

22 April 2025

**East Star Resources PLC**  
**("East Star" or the "Company")**  
**Final Results for the 12 Months Ended 31 December 2024**

East Star Resources Plc (LSE:EST), which is exploring for copper and gold in Kazakhstan, is pleased to present its annual financial results for the year ended 31 December 2024.

**Operational Highlights**

**VMS Copper - Rudny Altai Belt**

- Published maiden JORC Inferred Mineral Resource for the Verkhuba Copper Deposit of 20.3Mt @ 1.16% copper, 1.54% zinc and 0.27% lead
- Commenced Induced Polarisation survey on VMS licences, providing drill targets for new discoveries below and adjacent to known deposits
- Commenced diamond core drilling programme to increase size of and confidence in the Verkhuba resource model
  - Three drill holes completed in December 2024, all intersecting ore grade mineralisation within open pit shell

**Porphyry Copper & Epithermal Gold - Balkash-Ili Volcanic Arc**

- Selected by BHP Xplor for US 0.5 million grant to initiate copper porphyry exploration strategy in Kazakhstan
- Awarded first two copper porphyry exploration licences and collected 2,800 soil samples and conducted spectral analysis, leading to the identification on the Snowy Licence of a copper porphyry target and a compelling epithermal gold target
  - Follow-up geophysics planned

**Sediment-hosted Copper**

- Formed joint venture with Getech Group Plc (AIM: GTC), a world-leading locator of subsurface resources, to explore for sediment-hosted copper deposits in Kazakhstan at no upfront cost to East Star

**Corporate Highlights**

- Raised gross proceeds of £1.16 million with backing from existing major shareholder, Directors and a resource-focused institution
- Chris van Wijk, a geologist who developed the porphyry exploration strategy with East Star, joined the Board in January 2024 and became Technical Director in February 2024

**Sandy Barblett, Non-Executive Chairman, commented:**

*"Ask any mining investor in 2025 what they want - they'll tell you copper and gold. Ask a seasoned mining executive where they see huge exploration opportunity - they'll almost certainly list Kazakhstan. Look no further than East Star which represents access to Tier 1 copper and gold discovery opportunities in Kazakhstan. We've had boots on the ground for over three years, have a JORC copper deposit that looks suitable for a low capex open pit development, and several big prospects in play, targeting VMS, porphyry copper and epithermal gold systems. I commend our CEO Alex Walker and his team for steadfastly developing this exploration vehicle - now a well-oiled machine. The exploration season is approaching. East Star will be drilling new targets and conducting geophysics across multiple licences. 2025 is going to be huge for East Star. Now is the time to make discoveries."*

**East Star Resources Plc**

Alex Walker, Chief Executive Officer

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**About East Star Resources PLC**

East Star Resources is focused on the discovery and development of copper and gold in Kazakhstan. East Star's management are based permanently on the ground, supported by local expertise. The Company is pursuing three exploration strategies:

- A Volcanogenic Massive Sulphide (VMS) copper discovery with a maiden JORC MRE of 20.3Mt @ 1.16% copper, 1.54% zinc and 0.27% lead, in an infrastructure-rich region, amenable to a low capex development
- Porphyry copper and epithermal gold exploration, with multiple opportunities for Tier 1 deposits, supported by an initial 500k grant from BHP Xplor in 2024
- Sediment-hosted copper exploration with Getech where the initial targeting strategy is at no cost to East Star

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**The person who arranged for the release of this announcement was Alex Walker, CEO of the Company.**

This announcement contains inside information for the purposes of Article 7 of Regulation 2014/596/EU which is part of domestic UK law pursuant to the Market Abuse (Amendment) (EU Exit) Regulations (SI 2019/310) ("UK MAR"). Upon the publication of this announcement, this inside information (as defined in UK MAR) is now considered to be in the public domain.

**CHAIRMAN'S STATEMENT**

**Introduction**

I am pleased to present the annual report for East Star Resources PLC (the "Company", the "Group") or ("East Star") for the year ended 31 December 2024.

Most notably during 2024, East Star published a maiden JORC Mineral Resource Estimate ("MRE") for our Verkhuba Copper Deposit and gained the support of BHP Xplor to kick off a porphyry copper targeting strategy that has already led to the generation of a porphyry copper target and a compelling epithermal gold target within a newly granted exploration licence.

**Review of Operations**

**VMS Copper**

***Verkhuba Copper Deposit***

With the benefit of extensive historical drilling data and our own exploration work, in April 2024 we announced a maiden JORC MRE comprising 20.3Mt @ 1.16% copper, 1.54% zinc and 0.27% lead using a whole deposit cutoff grade of 0.86% copper equivalent. The publication of the MRE represented a significant milestone - the first critical mineral asset derived from an East Star exploration programme. From that point East Star became not only an explorer but an exploration and resource development company within the Rudny Altai VMS region.

At over 20Mt, Verkhuba is already in the top third of this style of VMS deposit globally. With copper in high demand and the prospect of a low capex development in an infrastructure-rich region, we believe Verkhuba to hold considerable value. For this reason, we are progressing the open pit development concept through to a stage where economic feasibility can be demonstrated. In practice, this means increasing confidence in, and potentially growing, the resource and understanding of the economics by conducting scoping and pre-feasibility studies. As such, in November 2024 we began the next diamond core drilling programme which ran through to mid-December when the crew paused for winter. This phase comprised three drill holes, all of which intersected mineralisation outside of the existing modelled ore bodies which make up the current

MRE. This should potentially lead to an increased MRE.

#### **Other VMS Targets**

In October 2024, the Company commenced an Induced Polarisation ("IP") geophysical survey on its VMS licences in the Rudny Altai VMS region located in close proximity to Verkhuba. Surveys were completed on the Talovskoye and Nikolovskoye East targets. In total, 5.5-line km of IP was completed.

The results from the IP survey were processed by Mitre Geophysics in Australia. The data was processed, and sections were generated to visualise the IP response. Mitre noted a strong chargeable anomaly in the southernmost line of the Talovskoye survey. As a result, East Star has planned 50m of infill lines at Talovskoye when the snow recedes which is expected to be in May 2025. East Star previously announced high grade rock chip results at Talovskoye.

Further IP lines have been planned to the north and east of the Rulikha target. Rulikha is a known deposit reported as 14.3Mt @ 1.2% Cu, 3.5% Zn, 0.28 g/t Au and 13.5 g/t Ag. The Company is in the process of collecting and digitizing the historical data for this deposit to inform the interpretation of the electro-magnetic (EM) and IP geophysical anomalies adjacent to the deposit.

#### **Porphyry Copper and Epithermal Gold Exploration on the Balkash-Ili Magmatic Arc**

In January 2024, we were delighted to announce that East Star had been selected to receive a grant of US 0.5 million through the 2024 BHP Xplor programme to initiate a copper porphyry exploration strategy in Kazakhstan. This exploration strategy focuses on the paleozoic Balkash-Ili volcanic arc known to host multiple copper and gold rich porphyry and skarn deposits. We are proud that BHP chose to work with East Star. We have built a bigger team as a result of that programme, and we have bigger targets that could lead to significant outcomes for our shareholders.

In February and March 2024, we were awarded our first porphyry copper exploration licences on the Balkash-Ili arc and were able to cover the costs of all licence fees and initial work through the BHP Xplor grant. Over the summer, our field team collected 2,800 soil samples and conducted spectral analysis, leading to the identification on the Snowy licence of two significant targets. Consequently, our focus has been refined to the Snowy licence - a 121km<sup>2</sup> tenement with a 6km long and 3km wide silica lithocap, located ~150km north of the large Kounrad open pit copper mine and smelter (~800Mt @ 0.62% Cu and up to 0.76g/t Au).

A copper-molybdenum anomaly in the western portion of the licence is prospective for a porphyry copper target, while another target is around 4km long by 1km wide and displays anomalous gold (up to 0.28g/t) and silver (up to 7.2g/t) as well as arsenic, molybdenum and weak mercury in soils. This is consistent with the nearby artisanal workings present at each end of the anomaly, the eastern one of which, produced 21Kt @ 31.2 g/t Au and 2067 g/t Ag from 1968 -1970. Both mines, which sit on topographical lows to the Snowy alteration and geochemical signature, lend additional support to the presence of mineralisation at the target. Confirmation of this epithermal gold target through geological mapping is planned at the start of the forthcoming field season with the expectation of conducting an IP survey over the pyrophyllite section, before the target is drill ready. The Company anticipates drilling this target in the 2025 field season. This is undeniably exciting given the typically very large size and often very high grades of epithermal gold deposits.

The region is well served by existing infrastructure. The Snowy licence is approximately 35 km east of the main Almaty-Karaganda highway which is a paved, all weather highway. The licence is directly accessed by a network of tracks used to navigate between the regional villages.

Further work has been done on new targets in this belt and the Company expects to make licence applications over these areas in the coming quarter.

#### **Sediment-Hosted Copper Exploration JV with Getech**

In February 2024, the Company announced a joint venture agreement with Getech Group Plc(AIM: GTC) ("Getech"), a world-leading locator of subsurface resources, to explore for sediment-hosted copper deposits in Kazakhstan. The joint venture is being conducted through a wholly owned East Star subsidiary established specifically for this purpose. At no upfront cost to East Star, this play-type added a third geological strand to East Star's copper exploration strategy in addition to VMS and porphyry. Getech has been deploying its unique data set, geoscience expertise, AI-driven analytics, and extensive GIS capabilities, to carry out initial targeting in return for an option to obtain 5% of the JV company upon the granting of an exploration licence within the outlined area of interest. East Star is in discussions with potential partners to fund this exciting exploration strategy.

#### **Corporate Activities**

In October 2024, East Star raised gross proceeds of approximately £1.16 million from an oversubscribed subscription for, and placing of, 100,926,292 new ordinary shares at a price of 1.15 pence per share. The fundraising included strong backing from our existing major shareholder and Directors and saw the participation of a new resources-focused institutional cornerstone investor. This fundraising put the Company in a position to undertake the next phase of drilling at Verkhuba and continue with our exploration programmes this spring/summer as we prepare to drill-test potentially company-making targets

## Board Changes

Chris van Wijk was appointed initially as a Non-Executive Director in January 2024 and subsequently in February 2024 as the Technical Director of the Company. Chris is an experienced geologist with a wealth of relevant experience, including base metal and gold exploration in Africa, Europe, the Americas, and Australia as well as joint venture management and project evaluation for major mining companies including BHP, IAMGOLD, First Quantum Minerals and Fortescue Metals Group. Chris has managed various successful exploration projects, including the Scoping Study at Mont Nimba in Guinea for BHP Billiton and the resource drilling at First Quantum's Sentinel Project in Zambia.

In May 2024, David Minchin decided not to stand for re-election as a Non-Executive Director of the Company at the Annual General Meeting due to his other business commitments. Accordingly, he retired as a director with effect from the AGM and we thank him for his valuable contribution to the Company.

## Key Financial Indicators

- Cash and cash equivalents at year-end were £678,000 (2023: £635,000)
- Loss before taxation for the year was £1,102,000 (2023: £1,528,000)
- The Group held net assets at year-end of £3,155,000 (2023: £2,813,000)
- The Group held total assets at year-end of £3,271,000 (2023: £2,928,000)

Movement of cash during the year reflects the capital raise in October 2024, offset by capital and operating expenditure, whilst the decrease in loss before taxation for the year was due to the significant decrease in impairment in the current year compared to 2023, offset slightly by the increase in other income reflective of the BHP Xplor grant received.

The increase in net assets and total assets in the current year primarily represents the increase in capitalised exploration expenditure incurred during the year.

## Outlook

Ask any mining investor in 2025 what they want - they'll tell you copper and gold. Ask a seasoned mining executive where they see huge exploration opportunity - they'll almost certainly list Kazakhstan. Look no further than East Star which represents access to Tier 1 copper and gold discovery opportunities in Kazakhstan.

We've had boots on the ground for over three years, have a JORC copper deposit that looks suitable for a low capex open pit development, and several big prospects in play, targeting VMS, porphyry copper and epithermal gold systems. Kazakhstan is a world class exploration destination. The copper market is in a supply crunch, and Kazakhstan, with its vast mineral endowment, infrastructure, low labour and power costs, skilled workforce, and proximity to Europe and Asia is ideally suited for finding and developing new copper deposits.

I commend our CEO Alex Walker and his team for steadfastly developing this exploration vehicle - now a well-oiled machine. The exploration season is approaching. East Star will be drilling, targeting, and conducting geophysics across multiple licences. Now is the time to make discoveries.

## Sandy Barblett

Non-Executive Chairman

17 April 2025

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Audited Year ended 31 December 2024 £'000	Audited Year ended 31 December 2023 £'000
<b>Continuing Operations</b>			
Revenue		-	-
Administrative expenses	4	(1,387)	(710)
Share based payments	19	(47)	(39)
Impairment	10 & 11	(62)	(1,058)

impairment	10 & 11	(104)	(1,050)
Other income		394	279
<b>Loss before taxation</b>		<b>(1,102)</b>	<b>(1,528)</b>
Taxation on loss or ordinary activities	7	-	-
<b>Loss for the year from continuing operations</b>		<b>(1,102)</b>	<b>(1,528)</b>
Other comprehensive income	8	233	(35)
<b>Total comprehensive loss for the year attributable to shareholders from continuing operations</b>		<b>(869)</b>	<b>(1,563)</b>
Basic & dilutive earnings per share - pence	9	(0.42)	(0.81)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

The notes form an integral part of these consolidated financial statements

#### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	Audited As at 31 December 2024 £'000	Audited As at 31 December 2023 £'000
<b>NON-CURRENT ASSETS</b>			
Exploration assets	10	2,448	2,149
Earn in advance (financial asset)	11	-	-
Property, plant and equipment	12	35	17
<b>TOTAL NON-CURRENT ASSETS</b>		<b>2,483</b>	<b>2,166</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	14	678	635
Trade and other receivables	16	110	127
<b>TOTAL CURRENT ASSETS</b>		<b>788</b>	<b>762</b>
<b>TOTAL ASSETS</b>		<b>3,271</b>	<b>2,928</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	116	115
<b>TOTAL CURRENT LIABILITIES</b>		<b>116</b>	<b>115</b>
<b>TOTAL LIABILITIES</b>		<b>116</b>	<b>115</b>
<b>NET ASSETS</b>		<b>3,155</b>	<b>2,813</b>
<b>EQUITY</b>			
Share capital	18	3,975	2,187
Share premium	18	9,178	6,052
Share capital to issue	20	-	3,750
Share based payments reserve	19	354	307
Foreign exchange reserve		264	31
Reverse acquisition reserve	20	(4,795)	(4,795)
Retained earnings		(5,821)	(4,719)
<b>TOTAL EQUITY</b>		<b>3,155</b>	<b>2,813</b>

\* Non-controlling interest of £29 (2023: £29) exists with business partner (Tau Ken Samruk) not stated above

The Company has taken advantage of section 408 of the Companies Act 2006 and consequently a profit and loss account has not been presented for the Company. The Company's total comprehensive loss for the

financial period was £144,000 (2023: £488,000)

The financial statements were approved and authorised for issue by the board on 17 April 2025 and were signed on its behalf by:

**Sandy Barblett**

**Non-Executive Chairman**

The notes form an integral part of these consolidated financial statements

#### COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		Audited As at 31 December 2024	Audited As at 31 December 2023
	Note	£'000	£'000
<b>NON-CURRENT ASSETS</b>			
Investment in subsidiary	13	6,269	6,268
Intercompany receivables	15	4,571	3,674
<b>TOTAL NON-CURRENT ASSETS</b>		<b>10,840</b>	<b>9,942</b>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	14	658	509
Trade and other receivables	16	52	47
<b>TOTAL CURRENT ASSETS</b>		<b>710</b>	<b>556</b>
<b>TOTAL ASSETS</b>		<b>11,550</b>	<b>10,498</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	17	67	82
<b>TOTAL CURRENT LIABILITIES</b>		<b>67</b>	<b>82</b>
<b>TOTAL LIABILITIES</b>		<b>67</b>	<b>82</b>
<b>NET ASSETS</b>		<b>11,483</b>	<b>10,416</b>
<b>EQUITY</b>			
Share capital	18	3,975	2,187
Share premium	18	9,178	6,052
Share capital to issue	20	-	3,750
Share based payments reserve	19	354	307
Retained Earnings		(2,024)	(1,880)
<b>TOTAL EQUITY</b>		<b>11,483</b>	<b>10,416</b>

The financial statements were approved and authorised for issue by the board on 17 April 2025 and were signed on its behalf by:

**Sandy Barblett**

**Non-Executive Chairman**

The notes form an integral part of these consolidated financial statement

#### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2024

Share Capital	Share Premium	Share based payment reserve	Foreign exchange reserve	Reverse acquisition reserve	Cap be
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	£'000	£'000	£'000	£'000	£'000
<b>Balance at 31 December 2022</b>	<b>1,823</b>	<b>5,891</b>	<b>268</b>	<b>66</b>	<b>(4,795)</b>
Loss for period	-	-	-	-	-
Other comprehensive income	-	-	-	(35)	-
Total comprehensive income for year	-	-	-	(35)	-
<i>Transactions with owners in own capacity</i>					
Ordinary Shares issued in the period	364	182	-	-	-
Share Issue Costs	-	(21)	-	-	-
Share based payments	-	-	39	-	-
Transactions with owners in own capacity	364	161	39	-	-
<b>Balance at 31 December 2023</b>	<b>2,187</b>	<b>6,052</b>	<b>307</b>	<b>31</b>	<b>(4,795)</b>
Loss for period	-	-	-	-	-
Other comprehensive income	-	-	-	233	-
Total comprehensive income for year	-	-	-	-	-
<i>Transactions with owners in own capacity</i>					
Ordinary Shares issued in the period	1,788	3,178	-	-	-
Share Issue Costs	-	(52)	-	-	-
Share based payments	-	-	47	-	-
Transactions with owners in own capacity	1,788	3,126	47	-	-
<b>Balance at 31 December 2024</b>	<b>3,975</b>	<b>9,178</b>	<b>354</b>	<b>264</b>	<b>(4,795)</b>

#### COMPANY STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2024

	Share capital	Share premium	Share based payment reserve	Share capital to issue	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 31 December 2022</b>	<b>1,823</b>	<b>5,891</b>	<b>268</b>	<b>3,750</b>	<b>(1,392)</b>	<b>10,340</b>
Loss for period	-	-	-	-	(488)	(488)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for year	-	-	-	-	(488)	(488)
<i>Transactions with owners in own capacity</i>						
Ordinary shares issued in the period	364	182	-	-	-	546
Share based payments	-	-	39	-	-	39
Share issue costs	-	(21)	-	-	-	(21)
Transactions with owners in own capacity	364	161	39	-	-	564
<b>Balance at 31 December 2023</b>	<b>2,187</b>	<b>6,052</b>	<b>307</b>	<b>3,750</b>	<b>(1,880)</b>	<b>10,416</b>
Loss for period	-	-	-	-	(144)	(144)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for year	-	-	-	-	(144)	(144)
<i>Transactions with owners in own capacity</i>						
Ordinary shares issued in the period	1,788	3,178	-	(3,750)	-	1,216
Share issue costs	-	(52)	-	-	-	(52)
Share based payments	-	-	47	-	-	47
Transactions with owners in own capacity	1,788	3,126	47	(3,750)	-	1,211
<b>Balance at 31 December 2024</b>	<b>3,975</b>	<b>9,178</b>	<b>354</b>	<b>-</b>	<b>(2,024)</b>	<b>11,483</b>

#### CONSOLIDATED STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
<b>Cash flow from operating activities</b>			
Loss before taxation for the financial year		(1,102)	(1,528)
<i>Adjustments for:</i>			
Share based payments	19	47	39
Settlement of fees through issue of equity		10	-
Impairment charge on exploration assets *		62	887
Foreign exchange movements		395	97
Depreciation		31	10
<i>Changes in working capital:</i>			
Decrease in trade and other receivables		9	6
Increase / (decrease) in trade and other payables		5	(12)
<b>Net cash outflow from operating activities</b>		<b>(543)</b>	<b>(501)</b>
<b>Cash flows from investing activities</b>			
Investment in exploration assets	18	(578)	(888)
Purchase of property, plant & equipment		(33)	(2)
Cash acquired on acquisition of subsidiary		-	-
<b>Net cash flow from investing activities</b>		<b>(611)</b>	<b>(890)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	19	1,196	546
Share issue costs	19	(52)	(21)
<b>Net cash flow from financing activities</b>		<b>1,144</b>	<b>525</b>
<b>Net increase in cash and cash equivalents</b>		<b>(10)</b>	<b>(866)</b>
Cash and cash equivalents at beginning of the period		635	1,456
Foreign exchange effect on cash balance		53	45
<b>Cash and cash equivalents at end of the period</b>	14	<b>678</b>	<b>635</b>

\* Impairment charge is adjusted to reflect the true cash impact in the period and hence will not reconcile directly to the value in the Statement of Comprehensive Income.

The notes form an integral part of these consolidated financial statements

#### COMPANY STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
<b>Cash flow from operating activities</b>			
Loss for the financial year		(144)	(488)
<i>Adjustments for:</i>			
Share based payments	19	47	39
Settlement of fees through issue of equity		20	-
Foreign exchange movements		-	(1)
<i>Changes in working capital:</i>			
(Increase) / decrease in trade and other receivables		(5)	(31)
(Decrease) / increase in trade and other payables		(15)	(2)
<b>Net cash outflow from operating activities</b>		<b>(97)</b>	<b>(483)</b>



**Cash flows from investing activities**

Investment in subsidiaries	13	(1)	-
Loans to subsidiaries		(897)	(940)
<b>Net cash flow from investing activities</b>		<b>(898)</b>	<b>(940)</b>

**Cash flows from financing activities**

Proceeds from issue of shares	19	1,196	546
Share issue costs	19	(52)	(21)
<b>Net cash flow from financing activities</b>		<b>1,144</b>	<b>525</b>

**Net increase in cash and cash equivalents**

		<b>149</b>	<b>(898)</b>
Cash and cash equivalents at beginning of the period		509	1,407
<b>Cash and cash equivalents at end of the period</b>	<b>14</b>	<b>658</b>	<b>509</b>

The notes form an integral part of these consolidated financial statements

**1. General Information**

East Star Resources PLC ("the Company") was incorporated on 17 November 2020 in England and Wales and remains domiciled there with Registered Number 13025608 under the Companies Act 2006, under the name Cawmed Resources Limited. The Company subsequently changed its name to East Star Resources Limited on 27 January 2021 and on 3 March 2021 re-registered as a PLC.

The address of its registered office and principal place of business is Ecclestone Yards, 25 Ecclestone Place, London SW1W 9NF, United Kingdom.

The principal activity of the Group is to explore opportunities in the natural resources sector specifically in relation to gold and copper extraction.

The Company originally listed on the London Stock Exchange ("LSE") on 4 May 2021. The Company was suspended from trading on 19 July 2021 whilst managing a reverse takeover transaction and was then re-admitted to trading on 10 January 2022. The Company successfully completed the acquisition of its Kazakhstan based subsidiary - "Discovery Ventures Kazakhstan Limited" on 10 January 2022 and since then has been increasing exploration operations within the region. The consolidated financial statements are presented for the Company and all of its subsidiaries ("the Group").

The Group Financial Statements have been prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ("IAS UK"), International standards and Interpretations (collectively IFRSs) issued by the International Accounting Standards Boards (IASB) and with those parts of the Companies Act 2006 applicable to those companies reporting under IFRS.

**2. Accounting policies**

The principal accounting policies applied in preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

**2.1 Basis of preparation**

The consolidated and parent company financial statements ("financial statements") for the period ended 31 December 2024 have been prepared by East Star Resources PLC in accordance with UK-adopted International Accounting Standards ("IAS UK"). The Financial Statements have also been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss.

The functional currency for each entity in the Group is determined as the currency of the primary economic environment in which it operates. The functional currency of the Company is Pounds Sterling (£) as this is the currency that finance was raised in.

The functional currency of its subsidiaries is the Kazakhstan Tenge. For all subsidiaries these are the currencies that mainly influence labour, material and other costs of providing services. However, the presentational currency for the subsidiaries is United States Dollar (\$) as this is the currency that the

subsidiaries are required to report to national mining authorities in.

The Group has chosen to present its consolidated financial statements in Pounds Sterling (£), as the Directors believe it is a more convenient presentational currency for users of the consolidated financial statements. Foreign operations are included in accordance with the policies set out below.

The accounting period for the Group covers the year ending on 31 December 2024. The financial statements are presented in Pounds Sterling and rounded to the nearest thousand (£'000).

#### **Basis of measurement**

The consolidated financial statements have been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial instruments - fair value through profit or loss
- Financial instruments - fair value through other comprehensive income
- Contingent consideration
- Cash settled share-based payment liabilities

#### **Reverse acquisition accounting treatment**

During the period ended 31 December 2022, the Company acquired the entire share capital of Discovery Ventures Kazakhstan Ltd. As the Company ("accounting acquiree") was purely a cash shell at time of acquisition it did not constitute a business and therefore the acquisition was treated as a reverse acquisition of DVK ("accounting acquirer") and outside the scope of IFRS 3.

Critical accounting judgements and key sources of estimation uncertainty are disclosed in note 2.17.

## **2.2 Going concern**

The Directors have prepared financial forecasts to estimate the likely cash requirements of the Group over the 12 months from sign off of the annual report. Given its stage of development and lack of recurring revenues, in preparing these financial forecasts, the Directors have made certain assumptions with regards to the timing and amount of future expenditure over which they have control. The Directors have considered the sensitivity of the financial forecasts to changes in key assumptions, including, among others, potential cost overruns within committed spend and changes in exchange rates.

The Directors have reasonable expectations that sufficient cash will be raised to fund the planned operations of the Group for a period of at least 12 months from the date of approval of these financial statements. The funding requirement indicates that a material uncertainty exists which may cast significant doubt over the Group's ability to continue as a going concern, and therefore its ability to realise its assets and discharge its liabilities in the normal course of business. This has been detailed in the auditors report.

After due consideration of these forecasts, current cash resources, including the sensitivity of key inputs, the Directors consider that the Group will have adequate financial resources to continue in operational existence for the foreseeable future (being a period of at least 12 months from the date of this report) and, for this reason, the financial statements have been prepared on a going concern basis. The financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

## **2.3 Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Per IFRS 10, control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the

other vote holders;

- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

## **2.4 Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions. The Group holds the majority of group funds in Lloyds bank equivalent accounts through a forex platform (Alpha FX). Supplementary working capital funds are held in online banking platforms in the UK (Revolut) and physical banks in Kazakhstan.

## **2.5 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 or lapse.

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

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve except to the extent that the translation difference is allocated to non-controlling interests.

The reverse acquisition reserve was recognised during the formation of the Group when the legal acquiree was considered to be the accounting acquirer under the rules of IFRS 3. As the accounting acquiree was not a business under IFRS 3, a part of the transaction was outside the scope of IFRS 3. This resulted in the recognition of a 'reverse acquisition reserve' on consolidation and is set out in more detail in note 20.

Share capital to issue reserve relates to shares to be settled via the issue of the Company's shares at the year-end which meet the definition of equity per IAS 32 are classified as shares to be issue within equity and are held at fair value.

## **2.6 Foreign currency translation**

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement;
- ii) income and expenses for each income statement are translated at spot exchange rates (unless the spot is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- iii) all resulting exchange differences are recognised in the Statement of Comprehensive Income and accumulated in the foreign exchange reserve in equity.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a foreign exchange reserve (attributed to non-controlling interests as

appropriate).

## **2.7 Financial instruments**

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

### **a) Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other comprehensive income or through profit or loss);
- those to be measured at amortised cost; and
- those to be measured subsequently at fair value through profit or loss.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

### **b) 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.

### **c) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset.

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

#### *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.

#### *Equity instruments*

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **d) Impairment**

The Group assesses, on a forward-looking basis, the expected credit losses associated with any 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.

## **2.8 Trade and other receivables**

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally

due for settlement within 30 days.

## **2.9 Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature, they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

## **2.10 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

When the Group acquires any plant and equipment it is stated in the accounts at its cost of acquisition less a provision.

Depreciation is charged to write off the costs less estimated residual value of plant and equipment on a straight basis over their estimated useful lives being:

- Plant and Equipment      5-7 years
- Furniture and fittings    5-7 years
- Computer Equipment      3 years
- Motor vehicles            5 years

Estimated useful lives and residual values are reviewed each year and amended as required.

## **2.11 Exploration and evaluation assets**

Intangible assets represent exploration and evaluation assets (IFRS 6 assets), being the cost of acquisition by the Group of rights, licences and know-how. Such expenditure requires the immediate write-off of exploration and development expenditure that the Directors do not consider to be supported by the existence of commercial reserves.

All costs associated with mineral exploration and investments, are capitalised on a project-by-project basis, pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads and these assets are not amortised until technical feasibility and commercial viability is established. If an exploration project is successful, the related expenditures will be transferred to "mining assets" and amortised over the estimated life of the commercial ore reserves on a unit of production basis.

The recoverability of all exploration and development costs is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of reserves and future profitable production or proceeds from the disposition thereof.

Exploration and evaluation assets shall no longer be classified as such when the technical feasibility and commercial viability of extracting mineral resources are demonstrable. When relevant, such assets shall be assessed for impairment, and any impairment loss recognised, before reclassification to "Mine development".

## **2.12 Share based payments**

The Group has made awards of warrants and options on its unissued share capital to certain parties in return for services provided to the Group. The valuation of these warrants involved making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and interest rates. These assumptions have been integrated into the Black Scholes Option Pricing model and the Monte Carlo valuation model to derive a value for any share-based payments. These assumptions are described in more detail in the notes.

## **2.13 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 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 temporary differences between the carrying amounts of assets and liabilities in the group or parent company financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. As there is no reasonable expectation of future revenues to which tax losses could be applied no deferred tax asset has been recognised.

## 2.14 Leases

The Group recognises the guidelines set out in "IFRS 16 - Leases" and are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period. Right-of-use assets are measured at cost which comprises the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases (term less than 12 months) and all leases of low-value assets (generally less than £5k) are recognised on a straight-line basis as an expense in profit or loss. The short term lease exemption has been utilised by the Group in relation to property leases held in the Kazakhstan and the UK. These leases are on a rolling month-month basis and hence there is no long term commitment entered into and are also low-value assets.

## 2.15 Contingent asset

A contingent asset is a possible asset that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets in these financial statements relate to VAT that is only offsetable against future revenue and hence these amounts are contingent on this occurrence and are classified as so.

## 2.16 Other comprehensive income

Gains or losses on the translation of currencies into the presentational currency are recognised as other comprehensive income in the Statement of Profit and Loss and Other Comprehensive Income and transferred to a separate foreign exchange reserve under equity.

## 2.17 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed below:

### Impairment of investments and loans to subsidiaries - Note 13 & 15

The Group and the Company assess at each reporting date whether there is any objective evidence that investments in and loans to subsidiaries are impaired. The value of the Company's investment in DVK amounts to £6.268 million (2023: £6.268 million) and intercompany loans amount to £4.497 million (2023: £3.674 million). To determine whether there is objective evidence of impairment, a considerable amount of estimation is required in assessing the ultimate realisation of these investments/receivables, including valuation, creditworthiness and future cashflows. As at the year end the Directors do not assess there to be any impairment of these amounts.

### Recoverable value of exploration assets - Note 10

Costs capitalised in respect of the Group's mining assets are required to be assessed for impairment under the provisions of IFRS 6. In 2024 this amounted to £2.448 million (2023: £2.149 million). Such an estimate requires the Group to exercise judgement in respect of the indicators of impairment and also in respect of inputs used in the models which are used to support the carrying value of the assets. Such inputs include estimates of mineral reserves, production profiles, commodity prices, capital expenditure, inflation rates, and pre-tax discount rates that reflect current market assessments of (a) the time value of money; and (b) the risks specific to the asset for which the future cash flow estimates have not been adjusted. Management have concluded that it is appropriate to process an impairment charge in the year in relation to exploration assets and can be further evidenced at note 10.

### Share based payments - Note 19

The Group issues options and warrants to its employees, directors, investors and advisors. These are valued in accordance with IFRS 2 "Share-based payments" with expense for the year being £0.05 million (2023: £0.04 million). In calculating the related charge on issuing shares and warrants the Group will use a variety of estimates and judgements in respect of inputs used including share price volatility, risk free rate, and expected

life. Changes to these inputs may impact the related charge.

In the period the Group implemented a long-term incentive program for employees which can be evidence further at note 19. These options have various vesting dates and conditions and have been valued using the Black-Scholes method to assign an appropriate value in the financial statements.

## 2.18 New standards and interpretations adopted by the Group in the Year

The standards and interpretations that are relevant to the Group, effective in this financial year are listed below. There has been no impact on the financial statements from the adoption of these standards.

Standard	Impact on initial application	Effective date
Amendments to IAS 1 - <i>Classification of Liabilities as current or non-current</i>	Clarifies that the classification of liabilities as current or noncurrent should be based on rights that exist at the end of the reporting period.	Annual periods beginning on or after 1 January 2024
Amendments to IAS 1 - <i>Noncurrent Liabilities with Covenants</i>	Clarifies that only those covenants with which an entity must comply on or before the end of the reporting period affect the classification of a liability as current or non-current.	Annual periods beginning on or after 1 January 2024
Amendments to IFRS 16 - <i>Lease Liability in a Sale and Leaseback 4</i>	Specifies requirements relating to measuring the lease liability in a sale and leaseback transaction after the date of the transaction.	Annual periods beginning on or after 1 January 2024
Amendments to IAS 7 and IFRS 7 - <i>Supplier Finance Arrangements 4 5</i>	Requires an entity to provide additional disclosures about its supplier finance arrangements.	Annual periods beginning on or after 1 January 2024

## 2.19 Future new standards and interpretations not yet adopted by the Group

The standards and interpretations that are relevant to the Group, effective in future financial years are listed below. The Directors do not expect there to be an impact on the financial statements from the adoption of these standards when they do become effective.

Standard	Impact on initial application	Effective date
	The amendments have been made to clarify:	
Amendments to IAS 21 - <i>Lack of Exchangeability</i>	<ul style="list-style-type: none"> <li>- When a currency is exchangeable into another currency; and</li> <li>- How a company estimates a spot rate when a currency lacks exchangeability.</li> </ul>	1 January 2025 (early adoption permitted)
	These amendments:	
	<ul style="list-style-type: none"> <li>- Clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;</li> </ul>	
Amendment to IFRS 9 and IFRS 7 - <i>Classification and Measurement of Financial Instruments</i>	<ul style="list-style-type: none"> <li>- Clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;</li> <li>- Add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and</li> <li>- Make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).</li> </ul>	1 January 2026 (early adoption permitted)
	This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:	
	<ul style="list-style-type: none"> <li>- The structure of the statement of profit or loss;</li> </ul>	
IFRS 18 - <i>Presentation and Disclosure in Financial Statements</i>	<ul style="list-style-type: none"> <li>- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and</li> <li>- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.</li> </ul>	1 January 2027 (early adoption permitted)
	This new standard works alongside other IFRS Accounting Standards. An eligible subsidiary applies the requirements in other IFRS Accounting Standards except for the disclosure requirements and instead applies the reduced disclosure requirements in IFRS 19. IFRS 19's reduced disclosure requirements balance the information needs of the users of eligible subsidiaries'	

Standard without	-Subsidiaries Public	Impact on initial application	Cost savings for preparers.	Effective date
Accountability:		IFRS 19 is a voluntary standard for eligible subsidiaries.		1 January 2027 (early adoption permitted)
Disclosures		A subsidiary is eligible if:		
		<ul style="list-style-type: none"> <li>- it does not have public accountability; and</li> <li>- it has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.</li> </ul>		

### 3. Segmental analysis

The Group manages its operations in two segments, being exploration activities in Kazakhstan and corporate functions in the United Kingdom. The results of these segments are regularly reviewed by the board as a basis for the allocation of resources, in conjunction with individual investment appraisals, and to assess their performance.

The Group generated no revenue during the year ended 31 December 2024 (2023: £nil).

31 December 2024	United Kingdom	Kazakhstan	Total
	£'000	£'000	£'000
Administrative expenses	(491)	(896)	(1,387)
Share based payments	(47)	-	(47)
Impairment charge	-	(62)	(62)
Other income	394	-	394
Operating loss from continued operations per reportable segment	<b>(144)</b>	<b>(958)</b>	<b>(1,102)</b>
Reportable segment assets	785	2,486	3,271
Reportable segment liabilities	(67)	(49)	(116)
Total	<b>718</b>	<b>2,437</b>	<b>3,155</b>

31 December 2023	United Kingdom	Kazakhstan	Total
	£'000	£'000	£'000
Administrative expenses	(449)	(261)	(710)
Share based payments	(39)	-	(39)
Impairment charge	-	(1,058)	(1,058)
Other income	-	279	279
Operating loss from continued operations per reportable segment	<b>(488)</b>	<b>(1,040)</b>	<b>(1,528)</b>
Reportable segment assets	557	2,372	2,929
Reportable segment liabilities	(83)	(33)	(116)
Total	<b>474</b>	<b>2,339</b>	<b>2,813</b>

Segment assets and liabilities are allocated based on geographical location.

### 4. Administrative expenses

Administrative expenses for the Group can further be broken down as per below:

	Year ended 31 Dec 2024	Year ended 31 Dec 2023
	£'000	£'000
Professional fees	(196)	(189)
Directors' fees *	(116)	(161)
Salaries & wages	(82)	(55)
Geological consulting and exploration costs	(15)	(111)
Insurance	(6)	(7)
Consultants	(52)	(29)
Travel	(33)	-
Foreign Exchange	(788)	9
Other administrative expenses	(99)	(167)
<b>Administrative expenses</b>	<b>(1,387)</b>	<b>(710)</b>



\* As per Directors remuneration report, £167,000 of directors salary was capitalised as exploration assets in the year (2023: £47,000). All amounts were paid at year end.

## 5. Employees

The average number of persons employed by the Group (including directors) during the period ended 31 December 2024 was:

	2024	2023
Management	5	5
Non-management	8	7
	<u>13</u>	<u>12</u>

The highest paid director received total remuneration of £147,000 including share-based payments (2023: £163,000).

## 6. Auditor's Remuneration

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Fees payable for the audit of the Group's financial statements	46	44
	<u>46</u>	<u>44</u>

## 7. Taxation

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
A reconciliation of the tax charge 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	(1,102)	(1,528)
Tax credit at the weighted standard average rate of corporation tax in the UK of 25% and Kazakhstan of 20%	(227)	(298)
Adjustment for items disallowable for tax	47	7
Tax losses for which no deferred tax is recognised	180	291
Tax expense recognised in accounts	<u>-</u>	<u>-</u>

The Group has estimated tax losses carried forward of £3,870,000 (2023: £2,768,000) The taxed value of the unrecognised deferred tax asset is £722,000 (2023: £542,000) and these losses do not expire. No deferred tax assets in respect of tax losses have been recognised in the accounts as there is currently insufficient evidence of the timing of suitable future taxable profits against which they can be recovered.

There are no other factors following this change that may affect future tax charges.

## 8. Other comprehensive income

Items credited to the other comprehensive income line in the statement of comprehensive income relate to the impact of foreign exchange movements when translating the statement of financial position from functional to presentational currencies on consolidation. The corresponding movement is offset against the foreign exchange reserve in the statement of financial position:

	Year ended 31 December 2024 £'000	Year ended 31 December 2023 £'000
Foreign currency movements	233	(35)
	<u>233</u>	<u>(35)</u>

## 9. Earnings per share

The calculation of the basic and diluted earnings per share is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December 2024	Year ended 31 December 2023
Loss attributable to shareholders of East Star Resources PLC - £'000	(1,102)	(1,528)
Weighted number of ordinary shares in issue	264,288,870	189,850,164
<b>Basic &amp; dilutive earnings per share from continuing operations - pence</b>	<b>(0.42)</b>	<b>(0.81)</b>

There is no difference between the diluted loss per share and the basic loss per share presented. Share options and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share as they are anti-dilutive for the year presented.

## 10. Exploration assets

Group	£'000
Cost and carrying value - 1 January 2023	2,268
Additions	888
Foreign exchange	(75)
Impairment on licenses	(932)
<b>At 31 December 2023</b>	<b>2,149</b>
Additions	578
Foreign exchange	(249)
Impairment on licenses	(30)
<b>At 31 December 2024</b>	<b>2,448</b>

Exploration and evaluation assets relate specifically to expenditure to support the exploitation of exploration licenses held in the Kazakhstan based subsidiaries. The Group holds a total of 8 licenses across 3 mineral districts being specifically the Chu-Ili belt, East Kostanay region and Rudny Altai belt.

In accordance with IFRS 6, the Directors undertook an assessment of the following areas and circumstances which could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned by the Company or in conjunction with potential joint venture partners;
- The Board may consider to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves;
- Existing joint venture agreements have been terminated;
- Sufficient data exists to indicate that the book value may not be fully recovered from future development and production.

The Directors concluded that an impairment charge needed to be processed in the current year in relation to the licenses as detailed below:

- Being further committed expenditure on licenses previously relinquished.

The Directors concluded that an impairment charge needed to be processed in the prior year in relation to the licenses as detailed below:

- License 670 - Dalny: The exploration asset relating to license 670 was fully impaired in the period. No further exploration is planned by the Group.
- License 774 - Apmintas: The exploration asset relating to license 774 has been partially impaired in the period. The Company is in the process of relinquishing 40% of the tenement package

considered to be less prospective for a commercial gold discovery.

A 10% movement either way in the KZT/GBP exchange rate would change the fair value by approximately £245,000 (2023: £215,000).

#### 11. Earn in advance (financial asset)

Group	£'000
Cost and carrying value - 1 January 2023	57
Additions	57
Foreign exchange	12
Impairment on licenses	(126)
<b>At 31 December 2023</b>	<b>-</b>
Additions	32
Impairment on licenses	(32)
<b>At 31 December 2024</b>	<b>-</b>

The licenses held jointly with Phoenix Mining Ltd in relation to rare earths are referred to above as a financial asset as they do not currently satisfy all the requirements of IFRS 6 to be capitalised as an exploration asset.

In the current year, an amount of £32,000 was incurred with respect to potential rehabilitation costs for the Talyryk licenses which was impaired immediately.

In the prior year, as the joint venture agreement with Phoenix Mining Ltd was terminated, an impairment charge of £126,000 was included in the accounts to write down the value of the assets to their fair value.

#### 12. Property, plant & equipment

Group	Motor vehicle £'000	Plant and equipment £'000	Furniture and fittings £'000	Computer equipment £'000	Total £'000
<b>Cost</b>					
Opening balance - 1 January 2024	-	31	2	7	40
Additions	31	-	-	2	33
Foreign exchange	(3)	-	-	(2)	(5)
At 31 December 2024	28	31	2	7	68
<b>Depreciation</b>					
Opening balance - 1 January 2024	-	(19)	(1)	(3)	(23)
Charge for the year	(1)	(7)	-	(2)	(10)
At 31 December 2024	(1)	(26)	(1)	(5)	(33)
Net book value 31 December 2023	-	12	1	4	17
<b>Net book value 31 December 2024</b>	<b>27</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>35</b>

Group	Plant and equipment £'000	Furniture and fittings £'000	Computer equipment £'000	Total £'000
<b>Cost</b>				
Opening balance - 1 January 2023	29	2	7	38
Additions	2	-	-	2
At 31 December 2023	31	2	7	40
<b>Depreciation</b>				
Opening balance - 1 January 2023	(12)	-	(1)	(13)
Charge for the year	(7)	(1)	(2)	(10)
At 31 December 2023	(19)	(1)	(3)	(23)
Net book value 31 December 2022	17	2	6	25
<b>Net book value 31 December 2023</b>	<b>12</b>	<b>1</b>	<b>4</b>	<b>17</b>

### 13. Investment in subsidiaries

Company	£'000
Cost and carrying value - 31 December 2022	6,268
Additions during the year	-
<b>At 31 December 2023</b>	<b>6,268</b>
Additions during the year	1
<b>At 31 December 2024</b>	<b>6,269</b>

During the year, the Company acquired MVLKAZ Holdings Limited upon the establishment of the joint venture with Getech Group plc.

#### List of Subsidiaries

Name	Business Activity	Country of Incorporation	Registered Address	%age Holding 2024	%age Holding 2023
Discovery Ventures Kazakhstan Limited	Mineral exploration	Kazakhstan	VP 32, building 12/1, Dinmuhamed Konaev street, Yesil district, Astana, Z05H9B0, Kazakhstan	100%	100%
Chu Ili Resources Ltd*	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	80%	80%
Rudny Resources Ltd*	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	80%	80%
Copperland Limited *	Mineral exploration	Kazakhstan	bld. 12/1, VP 32, 3rd floor, IHUB coworking, D. Konayev Street, Yessil district, Astana city, Z05H9B0, Kazakhstan	100%	-
MVLKAZ Holdings Limited	Holding company	United Kingdom	Eccleston Yards, 25 Eccleston Place, London, SW1W 9NF	100%	-
MVLKAZ Limited **	Mineral exploration	Kazakhstan	VP 32, building 12/1, Dinmuhamed Konaev street, Yesil district, Astana, Z05H9B0, Kazakhstan	100%	-

\* Subsidiaries held indirectly through Discovery Ventures Kazakhstan

\*\* Subsidiary held indirectly through MVLKAZ Holdings Limited

### 14. Cash and cash equivalents

Group		Company	
As at	As at	As at	As at

	31 December 2024 £'000	31 December 2023 £'000	31 December 2024 £'000	31 December 2023 £'000
Cash at bank	678	635	658	509

#### 15. Inter-company receivable

##### Company

	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Inter-company loan receivable	4,571	3,674
	<b>4,571</b>	<b>3,674</b>

#### 16. Trade and other receivables

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	As at 31 December 2024 £'000	As at 31 December 2023 £'000
VAT receivable	23	17	23	17
Prepayments	24	39	19	20
Other debtors	63	71	10	10
	<b>110</b>	<b>127</b>	<b>52</b>	<b>47</b>

Expected credit loss model under IFRS 9 has not been applied with respect to receivables due to this being inappropriate for the above receivables.

#### 17. Trade and other payables

	Group		Company	
	As at 31 December 2024 £'000	As at 31 December 2023 £'000	As at 31 December 2024 £'000	As at 31 December 2023 £'000
Trade payables	71	71	22	38
Accruals	44	44	44	44
Other payables	1	-	1	-
	<b>116</b>	<b>115</b>	<b>67</b>	<b>82</b>

#### 18. Share capital and share premium

Group	Ordinary Shares #	Share Capital £'000	Share Premium £'000	Total £'000
<b>At 31 December 2022</b>	<b>182,250,164</b>	<b>1,823</b>	<b>5,891</b>	<b>7,714</b>
Issue of ordinary shares <sup>1</sup>	36,400,000	364	182	546
Share issue costs	-	-	(21)	(21)
<b>At 31 December 2023</b>	<b>218,650,164</b>	<b>2,187</b>	<b>6,052</b>	<b>8,239</b>
Issue of ordinary shares - exercise of warrants	1,200,333	12	24	36
Issue of ordinary shares - performance shares milestones reached <sup>2</sup>	75,000,000	750	3,000	3,750
Issue of ordinary shares - share placement <sup>3</sup>	100,926,292	1,009	151	1,160
Issue of ordinary shares - fees settled in shares <sup>3</sup>	1,739,130	17	3	20
Share issue costs	-	-	(52)	(52)

Share issue costs	-	-	(52)	(52)
<b>At 31 December 2024</b>	<b>Ordinary Shares</b>	<b>Share Capital</b>	<b>Share Premium</b>	<b>Share Total</b>
	397,515,919	3,975	9,178	13,153
	#	£'000	£'000	£'000

<sup>1</sup> On 16 October 2023, the Company issued 36,400,000 ordinary shares at £0.015 as part of a share placement.

<sup>2</sup> In July 2024, the Mineral Resource Estimate performance threshold of 1Moz at 2 g/t gold equivalent as per the share purchase agreement with the vendors of DVK was met resulting in the issue of 75m performance shares. The value of these shares of £3.75m were transferred from Shares to be Issued.

<sup>3</sup> On 16 October 2024, the Company issued 100,926,292 ordinary shares at £0.0115 as part of a share placement along with 1,739,130 ordinary shares at the same price in settlement of £20,000 accrued director fees.

The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed less; the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

The Company has only one class of share, being ordinary shares at a nominal value of £0.01 (2023: £0.01). All ordinary shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

#### 19. Share based payments reserve

	Group £'000	Company £'000
<b>As at 31 December 2022</b>	<b>268</b>	<b>268</b>
Employee options issued <sup>1</sup>	32	32
LTIP options issued <sup>2</sup>	7	7
<b>As at 31 December 2023</b>	<b>307</b>	<b>307</b>
Employee options issued <sup>1</sup>	32	32
LTIP options issued <sup>2</sup>	15	15
Broker warrants <sup>3</sup>	-	-
<b>As at 31 December 2024</b>	<b>354</b>	<b>354</b>

<sup>1</sup> On 13 December 2021, 11,250,000 employee options were granted. These options have an exercise price of £0.05 and expire 5 years from the grant date. Value attributed to the share based payments reserve in the current period represents the pro-rata portion of the expense brought to account over the vesting period.

<sup>2</sup> On 1 March 2023 the remuneration committee approved the adoption of a long-term incentive plan ("LTIP"). Value attributed to the share based payments reserve in the current period represents the pro-rata portion of the expense brought to account over the vesting period.

<sup>3</sup> A total of 1,865,086 warrants were issued to brokers in relation to the capital raise completed in October 2024, with 1,578,130 having an exercise price of £0.03 and expiring 1 year from issue and 286,956 having an exercise price of £0.0115 and expiring in 3 years from issue.

#### Share based payments valuation

The charges associated with the share based payments have been applied to the statement of profit or loss and other comprehensive income. The following tables summarises the valuation techniques and inputs used to calculate the values of share based payments:

#### Warrants

Grant date	Number	Share price £	Exercise price £	Volatility %	RF Rate %	Technique
16 Oct 2024	1,578,130	0.0115	0.030	50	3.1	Black Scholes
16 Oct 2024	286,956	0.0115	0.0115	50	3.1	Black Scholes

#### Options

Grant date	Number	Share price £	Exercise price £	Volatility %	RF Rate %	Technique
1 Mar 2023	4,251,167	0.035	0.043	77	3.5	Black Scholes

#### Warrants

As at 31 December 2024		
	Weighted average exercise price	Number of warrants
Brought forward at 1 January 2023		14,813,505
Lapsed in period	5p	(6,000,000)
Granted in period	3p	36,400,000
<i>Vested in period</i>	<i>3p</i>	<i>36,400,000</i>
Outstanding at 31 December 2023	4p	45,213,505
Exercisable at 31 December 2023	4p	45,213,505
Brought forward at 1 January 2024	4.00p	45,213,505
Lapsed in period	5.00p	(1,200,000)
Exercised in period	3.00p	(1,200,333)
Granted in period	3.00p	1,578,130
Granted in period	1.15p	286,956
Outstanding at 31 December 2024	3.33p	44,678,258
Exercisable at 31 December 2024	3.33p	44,678,258

The weighted average time to expiry of the warrants as at 31 December 2024 is 0.92 years (2023: 1.06 years).

#### Options

As at 31 December 2024		
	Weighted average exercise price	Number of options
Brought forward at 1 January 2023	5p	11,250,000
Granted in period	4.3p	4,794,644
Cancelled in period	4.3p	(1,110,144)
<i>Vested in period</i>	<i>-</i>	<i>-</i>
Outstanding at 31 December 2024	5p	14,934,500
Exercisable at 31 December 2024		3,750,000
Brought forward at 1 January 2024	5p	14,934,500
Granted in period		-
Cancelled in period		-
<i>Vested in period</i>	<i>4.3p</i>	<i>2,125,584</i>
Outstanding at 31 December 2024	4.8p	14,934,500
Exercisable at 31 December 2024	4.7p	5,875,584

The weighted average time to expiry of the options as at 31 December 2024 is 3.68 years (2023: 4.67 years).

The option vesting conditions of the LTIP options are as below:

- 50% of the Shares under Option (rounded down to the nearest whole number) shall Vest on the first anniversary of the Date of Grant;

- 25% of the Shares under Option (rounded down to the nearest whole number) shall Vest on the second anniversary of the Date of Grant;
- 25% the remaining number of the Shares under Option shall Vest on the third anniversary of the Date of Grant.

## 20. Other Reserves

### Share capital to issue reserve

Shares to be issued as part of acquisition based on performance milestone.

### Foreign exchange reserve

Foreign exchange differences arising on translating into the reporting currency.

### Share based payment reserve

Cumulative charge recognised under IFRS 2 in respect of share-based payment awards.

### Reverse acquisition reserve

Represents the preacquisition value of the equity of the Parent Company and the investment in DVK, net of expenses that was made when DVK reversed into the company.

### Retained earnings

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

## 21. Reverse acquisition

On 10 January 2022, the Company acquired the share capital of Discovery Ventures Kazakhstan Limited ("DVK"), through an issue of 45,000,000 consideration shares the entire share capital of DVK, whose principal activity is to undertake exploration activities relating to gold and copper mineral resources in Kazakhstan.

Although the transaction resulted in DVK becoming a wholly owned subsidiary of the Company, the transaction constitutes a reverse acquisition as in substance, it has resulted in a fundamental change in the business of the Company with the sole director of DVK becoming the Chief Executive Officer of the Company. Thus, the executive management of DVK now exerts significant influence over the executive management of the Company.

The shareholders of DVK acquired a 27.63% interest in the Company and the transaction has therefore been accounted for as a reverse acquisition. As the Company's activities prior to the acquisition were purely the maintenance of the Main Market LSE Listing, acquiring DVK and raising equity finance to provide the required funding for the operations of the acquisition the directors did not consider this to meet the definition of a business in accordance with IFRS 3.

Accordingly, this reverse acquisition does not constitute a business combination. Although, the reverse acquisition is not a business combination, the Company has become a legal parent and is required to apply IFRS 10 and prepare consolidated financial statements. The Directors have prepared these financial statements using the reverse acquisition methodology, but rather than recognising goodwill, the difference between the equity value given up by the DVK shareholders and the share of the fair value of net assets gained by the DVK shareholders is charged to the statement of comprehensive income as a share-based payment on reverse acquisition, and represents in substance the cost of acquiring a Main Market LSE listing.

In accordance with reverse acquisition accounting principles, these consolidated financial statements represent a continuation of the consolidated statements of DVK and its subsidiaries and include:

- The assets and liabilities of DVK and its subsidiaries at their pre-acquisition carrying value amounts and the results for both periods; and
- The assets and liabilities of the Company as at 10 January 2022 and its results from the date of the reverse acquisition on 10 January 2022 to 31 May 2022.

On 10 January 2022, the Company issued 45,000,000 ordinary shares to acquire the entire share capital of DVK. As part of the acquisition the Company also agreed to settle a separate convertible loan note held by DVK through the issue of 5,350,000 shares. On the same date, the Company was readmitted to the Main Market of the LSE, after completing its second placing round with a placing share price of £0.05 and therefore the Company has valued the investment in DVK at £6,267,500. (This figure includes both the initial consideration mentioned above as well as the contingent consideration on completion milestones)



Because the legal subsidiary, DVK, was treated on consolidation as the accounting acquirer and the legal Parent Company, East Star, was treated as the accounting subsidiary, the fair value of the shares deemed to have been issued by DVK was calculated at £3,477,008 based on an assessment of the purchase consideration for a 100% holding of East Star of 69,540,164 shares at a weighted average placing price of £0.05 per share (being the share price of East Star at acquisition).

The fair value of the net assets of East Star at acquisition was as follows:

	<b>£'000</b>
Cash and cash equivalents	1,835
Convertible loan notes	609
Other receivables	151
Trade and other payables	(848)
<b>Net assets</b>	<b>1,747</b>

The difference between the deemed cost (£3,477,000) and the fair value of the net assets assumed above of £1,747,000 resulted in £1,730,000 being expensed within "reverse acquisition expenses" in accordance with IFRS 2, Share Based Payments, reflecting the economic cost to DVK shareholders of acquiring a quoted entity. The reverse acquisition reserve which arose from the reverse takeover is made up as follows:

	<b>£'000</b>
Pre-acquisition equity <sup>1</sup>	(473)
DVK share capital at acquisition <sup>2</sup>	216
Investment in DVK <sup>3</sup>	(6,268)
Reverse acquisition expense <sup>4</sup>	1,730
	<b>(4,795)</b>

1. Recognition of pre-acquisition equity of East Star as at 10 January 2022.
2. DVK had equity at the date of acquisition of £216,000. As these financial statements present the capital structure of the legal parent entity, the equity of DVK is eliminated.
3. The value of the shares issued by the Company in exchange for the entire share capital of DVK as at the share price used in the placing that occurred simultaneously (£0.05). The above entry is required to eliminate the balance sheet impact of this transaction.
  - I. Initial consideration: 45 million shares at £0.05 (£2,250,000)
  - II. Contingent consideration: 75 million shares at £0.05 (£3,750,000)
  - III. Convertible loan notes settled on behalf of DVK through the issue of 5.35m shares at £0.05 (£267,500)
4. The reverse acquisition expense represents the difference between the value of the equity issued by the Company, and the deemed consideration given by DVK to acquire the Company.

## **22. Financial Instruments and Risk Management**

### **Capital management**

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders. The overall strategy of the Company and the Group is to minimise costs and liquidity risk.

The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued share capital, share premium, reverse acquisition reserves, foreign exchange reserves and retained earnings as disclosed in the Consolidated Statement of Changes of Equity.

The Group is exposed to a number of risks through its normal operations, the most significant of which are interest, credit, foreign exchange and liquidity risks.

The management of these risks is vested to the Board of Directors. The sensitivity has been prepared assuming the liability outstanding was outstanding for the whole period. In all cases presented, a negative number in profit and loss represents an increase in expense/decrease in income.

### **General objectives and policies**

As alluded to in the Directors report the overall objective of the Board is to set policies that seek to reduce risk as far as practical without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are detailed below.

#### **Principal financial instruments**

The principal financial instruments used by the Group from which the financial risk arises are as follows:

##### *Policy on financial risk management*

The Group's principal financial instruments comprise cash and cash equivalents, other receivables, trade and other payables. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 2 - "Accounting Policies".

The Group does not use financial instruments for speculative purposes. The carrying value of all financial assets and liabilities approximates to their fair value.

##### *Derivatives, financial instruments and risk management*

The Group does not use derivative instruments or other financial instruments to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices.

##### Foreign currency risk

The Group operates in a global market with income and costs arising in a number of currencies and is exposed to foreign currency risk arising from commercial transactions, translation of assets and liabilities and net investment in foreign subsidiaries. Exposure to commercial transactions arise from sales or purchases by operating companies in currencies other than the Group's functional currency. Currency exposures are reviewed regularly.

The Group has a limited level of exposure to foreign exchange risk through its foreign currency denominated cash balances, trade receivables and payables:

	<b>31 December 2024</b>
<b>£GBP</b>	<b>£'000</b>
Cash and cash equivalents	19
Trade and other receivables	58
Trade and other payables	(49)
	<u>28</u>

##### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposure and the credit ratings of its counterparties are monitored by the Board of Directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Group applies IFRS 9 to measure expected credit losses for receivables, these are regularly monitored and assessed. Receivables are subject to an expected credit loss provision when it is probable that amounts outstanding are not recoverable as set out in the accounting policy.

The Group's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Group's counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The Group has zero trade receivables and therefore there is no risk relating to a 3<sup>rd</sup> party being unable to service its obligations.

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

##### Interest rate risk

The Group currently has no borrowings. The Group's principal financial assets are cash and cash equivalents. Cash equivalents include amounts held on deposit with financial institutions. The effect of variable interest rates is not significant.

##### Liquidity risk

During the period ended 31 December 2024, the Group was primarily financed by cash raised through equity funding and supplemented by funds provided through the BHP Xplor program. Funds raised surplus to immediate requirements are held as cash deposits in Sterling except for minor working capital requirements held in subsidiary bank accounts.

In managing liquidity risk, the main objective of the Group is to ensure that it has the ability to pay all of its liabilities as they fall due. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due.

The table below shows the undiscounted cash flows on the Group's financial liabilities as at 31 December 2024 on the basis of their earliest possible contractual maturity.

	<b>Total £'000</b>	<b>Within 2 months £'000</b>	<b>Within 2-6 months £'000</b>
<b>At 31 December 2024</b>			
Trade payables	71	71	-

## 23. Financial assets and liabilities

<i>Group - Year ended 31 December</i>	<i>Financial assets/liabilities at amortised cost</i>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Trade and other receivables <sup>1</sup>	86	88
Cash and cash equivalents	678	635
Trade and other payables <sup>2</sup>	(72)	(71)
	<b>692</b>	<b>652</b>

<i>Company - Year ended 31 December</i>	<i>Financial assets/liabilities at amortised cost</i>	
	<b>2024</b>	<b>2023</b>
	<b>£'000</b>	<b>£'000</b>
Trade and other receivables <sup>1</sup>	33	27
Cash and cash equivalents	658	509
Trade and other payables <sup>2</sup>	(23)	(38)
	<b>668</b>	<b>498</b>

<sup>1</sup> Trade and other receivables excludes prepayments

<sup>2</sup> Trade and other payables excludes accruals

## 24. Statement of Net Debt

	<b>Year ended 31 December 2024 £'000</b>	<b>Year ended 31 December 2023 £'000</b>
Total bank loans and overdraft	-	-
Less: cash and cash equivalents	658	509
<b>Net debt</b>	<b>658</b>	<b>509</b>
Total equity attributable to shareholders of the parent	11,483	10,416
<b>Gearing</b>	<b>n/a</b>	<b>n/a</b>

## 25. Related Party Transactions

### Orana Corporate LLP - Service Agreement

During the year, £45,000 of fees were accrued to Orana Corporate LLP (2023: £58,300), of which £5,430 was owing at year end (2023: £9,660) for the provision of corporate accounting services. In addition, £11,607 (2023: £nil) was accrued for corporate finance services. Anthony Eastman is a director of East Star Resources

(2023: £111) was accrued for corporate finance services. Anthony Eastman is a director of East Star Resources PLC and Orana.

Other than these there were no other related party transactions.

#### Directors remuneration

See Directors report for details on Directors remuneration in the period.

#### **26. Ultimate Controlling Party**

As at 31 December 2024, there was no ultimate controlling party of the Group.

#### **27. Capital Commitments**

The Group is committed to the following minimum expenditure across various licenses within 12 months from 31 December 2024:

License area	License	Owner	Annual minimal expenditures on exploration
			£'000
Apmintas	774-EL	Chu-Ili Resources Limited	89
Novo 2	847-EL	Rudny Resources Limited	109
Novo 1	914-EL	Rudny Resources Limited	175
RA 1	1799-EL	Discovery Ventures Kazakhstan Limited	39
RA 3	1795-EL	Discovery Ventures Kazakhstan Limited	25
Snowy	2506-EL	Copperland	47
		<b>Total</b>	<b>492</b>

#### **28. Contingent assets**

##### VAT recoverable

The subsidiaries of East Star Resources had accrued an amount of £38,000 (2023: £293,000) relating to VAT incurred on expenditure on the various mining licenses to 31 December 2024. As the Group is currently not generating revenue these amounts cannot be offset but are retained in the event that revenue is generated in a period of 5 years from incurring the expense.

Per "IAS 37 - Provisions, Contingent Liabilities and Contingent Assets" this amount should not be recognised as an asset due to the uncertainty of economic benefits flowing to the Group but is disclosed as a contingent asset as the inflow of economic benefits is probable.

#### **29. Contingent liabilities**

There were no contingent liabilities over the Group as at 31 December 2024.

#### **30. Events subsequent to year end**

Subsequent to year end the Company granted 8,458,688 options over new ordinary shares in the Company to employees and directors of the Company pursuant to the Company's Long Term Incentive Plan ("LTIP") (the "Options").

The Options have an exercise price of 1.5p and vest on the first anniversary of the grant date, being 11 March 2025, and expire on 10 February 2035.

1,601,489 of the Options were granted to the Company's Chief Executive Officer, Alex Walker, 2,500,000 of the Options granted to the Company's Technical Director, Chris van Wijk, and 1,020,290 of the Options granted to the Company's non-executive directors. The remaining 3,336,909 Options were granted to employees of the Company in Kazakhstan on the same terms as described above.



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