RNS Number : 9484P
Kazera Global PLC
13 December 2024

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Kazera Global plc ('Kazera' or 'the Company')

Final Results and publication of Annual Report and Notice of AGM

Kazera Global plc, the AIM-quoted investment company, is pleased to announce its Final Results for the year ended 30 June 2024 and the publication of its Annual Report, which will be made available on the Company's website and is being posted to shareholders today.

HIGHLIGHTS

Progressed Whale Head Minerals ("WHM") towards commercial production

- Completed mechanical commissioning work at the Heavy Mineral Sands (HMS) plant to improve economics.
- Received permit from the National Nuclear Regulator (NNR) post period end.
- Post period end, applied for Mining Right for Perdevlei, an area circa 34 times larger than WHM's existing Walviskop project, which will allow operations to scale.
- Post period end: entered into an offtake agreement with US 600,000 prepayment. Commercial production of HMS is imminent.

Delivered on new processing strategy at Deep Blue Minerals ("DBM")

- Installed new equipment including pulsating jig and flow sort diamond recovery machine
- Post period end, flow sort machine adapted and approved for use by Alexkor

Strengthened the business on a corporate level

- Received further payments from Hebei Xinjian for sale of African Tantalum Pty Ltd ("Aftan") bringing aggregate payments to US 4.4million (£3.5 million) of an agreed US 13 million.
- Post period end strengthened board to support transition from a developer to a producer.
- Post period end increased stakes in WHM and DBM to 70% and 74% respectively.
- Post period end welcomed Catalyse Capital Ltd and its related parties as largest shareholder.
- Post period end initiated legal proceedings and Arbitration to recover outstanding payments of US 9.5 million (£7.5 million) from Hebei Xinjian in respect of the Aftan Sale Agreement.

Publication of Annual Report and Notice of AGM

The Company is also pleased to confirm that Kazera's annual report for the year ended 30 June 2024 ("Annual Report") and a Notice of Annual General Meeting ("AGM") will be posted to shareholders on 13 December 2024 and made available on the Company's website www.kazeraglobal.com

The Company's AGM will take place at 12.00 noon on Tuesday, 14 January 2025 at 33 St James' Square, London, SW1Y 4JS.

Dr John Wardle, Non-Executive Chairman of Kazera Global plc commented: *"During the year and up to the date of this report, we achieved significant milestones in developing substantial local infrastructure and establishing two operating plants in readiness for commercial production at our diamond and heavy mineral sands projects in South Africa. As announced separately today, we have also entered into an offtake agreement for our heavy mineral sands with commercial production of HMS imminent.*

"This an extremely exciting time for the Group with every one of our initiatives seeming to reach inflection points at or around the same time. Together, we are building a resilient and forward-looking company which is well-positioned for sustained success."

For further information, please visit the Company's website at www.kazeraglobal.com or contact:

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CHAIRMAN'S STATEMENT

For the year ended 30 June 2024

The year ended 30 June 2024 has been one of significant activity. During the year and up to the date of this report, we achieved significant milestones in developing substantial local infrastructure and establishing two operating plants in readiness for commercial production at our diamond and heavy mineral sands ("HMS") projects in South Africa.

This an extremely exciting time for the Group with every one of our initiatives seeming to reach inflection points at or around the same time.

Whale Head Minerals

We have also had a number of challenges to overcome, especially in ensuring the safe alteration of operations and procedures to ensure compliance with the National Nuclear Regulator ("NNR") requirements for the safe processing of HMS. It is not uncommon for radiation to naturally occur in HMS such as those at the Alexander Bay site, and it is important that we ensure the safety of all stakeholders, especially staff and contractors working on the project.

While waiting for NRR approval for the project, we were unable to commence HMS production. We used the time to implement an optimisation programme aimed to enhance economic efficiency, which included the installation of new, custom-designed plant and machinery.

Following the year-end, in early August 2024, we took the opportunity to increase our stake in each of the diamond and HMS projects by 10%, bringing our percentage interest to 74% and 70%, respectively.

Our (now 70% beneficially-owned) subsidiary, Whale Head Minerals Pty Ltd ("WHM"), was subsequently awarded the necessary permit from the NNR in mid August 2024 which was subject to a number of conditions being met. These conditions have since been satisfied and, as at the date of this report, we are finalising the commissioning and optimisation of the HMS processing plant.

We have now entered into an offtake agreement and the commencement of commercial production of HMS is now imminent.

Contemporaneously, WHM has applied for a Mining Right over the nearby Perdevlei HMS project, which has an area approximately 34 times larger than WHM's existing Walviskop HMS project. In November 2024, WHM received Environmental Approval for the project from the Department of Mineral Resources and Energy in South Africa and, if the mining right is granted, Perdevlei will provide an excellent opportunity to significantly scale the HMS project.

Deep Blue Minerals

Moving onto our (now 74% beneficially-owned) subsidiary, Deep Blue Minerals Pty Ltd ("DBM"), initial production at the start of the financial year had to be halted early on due to political and economic factors, and operating difficulties at Alexkor's Muisvlak processing plant. As announced previously, we invested in a FlowSort plant to ensure a secure local processing facility to generate high concentrate diamond gravels to the government-owned Alexkor facility for final sorting. Our focus is now on scaling up production and generating revenue.

African Tantalum

The transaction to sell our African Tantalum project in Namibia to Hebei Xinjian Construction ("Xinjian") initially advanced well, with Kazera receiving total payments of approximately US 4.4 million (£3.5 million) during the period December 2022 to August 2023. However, Xinjian subsequently missed all remaining payments totalling US 9.5 million (£7.5 million), prompting us to take steps in Q4 2024 to initiate legal proceedings and enter arbitration to recover the outstanding balance.

Corporate

On the corporate side, we had movement in our major shareholders, welcoming African Mineral Sands Pte Ltd, in a transaction that was ultimately unwound. We are fortunate to enjoy the continuing support of Catalyse Capital Ltd and its related parties, including R.S. and C.A. Jennings ("Catalyse Capital).

Both I (through Tracarta Limited) and Catalyse Capital have committed additional funding to the Group to help ensure it has the necessary funding to enable us to commence production at WHM. I am confident that commercial production, which is fast approaching, will lead to strong positive cash flows, which will be transformational for the projects and the wider group.

Over the past two years, alongside the significant progress made in our projects, the Company has achieved notable advancements at a corporate level, particularly in our reporting processes.

As we look ahead, the lessons learned during this process will serve as a strong foundation for further improvements in our operations and corporate governance. On behalf of the Board, I would like to extend our heartfelt gratitude to the entire team for their hard work and commitment to driving Kazera forward, and to the Board, executive team, project staff, advisors, and shareholders for their continued support. Together, we are building a more resilient and forward-looking company which is well-positioned for sustained success. I look forward to working with all of you as we drive the Company's progress and profitability forward.

Dr John Wardle
Non-Executive Chairman

12 December 2024

CHIEF EXECUTIVE OFFICER'S REVIEW

For the year ended 30 June 2024

The financial year ended 30 June 2024 was pivotal for Kazera Global plc as we made significant strides in advancing our primary projects and moving towards revenue generation, operational success and future growth.

I am pleased to reflect on our achievements and developments during the period across our core assets: the Whale Head Minerals Pty Ltd Heavy Mineral Sands Project and the Deep Blue Minerals Pty Ltd Diamond Project, and key corporate developments, all of which are helping to position Kazera for a transformative future.

Investment Highlights

Whale Head Minerals Pty Ltd ("WHM") - Heavy Mineral Sands ("HMS") Project

The development of our WHM Heavy Mineral Sands Project advanced considerably during the year, including:

- October 2023: Completion of the Trommel screening plant.
- December 2023: Plant received on-site, roads constructed, and permit submission made to the NNR.
- May 2024: Significant work on plant installation and progress on mechanical and electrical commissioning, positioning WHM for production to commence upon receiving NNR approval.
- Post-Year End: Received nuclear permit from the NNR in August 2024 following detailed inspection and implementation of all safety protocols. WHM commenced mining and began producing HMS samples for potential off-takers, paving the way for securing contracts.
- Post Year End: In October 2024, WHM applied for a Mining Right for Perdevlei, an area circa 34 times larger than Walviskop, which would, if granted, allow significant scaling up of the HMS business.
- Post Year End: In November 2024, WHM received Environmental Approval for Perdevlei two months earlier than expected, advancing the timetable for securing the mining right.
- Post Year End: In December 2024, WHM entered into an offtake agreement for 100,000 tonnes of HMS and prepayment agreement for US 600k (approximately £470k).

Deep Blue Minerals Pty Ltd ("DBM") - Diamond Project

Likewise, our diamond project has also advanced:

- November 2023: DBM ordered a pulsating diamond jig, capable of processing 20 tons of diamond gravel per hour, to enhance operational capacity.
- December 2023: The pulsating jig was delivered to site, and additional key equipment was secured.
- May 2024: Flow Sort diamond recovery machine to X-Ray and sort processed diamond gravels, installed on site in

a secure Alexkor compound.
- Post-Year End: The flow sort machine was adapted and Alexkor approved its use.

African Tantalum Pty Ltd ("Aftan") - Tantalum and Lithium Project

The sale of Aftan did not proceed as we had hoped but positive resolution is expected soon:

- Q3 2023: Kazera received further payments totalling approximately US 1.3 million (£1.1 million) from Hebei Xinjian, bringing aggregate payments for the sale of Aftan to US 4.4 million (£3.5 million) of an agreed US 13 million (£10.3 million).
- December 2023: Kazera commenced discussions with potential alternative buyers for the project, given the possibility of Hebei Xinjian defaulting on the Aftan Sale Agreement.
- Post-Year End: In September 2024, Kazera initiated legal proceedings to enforce the Aftan Sale Agreement, with outstanding payments due from Hebei Xinjian of approximately US 9.5 million (£7.5 million) comprising the unpaid capital, outstanding shareholders' loans, and accrued interest.
- Arbitration proceedings expected to commence in Namibia in November 2024, and Kazera remains confident of a favourable outcome, especially following the recent granting of a lithium mining licence which enhances Aftan's value.

Corporate Developments

At a corporate level we saw some changes to our board, strategic investment and ongoing support from our largest shareholders:

- Board Changes: Post period-end, Gerard Kisbey-Green stepped down as Non-Executive Chairman of Kazera with Dr John Wardle appointed his successor. Dr Wardle brings a wealth of experience, and his leadership will be instrumental in helping to steer Kazera towards operational success. In addition, Peter Wilson stepped down as a Non-Executive Director of the Company subsequent to the year-end. We are looking to further enhance the balance of sills and experience on the Board in due course.
- Post Year End Strategic Investments: In August 2024, Kazera secured additional stakes in DBM and WHM from Tectonic Gold PLC, increasing its beneficial interest to 74% and 70%, respectively. This strategic acquisition strengthens the Company's position as it gears up for production.
- Shareholder and Financial Developments: During the year, the Company navigated challenges with key shareholder changes and in August 2024 secured debt funding from its two largest shareholders to bridge the gap to revenue generation without equity dilution, which would be unfavourable under current market conditions.

Financial Overview

The Company's cash position as of 30 June 2024 was £61k, reflecting substantial capital investments in infrastructure and equipment and unavoidable delays, and the Board continues to prudently manage costs and resources. With production and cashflows on the near horizon, the Company felt it was imperative to tightly manage cashflow and avoid the need to raise funds through the issue of equity with its associated shareholder dilution. A £500,000 loan facility secured in August 2024 from the Company's two largest shareholders therefore provided critical support to help position the business to achieve its short-term production milestones. The Group has subsequently entered into an offtake agreement with an agreed prepayment of US 600k (c.£470k).

Outlook for 2025 and Beyond

The Board believes that the year ahead is set to be transformational. The receipt of the NNR permit for WHM marks the culmination of significant effort and positions Kazera for near-term revenue generation. With commercial diamond and HMS production expected to commence imminently, we anticipate cash flows from both businesses that will significantly strengthen the Company's financial position. The acquisition of additional interests in both DBM and WHM, plus the ongoing arbitration process for the circa US 9.5 million (£7.5 million) owed to the Company by Hebei Xinjian, are also expected to yield material benefits and drive shareholder value.

Despite facing delays, regulatory hurdles and no shortage of frustrations, the Company's perseverance is beginning to pay off. Kazera is on the brink of realising its potential with its operations aligned for success. My deepest appreciation goes to our team, partners, and shareholders for their unwavering support during the last year. I look forward to updating the market on Kazera's progress during 2025 as we move towards becoming a company generating cash flows and profits.

Dennis Edmonds

Chief Executive Officer

12 December 2024

GROUP STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2024

	Notes	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Revenue	5	**6**	31
Cost of Sales		**(157)**	(155)
Gross loss		**(151)**	(124)
Administrative expenses		**(1,828)**	(1,518)
Provision for expected credit losses		**(1,345)**	-
Operating loss	6	**(3,324)**	(1,642)
Net finance income	7	**407**	246
Loss before taxation from continuing operations		**(2,917)**	(1,396)
Taxation expense	10	**-**	(142)
Loss for the year from continuing operations		**(2,917)**	(1,538)
Profit on discontinued operation, net of tax	15	**-**	8,128
(Loss)/profit attributable to owners of the Company		**(2,823)**	6,706
Loss attributable to non-controlling interests		**(94)**	(116)
(Loss)/profit for the year		**(2,917)**	6,590
Other comprehensive income:			
Items that may be subsequently reclassified to profit and loss:			
Exchange differences on translation of foreign operations		**(67)**	159
		(2,984)	6,749
Total comprehensive (loss)/profit for the year attributable to:			
The equity holders of the parent		**(2,890)**	6,865
The non-controlling interests		**(94)**	(116)
Total comprehensive (loss)/profit for the year		**(2,984)**	6,749
Basic and diluted Earnings per share in pence attributable to owners of the Company from:			
Continuing operations	11	**(0.30) p**	0.70 p
Discontinued operations	11	**-**	0.87 p

The accounting policies and notes below are an integral part of these financial statements

GROUP AND COMPANY STATEMENTS OF FINANCIAL POSITION

As at 30 June 2024

		GROUP		COMPANY	
	Notes	**2024 £'000**	2023 £'000	**2024 £'000**	2023 £'000
Non-Current assets					
Mines under construction	12	**814**	749	**-**	-
Property, plant and equipment	13	**1,006**	531	**-**	-
Investment in subsidiaries	14	**-**	-	**784**	784
Long-term loan	16	**-**	-	**2,446**	1,607
		1,820	1,280	**3,230**	2,391
Current assets					
Trade and other receivables	17	**6,269**	9,053	**6,194**	8,866
Cash and cash equivalents	18	**61**	761	**51**	758
		6,331	9,814	**6,245**	9,624
Current liabilities					
Trade and other payables	19	**182**	191	**143**	73
Borrowings	20	**50**	-	**50**	-
		232	191	**193**	73
Net current assets		**6,099**	9,623	**6,052**	9,551
Net assets		**7,919**	10,903	**9,282**	11,942

		[illegible]	[illegible]	[illegible]	[illegible]
Equity					
Share capital	22	**3,516**	3,516	**3,516**	3,516
Share premium account	22	**17,556**	17,556	**17,556**	17,556
Capital redemption reserve		**2,077**	2,077	**2,077**	2,077
Share option reserve		**479**	574	**479**	574
Currency translation reserve		**355**	422	**-**	-
Retained earnings		**(15,805)**	(13,077)	**(14,346)**	(11,781)
Equity attributable to owners of the Company		**8,178**	11,068	**9,282**	11,942
Non-controlling interests		**(259)**	(165)	**-**	-
Total equity		**7,919**	10,903	**9,282**	11,942

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the parent Company profit and loss account. The loss for the Parent Company for the year was £2,660k (2023: £335k loss).

These financial statements were approved by the Board of Directors on 12 December 2024.

Signed on behalf of the Board by

Dennis Edmonds
Director
Company number: 05697574
The accounting policies and notes below form an integral part of these financial statements.

GROUP STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2024

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Share option reserve £'000	Currency translation reserve £'000	Retained earnings £'000	Equi shareholde fun £'0
Balance at 1 July 2022	3,516	17,556	2,077	443	263	(19,908)	3,9
Profit for the year	-	-	-	-	-	6,706	6,7
Other comprehensive income	-	-	-	-	159	-	1
Total comprehensive income	-	-	-	-	159	6,706	6,8
Transactions with owners in their capacity as owners:							
Share options/warrants exercised	-	-	-	(125)	-	125	
Share based payment expense	-	-	-	256	-	-	2
Transactions with owners in their capacity as owners	-	-	-	131	-	125	2
Balance at 30 June 2023	**3,516**	**17,556**	**2,077**	**574**	**422**	**(13,077)**	**11,0**
Loss for the year	**-**	**-**	**-**	**-**		**(2,823)**	**(2,82**
Other comprehensive income	**-**	**-**	**-**	**-**	**((67)**	**-**	**(6**
Total comprehensive income	**-**	**-**	**-**	**-**	**(67)**	**(2,823)**	**(2,89**
Transactions with owners in their capacity as owners:							
Share options/warrants lapsed	**-**	**-**	**-**	**(95)**	**-**	**95**	
Transactions with owners in their capacity as owners	**-**	**-**	**-**	**(95)**	**-**	**95**	
Balance at 30 June 2024	**3,516**	**17,556**	**2,077**	**479**	**355**	**(15,805)**	**8,1**

The accounting policies and notes below form an integral part of these financial statements. A description of each reserve is provided in note 22.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2024

	Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Share option reserve £'000	Retained earnings £'000	Total £'000
Balance at 1 July 2022	3,516	17,556	2,077	443	(11,571)	12,021
Loss for the year	-	-	-	-	(335)	(335)
Total comprehensive income for the year	-	-	-	-	(335)	(335)
Share options/warrants exercised	-	-	-	(125)	125	-
Share based payment expense	-	-	-	256	-	256
Transactions with owners in their capacity as owners	-	-	-	131	125	256
Balance at 30 June 2023	**3,516**	**17,556**	**2,077**	**574**	**(11,781)**	**11,942**
Loss for the year	**-**	**-**	**-**	**-**	**(2,660)**	**(2,660)**
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(2,660)**	**(2,660)**
Share options/warrants lapsed	**-**	**-**	**-**	**(95)**	**95**	**-**
Transactions with owners in their capacity as owners	**-**	**-**	**-**	**(95)**	**95**	**-**
Balance at 30 June 2024	**3,516**	**17,556**	**2,077**	**479**	**(14,346)**	**9,282**

The accounting policies and notes below form an integral part of these financial statements. A description of each reserve is provided in note 22.

GROUP AND COMPANY STATEMENTS OF CASH FLOWS

For the year ended 30 June 2024

		GROUP		COMPANY	
	Note	**Year ended 30 June 2024 £'000**	Year ended 30 June 2023 £'000	**Year ended 30 June 2024 £'000**	Year ended 30 June 2023 £'000
OPERATING ACTIVITIES					
Loss before tax from continuing operations		**(2,917)**	(1,396)	**(2,660)**	(335)
Profit/loss before tax from discontinued operations		**-**	8,128	**-**	-
Loss before tax		**(2,917)**	6,732	**(2,660)**	(335)
Depreciation and amortisation		**82**	40	**-**	-
Share based payment expense		**-**	256	**-**	256
Net finance (income)	7	**(407)**	(246)	**(405)**	(246)
Foreign exchange		**292**	269	**396**	75
Expected credit loss on financial assets	17	**1,345**	-	**1,543**	-
Gain on sale of subsidiary		**-**	(8,037)	**-**	(476)
Intercompany loan written off		**-**	-	**-**	1,308
Acquisition option written off		**474**	-	**474**	-
Management fees		**-**	-	**-**	(1,144)
Intercompany loan interest charged	16	**-**	-	**(156)**	(106)
Operating cash flows before movement in working capital		**(1,131)**	(986)	**(808)**	(668)
(Increase)/Decrease in receivables		**(82)**	(531)	**(195)**	(343)
(Decrease)/increase in payables		**(14)**	(59)	**69**	(66)
Net cash used in operating activities		**(1,227)**	(1,576)	**(934)**	(1,077)

INVESTING ACTIVITIES

Purchases of property, plant and equipment	13	**(525)**	(69)	**-**	-
Mines under construction		**(60)**	(24)	**-**	-
Proceeds from disposal of subsidiary	17	**1,059**	2,316	**1,059**	2,316
Advances to subsidiary undertakings	16	**-**	-	**(882)**	(569)
Interest received		**3**	-	**-**	
Net cash generated from investing activities		**477**	2,223	**177**	1,747
FINANCING ACTIVITIES					
Loans received /(repaid)	20	**50**	(474)	**50**	(474)
Interest paid		**-**	(47)	**-**	(47)
Net cash generated from/(used in) financing activities		**50**	(521)	**50**	(521)
Net (decrease)/increase in cash and cash equivalents		**(700)**	126	**(707)**	149
Cash and cash equivalents at beginning of year		**761**	637	**758**	609
Exchange losses on cash and cash equivalents		**-**	(2)	**-**	-
Cash and cash equivalents at end of year		**61**	761	**51**	758

Major non-cash transactions

During the year purchases of property, plant and equipment included £nil (2023: £180k) of non-cash additions.

The accounting policies and notes below are an integral part of these financial statements.

NOTES TO THE GROUP FINANCIAL STATEMENTS

For the year ended 30 June 2024

1. GENERAL INFORMATION

Kazera Global Plc is a public limited company which is listed on the Alternative Investment Market (AIM) and incorporated and domiciled in England and Wales, United Kingdom. The nature of the Group's operations and its principal activities are set out in the Strategic Report and the Directors' Report.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

These consolidated financial statements have been prepared and approved by the Directors in accordance with UK Adopted International Accounting Standards in accordance with the requirements of the Companies Act 2006.

The consolidated financial statements have been prepared under the historical cost convention, except as noted in the accompanying accounting policies.

The preparation of financial statements in conformity with UK Adopted International Accounting Standards ('IAS') requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

The financial statements are presented in pounds sterling (£'000), which is also the functional currency of the Company and Group.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

GOING CONCERN

The financial statements have been prepared assuming the Group and Company will continue as a going concern.

The Company prepares and routinely maintains a cash flow forecast; the Directors have, with reference to the cash flow forecast considered a number of potential scenarios under which the Company's ability to continue as a going concern is assessed.

In assessing whether the going concern assumption is appropriate, the Directors have taken into account all available information for the 12 months from the date of approval of these financial statements and performed sensitivity analysis thereon. This assessment includes consideration of the possible outcomes from the arbitration process with respect to the disposal of the Group's operations in Namibia (and the default by the purchaser in failing to adhere to the repayment provisions within the sale and purchase agreement), and in South Africa, the Group's future plans, expenditure commitments, and cost reduction measures that can be implemented and permitting requirements.

The Directors' estimates are dependent upon a number of factors including: the receipt of funds under the offtake prepayment agreement (see note 26), and the Group's mining operations performing in line with expectations, both in terms of timing and quantum of revenue generation; and associated costs being in line with expectations, recognising that the Group does not yet have a long operating history. In the event of an adverse result arising from these factors, the Directors are confident that further funds could be raised to meet any shortfall through the support of its key investors and shareholders. In view of the uncertainty over the receivable in respect of the agreed disposal of African Tantalum Pty Ltd, and the facts that the Group has not yet fully commenced commercial production and does not have a long track record of operations, the Directors consider that a material uncertainty exists as to the Company's ability to continue as a going concern. The auditors have made reference to this material uncertainty in their audit report on in the Annual Report.

NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED BY THE GROUP

The following IFRS or IFRIC interpretations were effective for the first time for the financial year beginning 1 July 2023. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

Standards/interpretations	**Effective Date**
Amendments to IAS 1: Presentation of financial Statements: Classification of liabilities as Current or Non-current liabilities	1 January 2024
Amendments to IAS 1; Classification of liabilities as Current or Non-current - Deferral of Effective Date	1 January 2024
Amendments to IFRS 16 Leases: Lease liability in a Sale and Leaseback	1 January 2024
Amendments to IAS 1 Presentation of Financial Statements: Non-current liabilities with Covenants	1 January 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements	1 January 2024
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rate: Lack of Exchangeability	1 January 2025

BASIS OF CONSOLIDATION

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the subsidiary and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the subsidiary on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of subsidiary's identifiable net assets.

Acquisition-related costs are expensed as incurred.

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

Disposal of subsidiary undertakings

A disposal of a subsidiary occurs when control is lost, which can happen through the sale, liquidation, or other forms of relinquishment of control. Upon disposal, the subsidiary will be deconsolidated from the date control is lost. All assets, liabilities, and non-controlling interests related to the subsidiary will be removed from the consolidated balance sheet. The consideration received from the disposal of a subsidiary will be measured at fair value on the disposal date; the gain or loss on disposal will be calculated as the difference between:

- The fair value of the consideration received; and
- The carrying amount of the subsidiary's assets and liabilities, and any cumulative translation differences recorded in equity.

The results of the subsidiary up to the date of disposal will be included in the consolidated Statement of comprehensive income and shown separately as discontinued operations.

FOREIGN CURRENCIES

The individual financial statements of each subsidiary company are presented in South African Rands (and Namibian Dollars for the subsidiary disposed of during the year), which is the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the Group and parent company financial statements, the results and financial position of each group company are expressed in Pounds Sterling, which is the functional currency of the Company, and the presentation currency for the Group financial statements.

In preparing the financial statement of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each year end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the year end date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the Statement of comprehensive income. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period, except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting Group financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the year end date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the period in which the operation is disposed of.

TAXATION

The tax currently payable is based on taxable profit or loss for the period. Taxable profit or loss differs from net profit or loss as reported in the Statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items 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 the tax expected to be payable or recoverable 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 goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying value 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 deferred tax 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 is realised based on tax laws and rates that have been enacted at the balance sheet date. Deferred tax is charged or credited in the Statement of comprehensive income, 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 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.

INTANGIBLE ASSETS - EXPLORATION AND EVALUATION EXPENDITURE

Exploration and evaluation activity involve the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Research expenditure is written off in the year in which it is incurred. The Group recognises expenditure as exploration and evaluation assets when it determines that the legal rights to said assets have been obtained. Costs incurred which relate wholly to exploration work only, are expensed through the statement of comprehensive income. When a decision is taken that a mining property becomes viable for commercial production, all further pre-production expenditure is capitalised.

Expenditure included in the initial measurement of exploration and evaluation assets and which is classified as intangible assets, relates to the acquisition of rights to undertake topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and other activities to evaluate the technical feasibility and commercial viability of extracting a mineral source.

MINES UNDER CONSTRUCTION

Expenditure is transferred from "Exploration and evaluation" assets to "Mines under construction" once the work completed to date supports the future development of the property and such development receives the requisite approvals. All subsequent expenditure on technically and commercially feasible sites is capitalised within mining rights.

All expenditure on the construction, installation or completion of infrastructure facilities is capitalised as construction in progress within "Mines under construction". Once production starts, all assets included in "Mines under construction" are transferred into "Property, Plant and Equipment" or "Producing Mines. It is at this point that depreciation/amortisation commences over its useful economic life. The asset will be depreciated using the Units of Production method (UOP).

Mines under construction are stated at cost. The initial cost comprises transferred exploration and evaluation assets, construction costs, infrastructure facilities, any costs directly attributable to bringing the asset into operation, the initial estimate of the rehabilitation obligation, and, for qualifying assets, borrowing costs. Costs are capitalised and categorised between mining rights and construction in progress respectively according to whether they are intangible or tangible in nature.

PROPERTY, PLANT AND EQUIPMENT

Property, Plant and equipment are recorded at cost, less accumulated depreciation and impairment losses.

Significant improvements are capitalised, provided they qualify for recognition as assets. The costs of maintenance, repairs and minor improvements are expensed when incurred to administrative expenses in the statement of comprehensive income.

Tangible assets, retired or withdrawn from service, are removed from the balance sheet together with the related accumulated depreciation. Any profit or loss resulting from such an operation is included in the Statement of comprehensive income.

Tangible and intangible assets are depreciated on the straight-line method based on their estimated useful lives from the time they are available for use as intended by management, so that their net cost is diminished over the lifetime of consideration to estimated residual value as follows:

Buildings	20 years
Plant and machinery	Between 5 and 10 years

Furniture and equipment	Between 5 and 10 years

The depreciation cost is included within administrative expenses in the statement of comprehensive income.

IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT ('PPE') AND INTANGIBLE ASSETS EXCLUDING GOODWILL

Assets that have an indefinite useful life are not subject to amortisation but are reviewed for impairment annually and where there are indications that the carrying value may not be recoverable. An impairment loss is recognised in administrative expenses in the statement of comprehensive income for the amount by which the carrying value exceeds the recoverable amount. Management determines the recoverable amount of PPE as the higher of fair value less costs of disposal and value in use. Fair value less costs of disposal is based on recent market transactions, where available, or an appropriate valuation model.

ASSET ACQUISITIONS - LAND

Acquisitions of mineral exploration licences through the acquisition of non-operational corporate structures that do not represent a business, and therefore do not meet the definition of a business combination, are accounted for as the acquisition of an asset. The consideration for the asset is allocated to the assets based on their relative fair values at the date of acquisition. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated.

Where the asset was acquired during the period however licensing becomes available post year end this is accounted for as an acquisition of Land.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash at bank and in hand, deposits at call with banks, other short-term highly liquid investments with original maturity at acquisition of three months or less that are readily convertible to cash, net of bank overdrafts. For the purpose of the cash flow statement, cash and cash equivalents consist of the definition outlined above.

EQUITY INSTRUMENTS INCLUDING SHARE CAPITAL

Equity instruments consist of the Company's ordinary share capital and are recorded at the proceeds received, net of direct issue costs.

FINANCIAL INSTRUMENTS - INITIAL RECOGNITION AND SUBSEQUENT MEASUREMENT

Classification

The Group classifies its financial assets into only one category, being those to be measured at amortised cost. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

Impairment

The Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

For receivables from Group undertakings, including loans to subsidiaries such as DBM and WHM, the Group applies the general approach under IFRS 9. Under this approach, ECLs are calculated based on a model that considers changes in credit risk since initial recognition.

Management assesses credit risk by evaluating both the financial health of each group undertaking and the probability of default. A receivable is considered in default when there is evidence of financial difficulty, such as liquidity challenges or a breach of loan covenants, or if contractual payments are significantly overdue, unless there is strong evidence to support that delayed payment does not indicate a credit issue.

Expected Credit Loss Model: The ECL is determined as the present value of all expected cash shortfalls over the remaining life of the receivable. This is based on weighted probabilities for a number of scenarios, which may include base, adverse, and optimistic cases. The probabilities are adjusted based on historical data, forward-looking information, and management's assessment of current economic conditions.

FINANCIAL LIABILITIES

All non-derivative financial liabilities are classified as other financial liabilities and are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Other financial liabilities consist of borrowings and trade and other payables.

Financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

OTHER FINANCIAL LIABILITIES, BANK AND SHORT-TERM BORROWINGS

Other financial liabilities, as categorised above, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. Other financial liabilities are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

TRIAL PRODUCTION REVENUE AND COSTS

Revenue

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. These steps are as follows: identification of the customer contract; identification of the contract performance obligations; determination of the transaction price; allocation of the transaction price to the performance obligations; and revenue recognition as performance obligations are satisfied.

Under IFRS 15, revenue is recognised when performance obligations are met. This is the point of delivery of goods to the customer. Revenue is measured at the fair value of consideration received or receivable from sales of diamonds and tantalite to an end user, net of buyer's discount, treatment charges, freight costs and value added tax. The application of the standard including the five-step approach has not resulted in any changes to the timing of recognition of revenue in the current or any prior period.

Cost of revenue

These are the costs directly associated with the extraction and processing of diamonds from mining operations.

Costs to be included in cost of sales are as follows:

- Extraction costs: These include labour and overhead costs directly related to the extraction of diamonds from the mine.
- Processing Costs: Costs incurred in the crushing, sorting, and other processing required to prepare the diamonds for sale.
- Inventory Costs: Costs related to the storage and security of diamonds until they are sold. This includes warehousing and insurance costs.

- Depreciation and Amortization: The systematic allocation of the depreciable amount of assets (e.g., machinery, equipment) used in the extraction and processing of diamonds.

Exclusion of costs: General administrative expenses, marketing, and distribution costs are not included in the cost of sales but are recognised as separate expense categories in the Statement of comprehensive income.

Cost of sales is recognised in the Statement of comprehensive income when the related revenue is recognized.

EARNINGS PER SHARE

Basic earnings per share (EPS) is calculated by dividing: the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares; by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (note 11).

Diluted EPS adjusts the figures used in the determination of basic EPS to take into account the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

Discontinued operations

Basic EPS for discontinued operations is calculated by dividing the net profit or loss attributable to ordinary shareholders from discontinued operations by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS considers the potential dilution that would occur if convertible instruments or contracts to issue shares were converted into ordinary shares.

SEGMENTAL ANALYSIS

Under IFRS 8 operating segments are considered to be components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and assessing performance. The Company's chief operating decision maker is the Board of Directors. At present, and for the period under review, the Company's reporting segments are the holding company, Heavy Mineral Sands activities and the diamond mining operations in South Africa.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Carrying value of mines under construction (Note 12)

The Group tests annually whether its mines under construction have suffered any impairment and management make judgements in this respect. The judgements are based on the recoverable amounts of cash generating units ("CGUs") being DBM and WHM which are determined based on value in use (VIU) calculations which require the use estimates and assumptions such as the offtake terms and conditions available, which will be influenced by commodity prices, product grades, discount rates, operating costs and therefore expected margins and future capital requirements. These estimates and assumptions are subject to risk and uncertainty and therefore there is a possibility that changes in circumstances will impact the recoverable amount.

The VIU calculations are based on cash flow projections covering a period of 10 years, which management considers appropriate given the expected life of the mines and the time required to realise the economic benefits from ongoing capital investment. Management believes this period accurately reflects the economic lifecycle of the CGUs and aligns with industry norms for similar mining assets. These estimates and assumptions are subject to risk and uncertainty, and therefore there is a possibility that changes in circumstances could impact the recoverable amount.

During the year, progress on production at the Walviskop site held by Whale Head Minerals, the parent company's then 60%-owned subsidiary, was delayed by the need to apply for authorisation from the National Nuclear Regulator after slightly elevated levels of radioactivity within the gravels were detected. As at 30 June 2024, this application had been submitted. Following the year-end, the necessary consent had been granted.

The Group continually monitors and updates its cash flow forecast on both Group and legal-entity bases, applying the latest available information as regards operations and key inputs such as offtake terms and conditions, commodity prices or sales forecasts, production rates, transport costs. In reviewing the carrying value of '*mines under construction*', the Board has considered the present value of expected future cash flows, discounted at a rate of 15%, being approximately a 5% premium to the 10-year South Africa Bond yield rate, and is intended to ensure these exceed the present carrying value.

Investment in subsidiaries

The investments in subsidiaries are recognised at cost less accumulated impairments. Details of the investments are listed in Note 14.

Upon acquisition, the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed, is recognised under mines under construction.

Any potential impairments to the investments in subsidiaries are measured in line with the impairment of mines under construction in the paragraph above.

Loss of Control of African Tantalum Pty Ltd

In December 2022, the Company agreed to dispose of its interest in 100% of the issued share capital of subsidiary African Tantalum Pty Ltd ("Aftan") to Hebei Xinjian Construction CC (**Xinjian**"). On 4 January 2023, Dennis Edmonds resigned as a director of Aftan and each of its subsidiaries, following which Kazera has no control of the Board, operations or finances of Aftan and there is no shareholder or relationship agreement in place through which Kazera can exert control. Kazera is unable to compel the provision of such detailed financial information from Aftan to enable it to consolidate Aftan's financial information as it has no operational control and no right to receive operational accounting information. Furthermore, (without prejudice, and notwithstanding its ongoing contractual breach) Xinjian has the power to compel the final transfer of the issued share capital by making the final payment and the remaining completion elements under the terms of the sale and purchase agreement ("**SPA**") between the parties.

Whilst the ongoing fixed-rate royalty leads to a variable absolute return, the Directors consider this to be consistent with other forms of debt financing, and the SPA includes a negative covenant restricting the payment of dividends by Aftan to Kazera.

As a result of the loss of control of Aftan, that Company's financial statements were deconsolidated from the Group in the prior year, as further detailed in Note 15.

Recoverability of proceeds from disposal of Aftan

The Directors acknowledge that, as at 30 June 2024:

- There are uncertainties surrounding final amounts to be received from Xinjian
- There are uncertainties surrounding timing of receipts from Xinjian
- If the transaction is terminated due to non-payment of the disposal proceeds the loan to Aftan may need to be reinstated; the amounts received to date would be treated as repayment of this loan and the deferred consideration would need to be written off

Although Xinjian was in breach of the SPA, as at the date of this financial statements the directors consider that the amounts due from Xinjian remain recoverable. In FY2024 the Group received US 4.4 million (£3.5 million) from Xinjian in respect of its obligations under the SPA. The Company is now moving to initiate arbitration as provided for under the terms under the SPA. As a matter of prudence in accordance with accounting principles, and without prejudice to its likely success in arbitration or any claim that may arise thereafter, the Company has impaired the amount receivable by £1,345k. This amount has been determined by considering a number of possible scenarios and determining a number of adverse possibilities, without recognising any potential upside of any prospective award.

Recoverability of intragroup loans

Significant judgment has been exercised by the directors in assessing the recoverability of intragroup loans. The Company has provided financial assistance to its subsidiaries in the form of loans. These loans are assessed for recoverability annually.

The determination of recoverability involves estimating the future cash flows expected to be received from the subsidiaries, considering their financial position, profit projections, and external market conditions. The directors have considered the expected credit losses in accordance with IFRS 9, considering the likelihood of a number of scenarios to weight the expected credit loss in each of them. Based on these assessments, management has concluded that the loans are recoverable and has recognised them at their carrying amount in the financial statements.

Given the inherent uncertainties in predicting future events and behaviours, this judgment is subject to estimation uncertainty. Any changes in the financial condition of the subsidiaries, or in the economic conditions under which they operate, could impact the estimated recoverability of these loans, which may require adjustments to their carrying values in future periods.

Valuation of options

The valuation of the options involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions and valuation methodology adopted have been described in more detail in Note 23. The estimates and assumptions could materially affect the Statement of comprehensive income.

Mine rehabilitation

Management has considered whether provision is required for mine rehabilitation.

With respect of beach mining operations, once the sands have been screened and valuable elements have been separated, the screened material is returned to the beach and is distributed naturally by the repetitive action of waves and the tide.

With respect to land mining operations, the mining operation follows ancient surf zones or river courses and is carried out by way of trenching where the overburden is removed and reserved to one side until the diamond bearing layer of gravel below is reached. The diamond bearing gravel is removed and screened for diamonds. Screened gravel is then returned to the trench and re-covered with topsoil throughout the routine course of mining, effectively encompassing rehabilitation within the cost of mining.

It has therefore been determined that at the present time, in view of the current stage and nature of mining operations, no provision for mine rehabilitation should be required.

4. SEGMENTAL REPORTING

In accordance with IFRS 8 'Operational Segments,' the Group determines and presents operating segments based on the information that is provided internally to the Executive Directors, who are the Group's chief operating decision makers ("CODM"). The operating segments are aggregated if they meet certain criteria.

Identification of Segments:

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and is:

- Expected to generate revenues and incur expenses.
- Regularly reviewed by the CODM to make decisions about resources to be allocated to the segment and assess its performance.
- For which discrete financial information is available.

Based on the above criteria, the Group has identified its reportable segments as being business activity and geographic. Business activity is divided into:

- holding company expenses
- Heavy mineral sands mining activities and
- diamond mining activities

The Group's profit/(losses) and net assets by primary business segments are shown below.

Segmentation by continuing business

Profit/ (loss) before income tax	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Holding company	**(3,021)**	(1,060)
Diamond mining activity	**(110)**	(453)
Mineral sands mining activity	**(193)**	(129)
Operating loss	**(3,324)**	(1,642)
Net finance income/(charge)	**407**	246
Taxation expense	**-**	(142)
Loss from continuing activities	**(2,917)**	(1,538)
Profit/(loss) on discontinued operation, net of tax	**-**	8,128
Group profit/(loss) for the year	**(2,917)**	6,590

Net assets /(liabilities)	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Holding company	**9,567**	12,027
Diamond mining activity	**(1,331)**	(1,009)
Heavy Mineral Sands mining activity	**(317)**	(115)
Group net assets	**7,919**	10,903

Segmentation by geographical area

Operating loss	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
United Kingdom	**(3,021)**	(1,060)
South Africa	**(303)**	(582)
	(3,324)	(1,642)

Net assets /(liabilities)	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
United Kingdom	**9,567**	12,027
South Africa	**(1,648)**	(1,124)
	7,919	10,903

5. REVENUE

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Revenue from external customers	**6**	31

Revenues of £6k were derived from sales of diamonds during the first half of the 2024 financial year.

In 2023, revenues of £31k were derived from the sale of the by-products of testing and evaluation activities.

6. OPERATING LOSS

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Loss for the period has been arrived at after charging:		
Staff costs as per Note 9 below	**590**	790
Impairment loss on financial asset	**1,345**	-
Auditor' remuneration	**83**	61
Depreciation of property, plant and equipment	**58**	40
Share-based payment expense	**-**	256

7. FINANCE CHARGES/INCOME

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000

Loan interest payable	**-**	(15)
Interest income	**407**	261
	407	246

£404k of the interest income relates to the deferred consideration and loan receivable from the sale of Aftan.

8. AUDITOR REMUNERATION

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Fees payable to the Group's auditors for the audit of the Group's annual accounts	**83**	61
Total audit fees	**83**	61

9. STAFF COSTS

The average monthly number of employees (including executive directors) for the continuing operations was:

	Year ended 30 June 2024 Number	Year ended 30 June 2023 Number
Group total staff	**35**	29

	£'000	£'000
Wages and salaries	**506**	224
Share based payment in respect of exercise of options	**-**	256
Other benefits	**19**	-
Social security costs	**65**	27
	590	507

Directors' emoluments

An analysis of the Directors' emoluments and pension entitlements and their interest in the share capital of the Company is contained in the Directors' Remuneration report within the Annual Report. All emoluments are short term in nature and the Directors are considered to be key management personnel.

10. TAXATION

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax applied to profits for the year are as follows:

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Analysis of income tax expense:		
Current tax on profits for the year	**-**	-
Deferred tax	**-**	142
Total income tax expense	**-**	142
Loss before tax from continuing operations	**(2,917)**	(1,396)
(Loss)/profit before tax from discontinued operations	**-**	8,128
(Loss)/profit before tax for the year	**(2,917)**	6,732
Tax using the Company's domestic tax rate of 25% (2023:20.50%)	**(729)**	1,380
Effects of:		
Expenses not deductible for tax purposes	**454**	52
Unutilised tax losses carried forward	**285**	664
Substantial shareholder relief	**-**	(1,832)
Local deferred tax derecognised	**-**	142
Effect of difference between local and UK tax rate	**(10)**	(264)
Tax charge for period	**-**	142

The taxation charge in future periods will be affected by any changes to the corporation tax rates in force in the countries in which the Group operates. Losses from the previous period have been carried forward. A deferred tax asset has not been recognised in the financial statements due to the uncertainty of the recoverability of the amount.

At the balance sheet date the Group had unused tax losses of £6,942k (2023: £5,288K).

In December 2021, the OECD/G20 Inclusive Framework on BEPS released model rules for the implementation of a global minimum tax (Pillar Two) at a rate of 15%, effective for fiscal years beginning on or after 1 January 2025. The Group has considered the potential impact of these rules on its tax obligations. Given that the corporate income tax rate in South Africa, where the Group primarily operates, is above the 15% minimum threshold, management does not expect the introduction of Pillar Two to have a material impact on the Group's effective tax rate or deferred tax balances. The Group will continue to monitor developments related to this reform to assess any potential future implications.

11. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the following data:

	Year ended 30 June 2024 £'000	Year ended 30 June 2023 £'000
Profit/(loss) for the year attributable to owners of the Company		
Continuing operations	**(2,823)**	(1,538)
Discontinued operations	**-**	8,128
Weighted average number of ordinary shares in issue for basic and fully diluted earnings	**936,599,523**	936,599,523
EARNINGS PER SHARE (PENCE PER SHARE) BASIC AND FULLY DILUTED:		
- from continuing operations	**(0.30)**	(0.17)
- from discontinued operations	**-**	0.87
	(0.30)	0.70

The Company has outstanding warrants and options as disclosed under Note23 which may be dilutive in future periods. As all options and warrants had fully vested, they had no-dilutive effect on the basic earnings per share.

12. MINES UNDER CONSTRUCTION

GROUP	Construction in progress £'000	Mining licences £'000	Total £'000
At 1 July 2022	2,915	46	2,961
Additions	27	-	27
Exchange translation difference	(92)	-	(92)
Disposal of subsidiary	(2,147)	-	(2,147)
At 30 June 2023	703	46	749
Additions	**60**	**-**	**60**
Exchange translation difference	**5**	**-**	**5**
At 30 June 2024	**768**	**46**	**814**

13. PROPERTY, PLANT AND EQUIPMENT

GROUP	Land & buildings £'000	Plant & machinery £'000	Total £'000
Cost			
At 1 July 2022	309	1,128	1,437
Exchange translation difference	-	(169)	(169)
Additions	-	279	279
Disposal of subsidiary	(125)	(778)	(903)
Cost at 30 June 2023	184	460	644
Exchange translation difference	**-**	**28**	**28**
Additions	**-**	**525**	**525**
Cost at 30 June 2024	**184**	**1,013**	**1,197**
Depreciation			
At 1 July 2022	40	601	641
Exchange translation difference	-	(103)	(103)
Charge for the year	-	40	40
Disposal of subsidiary	(40)	(425)	(465)
Depreciation at 30 June 2023	-	113	113
Exchange translation difference	**-**	**(3)**	**(3)**
Charge for the year	**-**	**81**	**81**
Depreciation at 30 June 2024	**-**	**191**	**191**
Net book value at 30 June 2024	**184**	**822**	**1,006**
Net book value at 30 June 2023	184	347	531

The additions during the year related mainly to the purchase of the following plant and machinery: Trommel

Screen to separate heavy mineral sands and a Janni 1000 Pulsator and a Flow sort X-ray equipment to separate diamond ore from other material.

14. INVESTMENT IN SUBSIDIARY UNDERTAKINGS

The Company's investments in its subsidiary and associated undertakings

COMPANY	**Total £'000**
Cost and net book value	
As at 1 July 2022	**3,298**
Disposal of African Tantalum	**(2,514)**
As at 30 June 2023	**784**
As at 30 June 2024	**784**

All principal subsidiaries of the Group are consolidated into the financial statements.

At 30 June 2024, the subsidiaries were as follows:

Subsidiary undertakings	**Country of registration**	**Principal activity**	**Holding**	**%**
Whale Head Minerals (Pty) Ltd (1) 6 Reier Avenue Alexander Bay Northern Cape 8290 South Africa	South Africa	Mining License holder	Ordinary shares	60%
Deep Blue Minerals (Pty) Ltd (1)(2) 6 Reier Avenue Alexander Bay Northern Cape 8290 South Africa	South Africa	Mining License holder	Ordinary shares	90%

(1) Companies incorporated in South Africa are required to comply with Broad-Based Black Economic Empowerment (B-BBEE) regulations.

(2) 26% of the shares in Deep Blue Minerals (Pty) Ltd are reserved for Black Economic Empowerment partners, and therefore Kazera's ultimate beneficial interest in Deep Blue Minerals (Pty) Ltd is 64%.

African Tantalum (Pty) Ltd and subsidiaries ("Aftan")

On 20 December 2022 the Company announced the 100% sale of Aftan to Hebei Xinjian Construction for cash consideration of US 13m which was completed on 4 January 2023 (details provided in note 15).

15. DISPOSAL OF SUBSIDIARY

On 20 December 2022, the Company announced the 100% sale of Aftan to Hebei Xinjian Construction for cash consideration of US 13m comprised of purchase consideration for the sale of the shares in Aftan of USD3,642,207 and the repayment of the intercompany loan to Kazera of USD9,357,793. Total consideration in GBP is £10,673k.

On 4 January 2023, Dennis Edmonds resigned as a director of Aftan and each of its subsidiaries, and from that date, the accounts of Aftan ceased to be consolidated as a group company. See note 3 for further information.

The post-tax gain on disposal of Aftan in FY 2023 was determined as follows:

Group	**£'000**
Cash consideration	**2,990**
Repayment of existing loan	**7,683**
Total consideration	**10,673**
Cash disposed of	**615**
Net inflow on disposal of discontinued operations	**10,059**
Net assets disposed (other than cash)	
Mines under construction	**(2,147)**
Property, plant and equipment	**(438)**
Trade and other receivables	**(92)**
Trade and other payables	**655**
Pre-tax gain on disposal of subsidiary undertaking	**8,037**

The post tax gain on disposal of discontinued operations was determined as follows:

	2023
	£'000
Revenue	**24**
Administration and other costs	**67**
Gain from selling discontinued operations after tax	**8,037**
Profit/(loss) on discontinued operations after tax	**8,128**

In FY2023 the statement of cash flows included £73k in relation to outflow from operating activities relating to discontinued operations.

16. LONG TERM LOAN (COMPANY)

Company	Loan to African Tantalum £'000	Loan to Deep Blue Minerals £'000	Loan to Whale Head Minerals £'000	Total £'000
As at 1 July 2022	7,985	733	19	8,737
Increase in loan	361	338	517	1,216
Disposal of subsidiary	(8,346)	-	-	(8,346)
As at 30 June 2023	-	1,071	536	1,607
Increase in loan	**-**	**505**	**532**	**1,037**
ECL provision	**-**	**(118)**	**(80)**	**(198)**
As at 30 June 2024	**-**	**1,458**	**988**	**2,446**

The total ECL provision is £1,543k for FY2024, of which £198k relates to DBM and WHM. The remaining amount of £1,345k relates to the Aftan receivable as described in note 17 below.

17. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Other receivables	**6,259**	8,520	**6,184**	8,500
Prepayments and accrued income	**10**	533	**10**	366
	6,269	9,053	**6,194**	8,866

SALE OF AFTAN

Included in other receivables is £6,107k (2023: £8,501k) with respect to amounts due on the sale of Aftan. See note 3 and CEO's Review.

Group	**Total £'000**
At 1 July 2023	**8,501**
Cash received	**(1,059)**
Interest	**404**
FX	**(394)**
Gross receivable	**7,452**
ECL provision	**(1,345)**
At 30 June 2024	**6,107**

Expected Credit Loss (ECL) calculation

The Group has calculated an expected credit loss (ECL) provision for the receivable from the sale of Aftan. The gross carrying amount of this receivable is £7,452k, and an ECL provision of £1,345k has been recognised to reflect management's estimate of potential credit losses under IFRS 9.

The ECL provision was calculated using a probability-weighted approach that considers various recovery scenarios, each assigned a probability based on management's best estimates. The scenarios, with respective probabilities and expected recoveries, are as follows:

Abandonment - 0% probability

Management does not intend to abandon attempts to recover the amounts owed by Hebei. No credit loss provision has been made under this scenario as it is deemed unlikely.

Alternative Sale - 10% probability

There is a possibility of recovering proceeds through the sale of Aftan's interest to a third party. Due to uncertainties regarding asset condition and current discussions, management has applied a 50% discount to the expected recovery.

Arbitration - 38% probability

The Group is pursuing arbitration as per the terms of the sale agreement, with legal advisors expressing high confidence in a favourable outcome.

Settlement - 37% probability

Management considers settlement increasingly likely once arbitration proceedings commence, although no discussions have yet taken place.

Enforcement - 15% probability

If arbitration and settlement are unsuccessful, the Group may seek enforcement through court proceedings. Management estimates full recovery of the receivable under this scenario, resulting in no additional contribution to the ECL.

The total probability-weighted ECL for this receivable is therefore £1,345k. This calculation is based solely on the gross carrying amount of the receivable, with any excess claim value excluded from the ECL assessment.

18. CASH AND CASH EQUIVALENTS

	GROUP		**COMPANY**	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Cash and cash equivalents	**61**	761	**51**	758

Cash and cash equivalents (which are presented as a single class of asset on the face of the balance sheet) comprise cash at bank and other short term, highly liquid investments with a maturity of three months or less.

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

19. TRADE AND OTHER PAYABLES

	GROUP		**COMPANY**	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Current Liabilities				
Trade payables	**57**	17	**31**	11
Other payables	**14**	124	**1**	12
Accruals	**111**	50	**111**	50
	182	191	**143**	73

The Directors consider the carrying amount of trade payables approximates to their fair value.

20. BORROWINGS

On 27 June 2024, the Company entered into an unsecured loan agreement with Richard Jennings for a facility of £50,000, repayable in a single payment on 30 October 2024. The loan bears a simple fixed interest of 5%, payable at the time of repayment. Catalyse Capital Ltd and its related parties (including Richard Jennings) is a substantial shareholder of the Company. Subsequent to the year-end, this loan was added to and formed part of the funds deemed to have been drawn under a Facility Agreement with Mr Jennings. See note 26.

21. PROVISIONS

	GROUP		**COMPANY**	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Mine rehabilitation provision	**-**	-	-	-
Mine decommissioning provision	**-**	-	-	-
	-	-	**-**	-

22. SHARE CAPITAL AND SHARE PREMIUM

	No. Ordinary shares of 0.1p each	**Deferred shares of 0.9p each**	**Share Capital £'000**	**Share Premium £'000**
Total as at 30 June 2023	936,599,523	286,561,208	3,516	17,556
Share issues	**-**	**-**	**-**	**-**
Total as at 30 June 2024	**936,599,523**	**286,561,208**	**3,516**	**17,556**

There were no new shares issued during the year to 30 June 2024

Reserves

The Group's reserves are made up as follows:

Share capital: Represents the nominal value of the issued share capital.

Share premium account: Represents amounts received in excess of the nominal value on the issue of share capital less any costs associated with the issue of shares.

Capital redemption reserve: Reserve created on the redemption of the Company's shares

Share option reserve: Reserve created for the equity settled share option scheme (see note 23).

Currency translation reserve: Reserve arising from the translation of foreign subsidiaries at consolidation. The total movement in the foreign currency translation reserve was presented in both the Statement of Changes in Equity and in Other Comprehensive Income in the current year. During the prior year, this movement was presented in the Statement of Changes in Equity.

Retained earnings: Represents accumulated comprehensive income for the year and prior periods.

23. SHARE-BASED PAYMENTS

Equity-settled share option scheme and share warrants

The Company operates share-based payment arrangements to incentivise directors by the grant of share options.

Equity-settled share-based payments within the scope of IFRS 2 are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

The total share-based payment expense recognised in the Statement of comprehensive income for the year ended 30 June 2024 in respect of the share options granted was £nil (2023: £256k).

The total number of share options and share warrants in issue as at 30 June 2024 are as follows:

		Share Warrants				
Exercise Price	**Expiry Date**	**At 1 July 2023**	**Issued**	**Exercised**	**Lapsed**	**At 30 June 2024**
£0.01	30/10/2023	39,397,643	-	-	**(39,397,643)**	-
		39,397,643	**-**	**-**	**(39,397,643)**	**-**

As at 30 June 2024, all warrants had lapsed. The weighted average contractual life of the warrants in 2023 was 4 months.

Share options

Exercise Price (p)	**Expiry Date**	**At 1 July 2023**	**Issued**	**Exercised**	**Lapsed**	**At 30 June 2024**
£0.0175	20/12/2023	3,300,000	-	-	**(3,300,000)**	**-**
£0.0175	20/12/2024	3,400,000	-	-	-	**3,400,000**
£0.0100	03/06/2025	5,000,000	-	-	-	**5,000,000**
£0.0100	03/06/2025	5,000,000	-	-	-	**5,000,000**
£0.0100	03/06/2025	5,000,000	-	-	-	**5,000,000**
£0.0100	03/06/2025	10,000,000	-	-	-	**10,000,000**
£0.0100	08/07/2027	3,000,000	-	-	-	**3,000,000**
£0.0100	18/07/2027	4,000,000	-	-	-	**4,000,000**
£0.0100	06/05/2027	15,000,000	-	-	-	**15,000,000**
£0.0100	06/05/2027	1,500,000	-	-	-	**1,500,000**
£0.0100	11/05/2028	3,000,000	-	-	-	**3,000,000**
£0.0100	11/05/2028	1,000,000	-	-	-	**1,000,000**
		59,200,000	-	-	**(3,300,000)**	**55,900,000**

As at 30 June 2024, the weighted average contractual life of the share options in issue was 2 years (2023: 2.8 years).

24. FINANCIAL INSTRUMENTS

The Group's financial instruments comprise borrowings, cash and various items, such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

FINANCIAL ASSETS BY CATEGORY

Financial assets included in the Statement of financial position and the headings in which they are included are as follows:

	GROUP		COMPANY	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Financial assets at amortised cost:				
Cash and cash equivalents	**61**	761	**51**	758
Loans and receivables	**6,270**	9,053	**6,194**	8,866
	6,331	9,814	**6,245**	9,624

FINANCIAL LIABILITIES BY CATEGORY

Financial liabilities included in the Statement of financial position and the headings in which they are included are as follows:

	GROUP		COMPANY	
	2024	2023	**2024**	2023
	£'000	£'000	**£'000**	£'000
Financial liabilities at amortised cost:				
Trade and other payables	**182**	191	**143**	73
	182	191	**143**	73

The following tables details the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest repayment date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from the interest rate curves at the balance sheet date. The contractual maturity is based on the earliest date on which the Group may be required to pay.

Group	**Less than 1 month £'000**	**1-3 months £'000**	**3 months to 1 year £'000**	**1-5 years £'000**	**Over 5 years £'000**
30 June 2023					
Non-interest bearing:					
Trade and other payables	-	191	-	-	-
Short term borrowings	-	-	-	-	-
30 June 2024					
Non-interest bearing:					
Trade and other payables	**-**	**182**	**-**	**-**	**-**
Short term borrowings	**-**	**-**	**-**	**-**	**-**

Company	**Less than 1 month £'000**	**1-3 months £'000**	**3 months to 1 year £'000**	**1-5 years £'000**	**Over 5 years £'000**
30 June 2023					
Non-interest bearing:					
Trade and other payables	-	73	-	-	-
Short term borrowings	-	-	-	-	-
30 June 2024					
Non-interest bearing:					
Trade and other payables	**-**	**143**	**-**	**-**	**-**
Short term borrowings	**-**	**-**	**-**	**-**	**-**

25. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management is coordinated by the Board of Directors and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Group are exposed to through its financial instruments and the operations of the Group are credit risk, foreign currency risk, liquidity risk and market price risk. These risks are managed by the Group's finance function together with the Board of Directors.

Capital risk management

The Group's objectives when managing capital are:

- to safeguard the Group's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;

- to support the Group's growth; and
- to provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

Credit risk

The Company's principal financial assets are bank balances and cash and other receivables, which represent the Company's maximum exposure to credit risk in relation to financial assets. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

As at 30 June 2024, the Group's maximum exposure to credit risk was £60,539 (2023: £760,576) comprising cash and cash equivalents.

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through maintaining a positive cash balance and controlling expenses and commitments. The Directors are confident that adequate resources exist to finance current operations.

Foreign Currency risk

The Group undertakes transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Following the acquisition of African Tantalum (Pty) Ltd, the Group's major activity has been in Namibia, bringing exposure to the exchange rate fluctuations of GBP/£ Sterling with the Namibian Dollar and South African Rand, the currencies in which most of the operating costs are denominated. It is expected that the Group's future exposure will principally be to GBP South African Rand foreign exchange fluctuations following the Company's disposal of African Tantalum (Pty) Ltd. At the year end the value of assets denominated in these currencies was such that the resulting exposure to exchange rate fluctuations was not material to the Group's operations. The receivable due from the sale of Aftan is denominated in US dollars and therefore presents a foreign currency exchange risk for the Group.

Exchange rate exposures are managed within approved policy parameters. The Group has not entered into forward exchange contracts to mitigate the exposure to foreign currency risk.

The Directors consider the assets most susceptible to foreign currency movements to be the Investment in Subsidiaries. Although these investments are denominated in South African Rands their value is dependent on the global market value of the available Tantalite resources.

The table below details the split of the cash held as at 30 June 2024 between the various currencies. The impact due to movements in the exchange rates is considered to be immaterial.

Currency	**2024**	2023
South African Rand	**ZAR 213,991**	ZAR 233,109
Great British Pounds	**GBP 50,637**	GBP 366,884
US Dollars	**USD 522**	USD 480,289
Euros	**EUR 0**	EUR 6,031
Total in GBP	**GBP 60,539**	GBP 761,000

Other financial assets

The Aftan receivable is USD-denominated. The carrying amount as at the reporting date was £6,107k (USD7,725k) and was translated into GBP at the closing exchange rate of 1 GBP = USD 1.265. This receivable exposes the Group to fluctuations in foreign exchange rates. Management has chosen not to hedge.

A hypothetical 10% strengthening of the USD against GBP as at the reporting date would result in an increase in the carrying value of the receivable by approximately £679k. Conversely, a 10% weakening of the USD against

GBP would result in a decrease in the carrying value of the receivable by approximately £554k.

This sensitivity analysis illustrates the potential impact of exchange rate fluctuations on the receivable's value, assuming all other variables remain constant.

Market Price risk

Going forwards the Group's exposure to market price risk mainly arises from potential movements in the market price of Tantalite. The Group is managing this price risk by completing a fixed price off-take agreement in respect of the major part of its planned production.

26. EVENTS AFTER THE REPORTING PERIOD

In August 2024, the Company entered an agreement to acquire an additional 10% of the issued shares of each of its existing subsidiaries, Deep Blue Minerals (Pty) Ltd and Whale Head Minerals (Pty) Ltd, bringing the Company's total beneficial interest in them to 70% and 74%, respectively.

Also in August 2024, the Company entered into loan facilities with its two largest shareholders, Richard Jennings and Tracarta Limited ("Lenders") under which amounts of up to £150,000 and £350,000 respectively could be drawn. Fixed interest of 12% is payable under these loan facilities; any interest due thereunder is convertible at each Lender's discretion. The loans are each repayable on 30 October 2025.

In June 2024, the Company had entered into a loan agreement for £50,000 with Richard Jennings and Catalyse Capital Limited. In entering the facility agreement for up to £150,000 as aforementioned, the initial £50,000 received in June 2024 was included within, and formed a part of the £150,000 facility. Consequently, the repayment date was extended from 30 October 2024, to 30 October 2025.

Under the terms of the loan agreements, warrants were due to each of the Lenders as further disclosed below.

On 7 August 2024, warrants over 25,575,000 Ordinary shares were issued to Richard Jennings exercisable at a price of £0.01 per share expiring on 7 August 2026.

On 7 August 2024, warrants over 59,400,000 Ordinary shares were issued to Tracarta Limited exercisable at a price of £0.01 per share expiring on 7 August 2026.

On 23 August 2024, the NNR completed its inspection of the WHM operation and consented to the commencement of operations.

On 24 September 2024, the Company announced it was referring the outstanding matter in respect of the receipt of full payment in respect of the sale of African Tantalum (Pty) Ltd to Hebei Xinjian Construction, to arbitrators in Namibia.

On 25 September 2024, Gerard Kisbey-Green resigned as a director.

On 15 October 2024, the Company announced that its subsidiary WHM had been requested by the Department of Mineral Resources and Energy ("DMRE") to furnish a guarantee in respect of its obligations to rehabilitate the mining area covered by its application for a mining right over the Perdevlei project. WHM accordingly obtained a suitable insurance policy, and that it had entered into an unsecured loan agreement with Tracarta Limited (a related party of John Wardle) for £45k to provide the necessary funding.

On 30 October 2024, Peter Wilson resigned as a director.

On 20 November 2024, the Company announced that WHM had been granted Environmental Approval for the project from the Department of Mineral Resources and Energy in South Africa.

On 12 December 2024, the Company's subsidiary, WHM entered into an offtake agreement for the sale of 100,000 tonnes of HMS product, at a rate of approximately 6,000 tonnes per month. In parallel with the offtake agreement, WHM entered into a prepayment agreement, under which the ZAR equivalent of US 300k (approximately £235k) will be paid to WHM in December 2024, and a further US 300k equivalent will be paid to WHM in January 2025.

27. RELATED PARTY TRANSACTIONS

The remuneration of the Directors, who are the key management personnel of the Company, is set out in the report of the Board on remuneration accompanying these financial statements.

There have been no other material transactions with related parties.

28. NOTES SUPPORTING STATEMENT OF CASHFLOWS

Significant non-cash transactions from investing activities are as follows:

	2024	2023
	£'000	£'000
Consideration for the disposal of subsidiary	**-**	8,357

The £8,357k is the difference between the gross consideration of £10,673k and the cash received of £2,316k in FY2023. See note 15.

Reconciliation of net cash flow to movement in net debt

	2024	2023
Group	**£000**	£000
Cash and cash equivalents	**61**	761
Borrowings	**(50)**	-
Net debt	**11**	761
Net increase in cash and cash equivalents in the period	**(700)**	126
Cash flows from decrease / (increase) in borrowings	**(50)**	474
Other non-cash changes	**-**	(2)
Change in net debt resulting from cashflows	**(750)**	598
Net debt at the start of the year	**761**	163
Net debt at the end of the year	**11**	761

29. ULTIMATE CONTROLLING PARTY

The Directors do not consider there to be one single ultimate controlling party.