joseland
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023

	Share capital	Share premium account	Share based payment reserve	Translation reserve	Retained deficit	Total equity
Group	**£**	**£**	**£**	**£**	**£**	**£**
At 31 March 2021	4,916,364	15,841,134	807,802	(210,460)	(8,718,975)	12,635,865

Comprehensive income						
Loss for the year	-	-	-	-	(903,087)	(903,087)
Other comprehensive income						
Currency translation loss	-	-	-	(108,167)	-	(108,167)
Total comprehensive income for the year	-	-	-	(108,167)	(903,087)	(1,011,254)
Transactions with owners						
Share based payment	-	-	342,876	-	-	342,876
Proceeds from shares issued	31,231	91,937	-	-	-	123,168
At 31 March 2022	4,947,595	15,933,071	1,150,678	(318,627)	(9,622,062)	12,090,655
Comprehensive income						
Loss for the year	**-**	**-**	**-**	**-**	**(1,461,054)**	**(1, 461,054)**
Other comprehensive income						
Currency translation gain	-	-	-	331,259	-	331,259
Total comprehensive income for the year	**-**	**-**	**-**	**331,259**	**(1,461,054)**	**(1,129,795)**
Transactions with owners						
Share based payment	**-**	**-**	**721,905**	**-**	**-**	**721,905**
Proceeds from shares issued	**334,821**	**2,665,179**	**-**	**-**	**-**	**3,000,000**
Proceeds from exercise of share options	**33,203**	**309,171**	**-**	**-**	**-**	**342,374**
Share options lapse	**-**	**-**	**(334,804)**	**-**	**334,804**	**-**
Share issue expenses	**-**	**(142,215)**	**-**	**-**	**-**	**(142,215)**
At 31 March 2023	**5,315,619**	**18,765,206**	**1,537,779**	**12,632**	**(10,748,312)**	**14,882,924**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Note	**Group Year ended 31 March 2023**	Group Year ended 31 March 2022
		£	£
Cash flows from operating activities			
Loss before tax		**(1,461,054)**	(903,087)
Adjustments for non-cash items:			
Write back of impairment of intercompany balances		**-**	-
Share based payments		**516,581**	342,876
Operating cash flow before movements in working capital		**(944,473)**	(560,211)
Movement in working capital			

(Increase) / decrease in receivables		**(5,406)**	10,244
Increase / (decrease) in payables		**393,666**	(218,275)
Net movements in working capital		**388,260**	(208,031)
Net cash outflow from operating activities		**(556,213)**	(768,242)
Cash flows from investing activities			
Purchase of tangible assets	**8**	**(103,633)**	(1,600)
Purchase of intangible assets	**7**	**(3,006,324)**	(2,474,768)
Loans to subsidiary undertakings		**-**	-
Net cash outflow from investing activities		**(3,109,957)**	(2,476,368)
Cash flow from financing activities			
Net proceeds from share issues	**12**	**2,857,785**	1,962,064
Net proceeds from exercise of share options		**342,374**	-
Net cash inflow from financing activities		**3,200,159**	1,962,064
(Decrease) in cash and cash equivalents		**(466,011)**	(1,282,546)
Cash and cash equivalents at beginning of the year		**1,045,515**	2,432,807
Exchange (loss) on cash		**(34,516)**	(104,746)
Cash and cash equivalents at end of the year		**544,988**	1,045,515

Cash and cash equivalents comprise cash on hand and bank balances.

FINANCIAL INFORMATION

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 March 2023 or 2022 but is derived from those accounts.

Statutory accounts for 2022 have been delivered to the registrar of companies, and those for 2023 will be delivered in due course. The auditor's report for the 2022 accounts was (i) unqualified, (ii) did not contain any matter to which the auditor drew attention by way of emphasis without modifying its opinion and (iii) did not contain a statement under s.498(2) or (3) of the Companies Act 2006.

The auditor's report for the 2023 accounts was (i) unqualified, (ii) contained a material uncertainty in respect of going concern to which the auditor drew attention by way of emphasis without modifying its opinion and (iii) did not contain a statement under s.498(2) or (3) of the Companies Act 2006.

PRINCIPAL ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 MARCH 2023

The Group has adopted the accounting policies set out below in the preparation of the financial statements. All of these policies have been applied consistently throughout the period unless otherwise stated.

The Company is incorporated in England and Wales with registered number 07220790. The Company's registered office is at Prince Frederick House, 35-39 Maddox Street, London W1S 2PP.

Basis of preparation

The consolidated financial statements of Kodal Minerals Plc are prepared in accordance with the historical cost convention and in accordance with UK-adopted International Accounting Standards. The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange.

In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the Company has not presented its own income statement or statement of comprehensive income.

Going concern

The Group has not earned revenue during the year to 31 March 2023 as it is still in the exploration and development phases of its business. The operations of the Group are currently being financed from funds which the Company has raised from the issue of new ordinary shares. On 31 August 2023 the group has cash at bank amounting to £1,984,000.

In January 2023 the Group signed binding agreements with Hainan to enter into a joint venture to develop the Bougouni Lithium Project. Under these agreements, Hainan will subscribe for equity in the joint venture vehicle amounting US$100 million; they will also subscribe for equity of US$17.75m in the ordinary shares of Kodal Minerals Plc, plus the immediate repayment to the Company for historical development expenses amounting to US$5.66m, the agreements together being the Financing Transaction.

Completion of the Financing Transaction is subject to meeting various conditions precedent including Hainan receiving formal Government approval for the investment and Kodal completing a restructure of its Mali subsidiary holdings. At the date of this report, it is noted that Hainan has received all necessary approvals from the Chinese Government authorities to allow it to complete its funding and investment including "Overseas Project Investment Filing Certificates" from the Hainan Province National Development and Reform Commission ("NDRC") and Company Overseas Investment Certificate from the Department of Commerce of Hainan Province.
Kodal has continued with the restructuring of its subsidiary companies and confirms that the new mining company Les Mines de Lithium de Bougouni has been fully registered and the Mali DNGM notified that this new company will be the owner and operator of the mining licence. In addition, the Company has completed the restructure of Future Minerals SARL such that all of Kodal's lithium assets in Mali are now 100% owned by Kodal Mining UK Limited (the joint venture vehicle for Kodal and Hainan to develop the Bougouni Lithium project). Kodal is continuing to work with the relevant authorities to finalise all regulatory matters to allow completion of the Financing Transaction.

Both Hainan and the Company remain committed to the Financing Transaction and Hainan has recently advanced to the Company a US$3.5m prepayment on its subscription for ordinary shares in the Company. The long stop date for finalising the conditions precedent has been extended several times by mutual consent and the parties continue to work together to expedite the completion of the Financing Transaction at the earliest opportunity.
The Group has prepared cash flow forecasts for the period ending 30 September 2024 under several scenarios, including on the basis that the Hainan transaction completion is delayed for several more months and also that the Hainan transaction does not proceed. Under both of these scenarios the Group will require further funding within the foreseeable future.

The directors are confident of raising sufficient funding to cover ongoing expenditure and overheads, based on indications from Hainan that they would make further prepayments available, and/or the Group will be able to raise further equity given the quality of the Bougouni lithium project, continuing interest from potential investors and finance providers, and forecasts showing continuing strong demand and pricing for spodumene and lithium. Although the Group has been successful in the past obtaining additional funding, there is no assurance that it will be able to do so in the future or that such arrangements will be on terms advantageous to the Group.

These conditions indicate the existence of a material uncertainty that may cast doubt on the Group's ability to continue as a going concern. The consolidated statements for the year ended 31 March 2023 have been prepared on a going concern basis as the Board is of the opinion that the group will be successful in completing the Hainan transaction in the near future and/or securing further funding in order to meet its liabilities as they fall due for at least 12 months from the date of signing these accounts. Accordingly, these consolidated financial statements do not include any adjustments to the recoverability and classification of recorded assets and liabilities and related expenses that might be necessary should the Group be unable to continue as a going concern.

Basis of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the statement of financial position date. Subsidiary undertakings are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Foreign currency translation

Items included in the Group's consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in pounds sterling ("£"), which is the functional and presentational currency of the Parent Company and the presentational currency of the Group. End of year balances in the Group's West African subsidiary undertakings were converted using an end of year rate of XOF 1 : £0.00135 (2022: XOF 1 : £0.00129).

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the reporting date and the gains or losses on translation are included in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the original transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation, which is included in administrative expenses, is charged so as to write off the costs of assets down to their residual value, over their estimated useful lives, using the straight-line method, on the following basis:

Plant and machinery	4 years
Motor vehicles	4 years
Fixtures, fittings and equipment	4 years

Where property, plant and equipment are used in exploration and evaluation activities, the depreciation of the assets is capitalised as part of the cost of exploration and evaluation assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any provision for impairment. Where the recoverable amount of the investment is less than the carrying amount, an impairment is recognised.

Exploration and evaluation expenditure

In accordance with IFRS 6 (Exploration for and Evaluation of Mineral Resources), exploration and evaluation costs incurred before the Group obtains legal rights to explore in a specific area (a "project area") are taken to profit or loss.

Upon obtaining legal rights to explore in a project area, the fair value of the consideration paid for acquiring those rights and subsequent exploration and evaluation costs are capitalised as exploration and evaluation assets. The costs of exploring for and evaluating mineral resources are accumulated with reference to appropriate cost centres being project areas or groups of project areas.

Upon the technical feasibility and commercial viability of extracting the relevant mineral resources becoming demonstrable, the Group ceases further capitalisation of costs under IFRS 6.

Exploration and evaluation assets are not amortised prior to the conclusion of appraisal activities, but are carried at cost less impairment, where the impairment tests are detailed below.

Exploration and evaluation assets are carried forward until the existence (or otherwise) of commercial reserves is determined:

- where commercial reserves have been discovered, the carrying value of the exploration and evaluation assets are reclassified as development and production assets and amortised on an expected unit of production basis; or
- where a project area is abandoned, or a decision is made to perform no further work, the exploration and evaluation assets are written off in full to profit or loss.

Exploration and evaluation assets - impairment

Project areas, or groups of project areas, are determined to be cash generating units for the purposes of assessment of impairment.

With reference to a project area or group of project areas, the exploration and evaluation assets (along with associated production and development assets) are assessed for impairment when such facts and circumstances suggest that the carrying amount of the assets may exceed the recoverable amount.

Such indicators include, but are not limited to, those situations outlined in paragraph 20 of IFRS 6 and include the point at which a determination is made as to whether or not commercial reserves exist.

The aggregate carrying value is compared against the expected recoverable amount, generally by reference to the present value of the future net cash flows expected to be derived from production of the commercial reserves. Where the carrying amount exceeds the recoverable amount, an impairment is recognised in profit or loss.

Intangible assets and impairment

Externally acquired intangible assets are initially recognised at cost and subsequently amortised over their useful economic lives. Amortisation, which is included in administrative expenses, is charged so as to write off the costs of intangible assets, over their estimated useful lives, using the straight-line method, on the following basis:

Software	3 years

Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax is realised, or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Financial instruments

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

IFRS 7 (Financial Instruments: Disclosures) requires information to be disclosed about the impact of financial instruments on the Group's risk profile, how the risks arising from financial instruments might affect the entity's performance, and how these risks are being managed. The required disclosures have been made in Note 14 to the financial statements.

The Group's policies include that no trading in derivative financial instruments shall be undertaken.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand.

Other receivables

Other receivables are carried at amortised cost less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is an expected credit loss on amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in profit or loss.

Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised. Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets.

Trade and other payables

Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. These amounts are carried at amortised cost. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Equity settled transactions (Share based payments)

The Group has issued shares as consideration for services received. Equity settled share-based payments are measured at fair value at the date of issue.

The Group has also granted equity settled options and warrants. The cost of equity settled transactions is measured by reference to the fair value at the date on which they were granted and is recognised over the vesting period, which ends on the date the recipient becomes fully entitled to the award. Fair value is determined by using the Black-Scholes option pricing model.

In valuing equity settled transactions, account is taken of service and performance conditions (vesting conditions), in addition to performance conditions linked to the price of the shares of the Company (market conditions). No expense is recognised for awards that do not ultimately vest.

At each reporting date before vesting, the cumulative expense is calculated; representing the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest. The movement in the cumulative expense since the previous reporting date is recognised in profit and loss, with a corresponding entry in equity, or for options awarded to executive directors, the award is considered as part of their remuneration and the overall cost is allocated between operating costs and exploration and evaluation cost.

Where the terms of the equity-settled award are modified, or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of

In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if the difference is negative.

Where an equity-based award is cancelled (including when a non-vesting condition within the control of the entity or employee is not met), it is treated as if it had vested on the date of the cancellation, and the cost not yet recognised in profit and loss for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, which has been identified as the Chief Operating Decision Maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments in line with the strategic direction of the Company.

Critical accounting judgements and estimates

The preparation of these consolidated financial statements in accordance with UK-adopted International Accounting Standards ("IFRS") requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRS also require management to exercise its judgement in the process of applying the Group's accounting policies.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

Exploration and evaluation expenditure

In accordance with the Group's accounting policy for exploration and evaluation expenditure, after obtaining licences giving legal rights to explore in the project area, all exploration and evaluation costs for each project are capitalised as exploration and evaluation assets.

The exploration and evaluation assets for each project are assessed for impairment when such facts and circumstances suggest that the carrying value of the assets may exceed the recoverable amount.

The directors have assessed the Group's gold projects in Mali and Côte d'Ivoire that are not part of the joint venture agreements and determined that they remain prospective. Accordingly, the directors have determined to continue to maintain these licences and explore ways for the Group to advance these prospective areas most effectively. Accordingly, no impairment review has been conducted on these assets.

The directors have assessed the Group's Bougouni Lithium project in Mali, taking into account the updated Preliminary Feasibility Study and the agreement reached with Hainan in January 2023 for the funding of the project. This project continues to be evaluated and there is no indication of impairment. Accordingly, no impairment review has been conducted on these assets.

The Group's exploration activities and future development opportunities are dependent upon maintaining the necessary licences and permits to operate, which typically require periodic renewal or extension. In Mali and Côte d'Ivoire, the process of renewal or extension of a licence can only be initiated on expiry of the previous term and takes time to be processed by the relevant government authority. Until formal notification is received there is a risk that renewal or extension will not be granted.

As detailed in the Operational Review, at the date of these financial statements, the Group's key exploration licences are current. As detailed in note 7, the total carrying value of the exploration and evaluation assets at 31 March 2023 was £14.5 million (2022: £11.4 million). The Group complies with the prevailing laws and regulations relating to these licences and ensures that the regulatory reporting and government compliance requirements for each licence are met.

Valuation of warrants and share options

In accordance with the Group's accounting policy for equity settled transactions, all equity settled share-based payments are measured at fair value at the date of issue. Fair value is determined by using the Black-Scholes option pricing model based on the terms of the options and warrants, the Company's share price at the time and assumptions for volatility and exercise date. The assumptions used to value the options and warrants are detailed in note 5.

For options awarded to the non-executive directors, the award has been considered to be in relation to their overall contribution to the Group and, accordingly, the charge has been included within operating costs in the Consolidated Statement of Comprehensive Income. For options awarded to executive directors, the award is considered as part of their remuneration. This overall cost is allocated between operating costs and exploration and evaluation cost, the latter of which are capitalised against specific projects. For the award of warrants associated with the raising of funds through the issue of new shares, the charge has been treated as a share issue expense and offset against the share premium account.

Recoverability of Intercompany Balances to Subsidiary Undertakings

The Company has outstanding intercompany balances from its directly held subsidiaries resulting from the primary method of financing the activity of those subsidiaries. The balances are shown in the Company Statement of Financial Position. However, there is a risk that the subsidiaries will not commence sufficient revenue generating activities and that the carrying amount of the intercompany balances will, therefore, exceed the recoverable amount. Under the requirements of IFRS 9 management has run various scenarios on the expected credit loss of the Company's intercompany balances, including the project being put into operation, the project being sold and the project collapsing. Management has updated its calculations reflecting additional amounts advanced to its subsidiaries for work on its lithium and gold projects during the year, the reduced the risk of credit loss given improvements since last year in the financial, lithium and gold markets and the reduced risk of project collapse following the granting of the mining licence. At 31 March 2023, amounts due to the Company from subsidiary undertakings totalled £14,296,000 (2022: £10,785,000), net of a credit loss provision of £501,000 (2022: £681,000).

Adoption of New and Revised Standards

The Group has adopted all of the new or amended Accounting Standards and interpretations issued by the International Accounting Standards Board ("IASB") that are mandatory and relevant to the Group's activities for the current reporting period.

New standards and interpretations not applied

At the date of authorisation of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Group. These are listed below. The Board anticipates that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning after the effective date of the pronouncement. The amendments to the standards noted below are not expected to have a material impact on the Group's consolidated financial statements.

Standard	Details of amendment / New Standards and Interpretations	Annual periods beginning on or after
IAS 1 Presentation of Financial Statements	Amendments to IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current.	1 January 2024
IAS 1 Presentation of Financial Statements	Amendments to IAS 1 Presentation of Financial Statements to specify the requirements for disclosure of accounting policies.	1 January 2023

There are other standards and amendments in issue but not yet effective, which are not likely to be relevant to the Group which have therefore not been listed.

NOTES TO THE FINANCIAL STATEMENTS

1 SEGMENTAL REPORTING

1. SEGMENTAL REPORTING

The operations and assets of the Group in the year ended 31 March 2023 are focused in the United Kingdom and West Africa and comprise one class of business: the exploration and evaluation of mineral resources. Management have determined that the Group had two operating segments being the West African Gold Projects and the West African Lithium Projects, and a UK administration centre. The Parent Company acts as a holding company. At 31 March 2023, the Group had not commenced commercial production from its exploration sites and therefore had no revenue for the year.

Year ended 31 March 2023	**UK**	**West Africa Gold**	**West Africa Lithium**	**Total**
	£	**£**	**£**	**£**
Administrative expenses	912,390	4,288	27,795	944,473
Share based payments	516,581	-	-	516,581
Loss for the year	**1,428,971**	**4,288**	**27,795**	**1,461,054**
At 31 March 2023				
Other receivables	11,175	-	-	11,175
Cash and cash equivalents	425,704	90,426	28,858	544,988
Non-current assets classified as held for sale	-	-	513,109	513,109
Trade and other payables	(129,332)	-	(670,675)	(800,007)
Intangible assets - exploration and evaluation expenditure	-	3,305,948	11,215,940	14,521,888
Property, plant and equipment	-	1,042	90,729	91,771
Net assets at 31 March 2023	**307,547**	**3,397,416**	**11,177,961**	**14,882,924**

Year ended 31 March 2022	**UK**	**West Africa Gold**	**West Africa Lithium**	**Total**
	£	**£**	**£**	**£**
Administrative expenses	538,625	866	1,164	540,655
Share based payments	342,876	-	-	342,876
Finance charge	19,556	-	-	19,556
Loss for the year	**901,057**	**866**	**1,164**	**903,087**
At 31 March 2022				
Other receivables	5,769	-	-	5,769
Cash and cash equivalents	949,850	38,481	57,184	1,045,515
Trade and other payables	(100,959)	-	(305,382)	(406,341)
Intangible assets - exploration and evaluation expenditure	-	2,410,787	9,031,616	11,442,403
Property, plant and equipment	-	-	3,309	3,309
Net assets at 31 March 2022	**854,660**	**2,449,268**	**8,786,727**	**12,090,655**

2. **LOSS BEFORE TAX**

The loss before tax from continuing activities is stated after charging:

	Group Year ended 31 March 2023	**Group Year ended 31 March 2022**
	£	**£**
Fees payable to the Company's auditor	53,000	40,000
Share based payments (note 5)	516,581	342,876
Directors' salaries and fees	182,247	167,980
Employer's National Insurance	10,598	5,980

Amounts payable to RSM UK Audit LLP and its associates in respect of audit services are as follows;

	Group Year ended 31 March 2023	**Group Year ended 31 March 2022**

	31 March 2023	31 March 2022
	£	£
Audit services		
- statutory audit of parent and consolidated accounts	53,000	40,000

3. EMPLOYEES AND DIRECTORS' REMUNERATION

The average number of people employed in the Group is as follows:

	Group	Group
	31 March 2023	31 March 2022
	Number	Number
Average number of employees (including directors):	**45**	19

The directors are key management personnel of the Company. The remuneration expense for directors of the Company is as follows:

	Year ended	Year ended
	31 March 2023	31 March 2022
	£	£
Directors' remuneration	**182,247**	167,980
Directors' social security costs	**10,598**	5,980
Total	**192,845**	173,960

In addition to the amounts included above, £282,267 (2022: £79,469) of the directors' remuneration cost has been treated as Exploration and Evaluation expenditure. 100% of the salary cost of the Group's employees in West Africa has been treated as Exploration and Evaluation expenditure (2022: 100%).

	Directors' salary and fees year ended 31 March 2023	Share based payments year ended 31 March 2023 (see note 5)	Total year ended 31 March 2023
	£	£	£
Bernard Aylward (a)	177,847	180,724	358,571
Charles Joseland	50,000	78,153	128,153
Robert Wooldridge	45,000	119,366	164,366
Steven Zaninovich (b)	166,667	159,291	325,958
Qingtao Zeng (c)	25,000	139,680	164,680
	464,514	677,214	1,141,728

Included within the amounts shown above for share based payments, £191,771 has been treated as Exploration and Evaluation expenditure. Four Directors exercised share options in the period, with respective gains on exercise as follows: Bernard Aylward £3,860; Charles Joseland £20,044; Robert Wooldridge £10,509; and Steven Zaninovich £4,632.

	Directors' salary and fees year ended 31 March 2022	Share based payments year ended 31 March 2022 (see note 5)	Total year ended 31 March 2022
	£	£	£
Bernard Aylward (a)	132,449	222,793	355,242
Charles Joseland	45,000	1,164	46,164
Robert Wooldridge	45,000	44,798	89,798
Qingtao Zeng (c)	25,000	2,549	27,549

	247,449	271,304	518,753

a) Matlock Geological Services Pty Ltd ("Matlock") a company wholly owned by Bernard Aylward, provided consultancy services to the Group during the year ended 31 March 2023 and received fees of £139,514 (2022: £97,450). These fees are included within the remuneration figure shown for Bernard Aylward.

b) Zivvo Pty Ltd ("Zivvo") a company wholly owned by Steven Zaninovich, provided consultancy services to the Group during the year ended 31 March 2023 and received fees of £140,000 in the period after his appointment as director on 27 July 2022. These fees are included within the remuneration figure shown for Steven Zaninovich. Steven Zaninovich was appointed to the board on 27 July 2022.

c) In addition to the amounts included above, Geosmart Consulting Pty Ltd, a company wholly owned by Qingtao Zeng, provided consultancy services to the Group during the year and received fees of £24,627 (2022: £27,136).

4. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the result and share data used in the computations:

	Loss	Weighted average number of shares	Basic loss per share (pence)
	£		
Year ended 31 March 2023	1,461,054	16,812,417,355	0.0087
Year ended 31 March 2022	903,087	15,809,383,877	0.0057

Diluted loss per share is calculated by dividing the loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Options in issue are not considered diluting to the loss per share as the Group is currently loss making. Diluted loss per share is therefore the same as the basic loss per share.

5. SHARE BASED PAYMENTS

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

	Year ended 31 March 2023	Year ended 31 March 2022
Share options outstanding	**Number**	**Number**
Opening balance	250,000,000	205,000,000
Lapsed in the year	(77,500,000)	-
Issued in the year	470,000,000	45,000,000
Exercised in the year	(60,000,000)	-
Closing balance	582,500,000	250,000,000

	Year ended 31 March 2023	Year ended 31 March 2022
Performance share rights outstanding	**Number**	**Number**
Opening balance	175,000,000	-
Issued in the year	75,000,000	175,000,000
Exercised in the year	(10,000,000)	-
Closing balance	240,000,000	175,000,000

Warrants outstanding	Year ended 31 March 2023 Number	Year ended 31 March 2022 Number
Opening balance	205,000,000	285,355,663
Lapsed in the year	(12,500,000)	-
Issued in the year	170,000,000	-
Exercised in the year	(36,250,000)	(80,355,663)
Closing balance	326,250,000	205,000,000

Options, warrants and performance share rights outstanding for each of the directors at the year-end are outlined below:

Exercisable date	Bernard Aylward	Robert Wooldridge	Qingtao Zeng	Charles Joseland	Steven Zaninovich
8 May 2019 - 8 May 2024	-	6,250,000	-	-	-
20 Nov 2018 - 20 Nov 2023	-	-	2,500,000	-	-
20 Nov 2019 - 20 Nov 2024	-	-	2,500,000	-	-
1 Mar 2019 - 1 Mar 2024	-	-	-	-	26,666,666
6 November 2021	-	-	-	-	33,333,334
To be determined (Note 2)	-	-	-	-	90,000,000
6 November 2021	30,000,000	-	-	-	-
To be determined (Note 1)	40,000,000	-	-	-	-
To be determined (Note 2)	75,000,000	-	-	-	-
27 Aug 2021 - 27 Aug 2026	-	15,000,000	7,500,000	-	-
27 Aug 2022 - 27 Aug 2027	-	7,500,000	3,750,000	-	-
27 Aug 2023 - 27 Aug 2028	-	7,500,000	3,750,000	-	-
To be determined (Note 1)	30,000,000	-	-	-	72,500,000
To be determined (Note 2)	40,000,000	-	-	-	77,500,000
To be determined (Note 3)	60,000,000	-	-	-	95,000,000
18 Aug 2022 - 18 Aug 2027	-	23,333,334	43,333,334	25,000,000	-
18 Aug 2023 - 18 Aug 2028	-	33,333,333	43,333,333	25,000,000	-
18 Aug 2024 - 18 Aug 2029	-	33,333,333	43,333,333	25,000,000	-
Closing balance	**275,000,000**	**126,250,000**	**150,000,000**	**75,000,000**	**395,000,000**

1. Exercisable from date of securing the finance for construction of the Bougouni mine
2. Exercisable from date of first commercial production from the Bougouni Project
3. Exercisable from date of production of 175,000 tonnes of spodumene concentrate from the Bougouni project

Included within operating losses is a charge for issuing share options and making share-based payments of £684,932 (2022: £342,876).

Details of share options outstanding at 31 March 2023:

Date of grant	*Number of options*	*Option price*	*Exercisable between*
20 December 2013	13,333,333	0.7 pence	30 Dec 2014 - 30 Dec 2024
20 December 2013	13,333,333	0.7 pence	30 Dec 2015 - 30 Dec 2025
20 December 2013	13,333,333	0.7 pence	30 Dec 2016 - 30 Dec 2026
8 May 2017	12,500,000	0.38 pence	8 May 2018 - 8 May 2023
8 May 2017	20,000,000	0.38 pence	8 May 2019 - 8 May 2024
20 November 2017	2,500,000	0.38 pence	20 Nov 2018 - 20 Nov 2023
20 November 2017	2,500,000	0.38 pence	20 Nov 2019 - 20 Nov 2024
27 August 2021	22,500,000	0.36 pence	27 Aug 2021 - 27 Aug 2026
27 August 2021	11,250,000	0.36 pence	27 Aug 2022 - 27 Aug 2027
27 August 2021	11,250,000	0.36 pence	27 Aug 2023 - 27 Aug 2028
18 August 2022	37,500,000	0.3 pence	To be determined
18 August 2022	47,500,000	0.34 pence	To be determined
18 August 2022	70,000,000	0.38 pence	To be determined
18 August 2022	95,000,002	0.3 pence	18 Aug 2022 - 18 Aug 2027
18 August 2022	104,999,999	0.34 pence	18 Aug 2023 - 18 Aug 2028
18 August 2022	104,999,999	0.34 pence	18 Aug 2024 - 18 Aug 2029

Details of performance share rights outstanding at 31 March 2023:

Date of grant	*Number of performance share rights*	*Option price*	*Exercisable between*
27 August 2021	30,000,000	nil	6 November 2021
27 August 2021	50,000,000	nil	To be determined
27 August 2021	85,000,000	nil	To be determined
27 July 2022	25,000,000	nil	To be determined
27 July 2022	25,000,000	nil	To be determined
27 July 2022	25,000,000	nil	To be determined

Details of warrants outstanding at 31 March 2023:

Date of grant	*Number of warrants*	*Option price*	*Exercisable between*
22 May 2017	6,250,000	0.38 pence	22 May 2019 - 22 May 2024
23 November 2018	26,666,666	0.14-0.38 pence	1 March 2019 - 1 March 2024
23 November 2018	33,333,334	0.14-0.38 pence	To be determined
23 November 2018	90,000,000	0.14-0.38 pence	To be determined
27 July 2022	47,500,000	0.28 pence	To be determined
27 July 2022	52,500,000	0.325 pence	To be determined
27 July 2022	70,000,000	0.38 pence	To be determined

Additional disclosure information:

Weighted average exercise price of share options and warrants:

- outstanding at the beginning of the period 0.35 pence
- granted during the period 0.30 pence
- outstanding at the end of the period 0.27 pence
- exercisable at the end of the period 0.35 pence

Weighted average remaining contractual life of share options outstanding at the end of the period 5.7 years

Warrants, Options and Performance Share Rights issued in the year to 31 March 2023

On 27 July 2022, the Company granted warrants over 170,000,000 ordinary shares andPerformance Share Rights of up to 75,000,000 ordinary shares to Steven Zaninovich. The warrants are registered in the name of Zivvo Pty Ltd, a company wholly owned by Steven Zaninovich.

The Warrants and Performance Share Rights carry vesting conditions that are linked to achievement of milestones critical to the development of the Bougouni Project as follows:

- Securing of finance for the Bougouni mine and completion of all Mali Government Agreements, Update and Variation of Mining Licence and Environment permitting in relation to the Bougouni Project;
- Receipt of funds from first sale of spodumene concentrate from the Bougouni Project within 18 months of receipt of finance; and
- 175,000 tonnes of spodumene concentrate produced from the Bougouni Project.

Subject to the vesting conditions being satisfied, Mr Zaninovich may call for Ordinary Shares, as set out in the table below, to be issued to him at any time within five years of the vesting condition being met and upon payment by them of the nominal value for the Ordinary Shares in relation the Performance Share Rights and the exercise price in relation to the share options.

Vesting criteria	**Warrants**		**Performance Share Rights**
	Exercise Price	**Number**	
Securing of finance for the Bougouni mine	£0.00280p	47,500,000	25,000,000 capped at £250,000 value
Receipt of funds from first sale of spodumene concentrate from Bougouni within 18 months of receipt of finance	£0.00325p	52,500,000	25,000,000 capped at £250,000 value
Production of 175,000 tonnes of spodumene concentrate from Bougouni	£0.00380p	70,000,000	25,000,000 capped at £250,000 value
Total	£0.00335p average	170,000,000	75,000,000 total capped at £750,000 value

On 18 August 2022, the Company granted options over 155,000,000 ordinary shares to Bernard Aylward and Mohamed Niare (Country Manager, Mali).

The Share Options carry vesting conditions that are linked to achievement of milestones critical to the development of the Bougouni Project as follows:

- Securing of finance for the Bougouni mine and completion of all Mali Government Agreements, Update and Variation of Mining Licence and Environment permitting in relation to the Bougouni Project;
- Receipt of funds from first sale of spodumene concentrate from the Bougouni Project within 18 months of receipt of finance; and
- 175,000 tonnes of spodumene concentrate produced from the Bougouni Project.

Subject to the vesting conditions being satisfied, the holders of the Share Options may call for Ordinary Shares, as set out in the table below, to be issued to them at any time within five years of the vesting condition being met.

	Exercise price	**Share Options**	
Vesting criteria		**Bernard Aylward**	**Mohamed Niare**
Securing of finance for the Bougouni mine	0.3 pence	Up to 30 million ordinary shares	Up to 7.5 million ordinary shares
Receipt of funds from first sale of spodumene concentrate	0.34 pence	Up to 40 million ordinary shares	Up to 7.5 million ordinary shares
175,000 tonnes of spodumene concentrate produced	0.38 pence	Up to 60 million ordinary shares	Up to 10 million ordinary shares
Total		Up to 130 million ordinary shares	Up to 25 million ordinary shares

On 18 August 2022, the Company granted options over 315,000,000 Ordinary Shares to members of the management team, of which those granted to Non-Executive Directors were as set out in the table below. The options will vest in equal tranches with the first one third vesting immediately and exercisable at 0.3 pence per share, and the remaining two thirds vesting in two equal tranches on the first and second anniversaries of the grant and exercisable at 0.34 pence per share.

Director	**Number of Options granted**
Charles Joseland	75,000,000
Robert Wooldridge	100,000,000
Qingtao Zeng	130,000,000

The fair values of the options and warrants granted were calculated using the Black-Scholes valuation model. The inputs to the model were:

	27 July 2022	**18 August 2022**
Strike price	0.00p - 0.38p	0.30p - 0.38p
Share price	0.11p - 0.25p	0.11p - 0.26p
Volatility	75%	75%
Expiry date	15/3/28 - 15/12/30	15/3/28 - 15/12/30
Risk free rate	0.34% - 0.36%	[illegible]

Risk free rate	0.24% - 0.26%	0.23% - 0.30%
Dividend yield	0.0%	0.0%

Options and Performance Share Rights issued in the year to 31 March 2022

On 27 August 2021, the Company granted Performance Share Rights of up to 175,000,000 ordinary shares to Bernard Aylward and Mohamed Niare (Country Manager, Mali).

The Performance Share Rights carry vesting conditions that are linked to achievement of milestones critical to the development of the Bougouni Project as follows:

- Award of mining licence;
- Securing the finance for construction of the Bougouni mine; and
- First commercial production from the Bougouni Project.

Subject to the vesting conditions being satisfied, the holders of the Performance Share Rights may call for Ordinary Shares, as set out in the table below, to be issued to them at any time within five years of the vesting condition being met and upon payment by them of the nominal value for the Ordinary Shares.

	Performance Share Rights over New Ordinary Shares	
Vesting criteria	**Bernard Aylward**	**Mohamed Niare**
Award of mining licence	Up to 30 million New Ordinary Shares (capped at value on vesting of £300,000)	Up to 10 million New Ordinary Shares (capped at value on vesting of £100,000)
Securing the finance for construction of the Bougouni mine	Up to 40 million New Ordinary Shares (capped at value on vesting of £400,000)	Up to 10 million New Ordinary Shares (capped at value on vesting of £100,000)
First commercial production from the Bougouni Project	Up to 75 million New Ordinary Shares (capped at value on vesting of £750,000)	Up to 10 million New Ordinary Shares (capped at value on vesting of £100,000)
Total	Up to 145 million New Ordinary Shares (capped at value on vesting of £1.45m)	Up to 30 million New Ordinary Shares (capped at value on vesting of £300,000)

In the event of a change of control of the Company, 50 per cent. of any unvested Performance Share Rights will vest immediately, provided that the Company's share price at the time of the change of control exceeds 0.34 pence, being the share price when the awards were made.

On 27 August 2021, options over Ordinary Shares were granted to Robert Wooldridge and Qingtao Zeng as set out in the table below. The Options are exercisable at 0.36 pence per share, with 50 per cent of the Options vesting immediately and the remaining 50 per cent. vesting in two equal tranches on the first and second anniversaries of the grant. All unvested options will vest immediately on a change of control of the Company.

Director	**Number of Options granted**
Robert Wooldridge	30,000,000
Qingtao Zeng	15,000,000

6. TAXATION

	Group	**Group**
	Year ended	**Year ended**
	31 March 2023	**31 March 2022**
	£	**£**
Taxation charge for the year	-	-
Factors affecting the tax charge for the year		
Loss from continuing operations before income tax	**(1,461,054)**	**(903,087)**
Tax at 19% (2022: 19%)	**(277,600)**	**(171,587)**
Expenses not deductible	**636**	-
Losses carried forward not deductible	**178,814**	**106,440**
[illegible]	[illegible]	[illegible]

Deferred tax differences	98,150	65,147
Income tax expense	-	-

The Group has tax losses and other potential deferred tax assets (including in relation to share options) totalling £3,759,000 (2022: £2,978,000) which will be able to be offset against future income. No deferred tax asset has been recognised in respect of these losses as the timing of their utilisation is uncertain at this stage.

7. INTANGIBLE ASSETS

	Exploration and evaluation
GROUP	**£**
COST	
At 1 April 2021	**8,964,089**
Additions in the year	2,546,686
Effects of foreign exchange	(68,372)
At 1 April 2022	**11,442,403**
Additions in the year	3,226,956
Classified as held for sale	(513,109)
Effects of foreign exchange	365,638
At 31 March 2023	**14,521,888**
AMORTISATION	
At 1 April 2021 and 1 April 2022 and 31 March 2023	**-**
NET BOOK VALUES	
At 31 March 2023	**14,521,888**
At 31 March 2022	**11,442,403**
At 31 March 2021	**8,964,089**

	Group	Group
	31 March 2023	31 March 2022
	£	£
Non-current assets classified as held for sale	513,109	-
	513,109	-

On 19 April 2023, the Company announced the sale of the Bougouni West project, further details on which are disclosed in Note 18. The Bougouni West project was held as an asset for sale at 31 March 2023.

8. PROPERTY, PLANT AND EQUIPMENT

	Plant and machinery
GROUP	**£**
COST	

1 April 2021	**26,079**
Additions in the year	1,600
Effects of foreign exchange	(47)
At 1 April 2022	**27,633**
Additions in the year	103,633
Effects of foreign exchange	137
At 31 March 2023	**131,403**
DEPRECIATION	
At 1 April 2021	**17,402**
Depreciation charge	6,922
At 1 April 2022	**24,324**
Depreciation charge	15,308
At 31 March 2023	**39,632**
NET BOOK VALUES	
At 31 March 2023	**91,771**
At 31 March 2022	**3,309**
At 31 March 2021	**8,677**

All tangible assets are wholly associated with exploration and development projects and therefore the amounts charged in respect of depreciation are capitalised as evaluation and exploration assets within intangible assets.

9. SUBSIDIARY UNDERTAKINGS

The consolidated financial statements include the following subsidiary companies:

Company	Subsidiary of	Country of incorporation	Registered office	Equity holding	Nature of business
Kodal Norway (UK) Ltd	Kodal Minerals Plc	United Kingdom	Prince Frederick House, 35-39 Maddox Street, London W1S 2PP	100%	Operating company
International Goldfields (Bermuda) Limited	Kodal Minerals Plc	Bermuda	MQ Services Ltd Victoria Place, 31 Victoria Street, Hamilton HM 10 Bermuda	100%	Holding company
International Goldfields Côte d'Ivoire SARL	International Goldfields (Bermuda) Limited	Côte d'Ivoire	Abidjan Cocody Les Deux Plateaux 7eme Tranche BP Abidjan Côte d'Ivoire	100%	Mining exploration
International Goldfields Mali SARL	International Goldfields (Bermuda) Limited	Mali	Bamako, Faladi, Mali Univers, Rue 886 B, Porte 487 Mali	100%	Mining exploration
Jigsaw Resources CIV Ltd	International Goldfields (Bermuda) Limited	Bermuda	MQ Services Ltd Victoria Place, 31 Victoria Street, Hamilton HM 10 Bermuda	100%	Holding company
Corvette CIV SARL	Jigsaw Resources CIV Ltd	Côte d'Ivoire	Abidjan Cocody Les Deux Plateaux 7eme Tranche	100%	Mining exploration

	CIV Ltd		BP Abidjan Côte d'Ivoire		
Future Minerals SARL	International Goldfields (Bermuda) Limited	Mali	Bamako, Faladi, Mali Univers, Rue 886 B, Porte 487 Mali	100%	Mining exploration
Kodal Mining UK Limited	Kodal Minerals Plc	United Kingdon	Prince Frederick House, 35-39 Maddox Street, London W1S 2PP	100%	Mining exploration

10. OTHER RECEIVABLES

	Group	Group
	31 March 2023	31 March 2022
	£	£
Other receivables	**11,175**	5,769
	11,175	5,769

All receivables at each reporting date are current. No receivables are past due. The Directors consider that the carrying amount of the other receivables approximates their fair value and there are no expected credit losses.

11. TRADE AND OTHER PAYABLES

	Group	Group
	31 March 2023	31 March 2022
	£	£
Trade payables	**616,877**	348,505
Other payables	**183,130**	57,836
	800,007	406,341

All trade and other payables at each reporting date are current. The Directors consider that the carrying amount of the trade and other payables approximates their fair value.

12. SHARE CAPITAL

	Note	Nominal Value	Number of Ordinary Shares	Share Capital £	Share Premium £
At 31 March 2021			**15,732,363,511**	**4,916,364**	**15,841,134**
May 2021	a	£0.0003125	48,790,008	15,247	14,515
May 2021	b	£0.0003125	31,565,656	9,864	18,545
November 2021	c	£0.0003125	19,583,212	6,120	58,877
At 31 March 2022			**15,832,302,387**	**4,947,595**	**15,933,071**
May 2022	d	£0.0003125	1,071,428,569	334,821	2,522,964
March 2023	e	£0.0003125	106,250,000	33,203	309,171
At 31 March 2023			**17,009,980,956**	**5,315,619**	**18,765,206**

a) On 18 May 2021, a total of 48,790,008 shares were issued to the Investors at a price of 0.061 pence per share in connection with the exercise of warrants.

b) On 18 May 2021, a total of 31,565,656 shares were issued to the Investors at a price of 0.09 pence per share in connection with the exercise of warrants.

c) On 5 November 2021, a total of 19,583,212 shares were issued pursuant to the Company's agreement with Bambara Resources SARL at 0.3319p per share.

d) On 10 May 2022, a total of 1,071,428,569 shares were issued via a placing and subscription at a price of 0.28 pence per share.

e) On 20 March 2023, a total of 106,250,000 shares were issued pursuant to the exercise of options, warrants and Performance Share Rights from certain directors, senior management and consultants of the Company. The shares were issued at between 0.14 and 0.38 pence per share.

13. RESERVES

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Share based payment reserve	Cumulative fair value of options and share rights recognised as an expense. Upon exercise of options or share rights, any proceeds received are credited to share capital. The share-based payment reserve remains as a separate component of equity.
Translation reserve	Gains/losses arising on re-translating the net assets of overseas operations into sterling.
Retained earnings	Cumulative net gains and losses recognised in the consolidated statement of financial position.

14. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise cash and cash equivalents, other receivables and trade and other payables.

The main purpose of cash and cash equivalents is to finance the Group's operations. The Group's other financial assets and liabilities such as other receivables and trade and other payables, arise directly from its operations.

It has been the Group's policy, throughout the periods presented in the consolidated financial statements, that no trading in financial instruments was to be undertaken, and no such instruments were entered in to.

The main risk arising from the Group's financial instruments is market risk. The Directors consider other risks to be more minor, and these are summarised below. The Board reviews and agrees policies for managing each of these risks.

Market risk

Market risk is the risk that changes in market prices, and market factors such as foreign exchange rates and interest rates will affect the Group's results or the value of its assets and liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk

The Group does not have any borrowings and does not pay interest.

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's cash and cash equivalents with a floating interest rate. These financial assets with variable rates expose the Group to interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing.

In regard to its interest rate risk, the Group periodically analyses its exposure. Within this analysis consideration is given to alternative investments and the mix of fixed and variable interest rates. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group in the year to 31 March 2023 earned interest of £nil (2022: £nil). Due to the Group's relatively low level of interest-bearing assets and the very low interest rates available in the market the Group is not exposed to any significant interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty could default on its contractual obligations resulting in financial loss to the Group. The Group's principal financial assets are cash balances and other receivables.

The Group has adopted a policy of only dealing with what it believes to be creditworthy counterparties and would consider obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure to and the credit ratings of its counterparties are continuously monitored. An allowance for impairment is made where there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables concerned.

Other receivables consist primarily of prepayments and other sundry receivables and none of the amounts included therein are past due or impaired.

Financial instruments by category - Group

	Financial assets at amortised cost	Other financial liabilities at amortised cost	Total
31 March 2023			
Assets			
Other receivables	11,175	-	11,175
Cash and cash equivalents	544,988	-	544,988
Total	556,163	-	556,163
Liabilities			
Trade and other payables	-	(800,007)	(800,007)
Total	-	(800,007)	(800,007)
31 March 2022			
Assets			
Other receivables	5,769	-	5,769
Cash and cash equivalents	1,045,515	-	1,045,515
Total	1,051,284	-	1,051,284
Liabilities			
Trade and other payables	-	(406,341)	(406,341)
Total	-	(406,341)	(406,341)

Foreign exchange risk

Throughout the periods presented in the consolidated financial statements, the functional currency for the Group's West African subsidiaries has been the CFA Franc.

The Group incurs certain exploration costs in the CFA Franc, US Dollars, Australian Dollars and South African Rand and has exposure to foreign exchange rates prevailing at the dates when Sterling funds are translated into other currencies. The CFA Franc has a fixed exchange rate to the Euro and the Group therefore has exposure to movements in the Sterling : Euro exchange rate. The Group has not hedged against this foreign exchange risk as the Directors do not consider that the level of exposure poses a significant risk.

The Group continues to keep the matter under review as further exploration and evaluation work is performed in West Africa and other countries and will develop currency risk mitigation procedures if the significance of this risk materially increases.

The Group's consolidated financial statements have a low sensitivity to changes in exchange due to the low value of assets and liabilities (principally cash balances) maintained in foreign currencies. Once any project moves into the development phase a greater proportion of expenditure is expected to be denominated in foreign currencies which may increase the foreign exchange risk.

Financial instruments by currency - Group

	GBP	USD	ZAR	AUD	XOF	Total
31 March 2023						
Assets						
Other receivables	**11,175**	**-**	**-**	**-**	**-**	**11,175**
Cash and cash equivalents	**425,704**	**-**	**-**	**-**	**119,284**	**544,988**
Total	**436,879**	**-**	**-**	**-**	**119,284**	**556,163**
Liabilities						
Trade and other payables	**(122,278)**	**(446,098)**	**(98,621)**	**(65,094)**	**(67,916)**	**(800,007)**

	GBP	USD	ZAR	AUD	XOF	Total
31 March 2022						
Assets						
Other receivables	5,769	-	-	-	-	5,769
Cash and cash equivalents	949,850	-	-	-	95,665	1,045,515
Total	955,619	-	-	-	95,665	1,051,284
Liabilities						
Trade and other payables	(64,671)	(304,145)	-	(36,289)	(1,236)	(406,341)

Liquidity risk

Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due.

The objective of managing liquidity risk is to ensure, as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions.

The Group has established policies and processes to manage liquidity risk. These include:

- Monitoring the maturity profiles of financial assets and liabilities in order to match inflows and outflows;
- Monitoring liquidity ratios (working capital); and
- Capital management procedures, as defined below.

Capital management

The Group's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitable production, whilst in the meantime safeguarding the Group's ability to continue as a going concern. This is to enable the Group, once projects become commercially and technically viable, to provide appropriate returns for shareholders and benefits for other stakeholders.

The Group has historically relied on equity to finance its growth and exploration activity, raised through the issue of shares. In the future, the Board will utilise financing sources, be that debt or equity, that best suits the Group's working capital requirements and taking into account the prevailing market conditions.

Fair value

The fair value of the financial assets and financial liabilities of the Group, at each reporting date, approximates to their carrying amount as disclosed in the Statement of Financial Position and in the related notes.

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The cash and cash equivalents, other receivables, trade payables and other current liabilities approximate their carrying value amounts largely due to the short-term maturities of these instruments.

Disclosure of financial instruments and financial risk management for the Company has not been performed as they are not significantly different from the Group's position described above.

15. RELATED PARTY TRANSACTIONS

The Directors represent the key management personnel of the Group and details of their remuneration are provided in note 3.

Robert Wooldridge, a director, is a member of SP Angel Corporate Finance LLP ("SP Angel") which acts as financial adviser and broker to the Company. During the year ended 31 March 2023, the Company paid fees to SP Angel of £173,605 (2022: £30,000). The increase compared to prior year reflects SP Angel's provision of broker services in relation to the £3 million fundraising in May 2022. The balance due to SP Angel at 31 March 2023 was £nil (2022: £nil).

Matlock Geological Services Pty Ltd ("Matlock") a company wholly owned by Bernard Aylward, a director, provided consultancy services to the Group during the year ended 31 March 2023 and received fees of £139,514 (2022: £97,450). These fees are included within the remuneration figure shown for Bernard Aylward in note 3. The balance due to Matlock at 31 March 2023 was £nil (2022: £nil).

Geosmart Consulting Pty Ltd ("Geosmart"), a company wholly owned by Qingtao Zeng, a director, provided consultancy services to the Group during the year ended 31 March 2023 and received fees of £24,627 (2022: £27,136). The balance due to Geosmart at 31 March 2023 was £nil (2022: £14,528).

Zivvo Pty Ltd ("Zivvo"), a company wholly owned by Steven Zaninovich, a Director, provided consultancy services to the Group. Steven Zaninovich was appointed as a Director on 27 July 2022 and between that date and 31 March 2023, Zivvo received fees of £140,000. These fees are included within the remuneration figure shown for Steven Zaninovich in note 3. The balance due to Zivvo at 31 March 2023 was £nil.

16. CONTROL

No one party is identified as controlling the Group.

17. CAPITAL COMMITMENTS

The Group had capital commitments to exploration and evaluation expenditure of £nil (2022: £nil).

18. EVENTS AFTER THE REPORTING PERIOD

On 19 April 2023, the Company announced the sale of the Bougouni West project for a total cash consideration for Kodal of £2.0 million to Leo Lithium Ltd. The Bougouni West project comprised two concessions, Mafélé Ouest and N'kemene Ouest (the "Concessions"). Kodal entered into a binding agreement with Leo Lithium Ltd to sell the Mafélé Ouest concession and agreed terms for the sale of the N'kemene Ouest concession, conditional on renewal of the licence. The Bougouni West project was held as an asset for sale at the year end.

On 3 August, the Company announced receipt of a conditional prepayment of US$3.5 million as part of the funding package for the Bougouni Lithium Project between the Company and Hainan Mining Co. Limited and its wholly owned UK-incorporated subsidiary Xinmao Investment Co. Limited. The prepayment is repayable or, at the discretion of Hainan Mining Co. Limited, convertible into new ordinary shares in the Company should the funding agreement not proceed.

END

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