RNS Number : 3167K
Mila Resources PLC
31 October 2024

Mila Resources Plc / Index: LSE / Epic: MILA / Sector: Natural Resources

31 October 2024

Mila Resources Plc ('Mila' or the 'Company')

Final Results:
Audited Accounts for the Year Ended 30 June 2024

Mila Resources Plc (LSE:MILA), the post-discovery gold exploration accelerator, is pleased to announce its final results for the year ended 30 June 2024.

Highlights

- Advanced post-discovery exploration accelerator business model through targeted exploration work and value accretive partnerships.
- Exploration progress made at initial asset, the Kathleen Valley Gold Project in Western Australia, a premier mining destination.
- Mutually beneficial partnership agreed with Australia's leading lithium company, Liontown Resources,
- to explore for lithium extensions at Kathleen Valley Gold Project.
- Team expanded through appointment of Alastair Goodship - a highly experienced exploration geologist with a proven track record of exploration success.
- Successfully raised gross proceeds of £2m (before costs) to support work at Kathleen Valley Gold Project and advance additional valuable development opportunities.
- Cash position of £1,417,710 as at 30 June 2024.
- Loss for the financial year ended 30 June 2024 of £686,277 (2023: loss £549,487)

To view the audited report and accounts document, click here: http://www.rns-pdf.londonstockexchange.com/rns/3167K_1-2024-10-30.pdf

Statement from the Board

Dear Shareholder,

I am pleased to share that we have made significant progress in advancing our strategy of identifying and developing post-discovery exploration projects, laying a solid foundation for future growth.

In 2023 the Company raised £2m which has given us a strong platform to advance our portfolio whilst being mindful that preserving capital during these volatile periods is sensible. Given our capital position this leaves us in an enviable position as this has given us access to plenty of new opportunities to review post discovery projects. Clearly, there is no shortage of such projects, but we remain highly disciplined on what we progress and hope to have some exciting news in the near future.

We are fundamentally looking to unlock value across the gold and lithium commodities at our Kathleen Valley project.

In relation to gold, we are targeting new exploration in the northern section of the licence area subject to Environmental and Heritage surveys.

In relation to lithium, during the financial year we entered a Joint Venture ("JV") with Australia's largest lithium producer being ASX Listed Liontown Resources ("Liontown"). This JV has given us access to a team that has plenty of experience of operating in the region. We are now awaiting the conclusion of Environmental and Heritage surveys before Liontown proceeds with site exploration works. We are in this partnership for the long term and the JV has only just started. I look forward to updating you on progress.

We end the financial year with a well-capitalised balance sheet, an exciting JV with one of Australia's leading lithium companies in Liontown and plenty of new opportunities on the horizon. While we would like to see the capital markets cycle turn back in our favour, we believe, there are green shoots emerging from the London market.

I would like to thank you, our shareholders, for your ongoing support despite the well documented difficulties in the commodities and capital markets in the recent year. We look forward to unlocking value and building the Company one step at a time.

Corporate

We have ended the current financial year in a strong position with a robust balance sheet following a capital raise in November 2023 where we raised £2m from new investors. At the same time Alistair Goodship joined the team as our lead exploration geologist to assist with the current project and review of new opportunities. We regularly receive enquiries to invest in new projects and, where we see outstanding opportunities, we will progress only where we feel that our budget and the relative risk and rewards are in our favour. Following on from the financial year end of 30 June 2024 the company has remained in a strong financial position.

Results

The results for the year ending 30 June 2024 is a loss of £686,277 (2023: £549,487).

Fund Raises

In November 2023, the Company announced the placing of 200,000,000 new ordinary shares at a price of 1 pence per ordinary share raising £2m (before costs). The placing shares each have one warrant attached with an exercise price of 2 pence for a period of two years from the date of admission.

As part of the exploration agreement with Liontown, Liontown invested A 100,000 in Mila through a convertible loan, technically named a convertible loan. Following an amendment of the terms of the convertible loan in January 2024, Liontown agreed that Mila would convert the AS 100,000 into 5,147,475 fully paid Mila Ordinary Shares at a conversion price of 1 pence per share. In addition, Mila has also agreed to issue Liontown warrants to subscribe for up to a further 5,147,475 Ordinary Shares exercisable at a price of 2 pence per share at any time until 29 January 2027.

Cash Position

At 30 June 2024, cash and cash equivalents amounted to £1,417,710 (2023: £448,063).

Outlook

The Company has identified what we believe to be an exciting potential transaction, that we believe would be an excellent fit for Mila. A non-disclosure agreement is currently in force; however, we can disclose that we are at the very final stages of negotiation having already completed all the due diligence.

The transaction is subject to completion risk, hence, there is no certainty that the transaction will ultimately succeed.

Further announcement to follow in due course.

Mark Stephenson
Executive Chairman
30 October 2024

STRATEGIC REPORT

The directors present the strategic report for the year ended 30 June 2024.

Understanding our business

The Company was incorporated on 3 June 2015, with the view of pursuing an initial public offering of its securities onto the London Stock Exchange through a Standard Listing to raise the necessary funds required for the execution of the business strategy, which is to buy asset(s) or business(es) acting as a post discovery accelerator. The Company identifies target(s) that have already had an early-stage geological discovery. To date one successful acquisition has been made, an initial 30% interest in the Kathleen Valley Gold Project in Western Australia. Whilst additional targets will be sought, the current priority is to develop and unlock the potential in the initial gold exploration project.

Review of the business and Key Performance Indicators (KPIs)

FY2024KPIs	Measurement	2024 Performance
Identify early-stage post discovery Projects, or similar, that meet the Company's selection criteria and are aligned with the Company's strategic objectives.	Successful initial identification of suitable early-stage Projects. A well-defined process for quick and efficient first pass project review; before more in-depth second stage review and analysis.	Many dozens of "seemingly" suitable projects have been reviewed this year; a good number have gone on to successfully pass the second stage review process with a few ultimately being identified as suitable for initial negotiations. However, for a variety of reasons until recently each potential prospect fell away. In recent months a suitable transaction has been identified and the Company has very recently (at the time of writing) completed the due diligence process. The Company is now in the very final stages of negotiations. The transaction is subject to completion risk (at the time of writing).
Ensure business adequately funded and in a suitable position to raise additional capital if required.	The Company's cash reserves.	The Company raised £2m (before costs) in November 2023. The capital markets for small cap companies were restricted during this time. However, despite the conditions of the capital markets the Company believes Its success demonstrates investor confidence in the Project and model.
Continued progress in the Kathleen Valley gold exploration project in Western Australia.	Advancing the ultimate understanding of the geology.	Current progress on the Northern Section is in the hands of Liontown. Per the Company's agreement with Liontown all exploration and evaluation costs will be borne by them. As a result Liontown has the lead and both Companies are eager to progress this as fast as permissions etc will allow. As part of the agreement all intercepts and assays will be shared with the Company, which should significantly improve our understanding of the geology as it relates to Gold.

Business review

For a review of developments in the year, please see page 4, the "Statement from the Board".

Principal risks and uncertainties

Exploration and development of a project can be adversely affected by environmental legislation and the unforeseen results of environmental studies carried out during that evaluation.

As the Company undertakes mineral exploration, any disturbance to the environment during this phase is required to be rehabilitated, with the prevailing regulations of the country in which we operate as well as to international best-practice.

Given the Company's size and scale it is not considered practical or cost effective to collect and report data on carbon emissions.

The principal risks currently faced by the Company relate to:

Loss of Key Personnel

The Company has three Executive Directors and one Non-Executive Directors, together with two retained part time consultants and a part time bookkeeper. It does not have any employees. The executive function of the Company is conducted by the three Executive Directors; hence due to the small number people performing the executive function there is a risk that the execution of this function could be affected should one or more of the directors resign from the board. The Company promotes a positive working environment and aims to pay market competitive remuneration.

Acquiring Less than Controlling Interests

Regarding future potential acquisition targets, the Company may acquire less than whole voting control of, or less than a controlling equity interest, which may limit the Company's operational strategies and reduce is ability to enhance Shareholder value.

The Company has acquired less than a controlling equity interest in the Kathleen Valley Project. The Company acquired an initial 30% interest, which was the first stage of a three-part earn in agreement. This does not limit the Company's operational strategies as the Company has full control over the operations and maintains the ability to earn a controlling stake.

Inability to Fund Operations Post-Acquisition
The Company may be unable to fund the operations at the Kathleen Valley Project or other projects in which it may invest, if it does not obtain additional funding, however, the Company will ensure that appropriate funding measures are taken to ensure minimum commitments are met. See the going concern assessment on page 25.

The Company's Relationship with the Directors and Conflicts of Interest
Regarding future potential acquisitions, the Company is dependent on the Directors to identify potential acquisition opportunities and to execute an acquisition.

The Directors and consultants are not obliged to commit their whole time to the Company's business; they may allocate a portion of their time to other businesses which may lead to the potential for conflicts of interest in their determination as to how much time to assign to the Company's affairs.

Risks Inherent in an Acquisition
Although the Company and the Directors will evaluate the risks inherent in a particular target, they cannot offer any further assurance that all of the significant risk factors can be identified or properly assessed. Furthermore, no assurance can be made that an investment in Ordinary Shares in the Company will ultimately prove to be more favourable to investors then a direct investment, if such an opportunity were available, in a target business.

Reliance on External Advisors
The Directors rely on external advisors to help identify and assess potential and future acquisitions and there is a risk that suitable advisors cannot be placed under contract or that such advisors that are contracted do not perform as required.

Reliance on Income from the Acquired Activities
Following an acquisition of an initial 30% interest in the Kathleen Valley Project, the Company may be dependent on the income generated by the acquired project or from the subsequent divestment of the acquired business to meet the Company's expenses. If the acquired business is unable to provide sufficient amounts to the Company, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares. This risk can be mitigated by sourcing money through other means, e.g. capital raisings.

Political conditions and government regulations could change and have a material effect on the Company's results of operations
Political conditions in jurisdictions in which the Company currently operates its exploration and evaluation activities, currently Australia, are generally stable. However, changes may occur in their political, fiscal and/or legal systems, which might adversely affect the Company's operations.

Although the Company believes that its activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules, laws and regulations will not be enacted, or that existing or future rules and regulations will not be applied in a manner which could serve to limit or curtail exploration or development of the Company's business or have an otherwise negative impact on its activities.

Gender analysis
A split of our employees and directors by gender and average number during the year is shown below:

	Male	Female
Directors	4	nil

Corporate social responsibility
We aim to conduct our business with honesty, integrity and openness, respecting human rights and the interests of our shareholders and employees. We aim to provide timely, regular and reliable information on the business to all our shareholders and conduct our operations to the highest standards.

We strive to create a safe and healthy working environment for the wellbeing of our staff and create a trusting and respectful environment, where all members of staff are encouraged to feel responsible for the reputation and performance of the Company.

We aim to establish a diverse and dynamic workforce with team players who have the experience and knowledge of the business operations and markets in which we operate. Through maintaining good communications, members of staff are encouraged to realise the objectives of the Company and their own potential.

Section 172 Statement

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders and other matters in their decision making. The Directors continue to have regard to the interests of the Company's stakeholders, however it should be noted that Mila is a relatively small company; with the full complement of staff consisting of only three executive directors and one non-executive director; no employees and a couple of consultants, the impacts of its activities is currently limited to a single gold exploration project in Western Australia. This statement forms part of the strategic report.

When making decisions the Company takes into account the impact of its activities on the community, the environment and the Company's reputation for good business conduct. In this context, acting in good faith and fairly, the Directors consider what is most likely to promote the success of the Company for its members in the long term.

The Directors are fully aware of their responsibilities to promote the success of the Company in accordance with section 172 of the Companies Act 2006. The Board continuously reflects on how the Company engages with its stakeholders and opportunities for enhancement in the future. As required, the Company's external lawyers and the Company Secretary will provide support to the Board to help ensure that enough consideration is given to issues relating to the matters set out in s172(1)(a)-(f).

The Board regularly reviews the Company's principal stakeholders and how it engages with them. This is achieved through information provided by management via Regulatory News Service announcements, Corporate Presentations, and Shareholder Meetings and teleconferences and also by direct engagement with stakeholders themselves.

We aim to work responsibly with our stakeholders, including suppliers. The key Board decisions made in the year and post year end are set out below:

Significant events/decisions	Key s172 matter(s) affected	Actions and Consequences
During the year successfully concluded an additional Fund Raise of £2.0m (before costs) in Nov 2023.	Business Relationships and Shareholders.	This has enabled the Company to consider other projects whilst Liontown prepare to drill the Northern Section of our acreage at their expense, whilst still providing the Company with the intercepts and Assay results.
Advancement of geological understanding of the region of the Company's current acreage	Shareholders, staff and Business Relationships.	The future planned Liontown drilling campaign will produce Assay results which will further advance will advance our understanding of geological area.
Enhanced interaction with the Traditional Land Owners.	Local Community and Environment.	The Company has invested time and effort to engage with the Tjiwarl group to assist with ground clearance, operational standards and improvement drill contractor induction procedures.
During the year the company entered into a farm-in agreement with one of Australia's leading lithium company's, Liontown Resources	Shareholders, staff and Business Relationships.	Liontown are to explore for lithium on our project. In addition, they bring a lot of intangible value to project by sharing geological and technical information and their expertise in the region generally. Liontown will undertake preliminary social and environmental programmes before commencement of the exploration. The Company will have access to all assay information developed.
Enhanced environmental monitoring	Local Community and Environment.	The Company continued to engage the services of a local ecology company to assist with field audits, flora and fauna studies and monitoring and general advice to meet regulatory requirements.
Successfully identified a potential transaction that fits within the Company's	Business Relationships and Shareholders	A suitable transaction has been identified and the Company is in the final stages of

selection criteria.

negotiation having completed the due diligence. The transaction is subject to completion risk.

Finally, to you, our shareholders, thank you for your trust and support. I hope you stay safe and well and I look forward to meeting you face to face at the next Company event.

This report was approved by the board on 30 October 2024 and signed on its behalf.

Mark Stephenson
Executive Director

INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2024

Opinion

We have audited the financial statements of Mila Resources Plc (the 'company') for the year ended 30 June 2024 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.
In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included reviewing and challenging cashflow forecasts prepared by management covering the 12 months from the approval of these financial statements and the related key inputs and assumptions, ascertaining the company's current financial position and cash reserves, and discussing their strategies regarding potential asset acquisitions which may be completed in the period.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

Materiality for the financial statements was set at £147,000 (2023: £122,000) based upon 2% (2023: 2%) of gross assets . Materiality has been based upon gross assets due to the significant asset balances in the Statement of Financial Position.

Performance materiality and the triviality threshold for the financial statements was set at £110,250 (2023: £91,500) and £7,350 (2023: £6,100) respectively due our accumulated knowledge of the company.

We also agreed to report to the audit committee any other differences below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgements by the directors and considered future events that are inherently uncertain, such as the potential impairment of exploration and evaluation assets. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Valuation of intangible assets (note 8)	
As at 30 June 2024, the company's capitalised exploration and evaluation costs which had a carrying value of £5,761,853 (Note 8). The associated costs capitalised in the year ended 30 June 2024 totalled £155,983. **Given the carrying value of intangible assets as at 30 June 2024 and the significant judgement required by the directors when assessing for impairment, there is a risk that intangible assets may be impaired and thus materially misstated.** **Additionally, due to the value of costs capitalised in the year and the judgement required in assessing whether those capitalised meet the recognition criteria per IFRS 6 - *Exploration for and Evaluation of Mineral Resources*, there is a risk that some costs capitalised in the year do not meet the recognition criteria per IFRS 6 and therefore intangible assets are materially misstated.**	Our work in this area included but was not limited to: • Testing a sample of additions; vouching to supporting documentation to ensure exploration and evaluation costs have been accurately capitalised in accordance with IFRS 6 and the company's accounting policies; • Confirming that the company has good title to the applicable exploration licences; and, • Reviewing and challenging the directors' assessment of impairment indicators, considering whether any of the impairment indicators as per IFRS 6 have been met and whether any impairment adjustments are necessary. *Key observations* The exploration and evaluation costs in the year has been appropriately capitalised in accordance with IFRS 6 and management's assessment of the lack of indicators of impairment of the intangible assets was deemed to be reasonable.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or

- the financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or

- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research and our cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from UK Company Law, rules applicable to issuers on the London Stock Exchange's Main Market, including the Financial Conduct Authority Listing Rules and the Disclosure Guidance and Transparency Rules.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
  - Discussing with management the company's compliance with laws and regulations;
  - Reviewing board minutes;
  - Reviewing legal expenditure; and,
  - Reviewing regulatory news announcements made throughout the reporting period and post year-end.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in

addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there was potential for management bias in relation to the carrying value of the exploration and evaluation asset and whether any impairment indicators were present. We addressed these risks by challenging the assumptions and judgements made by management when auditing these significant accounting estimates (see the Key Audit Matters section of our report).

- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business

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

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

Other matters which we are required to address

We were appointed by the Board of Directors on 22 November 2018 to audit the financial statements for the period ending 30 June 2019 and subsequent financial periods. Our total uninterrupted period of engagement is 6 years, covering the periods ending 30 June 2019 to 30 June 2024.

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

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

Use of our report

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

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

30 October 2024

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Year ended 30 June 2024 £	Year ended 30 June 2023 £
Administrative expenses		(686,298)	(549,487)
Operating Loss	3	(686,298)	(549,487)
Interest receivable		21	-
Loss before taxation		(686,277)	(549,487)
Income tax expense	6	-	-
Loss and total comprehensive income for the year attributable to the owners of the company		(686,277)	(549,487)
Earnings per share (basic and diluted) attributable to the equity holders (pence)	7	(0.15)	(0.17)

The above results relate entirely to continuing activities.

The accompanying notes on pages 37 to 52 of the annual report form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 JUNE 2024

	Notes	Year ended 30 June 2024 £	Year ended 30 June 2023 £
NON-CURRENT ASSETS			
Exploration and evaluation assets	8	5,761,853	5,605,870
		5,761,853	5,605,870
CURRENT ASSETS			
Trade and other receivables	9	31,521	135,459
Cash and cash equivalents	10	1,417,710	448,063
		1,449,231	583,522
TOTAL ASSETS		**7,211,084**	**6,189,392**
CURRENT LIABILITIES			
Trade and other payables	11	259,277	312,938
TOTAL LIABILITIES		**259,277**	**312,938**
NET ASSETS		**6,951,807**	**5,876,454**
EQUITY			
Share capital	12	5,419,653	3,368,177
Share premium	12	4,494,522	4,784,603
Share based payment reserve	13	539,329	539,093
Retained loss		(3,501,697)	(2,815,420)
TOTAL EQUITY		**6,951,807**	**5,876,454**

The accompanying notes on pages 37 to 52 of the annual report form part of these financial statements.

These financial statements were approved by the Board of Directors on 30 October 2024 and were signed on its behalf by:

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Lee Daniels

Executive Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2024

	12 months to 30 June 2024 £	12 months to 30 June 2023 £
Cash flows from operating activities		
Loss for the year	(686,277)	(549,487)
Adjustments for:		
Less: Interest Received	(21)	-
Foreign exchange Gains/(Losses)	1,823	-
Operating cashflow before working capital movements	(684,475)	(549,487)
Decrease/(Increase) in trade and other receivables	17,183	(112,891)
(Decrease)/Increase in trade and other payables	(108,155)	102,178

Net cash outflow from operating activities	(775,447)	(560,200)
Cash flow from investing activities		
Funds used for drilling and exploration	(16,558)	(907,245)
Interest received	21	-
Net cash outflow from investing activities	(16,537)	(907,245)
Cash flow from financing activities		
Gross Proceeds from share issues	2,000,000	908,000
Proceeds from issue of Convertible Loan	51,475	-
Issue costs paid in cash / netted against proceeds	(289,844)	(88,576)
Net cash inflow from financing activities	1,761,631	819,424
Net Increase/(Decrease) in cash and cash equivalents	969,647	(648,021)
Cash and cash equivalents at beginning of the year	448,063	1,096,084
Cash and cash equivalents at end of the year	1,417,710	448,063

Major non-cash transactions

During the year the Company issued a convertible loan to Liontown on the as part of the agreement for Liontown to explore for Lithium on the Company's acreage. The par value of the Convertible Loan was AUD 100,000 (£51,475).

Following the completion of the Company's £2m fundraise in November 2023, it was agreed with Liontown Resources to amend the terms of the Convertible Loan Note.

Following the amendment Liontown agreed that Mila will convert the AS 100,000 into 5,147,475 fully paid Mila Ordinary Shares at a conversion price of 1 pence per share. In addition, Mila has also agreed to issue Liontown warrants to subscribe for up to a further 5,147,475 Ordinary Shares exerciseable at a price of 2 pence per share at any time until 29 January 2027.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Share Capital	Share Premium	Share Based Payment Reserve	Retained Loss	Total
	£	£	£	£	£
Balance at 30 June 2022	**3,065,511**	**4,267,846**	**543,813**	**(2,270,653)**	**5,606,517**
Total comprehensive income for the year	-	-	-	(549,487)	(549,487)
Transactions with Shareholders					
Expired Warrants	-	-	(4,720)	4,720	-
Capital Raising - Issue of shares	302,667	605,333	-	-	908,000
Capital Raising - Issue costs	-	(88,576)	-	-	(88,576)
Balance at 30 June 2023	**3,368,178**	**4,784,603**	**539,093**	**(2,815,420)**	**5,876,454**
Total comprehensive income for the year	-	-	-	(686,277)	(686,277)
Transactions with Shareholders					
Capital Raising - Issue of shares	2,000,000	-	-	-	2,000,000

Capital Raising - Issue costs	-	(289,845)	-	-	(289,845)
Conversion of Convertible Loan	51,475	-	-	-	51,475
Share warrants expense	-	(236)	236	-	-
Balance at 30 June 2024	**5,419,653**	**4,494,522**	**539,329**	**(3,501,697)**	**6,951,807**

The accompanying notes on pages 37 to 52 of the annual report form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

1 GENERAL INFORMATION

Mila Resources Plc (the "Company'') was listed on the London Stock Exchange in 2016 with a view to acquiring projects in the natural resources sector that have a significant innate value that could be unlocked without excessive capital. In November 2021, the Company acquired an interest in a gold exploration project in Western Australia.

The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales, with registration number 09620350.

2 ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements have been prepared on a going concern basis using the historical cost convention and in accordance with the UK-Adopted International Accounting Standards, and in accordance with the provisions of the Companies Act 2006.

The Company's financial statements for the year ended 30 June 2024 were authorised for issue by the Board of Directors on 30 October 2024 and were signed on the Board's behalf by Mr L Daniels.
The Company's financial statements are presented in pounds Sterling and presented to the nearest pound.

2.2 Business Combinations

Acquisitions of business are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their fair value.

Consideration is also measured at fair value at the acquisition date. This is calculated as the sum of the fair values of assets transferred less the fair value of the liabilities incurred by the Company.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non controlling interests in the acquiree, and the fair value of the acquirers previously held equity interest in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired, and the liabilities assumed. If, after reassessment, the net of the acquisition date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non controlling interests in the acquiree and the fair value of the acquirers previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Acquisition related costs are recognised in profit or loss as incurred.

2.3 Going concern

The Financial Statements have been prepared under the going concern assumption, which presumes that the Company will be able to meet its obligations as they fall due for at least the next twelve months from the date of the signing of the Financial Statements.

The Company had a net cash inflow for the year of £969,647 (2023: outflow of (£648,021) and at 30 June 2024 had cash and cash equivalents balance of £1,417,710 (2022: £448,063).

An operating loss of £686,298 has been made and although the Company was in a net current asset position at 30 June 2024 and on November 2023 the Company raised £2m in new capital (before expenses) through a Placing of 200m New Ordinary Shares of GBP0.01 each.

Notwithstanding the loss incurred during the year under review, the Directors consider that it is appropriate to

Notwithstanding the loss incurred during the year under review, the Directors consider that it is appropriate to prepare the accounts on a going basis due to the current cash balance, following the fund raise in the year and that the Company has low levels of minimum spend to maintain the licences in good standing. In effect, material exploration expenditure is discretionary.

This potential transaction outlined in the Chairman's Statement (Page 4) has been considered as part of the going concern assessment and the Directors are satisfied that should the proposed transaction complete in the next 12 months the Company will be able to meet its obligations for the next 12 months. Hence the accounts have been prepared on a going concern basis.

2.4 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

New standards, amendments to standards and interpretations:

No new standards, amendments or interpretations, effective for the first time for the financial year beginning on or after 1 July 2023 have had a material impact on the Company.

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Company and which have not been applied in these financial statements, were in issue but were not yet effective.

Standard	Impact on initial application	Effective date
IFRS 16	Lease liability in a sale and leaseback (amendment to IFRS 16)	1 January 2024
IAS 1	Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Classification of Non-current Liabilities with covenants	1 January 2024
IFRS 7	Statement of Cash Flows (Supplier Finance Arrangements) Financial Instruments (Supplier Finance Arrangements)	1 January 2024
IAS21	The Effects of Changes in Foreign Exchange Rate (Lack of Exchangeability)	1 January 2024

The directors do not consider that these standards will impact the financial statements of the Company.

2.5 Asset acquisition

Where an acquisition transaction constitutes the acquisition of an asset and not a business, the consideration paid is allocated to assets and liabilities acquired based on their relative fair values, with transaction costs capitalised. No gain or loss is recognised.

Consideration paid in the form of equity instruments is measured by reference to the fair value of the asset acquired. The fair value of the assets acquired would be measured at the point control is obtained.

The Company recognises the fair value of contingent consideration in respect to an asset acquisition, where it is probable that a liability has been incurred, and the amount of that liability can be reasonably estimated. Such contingent consideration is recognized at the time control of the underlying asset is obtained, and such an amount is included in the initial measurement of the cost of the acquired assets.

2.6 Foreign currency translation

The financial information is presented in Sterling which is the Company's functional and presentational currency.

Transactions in currencies other than the functional currency are recognised at the rates of exchange on the dates of the transactions. At each balance sheet date, monetary assets and liabilities are retranslated at the rates prevailing at the balance sheet date with differences recognised in the Statement of comprehensive income in the period in which they arise.

2.7 Financial instruments

Initial recognition

Initial recognition

A financial asset or financial liability is recognised in the statement of financial position of the Company when it arises or when the Company becomes part of the contractual terms of the financial instrument.

Classification

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met:

1. the asset is held within a business model whose objective is to collect contractual cash flows; and
2. the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortised cost, are measured using the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is de-recognised, modified or impaired.

Financial liabilities at amortised cost

Financial liabilities measured at amortised cost using the effective interest rate method include current borrowings and trade and other payables that are short term in nature. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate ("EIR"). The EIR amortisation is included as finance costs in profit or loss. Trade payables other payables are non-interest bearing and are stated at amortised cost using the effective interest method.

The proceeds, received on issue of the Group's convertible debt, are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows, using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability, measured at amortised cost until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognised within shareholders' equity, net of income tax effects.

Derecognition

A financial asset is de-recognised when:

1. the rights to receive cash flows from the asset have expired, or
2. the Company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

Impairment

The Company recognises a provision for impairment for expected credit losses regarding all financial assets. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Company expects to receive. Regarding trade receivables, the Company applies the IFRS 9 simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk. To measure expected credit losses, trade receivables and contract assets have been grouped based on shared risk characteristics.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) less provisions for impairment.

Provisions for impairment of trade receivables are recognised for expected lifetime credit losses using the simplified approach. Impairment reviews of other receivables, including those due from related parties, use the general approach whereby 12-month expected losses are provided for and lifetime credit losses are only recognised where there has been a significant increase in credit risk, by monitoring the creditworthiness of the other party.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and are subject to an insignificant risk of changes in value.

Trade payables

Trade and other payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method. This method allocates interest expense over the relevant period by applying the effective interest rate to the carrying amount of the liability.

2.8 Equity

Share capital is determined using the nominal value of shares that have been issued.

The Share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the Share premium account, net of any related income tax benefits.

Equity-settled share-based payments are credited to a share-based payment reserve as a component of equity until related options or warrants are exercised, lapsed or cancelled.

Retained losses includes all current and prior period results as disclosed in the statement of comprehensive income.

2.9 Share-based payments

The Company records charges for share-based payments where options, warrants or other similar instruments are issued in lieu of services provided to the Company.

For warrant-based or option-based share-based payments, to determine the value of the warrants or options, management estimate certain factors used in the Black Scholes Pricing Model, including volatility, vesting date exercise date of the warrants or option and the number likely to vest. At each reporting date during the vesting period management estimate the number of shares that will vest after considering the vesting criteria. If these estimates vary from actual occurrence, this will impact on the value of the equity carried in reserves.

2.10 Taxation

Tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax

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

2.11 Intangible assets - Exploration and evaluation expenditures (E&E)

The Company applies the successful efforts method of accounting, having regard to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources'. Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Statement of Comprehensive Income.

Expenditure incurred on the acquisition of a licence interest is initially capitalised within intangible assets on a licence-by-licence basis. Costs are held, unamortised, until such time as the exploration phase of the field area is complete or commercial reserves have been discovered. The cost of the licence is subsequently transferred into property, plant and equipment and depreciated over its estimated useful economic life.

Exploration expenditure incurred in the process of determining exploration targets is capitalised initially within intangible assets as exploration assets. Drilling costs are initially capitalised on a licence-by-licence basis until the success or otherwise has been established. Should the prospect prove to be commercially viable, the intangible assets are re-classified to Property, Plant and Equipment and depreciated over the estimated useful economic life. Where it is ultimately determined that the prospect is not commercially viable the Intangible asset balance is taken as a charge to the Statement of Comprehensive Income.

2.12 Impairment of Exploration and Evaluation assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. This includes consideration of the IFRS 6 impairment indicators for any intangible exploration and evaluation expenditure capitalised as intangible assets. Examples of indicators of impairment include whether:

a) the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.
b) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
c) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
d) sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount, which is the higher of its fair value less costs to sell and its value in use. Any impairment identified is recorded in the statement of comprehensive income.

2.13 Critical accounting judgements and key sources of uncertainty

In the process of applying the entity's accounting policies, management makes estimates and assumptions that have an effect on the amounts recognised in the financial information. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

Impairment of intangible assets

For details on the accounting policy for the impairment of exploration and evaluation assets, see note 2.12 "Impairment of Exploration and Evaluation Assets" in the "Notes to the Financial Statements" on page 42.

The first stage of the impairment process is the identification of an indication of impairment. Such indications can include significant geological or geophysical information which may negatively impact the existing assessment of a project's potential for recoverability, significant reductions in estimates of resources, significant falls in commodity prices, a significant revision of the Company Strategy, operational issues which may require significant capital expenditure, political or regulatory impacts and others. This list is not exhaustive and management judgement is required to decide if an indicator of impairment exists.

The Company regularly assesses the intangible assets for indicators of impairment. For more information on impairment indicators see note 2.12 "Impairment of Exploration and Evaluation Assets" in the "Notes to the Financial Statements" on page 42. Also see IFRS 6 'Exploration for and Evaluation of Mineral Resources'

When an impairment indicator exists an impairment test is performed; the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the income statement.

2.14 Earnings per share

Basic earnings per share is calculated as profit or loss attributable to equity holders of the Company for the period, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element. The diluted earnings per share is the same as the basic earnings per share for 2024 because; all warrants and options in issue were out of the money at the year end and the Company reported a loss, hence including the additional dilution would have resulted in a reduction of the loss per share.

2.15 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board as a whole.

All operations and information are reviewed together therefore at present there is only one reportable operating segment.

The Company's strategy is to act as a post discovery accelerator, where the Company identifies target(s) that have already had an early-stage geological discovery. To date the Company has identified and invested on one target, namely the Kathleen Valley Project. Hence at the moment there is only one reportable operating segment.

3. OPERATING LOSS

This is stated after charging:

	2024	2023
	£	£
Auditor's remuneration		
Audit of the Company	42,500	40,000
Directors' remuneration	348,332	250,000
Stock exchange and regulatory expenses	34,069	10,536
Other expenses	261,397	248,951
Operating expenses	686,298	549,487

4. AUDITOR'S REMUNERATION

	2024	2023
	£	£
Fees payable to the Company's current auditor:		
- audit of the Company's financial statements	42,500	40,000
	42,500	40,000

5. DIRECTORS AND STAFF COSTS

During the year the only employees of the Company were the Directors and as such key management personnel. Management remuneration, other benefits supplied and social security costs to the Directors during the year was as follows below. For Directors costs see the Directors remuneration report from page 23.

	2024	2023
	£	£

Salaries	348,332	250,000
Social security costs	38,348	25,369
Share based payments	-	-
	386,680	275,369

6. TAXATION

	2024	2023
	£	£
The charge/credit for the year is made up as follows:		
Current tax	-	-
Deferred tax	-	-
Taxation charge / credit for the year	-	-

A reconciliation of the tax charge / credit appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the year is:

Loss per accounts	(686,277)	(549,487)
Tax credit at the standard rate of corporation tax in the UK of 19% (2023: 19%)	(130,393)	(104,403)
Impact of costs disallowed for tax purposes	579	2,809
Deferred tax in respect of temporary differences	-	-
Impact of unrelieved tax losses carried forward	129,814	101,594
	-	-

Estimated tax losses of £(3,334,575) (2023: £2,651,344) are available for relief against future profits and a deferred tax asset of £633,615 (2023: £503,756) has not been provided for in the accounts due to the uncertainty of future profits.

Factors affecting the future tax charge

The standard rate of corporation tax in the UK for Companies is 19%. Accordingly, the Company's effective tax rate for the period was 19% (2023: 19%).

Deferred taxation

No deferred tax asset has been recognised by the Company due to the uncertainty of generating sufficient future profits and tax liability against which to offset the tax losses. The estimated tax losses carried forward are as shown above.

7. EARNINGS PER SHARE

The calculation of the earnings per share is based on the loss for the financial period after taxation of £686,277 (2023: £549,487) and on the weighted average of 467,643,821 (2023: 327,554,881) ordinary shares in issue during the period.

The diluted profit per share is the same as the basic profit per share because the Company reported a loss, hence including the additional dilution would have resulted in a reduction of the loss per share.

	Earnings	Weighted average number of shares	Per-share amount
	£	unit	pence
30 June 2024: Loss per share attributed to ordinary shareholders	(686,277)	467,643,821	(0.15)
30 June 2023: Loss per share attributed to ordinary shareholders	(549,487)	327,554,881	(0.17)

8. EXPLORATION AND EVALUATION ASSETS

	At 30 June 2024	At 30 June 2023
	£	£

Opening balance	5,605,870	4,698,625
Exploration costs capitalised in the year	155,983	1,092,201
Other movements	-	(184,956)
Net book value	5,761,853	5,605,870

In November 2021, the Company acquired a 30% interest in the Kathleen Valley (Gold) Project for £2,812,500. The consideration was £300,000 in cash and the balance in new Mila shares. Transaction costs of £478,017 have also been capitalised. The principal assets are leases with rights to exploration of those leases in Western Australia. At the year end the capitalised exploration and evaluation assets totalled £5.8m (2023: £5.6m). All Exploration costs capitalised in the year relate to the Kathleen Valley Project.

Exploration and evaluation assets are regularly reviewed for indicators of impairment. If an indicator of impairment is found an impairment test is required, where the carrying value of the asset is compared with its recoverable amount. The recoverable amount is the higher of the assets fair value less costs to sell and value in use. The Directors are satisfied that no impairments are required for the current year.

9. TRADE AND OTHER RECEIVABLES

	2024 £	2023 £
Other receivables	11,332	123,297
Prepayments	20,189	12,162
	31,521	135,459

The Directors consider that the carrying value amount of trade and other receivables approximates to their fair value.

10. CASH AND CASH EQUIVALENTS

	2024 £	2023 £
Cash at bank	1,417,710	448,063
	1,417,710	448,063

Cash at bank comprises balances held by the Company in current bank accounts. The carrying value of these approximates to their fair value.

11. TRADE AND OTHER PAYABLES

	2024 £	2023 £
Trade payables	12,106	55,457
Accruals and other payables	247,171	257,481
	259,277	312,938

12. SHARE CAPITAL / SHARE PREMIUM

	Number of shares on issue	Share capital £	Share premium £	Total £
Balance as at 30 June 2022	306,551,057	3,065,511	4,267,846	7,333,357
Capital Raising	30,266,651	302,667	516,757	819,424
Balance as at 30 June 2023	336,817,708	3,368,178	4,784,603	8,152,781
Capital Raising	300,000,000	3,000,000		3,000,000

Capital Raising	200,000,000	2,000,000	-	2,000,000
Issue Costs	-	-	(289,845)	(289,845)
Conversion of Convertible Loan	5,147,475	51,475	-	51,475
Share warrants expense	-	-	(236)	(236)
Balance as at 30 June 2024	541,965,183	5,419,653	4,494,522	9,914,175

In November 2023, the Company completed a placing of 200m new fully paid ordinary shares with a nominal value of £0.01, raising gross proceeds of £2m before expenses.

The Directors held the following warrants at the beginning and end of the year:

Director	At 30 June 2023 (1)	Granted during the year	At 30 June 2024	Exercise price	Earlie
M. Stephenson	7,500,000	-	7,500,000	£0.024	22
L. Daniels	7,500,000	-	7,500,000	£0.024	22
N. Hutchison	5,000,000	-	5,000,000	£0.024	22
L. Mair	2,000,000	-	2,000,000	£0.024	22
	22,000,000	-	22,000,000		

(1) as outlined in the prospectus dated 29 October 2021.

The Directors held the following EMI Options at the beginning and end of the year:

Director	At 30 June 2023	Granted during the year	At 30 June 2024	Exercise price	Earlies
M. Stephenson	3,500,000	-	3,500,000	£0.024	10
L. Daniels	2,500,000	-	2,500,000	£0.024	10
	6,000,000	-	6,000,000		

13. SHARE BASED PAYMENT RESERVE AND SHARE BASED PAYMENTS

SHARE BASED PAYMENT RESERVE

	2024 £	2023 £
At 1 July	539,093	543,813
Warrants expense	236	-
At 30 June	539,239	539,093

Warrants and Options in Issue	Number of Options in Issue	Number of Warrants in Issue	Weighted average exercise price	Expiry date
Balance at 30 June 2022	6,000,000	253,469,111	£0.0429	
Expired during the year	-	(11,425,000)	£0.048	31 Dec 2022
At 30 June 2023	6,000,000	242,044,111	£0.0432	
Investor Warrants - Delayed until Nov 2023 prospectus, relating to Oct/Nov 2022 capital raise.	-	30,266,650	£0.048	14 Nov 2025
Broker Warrants - Delayed until Nov 2023 prospectus, relating to Oct/Nov 2022 capital raise (1)	-	717,332	£0.03	14 Nov 2025
Investor Warrants - relating to £2m capital raise in Nov 2023.	-	200,000,000	£0.02	9 Nov 2025
Investor Warrants - relating to	-	5,147,475	£0.02	29 Jan 2027

Investor Warrants - relating to conversion of the Liontown Convertible Loan		5,147,475	£0.02	29 Jan 2027
At 30 June 2024	6,000,000	478,175,568	£0.034	

During the period the Company raised £2m (before expenses) through a Placing of 200m New Ordinary Shares of GBP0.01 each ("Placing Shares") at a price of 1 pence per Placing Share. Investors in the Placing also received one two-year warrant per Placing Share to subscribe for one new ordinary share at a cost of 2p per share.

[1] In October & November 2022 the Company raised £908,000 (before expenses) through a Placing of 30,266,651 New Ordinary Shares of GBP0.01 each at a price of 3 pence per Placing Share. Investors in this Placing also received one three-year warrant per Placing Share to subscribe for one new ordinary share at a cost of 4.8p per share. In addition, the Company also issued 717,332 broker warrants that are exercisable at 3p for a period of 3 years. Both the investor warrants and broker warrants were conditional on shareholder approval to increase the Company's share authorities. This approval was granted on 8 November 2023.

In July 2023 the Company announced that, together with the other owners of the Kathleen Valley licence, it had entered into an option agreement with a subsidiary of Liontown Resources Limited (ASX: LTR), granting Liontown the option to explore for lithium on the Kathleen Valley Licence Area in Western Australia. As part of that that arrangement Liontown invested A 100,000 in Mila through a Convertible Loan.

Following an amendment of the terms of the Convertible Loan in January 2024, Liontown agreed that Mila would convert the AS 100,000 into 5,147,475 fully paid Mila Ordinary Shares at a conversion price of 1 pence per share. In addition, Mila has also agreed to issue Liontown warrants to subscribe for up to a further 5,147,475 Ordinary Shares exercisable at a price of 2 pence per share at any time until 29 January 2027.

The market price of the shares at year end was 0.575 pence per share.

During the year, the minimum and maximum prices were 0.525 pence and 1.65 pence per share respectively.

SHARE BASED PAYMENTS - WARRANTS

There were no share based payments at 30 June 2024 and 30 June 2023.

14. CAPITAL COMMITMENTS

There were no capital commitments at 30 June 2024 and 30 June 2023.

15. CONTINGENT LIABILITIES

There were no contingent liabilities at 30 June 2024 and 30 June 2023.

16. COMMITMENTS UNDER LEASES

There were no commitments under operating leases at 30 June 2024 and 30 June 2023.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments comprise primarily cash and various items such as trade debtors and trade payables which arise directly from operations. The main purpose of these financial instruments is to provide working capital for the Company's operations. The Company does not utilise complex financial instruments or hedging mechanisms.

Financial assets by category

	2024	2023
	£	£
Current Assets:		
Cash and cash equivalents	1,417,710	448,063
Trade and other receivables	11,332	123,297
Categorised as financial assets at amortised cost	1,429,042	571,360

Financial liabilities by category

	2024	2023

	2024	2023
	£	£
Current Liabilities:		
Trade and other payables	259,277	312,938
Categorised as financial liabilities measured at amortised cost	259,277	312,938

All amounts are short term and payable in 0 to 6 months.

Credit risk

The maximum exposure to credit risk at the reporting date by class of financial asset was:

	2024	2023
	£	£
Trade and other receivables	11,332	123,297
Cash and cash equivalents	1,417,710	448,063
	1,429,042	571,360

Capital management

The Company considers its capital to be equal to the sum of its total equity. The Company monitors its capital using a number of key performance indicators including cash flow projections, working capital ratios, the cost to achieve development milestones and potential revenue from partnerships and ongoing licensing activities.

The Company's objective when managing its capital is to ensure it obtains sufficient funding for continuing as a going concern. The Company funds its capital requirements through the issue of new shares to investors.

Interest rate risk

The maximum exposure to interest rate risk at the reporting date by class of financial asset was:

	2024	2023
	£	£
Bank balances	1,417,710	448,063

The Company is not financially dependent on the income earned on these resources and therefore the risk of interest rate fluctuations is not significant to the business and the Directors have not performed a detailed sensitivity analysis.

All deposits are placed with main clearing banks, with 'A' ratings, to restrict both credit risk and liquidity risk. The deposits are placed for the short term, between one and three months, to provide flexibility and access to the funds.

Credit and liquidity risk

Credit risk is managed on a Company basis. Funds are deposited with financial institutions with a credit rating equivalent to, or above, the main UK clearing banks. The Company's liquid resources are invested having regard to the timing of payment to be made in the ordinary course of the Company's activities. All financial liabilities are payable in the short term (between 0 to 3 months) and the Company maintains adequate bank balances to meet those liabilities. A liquidity analysis is not therefore considered material to disclose.

Currency risk

The Company operates in a global market with income and costs possibly arising in a number of currencies. The Company's strategic aim of acquiring asset(s) or business(es) acting as a post discovery accelerator, is not limited to any specific geo-political area or jurisdiction. Currently the majority of the Company's overhead costs are incurred in £GBP. The Kathleen Valley Project is located in Western Australia, and hence the majority of the exploration and evaluation costs relating to this project are incurred in AUD. The Company has not hedged against any currency depreciation but continues to keep the matter under review.

18. RELATED PARTY TRANSACTIONS

Key management personnel compensation

The Directors are considered to be key management personnel. Detailed remuneration disclosures are provided in the remuneration report on pages 23 - 24.

There were no other related party transactions.

19. EVENTS SUBSEQUENT TO YEAR END

No subsequent events have occurred since the year end.

20. CONTROL

In the opinion of the Directors there is no single ultimate controlling party.

ENDS

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