



Katoro Gold plc (Incorporated in England and Wales)
(Registration Number: 9306219)
Share code on AIM: KAT
ISIN: GB00BSNBL022
('Katoro' or 'the Company')

Dated: 22 September 2023

Katoro Gold plc ('Katoro' or the 'Company')

Unaudited Interim Results for the six months ended 30 June 2023

Katoro Gold plc (AIM: KAT), the strategic and precious minerals exploration and development company, announces its unaudited interim financial results for the six-month period ending 30 June 2023.

Overview of key highlights during the interim period to date:

- On 15 March 2023 the Company sub-divided the existing Ordinary shares of £0.01 into one Deferred Share of £0.009 each and one Ordinary Share of £0.001 each. Shareholders retained the same number of shares, it was simply the par value that changed.
- The successful conclusion of a fundraise, of which a gross amount of £150,000 (£140,900 net of fees) was raised at 0.1 pence per share. Funding has been utilised for ongoing working capital and to conclude a project assessment process (RNS dated 3 April 2023).
- On 14 June 2023 two Directors of the Company retired to pursue other interests going forward. The Company thanks both gentlemen for their dedicated support and contribution to the Company during their tenure.
- The appointment of Beaumont Cornish Limited as the Company's new Nominated Advisor ('NOMAD'). This appointment was made in accordance with Rule 1 of the AIM Rules for Companies (RNS dated 10 January 2023).

The full unaudited interim financial results for the six-month period ending 30 June 2023 can be viewed below and at www.katorogold.com.

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014.

****ENDS****

For further information please visit www.katorogold.com or contact:

Louis Coetzee	info@kibo.energy	Kibo Energy plc	Chief Executive Officer
James Biddle Roland Cornish	+44 207 628 3396	Beaumont Cornish Limited	Nominated Adviser
Nick Emmerson Sam Lomanto	+44 148 341 3500	SI Capital Ltd	Broker
Zainab Slemang van Rijmenant	zainab@lifacommunications.com	Lifa Communications	Investor and Media Relations Consultant

Chairman's Statement

I am pleased to present Katoro Gold's Interim Financial Statements for the six months ending 30 June 2023.

The first half of this year continued to be dedicated to the pursuit of a new suitable project acquisition(s) and the development of projects and opportunities in the strategic and precious minerals' exploration sector. Where appropriate and prudent, development work on current projects continued despite significant challenges, most notably, severe funding constraints.

constraints.

Exploration and Development

During the 2022 financial year, the Company successfully completed the Haneti Project's diamond drill programme, refined the geological modelling to focus efforts on high-potential areas, and thereby improving strategic alignment for upcoming endeavours currently under consideration. A comprehensive desktop analysis of historical exploration data, incorporating insights from the 2022 Haneti diamond drilling campaign was also conducted. The analysis assisted in selective target identification for future project exploration efforts and also informs ongoing dialogue with potential project partners. Exploration expenditure during 2023 was significantly lower than 2022, given funding constraints as well as the focus on reviewing all available exploration data and results to determine the most appropriate next steps towards advancing exploration work on the Haneti project.

The Imwetu Gold Project still resides with the Lake Victoria Gold ('LVG') joint venture, with LVG holding an 80% interest in the JV as announced on 7 March 2022. Lake Victoria Gold is also developing the adjacent Imwetu Gold Project, with a view on maximising the full potential of the two projects by consolidating them.

In line with our aim to diversify the Katoro Gold exploration portfolio, we continue to investigate and evaluate opportunities, aligned with the Company's strategy with specific focus on the identification of opportunities/projects that demonstrates a clear path to production and with significant shareholder value potential.

Corporate

During the first half of 2023, Katoro successfully secured funding to further the Company's strategic objectives and fulfil its general working capital requirements. On 3 April 2023, the Company announced the successful conclusion of a fundraising through which an amount of £150,000 (gross) was raised at 0.1 pence per share, through a placing by SI Capital. The placing comprised of £130,000 raised by SI Capital with directors subscribing for a further £20,000. Proceeds from said placing were utilised for ongoing working capital and to progress the continued assessment and consolidation of the Company's asset portfolio.

The Company also issued a total of 59 085 100 new Ordinary Shares at 0.1p, to the value of £59 085, to Directors to settle accrued Directors' fees. (Refer to the RNS' dated 3 and 11 April 2023 for further information).

On 14 June 2023 two Directors of the Company retired to pursue other interests. The remaining non-executive directors have been appointed to the risk-, audit- and remuneration committees to ensure compliance with corporate governance framework.

On 10 January 2023, the Company announced the appointment of Beaumont Cornish Limited as its new NOMAD, the appointment of which was made in accordance with Rule 1 of the AIM Rules for Companies.

Conclusion

I remain confident in the Company's ongoing efforts to consolidate and advance the Katoro portfolio towards the creation and unlocking of shareholder value. We are optimistic about the various initiatives currently underway and look forward to what these may deliver during the second half of 2023. I also want to use this opportunity to thank the directors, shareholders and staff for their continued support and commitment.

Louis Coetzee
Executive Chairman

Unaudited interim results for the six months ended 30 June 2023

Unaudited condensed consolidated interim Statement of Comprehensive Income For the six months ended 30 June 2023

Note	6 months to 30 June 2023 (Unaudited)	6 months to 30 June 2022 (Unaudited and Restated)	12 months to 31 December 2022 (Audited)
	£	£	£
Revenue	-	-	-
Cost of sales	-	-	-
Gross Profit	-	-	-
Administrative expenses	(261,265)	(479,491)	(664,682)
Foreign exchanges (loss) / gain	(240)	60,714	(407)
Reversal of impairment / (impairment)	15 1,067	-	(224,966)
Share of loss in associate	15 (1,067)	-	(4,408)

Loss on disposal of subsidiary		-	-	(15,922)
Share-based payment transactions	6	(22,796)	-	-
Exploration expenditure		(26,800)	(278,645)	(285,374)
Operating profit/loss		(311,101)	(697,422)	(1,255,759)
Other Income		-	142,045	-
Finance Income		7	15,152	5,260
Profit / (loss) before tax		(311,094)	(540,225)	(1,250,499)
Tax		-	-	(61)
Profit/(loss) for the period		(311,094)	(540,225)	(1,250,560)
Other comprehensive income				
Exchange differences on translating of foreign operations		6,841	105,383	97,226
Total comprehensive loss		(304,253)	(434,842)	(1,153,334)
Loss for the period		(311,094)	(540,225)	(1,250,560)
Attributable to owners of the parent		(293,559)	(431,128)	(1,054,079)
Attributable to non-controlling interest		(17,535)	(109,097)	(196,481)
Total comprehensive loss		(304,253)	(434,842)	(1,153,334)
Attributable to owners of the parent		(329,812)	(325,745)	(994,101)
Attributable to non-controlling interest		25,559	(109,097)	(159,233)
Earnings / (loss) per share				
Basic and diluted earnings / (loss) per share (pence)	4	(0.05)	(0.09)	(0.23)

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Unaudited condensed consolidated interim Statement of Financial Position

As at 30 June 2023

	Note	6 months to 30 June 2023 (Unaudited) £	6 months to 30 June 2022 (Unaudited & Restated) £	12 months to 31 December 2022 (Audited) £
Assets				
Non-current assets				
Intangible assets	7	-	209,500	-
Investments in associates	15	-	182,301	-
		-	391,801	-
Current assets				
Other receivables		7,743	21,002	16,340
Cash and cash equivalents		25,443	342,481	49,596
Total current assets		33,186	363,483	65,936
Total Assets		33,186	755,284	65,936
Equity				
Called-up share capital	5	669,497	4,604,125	4,604,125
Share premium		2,962,582	2,962,582	2,962,582
Deferred share capital	5	4,143,713	-	-
Capital contribution reserve		10,528	10,528	10,528
Translation reserve		(333,190)	(251,532)	(296,937)
Merger reserve		1,271,715	1,271,715	1,271,715
Warrant and share-based payment reserve	6	474,352	946,153	828,223
Retained deficit		(9,235,396)	(8,813,483)	(9,318,504)
Reserves attributable to owners		(36,199)	730,088	61,732
Minority interest		(267,081)	(242,504)	(292,640)
Total Equity		(303,280)	487,584	(230,908)
Liabilities				
Current liabilities				
Trade and other payables	3	144,216	82,921	106,615
Other financial liabilities		192,250	184,779	190,229

Total current liabilities	336,466	267,700	296,844
Total Equity and Liabilities	33,186	755,284	65,936

Unaudited condensed consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Deferred Share Capital	Warrant reserve and share based payment reserve	Merger Reserve	Capital Contribution Reserve	Foreign currency translation reserve	Retained earnings
	£	£	£	£	£	£	£	£
Balance at 31 December 2022 (audited)	4,604,125	2,962,582	-	828,223	1,271,715	10,528	(296,937)	(9,318,000)
Loss for the period	-	-	-	-	-	-	-	(293,000)
Other comprehensive loss - exchange differences	-	-	-	-	-	-	(36,253)	-
Capital reorganisation	(4,143,713)	-	4,143,713	-	-	-	-	-
Warrants issued	-	-	-	22,796	-	-	-	-
Warrants expired	-	-	-	(376,667)	-	-	-	376,667
Proceeds of share issue of share capital	209,085	-	-	-	-	-	-	-
Balance at 30 June 2023 (unaudited)	669,497	2,962,582	4,143,713	474,352	1,271,715	10,528	(333,190)	(9,235,000)
Balance at 31 December 2021 (audited)	4,604,125	2,962,582	-	946,153	1,271,715	10,528	(356,915)	(8,382,000)
Loss for the period	-	-	-	-	-	-	-	(431,000)
Other comprehensive loss - exchange differences	-	-	-	-	-	-	105,383	-
Balance at 30 June 2022 (unaudited) - Restated	4,604,125	2,962,582	-	946,153	1,271,715	10,528	(251,532)	(8,813,000)
Balance at 1 January 2022 (audited)	4,604,125	2,962,582	-	946,153	1,271,715	10,528	(356,915)	(8,382,000)
Loss for the period	-	-	-	-	-	-	-	(1,054,000)
Other comprehensive income - exchange differences	-	-	-	-	-	-	59,978	-
Expiry of share warrants and options	-	-	-	(117,930)	-	-	-	117,930
Balance at 31 December 2022 (audited)	4,604,125	2,962,582	-	828,223	1,271,715	10,528	(296,937)	(9,318,000)
Notes	5		5	6				

Unaudited condensed consolidated interim Statement of Cash Flow**For the six months ended 30 June 2023**

	6 months to 30 June 2023 (Unaudited) £	6 months to 30 June 2022 (Unaudited) £	12 months to 31 December 2022 (Audited) £
Loss for the period before taxation	(311,094)	(540,225)	(1,250,499)
Adjusted for:			
Foreign exchange loss / (gain)	240	(5,875)	407
Share-based payment transactions	22,796	-	-
Share in loss in associate	-	-	4,408
(Profit) / loss on disposal of subsidiaries	-	(142,045)	75,922
Impairments of associates	-	-	15,466
Impairments of intangible assets	-	-	209,500
Impairments of other financial assets	-	71,002	-
Share issue costs not settled in cash	9,100	-	-
Other non-cash items	8,622	-	961
Non-trade expenses not settled in cash	59,085	-	-
Operating loss before working capital changes	(211,251)	(617,143)	(943,835)
Decrease in trade and other receivables	8,597	27,700	32,362
Increase / (Decrease) in trade and other payables	37,601	(5,531)	18,163
Net cash outflows from operating activities	(165,053)	(594,974)	(893,310)
Cash flows from financing activities			
Issue of shares (net of share issue costs)	140,900	-	-
Proceeds from other financial liabilities	-	109,499	114,950
Net cash proceeds from financing activities	140,900	109,499	114,950
Net decrease in cash and cash equivalents	(24,153)	(485,475)	(778,360)
Cash and cash equivalents at beginning of period	49,596	827,956	827,956
Cash and cash equivalents at end of period	25,443	342,481	49,596

Notes to the unaudited condensed consolidated interim financial statements**For the six months ended 30 June 2023****Note 1 General information**

Katoro Gold plc ('Katoro' or the 'Company') is incorporated in England and Wales as a public limited company ('plc'). The Company's registered office is located at 60 Gracechurch Street, London EC3V 0HR.

The principal activity of Katoro, through its subsidiaries (together the 'Group'), is to carry out evaluation and exploration studies within a licenced portfolio area with a view to generating commercially viable Mineral Resources, namely gold and nickel mines. In Haneti, the Group has one nickel mining project, which has mineral exploration licences currently held by Eagle Exploration Ltd.

The condensed interim consolidated financial statements do not represent statutory accounts within the meaning of section 435 of the Companies Act 2016.

The condensed consolidated financial statements of the Company have been prepared in accordance with the Accounting Standard IAS 34, 'Interim Financial Reporting', as adopted by the UK.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 31 December 2022, which has been prepared in accordance with UK-adopted IFRSs, and any public announcements made by Katoro Gold plc during the interim reporting period.

The condensed consolidated financial statements of the Group are presented in Pounds Sterling, which is the functional and presentation currency for the Group and its related subsidiaries.

The condensed consolidated financial statements do not represent statutory accounts within the meaning of section 435 of the Companies Act 2016.

Accounting policies applied are consistent with those of the previous financial period and annual report unless where new standards became effective during the period and a newly adopted accounting policy for Investments in equity instruments - Associates.

The seasonality or cyclical nature of operations does not impact on the interim financial statements.

Investments in associates

Associates are all entities over which the group has significant influence but not control, generally accompanying a shareholding between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

Use of estimates and judgements

The preparation of these consolidated statements in conformity with UK adopted International Accounting Standards require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements in the following areas:

- Exploration and evaluation expenditure;
- Impairment assessment of non-financial assets;

Exploration and evaluation expenditure - significant judgement concerning the choice of accounting policy

In line with the Group's accounting policy, all the exploration and evaluation expenditure has been charged to profit or loss, as in the judgement of the Directors the commercial viability of the mineral deposits had not been established. Moreover, until such time that commercial viability of the Blyvoor Joint Venture is reached, and the recoverability of the other financial asset receivable, as disclosed below, is more certain all amounts contributed to the joint operation will be expensed to exploration and evaluation expenditure.

Impairment assessment of non-financial assets

In applying IAS 36, impairment assessments are performed whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable. Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used as well as determination of the fair value in an open market transaction, where available. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Where market values are available for similar assets in a similar condition, managements assess the reasonability of these valuations in order to utilise these valuations as a comparable open market value to determine whether an indication of impairment exists.

Joint arrangements - Blyvoor Joint Venture

Arrangements under which Katoro has contractually agreed to share control with another party or parties are joint ventures where the parties have rights to the net assets of the arrangement, or joint operations where the parties have rights to the assets and obligations for the liabilities relating to the arrangement.

Exploration & Evaluation Assets

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource.

Exploration and evaluation activity includes:

- researching and analysing historical exploration data.
- gathering exploration data through topographical, geochemical, and geophysical studies.
- exploratory drilling, trenching and sampling.
- determining and examining the volume and grade of the resource.
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Exploration and evaluation expenditure is charged to the income statement as incurred except in the following circumstances, in which case the expenditure may be capitalised:

In respect of minerals activities:

- the exploration and evaluation activity are within an area of interest which was previously acquired as an asset acquisition or in a business combination and measured at fair value on acquisition; or
- the existence of a commercially viable mineral deposit has been established.

At each reporting period end the capitalisation criteria had not been met due to the existence of a commercially viable mineral deposit not being established and therefore no exploration and evaluation assets have been recognised.

Capitalised exploration and evaluation expenditure considered to be tangible is recorded as a component of property, plant and equipment at cost less impairment charges. Otherwise, it is recorded as an intangible.

Intangible assets all relate to exploration and evaluation expenditure which are carried at cost with an indefinite useful life and therefore are reviewed for impairment when there are indicators of impairment. Where a potential impairment is indicated, assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash generating unit) to which the exploration is attributed. Exploration areas at which reserves have been discovered but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is under way or planned.

Note 2 **Going concern**

The Company currently generates no revenue and had a net liability position of £303,280 and available cash reserves of £25,443 as at 30 June 2023 (30 June 2022: net asset position of £487,584 and cash reserves of £342,481 and 31 December 2022: net liability position of £230,908 and cash reserves of £49,596). The Company's existing cash resources are expected to run out by approximately the end of September 2023 and therefore the Company is reliant on completing a fundraise by that date to fund its ongoing working capital.

The Directors regularly review cash flow requirements to ensure the Group can meet financial obligations as and when they fall due. The Directors have evaluated the Group's liquidity risk and liquidity requirements to confirm whether the Group has adequate cash resources and working capital to continue as a going concern for the foreseeable future. The Directors assessed available information about the future, possible outcomes of planned events and the responses to such events and conditions that would be available to the Board.

In the past the Group has raised funds via equity contributions from new and existing shareholders, enabling the Group to remain a going concern until such time that revenues are earned through the sale or development and mining of a mineral deposit. There can be no assurance that such funds will

continue to be available on reasonable terms, or at all in future.

There is a material uncertainty related to the events or conditions described above that may cast significant doubt on the entity's ability to continue as a going concern, and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

In response to the above the Directors continue to review the Group's options to secure additional funding for its general working capital requirements, alongside its ongoing review of potential acquisition targets and corporate development needs. A deferral of Directors' salaries has been agreed upon in the short term.

The evaluation of the going concern considers that Katoro has a strong proven track record of being able to source funding on an ongoing basis, even in difficult market conditions, and it expects to be able to continue doing so.

Various other sources of funding are being considered, most notably:

- Capital placing
- Credit loan notes
- Exercise of outstanding warrants
- A letter of support can be obtained from Kibo Energy Plc, a shareholder

Katoro also enjoys strong support, with specific reference to funding, from its corporate broker, SI Capital Ltd, which also has a proven track record of being able to facilitate ongoing funding.

The Group and Company will require additional finance to progress work on its current assets and bring them to commercial development and cash generation. As a result, the Directors continue to monitor and manage the Company's cash and overheads carefully in the best interests of its shareholders.

Whilst the Directors continue to consider it appropriate to prepare the financial statements on a going concern basis the above constitutes a material uncertainty that shareholders should be aware of.

Note 3 Trade and other payables

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Trade payables	92,667	82,921	8,989
Accruals	51,549	-	97,626
	144,216	82,921	106,615

Note 4 Earnings per share

The calculation of loss per share is based on the following loss and number of shares:

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Loss for the period from continuing operations attributable to equity holders of parent	(293,559)	(431,128)	(1,054,079)
Weighted average basic and diluted number of shares	615,980,994	460,412,590	460,412,593
Basic and diluted earnings/(loss) per share (pence)	(0.05)	(0.09)	(0.23)

The Group presents basic and diluted EPS data on the basis that the current structure has always been in place. Therefore, the number of Katoro shares in issue as at the period end has been used in the calculation. Basic earnings/Loss per share is calculated by dividing the profit/loss for the period from continuing operations of the Group by the weighted average number of shares in issue during the period.

The Company had in issue warrants and options at 30 June 2023. The inclusion of such warrants and options in the weighted average number of shares in issue would be anti-dilutive, and therefore, they have not been included for the purpose of calculating the loss per share.

Note 5 Share Capital

The called-up and fully paid share capital of the Company is as follows:

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Allotted, called-up and fully paid:	669,497	4,604,125	4,604,125

A reconciliation of share capital is set out below:

	Number of shares	Allotted, called-up and fully paid £	Deferred share capital £
At 1 January 2022	460,412,593	4,604,125	-
At 1 July 2022	460,412,593	4,604,125	-
At 1 January 2023	460,412,593	4,604,125	-
Capital reorganisation	-	(4,143,713)	4,143,713
Shares issued	209,085,100	209,085	-
At 30 June 2023	669,497,693	669,497	4,143,713

The following share transactions took place during the period 1 January 2023 to 30 June 2023:

- On 16 March 2023 Katoro underwent a capital reorganisation whereby all ordinary shares in issue as at the date of subdivision was subdivided into an Ordinary Share of £0.001 and a Deferred Share of £0.009.
- On 3 April 2023 130,000,000 shares in Katoro was issued at par value of £0.001 as part of a cash placement.
- On 3 April 2023 20,000,000 shares in Katoro was issued at par value of £0.001 as part of directors subscriptions'.
- On 3 April 2023 48,000,000 shares in Katoro was issued at par value of £0.001 in lieu of payment for Director's fees due.
- On 11 April 2023 11,085,100 shares in Katoro was issued at par value of £0.001 in lieu of payment for Director's fees due.

Note 6 Warrant and Share-based payment reserve**Warrants**

The following reconciliation serves to summarise the composition of the warrant reserve as at period end:

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Opening balance of warrant reserve	376,667	494,597	494,597
Issue of warrants	22,796	-	-
Expiry of warrants	(376,667)	-	(117,930)
	474,352	494,597	376,667

Reconciliation of the quantity of warrants in issue:

	30 June 2023	30 June 2022	31 December 2022
Opening balance	166,166,666	194,574,999	194,574,999
Warrants exercised	-	-	-
Warrants issued	209,085,100	-	-
Warrants expired	(36,666,666)	-	(28,408,333)
	338,585,100	194,574,999	166,166,666

No warrants have been exercised in the six-month period ended 30 June 2022.

The following warrant transactions took place during the period 1 January 2023 to 30 June 2023:

- On 3 April 2023 130,000,000 warrants were issued pursuant a share issue. The warrants have an exercise price of £0.002 each and expire 36 months after the issue thereof.
- On 3 April 2023 20,000,000 warrants were issued pursuant a share issue. The warrants have an exercise price of £0.002 each and expire 36 months after the issue thereof.
- On 3 April 2023 48,000,000 warrants were issued to directors pursuant a share issue. The warrants have an exercise price of £0.002 each and expire 36 months after the issue thereof.
- On 3 April 2023 11,085,100 warrants were issued to directors pursuant a share issue. The warrants have an exercise price of £0.002 each and expire 36 months after the issue thereof.
- On 25 June 2023 36,666,666 warrants previously in issue expired.

All warrants have been valued on the Black-Scholes model based on a risk free rate of 3.41% and volatility of 117%.

Share Options

The following reconciliation serves to summarise the composition of the share-based payment reserve as at period end:

	30 June 2023 £	30 June 2022 £	31 December 2022 £
Opening balance of share-based payment reserve	451,556	451,556	451,556
Vesting of share options	-	-	-
	451,556	451,556	451,556

Reconciliation of the quantity of Share Options in issue:

	30 June 2023	30 June 2022	31 December 2022
Opening balance	32,244,781	32,244,781	32,244,781
Closing balance	32,244,781	32,244,781	32,244,781

During the period no new share options were vested and no share options expired.

Note 7 Exploration and evaluation assets

Exploration and evaluation assets consist solely of separately identifiable prospecting assets held by Kibo Nickel and its subsidiaries.

The following reconciliation serves to summarise the composition of intangible prospecting assets as at period end:

Reconciliation of exploration and evaluation assets

	£
Carrying value at 1 January 2022	209,500
Carrying value at 30 June 2022	209,500
Impairment	(209,500)
Carrying value at 31 December 2022	-
Carrying value at 30 June 2023	-

Haneti comprises tenements (prospecting licences, offers and applications) prospective for nickel, platinum-group-elements and gold. It covers an area of approximately 5,000 sq. km in central Tanzania and forms a near contiguous project block. The project area straddles the Dodoma, Kondoa and Manyoni districts all within the Dodoma (Administrative) Region. The main prospective belt of rocks within the project, the Haneti-Itiso Ultramafic Complex (HIUC), is centred on the small town of Haneti, located 88 kilometres north of Tanzania's capital city Dodoma. The HIUC sporadically crops out over a strike length of 80 kilometres with most outcrop exposure occurring 15 kilometres east of Haneti village where artisanal mining of the semi-precious mineral chrysoprase (nickel-stained chalcedonic quartz) is being carried out at a few localities.

As at 31 December 2022, the Company had successfully completed the diamond drilling programme. The results were analysed and will allow for a refined approach during the next phase of the project, with a focus on specified areas. This plan has not yet been developed in sufficient detail and accordingly

further funding has not yet been obtained. Due to this uncertainty, management has applied a provision for impairment against the carrying value of the intangible asset to the value of £209,500, during the December 2022 financial year. The status remained the same at the interim period ended on 30 June 2023.

Note 8 Board of Directors

Non-executive directors Paul Dudley and Myles Campion retired on 14 June 2023 due to other interests they wish to pursue going forward. The remaining non-executive directors have been appointed on the risk-, audit- and remuneration committees to ensure compliance with the corporate governance framework. Additional directors will be appointed if the need arises.

Note 9 Events after the reporting period

The directors are not aware of any material event that occurred after the reporting date and up to the date of this report.

Note 10 Unaudited results

These condensed consolidated interim financial results have not been audited or reviewed by the Group's auditors.

Note 11 Commitments and contingencies

There are no material contingent assets or liabilities as at 30 June 2023.

Note 12 Segment reporting

Segmental disclosure per category

	Mining and exploration £	Corporate £	Total £
30 June 2023			
Administrative costs	(108,412)	(154,142)	(262,554)
Exploration expenditure	(26,800)	-	(26,800)
Other profit or loss items	(51)	(21,689)	(21,740)
Loss before tax	(135,263)	(175,831)	(311,094)
Segmental assets	4,716	28,470	33,186
Segmental liabilities	245,710	90,756	336,466
30 June 2022			
Administrative costs	(143,570)	(335,921)	(479,491)
Exploration expenditure	(278,645)	-	(278,645)
Other profit or loss items	70,138	147,773	217,911
Loss before tax	(352,077)	(188,148)	(540,225)
Segmental assets	244,817	510,467	755,284
Segmental liabilities	211,907	55,793	267,700
31 December 2022			
Administrative costs	(261,794)	(627,854)	(889,648)
Exploration expenditure	(285,374)	-	(285,374)
Other profit or loss items	445	(75,922)	(75,477)
Loss before tax	(546,723)	(703,776)	(1,250,499)
Segmental assets	6,103	59,833	65,936
Segmental liabilities	219,192	77,652	296,844

Segmental disclosure per geographical location

	Tanzania £	Cyprus £	United Kingdom £	South Africa £	Total £
30 June 2023					
Loss before tax					

(Loss)/profit before tax	(31,330)	(106,311)	(175,831)	2,378	(311,094)
Segmental assets	4,513	-	28,470	203	33,186
30 June 2022					
Profit/(loss) before tax	(282,130)	754,127	(1,009,653)	(2,569)	(540,225)
Segmental assets	215,252	806,676	(293,922)	27,278	755,284
31 December 2022					
Loss before tax	(300,438)	(212,725)	(729,695)	(7,641)	(1,250,499)
Segmental assets	214,705	996	435,945	1,818	653,464

Note 13 Related parties

Relationships

Name	Relationship
Kibo Energy plc	Significant shareholder and controlling parent
Power Metal Resources plc	Significant shareholder of a subsidiary

Board of directors

Louis Coetzee	Chairman (Executive)
Lukas Maree	Non-executive director
Louis Scheepers	Non-executive director
Myles Champion	Non-executive director
Paul Dudley	Non-executive director

Related party balances included in:	30 June 2023	30 June 2022	31 December 2022
	£	£	£
<i>Trade Payables</i>			
Kibo Energy plc	(6,025)	(20,247)	(16,025)
<i>Other financial liabilities</i>			
Power Metal Resources plc	(192,250)	(184,779)	(190,229)
<i>Accrued directors' fees payable</i>			
Louis Coetzee	(8,878)	-	(2,939)
Louis Scheepers	(8,878)	-	(2,939)
Myles Champion	(7,122)	-	(2,939)
Paul Dudley	(7,246)	-	(3,436)
Tinus Maree	(8,878)	-	(2,939)
	(41,002)	-	(15,192)
	(239,277)	(205,026)	(221,446)

Related party transactions included in:	30 June 2023	30 June 2022	31 December 2022
	£	£	£
<i>Issue of share in lieu of payment of accrued directors fees</i>			
Louis Coetzee	12,000	-	-
Louis Scheepers	12,000	-	-
Myles Champion	12,000	-	-
Paul Dudley	11,085	-	-
Tinus Maree	12,000	-	-
<i>Issue of warrants</i>			
Louis Coetzee	1,308	-	-
Louis Scheepers	1,308	-	-
Myles Champion	1,308	-	-

Paul Dudley	1,211	-	-
Tinus Maree	1,308	-	-
	65,528	-	-

Related parties of the Group comprise subsidiaries, significant shareholders and the Directors.

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

Transactions with related parties are affected on a commercial basis and related party debts are repayable on a commercial basis.

The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans to/from Group companies do not have fixed repayment terms and are unsecured.

Note 14 Principal risks

The principal risks and uncertainties identified in the last Annual Report of Katoro Gold plc, issued in May 2023, have not materially changed/alterd in the interim period.

Note 15 Investment in associates

The investment in associates have been valued on the fair value of the disposal price of the Kibo Gold subgroup to LVG and is carried at equity accounted value less impairment.

	£
Opening balance at 1 January 2022	-
Recognition of associate	182,301
Proceeds for the disposal of 80% of Kibo Gold subgroup to LVG	729,203
Fair value of the 100% shareholding of Kibo Gold subgroup	911,504
Fair value of the 20% interest in Kibo Gold subgroup retained	182,301
Closing balance at 30 June 2022	182,301
Additional contributions	19,919
Share in loss of Associate	(4,408)
Impairment	(197,812)
Closing balance as at 31 December 2022	-
Share in loss of Associate	(1,067)
Reversal of impairment	1,067
Closing balance at 30 June 2023	-

Note 16 Financial instruments - Fair value and risk management

The carrying amount of all financial assets and liabilities approximates the fair value. Directors consider the carrying value of financial instruments of a short-term nature, i.e. those that mature in 12 months or less, to approximate the fair value of such assets or liability classes.

The carrying values of longer-term assets are considered to approximate their fair value as these instruments bear interest at interest rates appropriate to the risk profile of the asset or liability class.

The Group carries no unlisted financial instruments measured in the statement of financial position at fair value as at 30 June 2023, nor in any of the comparative periods.

Note 17 Comparative figures

Amounts relating to costs allocated to share premium were reclassified during the period 1 January 2022 to 30 June 2022. This resulted in no change to the net asset value of the company for the period ended 30 June 2022. No changes were made to any other period as this was corrected in the audited statutory accounts for the year ended 31 December 2022.

	Previously stated	Effect of change	Restated
	£	£	£
As at 30 June 2022			
<i>Statement of financial position</i>			
Equity	487,584	-	487,584
<i>Statement of profit or loss</i>			
Net loss	483,175	57,050	540,225



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