

For immediate release

27 September 2024

Xtract Resources Plc
("Xtract" or "the Company")

Unaudited Interim Results for the six months ended 30 June 2024

Xtract Resources Plc (AIM: XTR), the gold producer, exploration and development company with projects in Zambia and Australia, announces its unaudited interim results for the six months ended 30 June 2024 ("Period").

Highlights

Operational

- Xtract has increased its licence position in the prospective Western Foreland district of Northwest Zambia via an amended joint venture agreement with Cooperlemon PLC, bringing its total land holding at the Western Foreland project to 5 licences, and a total 173,586 hectares
- The Western Foreland is rapidly emerging as the global frontier district for the discovery of new Tier One copper deposits, with many of the global leading mining companies actively exploring for new deposits of sediment hosted copper mineralisation
- The Western Foreland represents an underexplored extension of the Central African Copperbelt, host to the high-grade Kamoa-Kakula deposit, which is arguably amongst the world's most productive copper mines, and the development of which has stimulated a broad re-modelling of the district's geology
- A new joint venture agreement was completed with Oval Mining Corporation, with the option to earn a 70% interest of the Silverking Mine in Central Zambia which is prospective for Iron Oxide Copper Gold (IOCG) mineralisation.
- Previous exploration completed at Silverking by Glencore in 2012 identified high-grade, breccia-hosted copper mineralisation, including downhole intersections of up to 50m at 5.47% copper from 55m downhole depth, with individual 1m intercepts peaking at 52.2% copper, and the drillhole ended in mineralisation.
- Data compilation, ground truthing and target identification dominated works completed at the Western Foreland and Silverking projects during the reporting period, with the anticipation that priority zones will be drill ready by the close of the year.
- Second stage ore pre-concentration analysis was completed by independent consultants Altrius Consulting Pty, which recommended further ore upgrade test work be completed to help assess the feasibility of the Bushranger copper gold project, in Australia.
- Samples from Bushranger have been sent away for pre-screen, gravity separation, and coarse particle flotation test work, with preliminary results reported to be favourable
- The company announced a strategic decision to dispose of its 23% shareholding in the Manica project, Mozambique.
- Staged payments of up to US 15million be made to the company by the purchaser of Manica, MMP (the company's partner), by 1 March 2027, providing steady income from assets with which to fund exploration in Zambia.

Financial

- Revenue from gold sales of £Nil (H1 2023: £0.39m)
- Other revenue of £Nil (H1 2023: £1.67m)
- Net Profit/(loss) loss of £0.16m (H1 2023: profit of £0.62m)
- Administration & operating expenses £0.82m (H1 2023: £1.05m)

- Cash of £2.00m (FY 2023: £0.63m)
- Total assets of £20.26m (FY 2023: £21.93m)

Operational Overview

The company has focussed its efforts on increasing its land position in Central and Northwest Zambia where it joins many of the global top tier mining companies in the race for copper discovery in the emerging Western Foreland district. The Company has increased its landholding via joint venture partnerships, with an additional three licences added to its Western Foreland project in Northwestern Zambia, bringing the total licence position to five, a significant tenure position.

The Western Foreland District represents a highly prospective region for copper exploration. Adjacent to the Central African Copperbelt, this underexplored area shares similar geological features with the neighbouring Kamoa-Kakula deposit, including favourable stratigraphy and structural settings conducive to hosting large, high-grade sediment-hosted copper deposits. Recent discoveries and ongoing exploration efforts suggest significant potential for new, world-class copper finds, making the Western Foreland District a strategic frontier for future mining developments.

Further south, in Central Zambia, Xtract has secured a Joint Venture position at the historic Silverking Mine, which is considered highly prospective for Iron Oxide Copper Gold (IOCG) mineralisation, associated with breccia-controlled copper mineralisation, already identified on the property.

In Australia, Xtract holds a 100% interest in the Bushranger Copper-Gold Project, in the Lachlan Fold Belt, New South Wales. The project contains two porphyry deposits with 2022 JORC (2012) compliant combined total resources of 599Mt @ 0.22% CuEq, which the company is progressing through mine scoping studies.

Western Foreland Project, Zambia

On 31 May 2024, the company announced an addendum to its Joint Venture with Cooperlemon Consultancy Limited, including an update to its licence position at the Western Foreland project. Three additional licences, namely licence numbers 30458-HQ-LEL, 21851-HQ-LEL and 21850-HQ-LEL were added to the agreement, bringing the new total land position held to five licences, for a total area of 173,586 hectares.

Under the terms of the restated joint venture agreement Xtract will earn an initial 65% interest in the additional licences by funding exploration of not less than US 500,000 on each of the three additional licences over an initial two-year period commencing on the date of the restated agreement. As previously reported, Xtract will earn a 65% interest in the original licences by funding exploration expenditure over an initial two-year period commencing on 23 August 2023 of not less than US 2 million, bringing Xtract's aggregate total commitment under the restated agreement to US 3.5 million.

All five licences cover ground in the Western Foreland geological district of northwestern Zambia, an emerging copper district, underexplored to date and subject to fresh geological remodelling propelled by the top global exploration companies. Significant potential exists for the discovery of new, high-grade, high-tonnage, deposits of copper akin to Ivanhoe Mines Kamoa-Kakula complex, situated just 100km along strike, over the border in the Democratic Republic of Congo. Ivanhoe Mines continues to make discoveries in the region, and has reported a total of 48Mt of copper discovered since 2008, with recent exploration at Ivanhoe's Kitoko deposit discovering copper mineralisation in previously unknown stratigraphic sequences highlighting the prospectivity of additional stratigraphic units and further widening exploration potential in the whole region.

In the Western Foreland geological terrane, the Company is using the Kamoa - Kakula deposit model to explore for copper mineralisation associated with prospective redox fronts in the ancient Western Foreland sedimentary basin architecture, where structural geology and reducing traps play an important role in concentrating circulating mineralising fluids, leading to deposition of copper in stratabound sediments.

Work completed at the project during the reporting period focussed on preparing drill ready targets, and post year-end it was reported that significant ground truthing had been completed, including detailed mapping of lithologies most likely to foster redox fronts. Drill collar locations are being selected and prioritised, with all the required permits and approvals being facilitated by the company's joint venture partner, Cooperlemon Consultancy.

Reconnaissance work carried out in the adjoining Fold & Thrust Belt focussed on identifying the origins of surface artisanal mining activity and copper showings, targeting mineralised rafts, which are typical in the Fold & Thrust Belt.

Western Foreland Background Geology

The geology of the Licence areas is dominated by the architectural domains known as the Western Foreland succession

The geology of the licence areas is dominated by the architectural domains known as the Western Foreland succession (host to high-grade Kamoa-style mineralisation) and the neighbouring Lufilian Fold & Thrust Belt that plays host to lower-grade, bulk tonnage, near-surface mineralisation of the Kolwezi-type. Licence 29123 - HQ - LEL is located to the west of the perceived boundary between the Western Foreland and the Fold Belt, while the four other licences (30458 - HQ - LEL, 30459 - HQ - LEL, 21850-HQ-LEL and 21851-HQ-LEL) are coincident with the boundary and the Fold Belt. The Company believe there is scope for the discovery of both high-grade Kamoa-style mineralisation at depth and lower grade Kolwezi-type mineralisation at or near-surface on all five licences.

With the rise in demand for the discovery of new copper resources, NW Zambia is currently at the forefront of a rapid phase of geological re-modelling and renewed exploration thinking. The area has been highlighted as a prime geological target for prospective high-grade copper mineralisation which has led to intense competition for exploration licences, with many of the world's top tier mining companies dominating the space and pioneering the geological remodelling of the area. The five licences are projected to have continuity with the geology of the DRC, which is home to many top-tier copper mines, and are surrounded by ground under licence to, or within partnerships or joint ventures between local companies and global leaders in the mining industry such as Rio Tinto plc, Anglo American plc, First Quantum Minerals Ltd., and Ivanhoe Mines. The density of Tier 1 mining companies in the region reflects the significant prospectivity of the Joint Venture licences.

Silverking Copper Project, Zambia

On 3 April 2024, the Company announced that it had entered a joint venture agreement with Oval Mining Limited, which is acting in cooperation with Cooperlemon Consultancy Limited, to earn up to a 70% interest in the Silverking copper mine and accompanying exploration licence 26673-HQ-LEL. The 81.7km² licence is located west of Lusaka, in the Mumbwa district, Central Province of Zambia, and is prospective for deposits of copper associated with the Iron Oxide Copper Gold (IOCG) model. The project sits adjacent to the Kitumba deposit, which received a 65% investment acquisition from Chinese investors Sinomine Resource Group in March 2024.

Mineralisation at Silverking is broadly associated with a breccia pipe, and characterised by deep levels of intense oxidation, breccia, vein and stockwork hosted copper, further distinguished by high-grade supergene enrichment, which is diagnostic of the nearby Kitumba deposit. The former Silverking open pit and underground mine extends to a mining depth of just 70m, with historic drilling suggesting the deposit remains open both down-dip, and along strike.

Historical drilling was exceptionally high-grade, including a best intercept of 50m @ 5.47% Cu in drillhole SVKRC002 from 55m to 105m depth, with mineralised intercepts peaking at 52.2% Cu from a 1m interval, and the hole ended in mineralisation.

Historical work completed on the licence by Glencore included ground magnetic and Induced Polarisation (IP) surveys, and a wide-spaced surface geochemical survey, which identified several targets warranting follow-up work; including a second breccia pipe, located 800m from the main Silverking mineralised body, which has not been explored. Surface evidence suggests potential stockwork and disseminated copper mineralisation between the two breccia pipes, and the IP signature suggests potential for a lower-grade mineralised stockwork surrounding the main Silverking breccia pipe, which has not been followed-up.

Additional prospectivity exists when it is considered that the wide spaced nature of the historical geochemistry survey could have easily missed a breccia pipe.

An in-house, non-JORC (2012) compliant resource estimate, by an external contract geological company was commissioned by Glencore in 2012 ("Non-Compliant Resource"). The Non-Compliant Resource reported an estimate of 268,971 tonnes at 2.7% Cu at a 0.5% Cu cut-off for the main Silverking breccia pipe only. Shareholders should note that as the Non-Compliant Resource was not prepared to any acceptable AIM Standard, no reliance can be placed on the Non-Compliant Resource, and it is therefore only illustrative. The down-dip and strike extensions of the known pipes and other anomalies (geochemical and geophysical) remain largely untested as does the balance of the licence where only broad-based reconnaissance-type exploration has been undertaken

Historical data compilation, ground truthing and a full review and interpretation of historical geophysical data took priority in the reporting period, with initial results suggesting the historical diamond drilling programme completed by Glencore may not have been optimal, with high-grade supergene mineralisation not targeted down-dip or down-plunge, and drillholes were limited to one hole per anomaly, reflecting the strategy at that time of targeting a Tier 1 discovery.

Silverking Project Background

The licence area is prospective for high-grade copper mineralisation associated with breccia pipes, and covers an area of

approximately 81.7km² in the Karendia area of the prospective Mumbwa District. The Silverking Mine mineralisation represents a defined breccia pipe characterised by deep levels of intense oxidation, breccia, vein and stockwork hosted copper mineralisation, and is distinguished by high-grade supergene enrichment.

Kakuyu Copper - Cobalt Project, Zambia

Work completed by Xtract has focused on defining the potential for a future open pit mining operation, as well as assessment of the wider licence area for concentrations of additional mineralisation.

Kakuyu Project Background

The Kakuyu Project covers 53km² of prospective ground in Central Zambia, near the town of Mumbwa, where potential exists for the discovery of IOCG copper mineralisation. The region is well-known for mining, including the nearby mines and occurrences of Sable Antelope, True Blue, Crystal Jacket, Maurice F Gifford, Lou Lou, Silverking and Kamiyobo. The most recent discovery is the Kitumba Iron Oxide Copper Gold deposit.

The Kakuyu project comprises a small-scale mining licence and adjacent exploration licence, inclusive of the small historic Kakuyu open pit, which was subject to mining operation prior to acquisition.

Manica Gold Project, Mozambique

On 24 January 2024 Xtract announced plans for the disposal of its 23% interest in the Manica Gold project, Mozambique. This was a strategic decision, allowing the Company the opportunity to focus on its new copper interests in Zambia, and progress feasibility studies at Bushranger, the decision further reflected the opportunity to dispose of potential financial risk associated with the Manica project as it progressed towards the complex ore mining phase.

As part of the sale, an initial US 3.325m was paid under the terms of the Mining Collaboration Agreement, received from its partner MMP, releasing Xtract and Explorator (Xtract's local Mozambique subsidiary) from the collaboration agreement, with up to a further US 15m to be settled via staged payments to 1 March 2027. Under the sale agreement, if the buyer fails to meet the staged payment schedule, the exploration licence and mineral resource will be returned to Xtract.

The disposal decision was based on an assessment of the risks associated with the future nature of the ore to be extracted from the Manica project. As the volume of the more simply processed oxide ore is depleted, the project moves into the more complex mixed oxide/sulphide mining stage, which has yet to be fully scoped. Inconclusive studies projecting the metallurgy and recovery of gold in deeper sulphide mineralisation, incomplete information regarding future capital expenditure for sulphide mining and necessary infrastructure improvements, and the limited capacity for Xtract management to have influence during the decision-making process as a minority shareholder were all risk factors taken into consideration.

Bushranger Copper-Gold Project, Australia

Work in the reporting period focussed on appraisal of the financial viability of the project, including the receipt of results of a second stage pre-concentration study completed for the company by Altrius Consulting Pty. In continuation from previous Tomra ore sorting test work, which was deemed unviable by Altrius, the review recommended further consideration of alternate ore pre-concentration test work, including pre-screening, gravity separation and coarse particle flotation techniques.

Based on the recommendations, samples have therefore been submitted for test work, including a sample sent to ALS in Perth for pre-screening and dense media separation analysis, and a second sent to NovaCell, for coarse particle flotation test work, which is progressing favourably. This work follows on from a revised mine optimisation study completed by Optimal Mining Solutions (Pty) in 2023, which investigated the economics of 5Mtpa, 20Mtpa and 25Mtpa operations, and concluded that the current Racecourse Prospect Mineral Resource has the potential to be economically mined at mining rates of 20Mtpa, or greater, and at copper prices of US 10,000/t and above. The study further recognised that optimisation of ore pre-concentration, the processing plant capacity, capital & operating costs, and metallurgical recoveries could greatly improve the economic outcomes of mining the Racecourse deposit

Enquiries:

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR"). The person who arranged for the release of this announcement on behalf of the Company was Joel Silberstein, Director.

Further details are available from the Company's website which details the company's project portfolio as well as a copy of this announcement: www.xtractresources.com

Beaumont Cornish Limited ("Beaumont Cornish") is the Company's Nominated Adviser and is authorised and regulated by the FCA. Beaumont Cornish's responsibilities as the Company's Nominated Adviser, including a responsibility to advise and guide the Company on its responsibilities under the AIM Rules for Companies and AIM Rules for Nominated Advisers, are owed solely to the London Stock Exchange. Beaumont Cornish is not acting for and will not be responsible to any other persons for providing protections afforded to customers of Beaumont Cornish nor for advising them in relation to the proposed arrangements described in this announcement or any matter referred to in it.

Glossary

| | |
|--|--|
| basin | A regional depression which may be structural in origin. |
| breccia pipe | A mass of breccia (rock comprising of broken fragments of mineral or rock cemented together by a fine-grained matrix), often in an irregular or cylindrical shape |
| Cu | Copper |
| Induced Polarisation (IP) | A method of ground geophysical surveying which employs the passing of an electrical current into the ground to test for indications of conductive metallic sulphides. |
| IOCG (iron oxide copper-gold) deposits | Mineral deposits that typically occur at the margins of large igneous bodies which intrude into sedimentary strata, often forming pipe-like, mantle-like or extensive breccia-vein sheets within the host stratigraphy |
| Mineral Resource | A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade (or quality), continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories (JORC 2012). |
| Mtpa | Million Tonnes Per Annum |
| oxide minerals | Minerals produced by natural weathering processes at or near the earth's surface. |
| redox | Oxidation/reduction reaction occurring in the weathering zone along the water table. |
| reduced | Chemical reaction in which the oxidation state of a rock is decreased |
| sediment hosted copper deposit | Stratabound deposits of copper mineralisation, often formed prior to the lithification of the host rock and independently of igneous processes |
| sedimentary basin | region-scale depressions where thick sequences of sediments are deposited forming sequences of sedimentary rock , they are often structural in nature. |

| | |
|------------------|--|
| sedimentary rock | Rock formed by compaction and cementation of sediments. |
| stockwork | A large-scale ramifying series of fissures filled with mineralized material. |
| stratabound | Occurring within a particular strata or layer. |
| sulphide | A metallic compound of sulphur. |

Xtract Resources PLC
Consolidated Income Statement
For the six-month period ended 30 June 2024

| | | Six months ended 30 June 2024 Unaudited £'000 | 30 June 2023 Unaudited £'000 | Year ended 31 December 2023 Audited £'000 |
|--|---|--|---------------------------------------|---|
| Notes | | | | |
| Continuing operations | | | | |
| Revenue from Gold sales | 5 | - | 393 | - |
| Other operating income | 5 | - | 1,669 | 1,173 |
| Other non-operating income | | - | - | - |
| Administrative and operating expenses | | (818) | (1,051) | (1,048) |
| Direct Operating | | - | (601) | (6) |
| Other Operating | | (201) | (87) | (198) |
| Administration | | (617) | (363) | (844) |
| Project expenses | | (23) | (426) | (322) |
| Operating profit/(loss) | | (841) | 585 | (197) |
| Other gains and losses | | 810 | - | - |
| Finance (cost)/income | | 115 | 37 | 25 |
| Profit/(loss) before tax | | 84 | 622 | (172) |
| Taxation | | (197) | (1) | (1) |
| Profit/(loss) for the period from continuing operations | 3 | (113) | 621 | (173) |
| (Loss)/Profit from discontinued operations | | (48) | - | 808 |
| Profit/(loss) for the period | 6 | (161) | 621 | 635 |
| Attributable to: | | | | |
| Owners of the Company | | (161) | 621 | 635 |
| From continuing operations | | (113) | 621 | (173) |
| From discontinued operations | | (48) | - | 808 |
| Basic (pence) | 6 | (0.02) | 0.07 | 0.07 |
| Diluted (pence) | 6 | (0.02) | 0.07 | 0.07 |

Xtract Resources PLC
Consolidated statement of comprehensive income
For the six-month period ended 30 June 2024

| | Six months ended | | Year ended |
|--|---------------------------------------|---------------------------------------|---|
| | 30 June 2024 Unaudited £'000 | 30 June 2023 Unaudited £'000 | 31 December 2023 Audited £'000 |
| Profit /(Loss) for the period | (161) | 621 | 635 |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to profit and loss | | | |
| Exchange differences on translation of foreign operations | (98) | (716) | (431) |
| Other comprehensive income/(loss) for the period | (98) | (716) | (431) |
| Total comprehensive (loss)/income for the period | (259) | (95) | 204 |
| Attributable to: | | | |
| Equity holders of the parent | (259) | (95) | 204 |
| | (259) | (95) | 204 |

Xtract Resources PLC
Consolidated Statement of Financial Position
As at 30 June 2024

| | Notes | 30 June 2024 Unaudited £'000 | 30 June 2024 Unaudited £'000 | 31 December 2023 Audited £'000 |
|---|-------|------------------------------------|------------------------------------|--------------------------------------|
| Non-current assets | | | | |
| Intangible Assets | 7 | 8,095 | 18,608 | 8,191 |
| Property, plant & equipment | 8 | 23 | 75 | 46 |
| Other financial assets | | 7,689 | - | - |
| | | 15,807 | 18,683 | 8,237 |
| Current assets | | | | |
| Trade and other receivables | | 127 | 2,556 | 1,163 |
| Inventories | | - | 119 | - |
| Other financial assets | | 2,320 | - | - |
| Cash and cash equivalents | | 2,002 | 375 | 630 |
| | | 4,449 | 3,050 | 1,793 |
| Non-current assets for sale and assets of disposal groups | | - | - | 11,898 |
| Total assets | | 20,256 | 21,733 | 21,928 |
| Current liabilities | | | | |
| Trade and other payables | | 432 | 1,473 | 486 |
| Other loans | | - | 50 | 50 |
| Current tax payable | | 197 | 297 | - |
| | | 629 | 1,820 | 536 |
| Liabilities of disposal groups | | - | - | 1,506 |
| Non-current liabilities | | | | |
| Environmental rehabilitation provision | | - | 326 | - |
| | | - | 326 | - |
| Total liabilities | | 629 | 2,146 | 2,042 |
| Net current assets/(liabilities) | | 3,820 | 1,230 | 1,257 |
| Net assets | | 19,627 | 19,587 | 19,886 |
| Equity | | | | |
| Share capital | 9 | 4,975 | 4,975 | 4,975 |
| Share premium account | | 71,978 | 71,978 | 71,978 |
| Warrant reserve | | - | 304 | - |
| Share-based payments reserve | | 2,106 | 2,122 | 2,106 |
| Fair Value reserve | | - | - | - |
| Foreign currency translation reserve | | 122 | (65) | 220 |
| Accumulated losses | | (59,554) | (59,727) | (59,393) |

| | | | |
|--|---------------|---------------|---------------|
| Accumulated losses | (33,334) | (33,141) | (33,333) |
| Equity attributable to equity holders of the parent | 19,627 | 19,587 | 19,886 |
| Total equity | 19,627 | 19,587 | 19,886 |

Xtract Resources PLC
Consolidated statement of changes in equity
As at 30 June 2024

| | Share Capital £'000 | Share premium account £'000 | Warrant reserve £'000 | Share-based payments reserve £'000 | Fair value reserve £'000 | Foreign currency translation reserve £'000 | Accumulated losses £'000 | Total Equity £'000 |
|---|------------------------|--------------------------------|--------------------------|---------------------------------------|-----------------------------|---|-----------------------------|-----------------------|
| Balance at 31 December 2022 | 4,975 | 71,978 | 304 | 2,121 | - | 651 | (60,347) | 19,682 |
| Profit for the period | - | - | - | - | - | - | 621 | 621 |
| Foreign currency translation difference | - | - | - | - | - | (716) | - | (716) |
| Issue of Shares | - | - | - | - | - | - | - | - |
| Exercise of warrants | - | - | - | - | - | - | - | - |
| Balance at 30 June 2023 | 4,975 | 71,978 | 304 | 2,121 | - | (65) | (59,726) | 19,587 |
| Profit for the period | - | - | - | - | - | - | 14 | 14 |
| Issue of Shares | - | - | - | - | - | - | - | - |
| Foreign currency translation difference | - | - | - | - | - | 285 | - | 285 |
| Share issue costs | - | - | - | - | - | - | - | - |
| Expiry of share options | - | - | - | (15) | - | - | 15 | - |
| Expiry of warrants | - | - | (304) | - | - | - | 304 | - |
| Exercise of warrants | - | - | - | - | - | - | - | - |
| Balance at 31 December 2023 | 4,975 | 71,978 | - | 2,106 | - | 220 | (59,393) | 19,886 |
| Profit/(loss) for the period | - | - | - | - | - | - | (161) | (161) |
| Foreign currency translation difference | - | - | - | - | - | (98) | - | (98) |
| Issue of Shares | - | - | - | - | - | - | - | - |
| Exercise of warrants | - | - | - | - | - | - | - | - |
| Balance at 30 June 2024 | 4,975 | 71,978 | - | 2,106 | - | 122 | (59,554) | 19,627 |

Xtract Resources PLC
Consolidated Statement of Cash Flows
For the six-month period ended 30 June 2024

| | Notes | 6 months period ended 30 June 2024 Unaudited £'000 | 6 months period ended 30 June 2023 Unaudited £'000 | Year ended 31 December 2023 Audited £'000 |
|--|-------|--|--|---|
| Net cash used in operating activities | 10 | 119 | 330 | 1,209 |
| Investing activities | | | | |
| Acquisition of intangible fixed assets | | - | (56) | (57) |
| Acquisition of tangible fixed assets | | - | (43) | (44) |
| Sale of financial assets | | 1,180 | - | - |

| | | | |
|---|--------------|-------------|--------------|
| Net cash from/(used in) investing activities | 1,180 | (99) | (101) |
| Financing activities | | | |
| Proceeds on issue of shares | - | - | - |
| Repayment of borrowings | (50) | - | - |
| Net cash from financing activities | - | - | - |
| Net increase/(decrease) in cash and cash equivalents | 1,249 | 231 | 1,108 |
| Cash and cash equivalents at beginning of period | 630 | 192 | 192 |
| Cash disclosed as part of disposal group | | - | (770) |
| Effect of foreign exchange rate changes | 123 | (49) | 100 |
| Cash and cash equivalents at end of period | 2,002 | 374 | 630 |

Xtract Resources PLC

Notes to the interim financial information

For the six-month period ended 30 June 2024

1. General information

Xtract Resources PLC ("Xtract") is a company incorporated in England and Wales under the Companies Act 2006. The Company's registered address is 1st Floor, 7/8 Kendrick Mews, London, SW7 3HG. The Company's ordinary shares are traded on the AIM market of the London Stock Exchange. The Company invests and engages in the management, financing and development of early-stage resource assets.

2. Accounting policies

Basis of preparation

Xtract prepares its annual financial statements in accordance with UK-adopted international accounting standards and in conformity with the Companies Act 2006.

The consolidated interim financial information for the period ended 30 June 2024 presented herein has been neither audited nor reviewed. The information for the period ended 31 December 2023 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006 but has been derived from those accounts. The auditor's report on those accounts was not qualified and did not contain statements under section 498 (2) or (3) of the Companies Act 2006. As permitted, the Group has chosen not to adopt IAS 34 'Interim Financial Reporting'.

The Interim financial information is presented in pound sterling and all values are rounded to the nearest thousand pounds (£'000) unless otherwise stated.

The interim consolidated financial information of the Group for the six months ended 30 June 2024 were authorised for issue by the Directors on 26 September 2024.

Going concern

As at 30 June 2024 the Group held cash balances of £2 million. A small operating loss has been reported for the Group.

On 24 January 2024, the Company announced that it had agreed terms for the disposal of the Manica Gold Project with its Mozambique partner, MMP. The Share Purchase Agreement in relation to the sale by the Company of its entire interests in the project for a consideration of up to US 15 million in cash in regular staged payments by the Buyers over the period to 1 March 2027.

As at the date of the release of the consolidated financial information, the Group had received the 3rd quarterly payment of US 0.75m from the proceeds of the sale of the Manica Asset. The Group has continued with its exploration activities in Zambia and Australia.

The Directors anticipate net operating cash inflows for the Group for the next twelve months from the date of signing these financial statements.

The Directors have assessed the working capital requirements for the forthcoming twelve months and have undertaken assessments which have considered different scenarios based on exploration spend on its exploration projects in Zambia and Australia until September 2025.

Upon reviewing those cash flow projections for the forthcoming twelve months, the directors consider that the Company is not likely to require additional financial resources in the twelve-month period from the date of approval of these financial statements to enable the Company to fund its current operations and to meet its commitments. The Group will continue to monitor corporate overhead costs on an ongoing basis.

The Directors therefore continue to adopt the going concern basis of accounting in preparing the consolidated financial information and therefore the consolidated financial information does not include any adjustments.

financial information and therefore the consolidated financial information does not include any adjustments relating to the recoverability and classification of assets and liabilities that may be necessary if the going concern basis of preparation of the consolidated financial information is not appropriate.

On this basis the Board believes that it is appropriate to prepare the consolidated financial information on the going concern basis.

Changes in accounting policy

The accounting policies applied are consistent with those adopted and disclosed in the Group Consolidated financial statements for the year ended 31 December 2023, except for the changes arising from the adoption of new accounting pronouncements detailed below.

There are no amendments or interpretations to accounting standards that would have a material impact on the financial statements.

3. Business segments

Segmental information

The divisions on which the Group reports its primary segment information are reported to its Executive Chairman, who is the Chief Operating Decision maker of the Group. The Executive Chairman and the Chief Operating Officer are responsible for allocating resources to the segments and assessing their performance.

Principal activities are as follows:

- Operating alluvial gold & hard rock mining segment - Mozambique
- Mine Development - Mozambique
- Exploration
- Investment and other

Segment results

6 months ended 30 June 2024

| | Exploration (Continuing) | Investment And Other (Continuing) | Total |
|--|-----------------------------|---|-------|
| | £'000 | £'000 | £'000 |
| Administrative and operating expenses | - | (818) | (818) |
| Direct Operating | - | - | - |
| Other Operating | - | (201) | (201) |
| Administration | - | (617) | (617) |
| Project expenses | - | (23) | (23) |
| Operating profit/(loss) | - | (841) | (841) |
| Other gains and losses | - | 810 | 810 |
| Finance (cost)/income | - | 115 | 115 |
| Profit/(loss) before tax | - | 84 | 84 |
| Taxation | - | (197) | (197) |
| Profit/(loss) for the period from continuing operations | - | (113) | (113) |

6 months ended 30
June 2023

| | Mine Development (Continuing) | Exploration (Continuing) | Investment and Other (Continuing) | Alluvial Gold Mining Production (Continuing) | Total |
|---------------------------------------|-------------------------------------|-----------------------------|---|--|---------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Segment revenue | | | | | |
| Sale of gold bars | - | - | - | 393 | 393 |
| Less: Cost of sales | - | - | - | - | - |
| Segment Gross profit | - | - | - | 393 | 393 |
| Other operating income | - | - | 1,669 | - | 1,669 |
| Non-operating income | | | | | |
| Administrative and operating expenses | - | (94) | (352) | (605) | (1,051) |
| Project Costs | - | (184) | (34) | (208) | (426) |
| Segment result | - | (278) | 1,283 | (420) | 585 |

| | | | | |
|-------------------------------------|---|-------|-------|-------|
| Other gain and losses | - | - | - | - |
| Finance costs | - | - | 47 | (10) |
| (Loss)/profit before tax | - | (278) | 1,330 | (430) |
| Tax | - | - | - | (1) |
| (Loss)/Profit for the period | - | (278) | 1,330 | (431) |

| Year 31 December 2023 | | | |
|---------------------------------------|--------------------------------------|--|----------------|
| | Exploration (Continuing) £'000 | Investment and Other (Continuing) £'000 | Total £'000 |
| Other operating income | - | 1,173 | 1,173 |
| Administrative and operating expenses | - | (1,048) | (1,048) |
| Project Costs | - | (322) | (322) |
| Segment result | - | (197) | (197) |
| Other gains and losses | - | - | - |
| Finance income / (costs) | - | 25 | 25 |
| (Loss)/Profit before tax | - | (172) | (172) |
| Tax | - | (1) | (1) |
| (Loss)/Profit for the period | - | (173) | (173) |

| Balance Sheet | 30 June 2024 £'000 | 30 June 2023 £'000 | 31 December 2023 £'000 |
|---|-----------------------|-----------------------|---------------------------|
| Total Assets | | | |
| Gold production | - | 11,252 | - |
| Exploration | 8,234 | 8,277 | 8,347 |
| Investment & other | 2,021 | 2,212 | 1,683 |
| Total segment assets | 10,255 | - | 10,030 |
| Assets relating to discontinued operations | 10,008 | - | 11,898 |
| Consolidated total assets | 20,263 | 21,741 | 21,928 |
| Liabilities | | | |
| Gold production | - | (1,632) | - |
| Exploration | (222) | (133) | (192) |
| Investment & other | (406) | (390) | (342) |
| Total segment liabilities | (628) | (2,155) | (534) |
| Liabilities relating to discontinued operations | - | - | (1,506) |
| Consolidated total liabilities | (628) | (2,155) | (2,040) |

The accounting policies of the reportable segments are the same as the Group's accounting policies which are described in the Group's latest annual financial statements. Segment results represent the profit earned by each segment without allocation of the share of profits of associates, central administration costs including directors' salaries, investment revenue and finance costs, and income tax expense. This is the measure reported to the Group's Board for the purposes of resource allocation and assessment of segment performance.

4. Tax

At 30 June 2024, the Group has no deferred tax assets or liabilities and other taxes of £0.2 million (2023: £nil) charge for the period.

5. Revenue & Other revenue

An analysis of the Group's revenue is as follows:

| Six months ended | | Year ended |
|------------------|--------------|------------------|
| 30 June 2024 | 30 June 2023 | 31 December 2023 |
| £'000 | £'000 | £'000 |

| | | | |
|-------------------------|---|-------|-------|
| Revenue from gold sales | - | 393 | - |
| | - | 393 | - |
| Other revenue | - | 1,669 | 1,173 |
| | - | 1,669 | 1,173 |

Other revenue relates to the 23% net profit share received in 2023 from its operations in Mozambique.

6. Loss per share

The calculation of the basic and diluted loss per share is based on the following data:

| Profit/(Losses) | Six months ended | | Year ended |
|---|-----------------------|-----------------------|---------------------------|
| | 30 June 2024 £'000 | 30 June 2023 £'000 | 31 December 2023 £'000 |
| Profit/(Losses) for the purposes of basic earnings per share being: | | | |
| Net (loss)/ Profit from continuing operation attributable to equity holders of the parent | (161) | 621 | 635 |
| | (161) | 621 | 635 |
| Number of shares | | | |
| Weighted average number of ordinary and diluted shares for the purposes of basic earnings per share | 856,375,115 | 856,375,115 | 856,375,115 |
| (Loss)/profit per ordinary share basic and diluted (pence) | (0.02) | 0.07 | 0.07 |

In accordance with IAS 33, the share options and warrants do not have a dilutive impact on earnings per share, which are set out in the consolidated income statement. Details of the shares issued during the period as shown in Note 9 of the Financial Statements.

7. Intangible assets

| | Development expenditure & Mineral exploration £'000 | Total £'000 |
|---|---|----------------|
| As at 1 January 2024 | 8,191 | 8,191 |
| Additions - at fair value (Bushranger) | - | - |
| Additions - at cost (Bushranger) | - | - |
| Foreign exchange | (96) | (96) |
| As at 30 June 2024 | 8,095 | 8,095 |
| Amortisation | | |
| As at 1 January 2024 | - | - |
| Charge for the year | - | - |
| As at 30 June 2024 | - | - |
| Net Book value at 1 January 2024 | 8,191 | 8,191 |
| Net book value at 30 June 2024 | 8,095 | 8,095 |

Mozambique

In March 2016, The Company acquired the Manica licence 3990C ("Manica Project") from Auroch Minerals NL. The Manica

Project is situated in central Mozambique in the Beira Corridor. At the time of acquisition, the project had a JORC compliant resource of 900koz (9.5Mt@ 3.01g/t) in situ, which increased to 1.257moz (17.3Mt @ 2.2g/t) following an independent technical report completed by Minxcon (Pty) Ltd in May 2016.

On 24 January 2024, the Company announced that it had agreed with its Mozambique partner, MMP, and parties related to MMP terms for the disposal of the Manica Gold Project.

The Company agreed to sell its 23% net profit share interest in the Manica Gold Project (by way of a sale of the entire issued share capital of Mistral) to the Buyers for a consideration of up to US 15 million in cash in regular staged payments by the Buyers over the period to 1 March 2027.

As at 31 December 2023, the carrying amount relating to the Mozambican asset has been transferred to the assets of a disposal group.

Australia

In November 2020, the Company acquired the Bushranger copper-gold project ("Bushranger Project") which comprises of four exploration licences totalling 501km², located in eastern central New South Wales, Australia. The Bushranger Project hosts the Racecourse deposit, a JORC (2012) compliant inferred resource estimated at 71Mt @ 0.44% Cu and 0.064g/t Au using a 0.3% Cu cut-off.

8. Property, plant and equipment

| Cost or fair value on acquisition of subsidiary | Motor Vehicles & equipment | Land & Buildings | Furniture & Fittings | Total |
|---|----------------------------|------------------|----------------------|-----------|
| | £'000 | £'000 | £'000 | £'000 |
| At 1 January 2024 | 82 | - | - | 82 |
| Additions - at cost | - | - | - | - |
| Foreign exchange | (4) | - | - | (4) |
| At 30 June 2024 | 78 | - | - | 78 |
| Depreciation | | | | |
| At 1 January 2024 | 36 | - | - | 36 |
| Charge for the period | 19 | - | - | 19 |
| At 30 June 2024 | 55 | - | - | 55 |
| Net book value | | | | |
| At 30 June 2024 | 23 | - | - | 23 |
| At 1 January 2024 | 46 | - | - | 46 |

9. Share capital

| | As at 30 June 2024 Number | As at 30 June 2023 Number | As at 31 December 2023 Number |
|-------------------------------|---------------------------------|---------------------------------|-------------------------------------|
| Deferred shares of 0.09p each | | | |
| As at 1 January | 5,338,221,169 | 5,338,221,169 | 5,338,221,169 |
| Issued during the period | - | - | - |
| | 5,338,221,169 | 5,338,221,169 | 5,338,221,169 |
| Ordinary shares of 0.02p each | | | |
| As at 1 January | 856,375,115 | 856,375,115 | 856,375,115 |
| Issued during the period | - | - | - |
| Outstanding as at 30 June | 856,375,115 | 856,375,115 | 856,375,115 |

No Ordinary Shares of 0.02p were issued during the period.

10. Cash flows from operating activities

| | Six month period ended 30 June 2024 £'000 | Six month period ended 30 June 2023 £'000 | Year ended 31 December 2023 £'000 |
|---|--|--|--|
| Profit/(loss) for the period | 84 | 621 | (173) |
| Profit/(loss) - disposal group | - | - | 1,488 |
| Adjustments for: | | | |
| Continuing Operations | | | |
| Depreciation of property, plant and equipment | 19 | 6 | 212 |
| Amortisation of intangible assets | - | 202 | - |
| Net Finance costs | (76) | 70 | 63 |
| Impairment of intangible assets | - | - | - |
| Interest income | (115) | (107) | - |
| Other (gains) /losses | (779) | - | - |
| Share-based payments expense | - | - | - |
| Operating cash flows before movements in working capital | - | 792 | 1,590 |
| Decrease/(Increase) in inventories | - | 6 | (81) |
| (Increase)/decrease in receivables | 1,036 | (1,223) | (172) |
| (Decrease)/increase in payables | (53) | 723 | 177 |
| Cash (used in)/ generated from operations | 116 | 298 | 1,514 |
| Net finance costs | 3 | 47 | (263) |
| Tax (paid) | - | (78) | (263) |
| Net finance costs | 3 | 47 | (42) |
| Net cash from/ (used in) operating activities | 119 | 330 | 1,209 |

11. Related party transactions

There have been no changes to related party arrangements or transactions as reported in the 2023 Annual Report.

Transactions between Group companies, which are related parties, have been eliminated on consolidation and are therefore not disclosed. The only other transactions which fall to be treated as related party transactions are those relating to the remuneration of key management personnel, which are not disclosed in the Half Yearly Report, and which will be disclosed in the Group's next Annual Report.

12. Discontinued Operations

Prior to December 2023, the group decided to discontinue its operations in Mozambique, which were sold in February 2023. The assets and liabilities of the disposal group are set out below:

| | 30 June 2024 £'000 | 30 June 2023 £'000 | 31 December 2023 £'000 |
|--------------------------------|--------------------------|--------------------------|------------------------------|
| Profit & loss | | | |
| Revenue | 440 | - | 2,650 |
| Other income | - | - | 413 |
| Expenses | (489) | - | (1,575) |
| Net Profit before tax | (48) | - | 1,488 |
| Tax | - | - | (680) |
| | (48) | - | 808 |
| Assets and liabilities | | | |
| Non-current assets held for | | | |
| Other assets | - | - | - |
| Assets of disposal groups | | | |
| Property, plant and equipment | - | - | 26 |
| Intangible assets | - | - | 10,552 |
| Trade and other receivables | - | - | 345 |
| Cash and cash equivalents | - | - | 770 |
| Inventories | - | - | 205 |
| | - | - | 11,898 |
| Liabilities of disposal groups | | | |
| Trade payables | - | - | 443 |
| Tax payable and provisions | - | - | 1,064 |
| Trade and other Payables | - | - | 1,507 |

13. Post balance sheet events

There were no reportable events after balance sheet date.

ENDS

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