RNS Number : 0448N
Phoenix Copper Limited
16 June 2025

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Phoenix Copper Limited
("Phoenix", the "Company", or the "Group")

Final audited results for the year ended 31 December 2024
Notice of Annual General Meeting

Phoenix Copper Limited (AIM: PXC; OTCQX ADR: PXCLY), the AIM quoted, USA focused base and precious metals emerging producer and exploration company, is pleased to announce its audited results for the year ended 31 December 2024 (the "Year"). All references to are United States Dollars.

Highlights

Corporate & Financial

- Investment in Empire Mine increased to 43.77 million (2023: 38.43 million)
- Group reports loss of 6.27 million (2023: loss of 1.57 million) after charging an exceptional 4.60 million write-down of bond issue expenses
- Year-end Group net assets of 40.93 million (2023: 37.19 million)
- Company loans to Idaho operating subsidiaries increased to 38.83 million (2023: 32.54 million)
- Authorised class of 300 million floating rate corporate copper bonds created. Initial 5 million drawn down during the Year, and bonds listed on The International Stock Exchange ("TISE") in the Channel Islands. Letter of Intent to subscribe for a further 75 million signed in June 2025
- Placing, subscription and retail offer to raise 3.52 million completed in January 2024, and equity placings to raise 1.07 million completed post-period end
- 2 million unsecured short-term loan refinanced into 18-month unsecured term loan in March 2024
- Andre Cohen retired as a director and joined the Advisory Board
- Paul de Gruchy, VP of Investor Relations, also joined the Advisory Board

Operational

- Empire Mine open-pit mineral resources upgraded to mineral reserves. Inaugural mineral reserve statement published
- Proven & Probable mineral reserves of 10.1 million tonnes containing 109,487,970 pounds ("lbs") of copper, 104,000 ounces ("oz") of gold and 4,654,500 oz of silver (66,467 tonnes of copper equivalent metal)
- Mineral reserves estimated using assay data from 485 drill holes, extensive geological modelling, metallurgical recovery test work, geotechnical evaluation, and mine design
- Empire Mine open-pit Pre-Feasibility Study ("PFS") published. Pre-tax cumulative net free cash flow of 153 million over 8-year mine life; total cash costs of 2.44/lb
- Life of mine production of 40,424 tonnes copper, 40,161 oz gold and 1.76 million oz silver
- Initial Empire Mine open-pit equipment delivered to site, including two pre-owned ball mills and a fully equipped assay laboratory, purchased at significant discounts to the price of the same equipment when new
- Areas of significant and consistent mineralisation identified at the Navarre Creek gold claim block. 20 additional mining claims totalling 400 acres staked
- Earn-In Agreement on the Redcastle cobalt property renewed with Electra Battery Materials

The Company also announces that the Annual General Meeting ("AGM") will be held at The Washington Hotel, 5 Curzon Street, London W1 5HE on 27 June 2025 at 11.00 BST.

The Notice of AGM and Forms of Proxy were despatched to shareholders and made available on the Company's website at https://phoenixcopperlimited.com on 13 June 2025.

The Company's Annual Report and Consolidated Financial Statements for the year ended 31 December 2024, and the 2024 Sustainability Report, will also be available on the website from 17 June 2025.

CHAIRMAN'S STATEMENT

Dear Shareholders

While we are not in the business of creating a political chat forum, it would be unrealistic to say that we are not monitoring current events with huge interest. We have been hoping for some time that the US would react to the fact that around 45% of its annual refined copper consumption is imported. We are therefore very encouraged that the Trump Administration has decided to address this issue and take steps to increase domestic production of critical minerals, and copper in particular.

At the time of writing, our main basket of metals is trading at or close to historically high prices. As mentioned before, due to Covid and the Ukraine war's disruptions, we took the opportunity to redraft the Pre-Feasibility Study ("PFS") for our Empire open-pit copper, gold and silver project in Idaho USA, streamlining it into a more compact and efficient process. The PFS that we published in September 2024 has been worth the wait, generating net (after repaying capex) pre-tax cashflow of 153 million over an 8-year mine life, using 4.45/lb copper, 2,325/oz gold and 27.25/oz silver. This compares with initial capital expenditure of 62.6 million, and also produces a 5% Net Present Value ('NPV') of105 million and Internal Rate of Return ('IRR') of 46%. If we adjust the precious metal prices to current (3,350/oz gold and 34.50/oz and Internal Rate of Return ("IRR") of 46%. If we adjust the precious metal prices to current (3,350/oz gold and 34.50/oz silver), the net pre-tax cashflow increases to 204 million, the NPV to 143 million and the IRR to 57%.

This is no mean achievement. The copper equivalent grade of 0.66% is higher than the global "in production" grade of 0.53% and significantly higher than the estimated 0.39% for mines under development. Relative costs are also competitive. Total cash costs at Empire, including royalties, are forecast at 2.44/lb. These compare favourably with Cerro Verde and Copper Mountain (2.58), Morenci (2.66), Bagdad (2.73) and Olympic Dam (2.88), to name a few (source: S & P Capital IQ, copper total cash cost 2024). Our place beckons amongst western copper producers.

On the global stage, we are always keeping an eye on China, consuming as they do approximately 50% of the world's copper. It is reassuring to see strong growth rates still prevailing in electric vehicles (''EVs''), with recent rates of 18% showing no signs of slowing down. The Chinese EV market is forecast by some to grow as high as 780 billion between now and 2029 from its current 377 billion. However, there are newer consumers to consider. Annual copper consumption per capita in India is now close to 1kg, compared with a global average of 3.2kg or more than 7kg in China and the US. It is notable that in 2023, India consumed 1.5 million tonnes, a 16% increase from 2022, while China consumed 13 million tonnes.

Artificial intelligence and the gig economy are also emerging as key drivers of growth in demand. One gigawatt of power for a new data centre requires in excess of 25,000 tonnes of cabling. Sixteen GW of AI data centre-related capacity is likely to be added in the US by 2026, which will need 400,000 tonnes of copper - equivalent to the output of a major mine, costing 3.2 billion at current prices. With Microsoft reportedly spending 115 billion in this space, it is insignificant by comparison.

The jury may still be out on EVs, but not on solar, hydropower and wind. Solar requires between 2.45 and 7 tonnes of cable per megawatt, hydro 4 tonnes, onshore wind 2.5 to 6.4 tonnes and offshore 10.5 tonnes. While overhead high-tension cables are made from aluminium, submerged or buried cables are nearly always made from copper.

On the supply side, refined copper production has not grown much since 2016, and new mines are needed to replace depletion from existing mines. Global grades of copper reserves were higher than 1% in the 1980s. This figure has fallen to below 0.4%, which has raised costs, as more than twice the amount of rock has to be processed for the same amount of metal.

Many mining companies have boosted their reserves when the copper price was rising by rebooking lower grade waste rock as reserves, as the higher price made them economic to mine. This process has largely come to an end, and there is a distinct lack of new discoveries of the size to deal with the extra demand outlined above.

Many companies have also preferred to spend money on share buybacks and buying competitors rather than starting new projects.

There are some significant copper deposits that remain unexploited, since it has become increasingly difficult to obtain permits and funding for them. Although the situation may change under the Trump Administration, we are still looking at several years before we see any production from the likes of Resolution or Twin Rivers.

As a result, our bullish stance on copper remains intact.

Although it is disappointing that the 80 million subscription for our corporate copper bonds, signed in June last year, remains only 5 million drawn down, I am pleased to report that we have signed a Letter of Intent with an accredited US investor to subscribe for the additional 75 million. This subscription, which is subject to the preparation and execution of definitive legal documentation, including the bond subscription letter, will enable us to complete construction and proceed into production at the Empire open-pit mine. We are hopeful that we will be able to commence drawdown on this additional funding later this month or early next.

Finally, I would like to thank all of you who have remained with us for your patience under trying circumstances. We appreciate that it has not been an easy ride and are ever grateful for your support.

Marcus Edwards-Jones
Executive Chairman
16 June 2025

CHIEF EXECUTIVE OFFICER'S REPORT

The Company marked several notable achievements in 2024, including the publication of copper, gold, and silver mineral reserves in the Empire Open Pit, the Empire Open Pit Pre-Feasibility Study ("PFS"), and the receipt of the grinding mills at our Mackay, Idaho lay down yard. The mining industry as a whole also marked a couple of notable milestones over the past 12 months, here in the US with the inauguration of a pro-mining White House administration, and globally with record copper and gold prices.

The inaugural Empire mineral reserves statement was published in May and reported economically viable Proven & Probable reserves of 10.1 million tonnes containing 109,487,970 lbs of copper, 104,000 ounces ("oz") of gold and 4,654,400 oz of silver, for a total of 66,467 copper equivalent metric tonnes ("mt").

The Company's PFS was published in September. The modelling and engineering in the PFS resulted in an 8 year open pit

The Company's PFS was published in September. The modelling and engineering in the PFS resulted in an 8-year open pit mine life producing payable metal of 89,094,705 copper lbs (40,424 mt), 40,161 oz gold, and 1,759,717 oz silver, with an estimated 62.6 million capex and total cash operating cost of 2.44/lb of copper equivalent metal, and pre-tax economics of US 87.86 million discounted net present value at 7.5% ("NPV7.5"), a 46.4% internal rate of return ("IRR"), and cumulative net free cashflow of US 152.98 million over the life of the mine.

We have spent much of the past year sourcing equipment for the open pit operation, including a grinding circuit (ball mills) that were transported and offloaded in Mackay in the fall. We also purchased and transported two tailings filtration units to Mackay, as well as other lesser rolling stock and truck shop equipment. The Company has also invested in a mine office, core logging facility, and an equipment warehouse facility in Mackay, all of which will service the mine. Including the laboratory and assay equipment purchased from Auric in 2023, we are preparing the equipment and supplies necessary for mine construction and operation.

A new White House administration was voted into office in November and immediately positioned itself as pro-mining, pro-energy, and pro-industrial. The administration announced that it would attempt to fast- track federal mine permitting by utilizing a law created in 2015 known as "Fixing America's Surface Transportation Act - Title 41" (more commonly known as "FAST-41") to simplify and streamline the permitting process for a variety of business sectors, including mineral exploration and mining. Although FAST-41 does not alter any applicable statutory or regulatory requirements or laws and does not predetermine the outcome of any federal decision-making process with respect to infrastructure projects receiving program benefits, it is intended to promote more transparent timetables for the federal review process, and to reduce the duplicative processes encountered on complex projects that are subject to multiple federal agency reviews.

Based on the current FAST-41 requirements, Phoenix's Idaho projects do not meet the criteria for inclusion in the program. The Empire Open-Pit project does not meet the program's minimum investment/capital expenditure requirement. The Horseshoe-Windy Devil and Navarre Creek projects have required federal exploration permitting in the past and have not encountered exploration permitting delays and therefore do not need to be fast-tracked. Exploration of the Empire Copper Sulphides will be completed on private land and will not be subject to federal exploration permitting. Even though our Idaho projects do not meet the criteria for inclusion in the program, it is still advantageous to Phoenix to have an administration so willing to streamline and advance copper and other critical mineral projects. It is also a boost to the mining sector that the administration is fast-tracking energy and industrial projects, all of which use the same metals that will be mined at Empire.

While the Company hopes that the FAST-41 streamlined federal permitting process will eventually be applied to all mineral projects in the U.S., we are encouraged by the fact that the majority of our Idaho projects are either situated on privately-owned land or are in areas where favorable environmental conditions exist to support mineral exploration activities.

Copper reached an all-time high of 5.24/lb in March of this year. As I write this, the price is 4.52/lb with futures up 5% to 4.90/lb. Gold has climbed through 3,390/oz, closing in on April's all time high of 3500/oz, and silver has also surged to 34/oz. These metal prices are significant and exciting for Phoenix because the Empire mineral reserves host all three metals, and the crush-grind-flotation-tank leach-cementation circuit recently designed for processing Empire ore will recover all three metals. Copper, gold, and silver production is highlighted in the 2024 PFS and is made possible employing standard open-pit mining methods and the recently designed milling process. The processing facility has been engineered with a small enough footprint for siting on the Company's patented mining claims near the open pit. The proximity of the mill to the open pit reduces the haulage distance of the ore to the crusher, which requires a smaller mining fleet in terms of truck count and size, and thereby reduces both capital and operating costs. The mill will produce two pay streams, a copper, gold, silver concentrate stream and a cement copper stream, both of which will be shipped to market without the need of further processing or refining at the Empire site.

In addition to processing ore from the Empire open pit, the flotation circuit will be capable of recovering copper, gold, and silver as a concentrate from the high-grade sulphide vein material that exists below the open pit and was mined extensively until the early 1940s. The Empire team is currently finalizing a plan to advance the exploration of the deeper sulphide vein system with an eye on augmenting the open pit ore with feed from the higher-grade sulphide vein system below the pit. The planning includes driving an adit toward known sulphide mineralization and developing underground drilling stations along the length of the adit. Known sulphide mineralization includes the 8.38% copper interval intercepted in the 2021 core drilling program, which also assayed 1.31 grammes per tonne ("g/t") gold and 120 g/t silver. Historically mined grades from the sulphide vein system below the open pit were recorded as high as 8% copper, with smelter recoveries of the time recorded as averaging 3.64% copper, 1.64 g/t gold, and 54 g/t silver. Resources permitting, we hope to commence underground work later this year.

The Phoenix team is currently in the process of finishing detailed engineering for the mine and processing facility, sourcing equipment and supplies for mine construction, completing land surveys, and preparing a plan of operations with the new processing design to submit to the federal regulatory authorities. Archaeological surveying of the waste rock facility and access road will be completed this month. Although this work has slowed to some degree while we continue on the funding front, progress is being made, and the Company's Idaho assets are being well maintained.

The Team is also making progress building an underground development plan for drilling the sulphide targets below the open pit reserve, resources permitting. The Navarre Creek gold exploration property and the Redcastle and Bighorn cobalt exploration properties are being well maintained and are positioned for exploration activities to continue once the detailed engineering and plan of operations are completed at Empire and resources permit. The earn-in agreement with Electra Battery Materials on the Company's Redcastle cobalt project was also renewed and extended in mid-2024.

2024 Empire Proven and Probable Mineral Reserves

A Proven and Probable reserve estimate was completed by Hardrock Consulting in April 2024 and reported for the polymetallic Empire Mine open pit oxide deposit. The estimate reports Proven and Probable reserves in the Empire open-pit oxide deposit of 10,097,000 tonnes containing 49,677 mt of copper, 104,000 oz of gold, and 4,654,400 oz of silver, for a combined 66,467 mt of copper equivalent metal. It was estimated using assay data from 485 drill holes, extensive geological modelling, metallurgical recovery test work, geotechnical evaluation, and mine design.

Mineral Reserve Statement for Empire Mine, after Hard Rock Consulting April 2024

Fully diluted tonnes at a Net Smelter Return ("NSR") cut-off of 22.59/tonne

Classification	Tonnes	Copper		Gold		Silver		Copper Equivalent		
	(x1000)	%	lb (x1000)	gpt	oz (x1000)	gpt	oz (x1000)	%	lbs (x1000)	tonnes

Proven	7,515	0.49	81,070.56	0.38	90.9	14.42	3,483.70	0.68	111,995.20	50,815
Probable	2,582	0.5	28,417.41	0.16	13.2	14.1	1,170.70	0.61	34,498.69	15,652
Proven + Probable	**10,097**	**0.49**	**109,487.97**	**0.32**	**104**	**14.34**	**4,654.40**	**0.66**	**146,493.89**	**66,467**

The mineral reserves reported herein for the Empire project have been estimated in a manner consistent with the NI 43-101 Committee of Mineral Reserves International Reporting Standards ("CRIRSCO"), of which both the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") and Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code") are members.

2024 PFS - Summary of Economic Results

The economic analysis of the base case scenario for the Empire open-pit mine uses metal prices of4.45/lb for copper, 2,325/oz for gold and 27.25/oz for silver. The economic model shows a pre-tax NPV7.5 of87.86 million using a 22.59/tonne NSR cut-off, as well as a pre-tax IRR of 46.4%. Table 1 summarises the projected cashflow, NPV at varying rates, IRR, years of positive cash flows to repay the negative cash flow ("Payback Period"), and multiple of positive cash flows compared to the maximum negative cash flow ("Payback Multiple") on both after-tax and before-tax bases.

Project Evaluation Overview	After Tax	Before Tax
Cumulative Net Cashflow	132.44	152.98
NPV @ 5.0%; (millions)	89.55	105.44
NPV @ 7.5%; (millions)	**73.75**	**87.86**
NPV @ 10.0%; (millions)	60.71	73.29
Internal Rate of Return	40.2%	46.4%
Payback Period	1.66	1.41
Payback Multiple	2.92	3.21
Benefit Cost Ratio	7.61	8.87
Initial Capital	**62.60**	**62.60**
Max. Neg. Cashflow (millions)	**- 69.09**	**- 69.09**

The metal prices used in the PFS economic analysis were based on near-term trailing averages at the time the PFS was being written and were considered to be conservative. While the current price of copper is similar to that used in the PFS analysis, the price of precious metals has increased considerably, gold in particular. There is no guarantee that metal prices will maintain their current levels, but in the event that metal prices remain at current levels during open pit production, the Company could expect to see an increase of roughly 50 million in pre-tax cumulative net cashflow and a roughly 30 million increased NPV7.5%. The Company will be reevaluating the metal prices as part of the detailed engineering work, and if determined prudent will reoptimize the economics using updated metal prices.

PFS - Metallurgy and Process Design

3,502 feet (1,067 metres) of core from the Empire copper oxide deposit was sampled and evaluated for the metallurgical recovery of copper, gold, and silver. The results of the metallurgical test work, as presented in the PFS, show that a crush-grind-flotation-tank leach milling process provides the optimum metal recoveries for the cost. The flotation-leaching circuit that has been designed for the Empire open pit ore has a much smaller footprint than a classic heap leach design, allowing for the processing plant to be sited on the Company's patented (private) mining claims near the open pit. The proximity of the plant to the open pit will reduce overall operating costs by reducing the ore haulage distance. The improved haulage cycle-time gained from the shortened haulage distance also allows for the use of smaller, less expensive haul trucks.

In addition to the cost benefits of a smaller footprint plant sited on private land, the flotation-leaching circuit will be capable of processing sulphide material currently being explored elsewhere on the Empire property. From an environmental permitting standpoint, siting the processing plant on private land should help to simplify the overall permitting process.

The flotation + leaching metallurgical recovery results and reserve pit optimization parameters are shown in the table below. Optimization of the processing circuit is ongoing.

Reserve Pit Optimization Parameters (Metric tons)	**Units**	**Cu**	**Au**	**Ag**
Commodity Prices	**/oz or /lb**	**4.00**	**1,788**	**24.00**
Flotation Process Recoveries				
Flotation _ Cu Concentrate	%	33.0%	50.0%	36.0%
Concentrate (Payables)				
Flotation_ Cu Concentrate (Au Payable based on grade)	%	95.0%	90-97%	95.0%
Cementation Process Recoveries				
Cementation (Total Copper Recovery after Flotation)	%	90.0%	0.0%	0.0%
Treatment/Refining Charges				
Copper Con. Refining	Ag /oz	0.40		
Copper Con. Refining	Au /oz	4.00		
Copper Con. Trucking & Shipping /t conc	wet	80.00		

Copper Con. Treatment /t conc	wet	90.00		
Copper Cementation Shipping /lb	Cu /lb	0.04		
Copper Cementation Shipping /lb	Cu /lb	0.02		
Operating Costs				
Mining Cost - Surface	/t mined	2.56		
Mining Cost - Incremental Increase for each 20ft depth	/t mined	0.018		
Processing Cost	/t milled	18.74		
G&A	/t milled	2.20		
Total Ore cost /t milled	/t milled	20.94		
Pit Slope Assumptions	Five sectors were modelled based on core logging with inter-ramp angles ranging from 42º to 45º			

Red Star - High grade silver Inferred Resource

Red Star is a high-angle silver-lead vein system hosted in andradite-magnetite and located 330-metres north-northwest of the Empire oxide pit. Red Star was identified from a 20-metre wide surface outcrop across a skarn structure.

In May 2019, the Company announced a small maiden Inferred sulphide resource of 103,500 tonnes, containing 577,000 ounces of silver, 3,988 tonnes of lead, 957 tonnes of zinc, 338 tonnes of copper, and 2,800 ounces of gold, as summarized in the table below.

Class	*tonnes*	*Ag*	*Ag*	*Au*	*Au*	*Pb*	*Pb*	*Zn*	*Zn*	*Cu*	*Cu*
	(x1000)	*g/t*	*oz*	*g/t*	*oz*	*%*	*lb*	*%*	*lb*	*%*	*lb*
	(x1000)		*(x1000)*		*(x1000)*		*(x1000)*		*(x1000)*	*%*	*(x1000)*
Inferred	*103.56*	*173.4*	*577.3*	*0.851*	*2.8*	*3.85*	*8,791.20*	*0.92*	*2,108.80*	*0.33*	*745*

Navarre Creek Gold Claim Block

During the summer of 2023, 28 reverse-circulation drill holes were completed into four (4) target areas within the 16.18 square kilometer Navarre Creek gold claim block. Drilling at two of the four target areas resulted in the identification of continuous, low-grade gold mineralization ranging from 4.5 metres to 22.9 metres thick in the Lehman Creek target area, and anomalous silver and antimony along a structure in the west fork of Navarre Creek.

The initial assays from the two Navarre Creek targets showed low-grade mineralization worthy of further investigation. As a result, an additional 400 acres of unpatented mining claims were staked to the south-west of the Lehman Creek fault target, expanding our Navarre Creek claim block to 197 unpatented claims covering 4,070 acres.

Empire Mine Expansion - Horseshoe, Whiteknob, and Windy Devil

The Horseshoe, Whiteknob, and Windy Devil claim blocks, located immediately north of the Empire Mine project, are situated within the core of the Empire mineralization and remain attractive exploration targets. The core Empire claim group has grown to 8,434 acres (34.13 sq kms) by expanding north to the former Horseshoe and Whiteknob Mines and onto Windy Devil. This expansion covers approximately 30 historic adits, shafts and prospects, which exhibit geology and mineralogy similar to Red Star, and which will be the subject of further exploration going forward.

Idaho Cobalt Belt - Redcastle and Bighorn Projects

The Company owns two strategically located properties on the Idaho Cobalt Belt in Lemhi County, Idaho - Redcastle and Bighorn. The Redcastle property is held by Borah Resources, our 100% owned, Idaho registered subsidiary. In May 2021, the Redcastle holding was signed to an earn-in agreement with Electra Battery Materials Corporation, the Toronto-based owner of the Iron Creek Cobalt Mine, which shares a common border with the Redcastle property.The earn-in agreement with Electra Battery Materials on the Company's Redcastle cobalt project was renewed and extended in mid-2024.

The Bighorn property, located on the northern end of the Idaho Cobalt Belt, is held by Salmon Canyon Resources, another 100% owned, Idaho registered subsidiary. Bighorn is situated east of the historic Salmon Canyon copper cobalt underground mine and shares a common border with New World Resources' Colson cobalt-copper project.

In addition to copper, cobalt is a critical metal for electric vehicles and global electrification projects. Cobalt deposits are rare, particularly in first world jurisdictions. The Company's cobalt projects are located in the USA's only prospective cobalt region, the Idaho Cobalt Belt, approximately 100 miles north of the Empire Mine. In 2018 we announced the results of our 2017 reconnaissance program of 46 surface grab samples, which gave cobalt values ranging from 2 ppm to 0.31% cobalt.

Outlook

Copper, gold, and silver prices are testing new ground and are remaining well above the prices used for the Empire mineral reserves estimation and for the reserve pit optimization and economics in the PFS. The current White House administration recognizes the importance of domestic metals production, as well as the development of domestic energy sources and domestic manufacturing in general, all of which creates a demand for the very minerals that we will produce on our Idaho projects.

We believe we have simplified the overall permitting process by siting the open pit and processing facility on private land. Our energy is currently focused on completing all of the necessary detailed engineering required to submit a plan of operations and successfully permit and construct the open pit mine. Additionally, and whilst we finalise further construction and development financing, we have identified the sources for the equipment and supplies necessary to complete construction and proceed into operation and mineral production.

In the meantime, we also continue plan development for our exploration properties to ensure those projects can be executed upon receiving the necessary resources.

Key Performance Indicators ("KPIs")

To date, the Group has focused on the delivery of the project evaluation work programs to assess the available mineral reserves and resources and the extraction methods to apply, each within the available financial budgets. This work will continue until the relevant feasibility studies are completed, and final construction commences.

At that stage, the Group will consider and implement appropriate operational performance measures and related KPIs as the objective of recommencing commercial production at the Empire Mine nears fruition.

Conclusion

The Company's focus in 2024 was to complete and publish an inaugural mineral reserve statement and PFS for the Empire open pit. Both reports were completed and published, memorializing the extensive geological and engineering efforts of the Phoenix team. The Company has now taken the information developed for the mineral reserve and the PFS, applied it to the detailed engineering, and ultimately into a plan of operations. Additionally, the team is developing an exploration plan for the high-grade sulphide mineralization below the open pit. Although we have seen some funding delays, our Idaho projects continue to move forward. Our team of engineers, geoscientists, and industry consultants continue to do an excellent job moving the Company into the next stage of development.

As I have said before, and will continue to say, thank you to all of our professional staff, consultants and advisors, all of whom work tirelessly to accomplish our common goal of metal production. And I would like to thank our community liaisons, shareholders, and directors for their considerable support.

Ryan McDermott
Chief Executive Officer
16 June 2025

Consolidated income statement		**Year Ended 31 December 2024**	**Year Ended 31 December 2023**
Continuing operations	**Note**		
Revenue	**4**	**-**	-
Exploration & evaluation expenditure		**(12,394)**	(28,839)
Gross loss		**(12,394)**	(28,839)
Administrative expenses		**(1,596,931)**	(1,564,759)
Other operating expenses	**5**	**(4,592,868)**	(14,372)
Loss from operations		**(6,202,193)**	(1,607,970)
Finance income		**12,110**	34,196
Finance costs	**6**	**(58,209)**	-
Loss before taxation		**(6,248,292)**	(1,573,774)
Tax on loss on ordinary activities		**(23,817)**	-
Loss for the year		**(6,272,109)**	(1,573,774)
Loss attributable to:			
Owners of the parent		**(6,225,246)**	(1,535,494)
Non-controlling interests		**(46,863)**	(38,280)
		(6,272,109)	(1,573,774)

	Note		
Loss per share attributable to owners of the parent:			
Basic and diluted EPS expressed in US cents per share	**7**	**(3.67)**	(1.24)

Consolidated statement of comprehensive income

	Year Ended 31 December 2024	Year Ended 31 December 2023
Loss for the year	**(6,272,109)**	(1,573,774)
Total comprehensive income attributable to:		
Owners of the parent	**(6,225,246)**	(1,535,494)
Non-controlling interests	**(46,863)**	(38,280)
	(6,272,109)	(1,573,774)

Consolidated statement of financial position

	Note	31 December 2024	31 December 2023
Non-current assets			
Property, plant and equipment - mining property	**8**	**43,770,586**	38,432,522
Intangible assets	**9**	**362,740**	356,805
		44,133,326	38,789,327
Current assets			
Trade and other receivables	**10**	**3,224,947**	1,434,280
Financial assets	**11**	**14,257**	4,191
Cash and cash equivalents		**879,476**	283,721
		4,118,680	1,722,192
Total assets		**48,252,006**	40,511,519
Current liabilities			
Trade and other payables	**12**	**813,339**	426,723
Borrowings and other liabilities	**13**	**1,986,502**	2,238,501
		2,799,841	2,665,224
Non-current liabilities			
Borrowings	**13**	**3,868,832**	-
Provisions for other liabilities	**14**	**657,702**	657,702
		4,526,534	657,702
Total liabilities		**7,326,375**	3,322,926
Net assets		**40,925,631**	37,188,593
Equity			
Ordinary shares	**15**	-	-
Share Premium		**54,858,134**	45,390,217
Retained loss		**(13,893,274)**	(8,209,258)
Foreign exchange translation reserve		**(18,588)**	(18,588)
Equity attributable to owners of the parent		**40,946,272**	37,162,371
Non-controlling interests		**(20,641)**	26,222
Total equity		**40,925,631**	37,188,593

The financial statements were approved by the Board of Directors and authorized for issue on 16 June 2025.

On behalf of the Board

Richard V L Wilkins
Director

Consolidated statement of changes in equity	Ordinary shares	Share premium	Retained loss	Foreign exchange translation reserve	Tota
At 1 January 2023	-	44,878,927	(7,086,480)	(18,588)	37,773,85
Loss for the year	-	-	(1,535,494)	-	(1,535,494
Total comprehensive income for the year	-	-	(1,535,494)	-	(1,535,494
Shares issued in the period	-	511,290	-	-	511,29
Share issue expenses	-	-	-	-	
Share-based payments	-	-	412,716	-	412,71
Total transactions with owners	-	511,290	412,716	-	924,00
At 31 December 2023	-	45,390,217	(8,209,258)	(18,588)	37,162,37
At 1 January 2024	-	45,390,217	(8,209,258)	(18,588)	37,162,37
Loss for the year	-	-	(6,225,246)	-	(6,225,246
Total comprehensive income for the year	-	-	(6,225,246)	-	(6,225,246
Shares issued in the period	-	9,957,115	-	-	9,957,11
Share issue expenses	-	(489,198)	-	-	(489,198
Share-based payments	-	-	541,230	-	541,23
Total transactions with owners	-	9,467,917	541,230	-	10,009,14
At 31 December 2024	-	54,858,134	(13,893,274)	(18,588)	40,946,27

Consolidated statement of cash flows	31 December 2024	31 December 2023
Cash flows from operating activities		
Loss before tax	**(6,248,292)**	(1,573,774)
Adjustments for:		
Share-based payments	**65,328**	18,991
Impairment of motor vehicles included in mining property	**296,524**	-
Impairment of bond issue expenses	**4,602,934**	-
Finance costs payable	**58,209**	-
Corporate taxes paid	**(23,817)**	-
Fair value adjustment to financial asset	**(10,066)**	14,372
	(1,259,180)	(1,540,411)
(Increase)/decrease in trade and other receivables	**(2,600,032)**	100,226
Increase/(decrease) in trade and other payables	**328,405**	(97,245)
Net cash used in operating activities	**(3,530,807)**	(1,537,430)
Cash flows from investing activities		
Purchase of intangible assets	**(5,935)**	(9,805)
Purchase of property, plant and equipment	**(4,412,208)**	(5,034,567)
Net cash used in investing activities	**(4,418,143)**	(5,044,372)
Cash flows from financing activities		
Proceeds from the issuance of ordinary shares	**3,559,994**	511,290
Share issue expenses	**(489,198)**	-
Proceeds from short-term borrowings	**968,436**	2,000,000
Proceeds from issue of 10-Year Copper Bonds	**4,750,000**	
Repayment of deferred liability	**(190,000)**	(310,000)
Finance costs paid	**(54,527)**	-
Net cash generated from financing activities	**8,544,705**	2,201,290
Net increase/(decrease) in cash and cash equivalents	**595,755**	(4,380,512)

Cash and cash equivalents at the beginning of the year	**283,721**	4,664,233
Cash and cash equivalents at the end of the year	**879,476**	283,721

Significant non-cash transactions:
During the year an amount of 541,230 (2023: 412,716) was credited to the retained loss in respect of the charge for share-based payments, of which 475,902 (2023: 393,725) has been capitalised into mining property. Interest and fees of 746,478 (2023: 294,100) arising from borrowings have been capitalised into mining property. An amount of 4,909,796 arising from an issue of ordinary shares in lieu of an arrangement fee (2023: nil) of which 306,862 was allocated against the carrying value of the 10-year Copper Bond liability and the remaining balance of 4,602,934 was expensed in the income statement.

1 General information

Phoenix Copper Limited (the "Company") and its subsidiary undertakings (the "Group") are engaged in exploration and mining activities, primarily precious and base metals, primarily in North America. The Company is domiciled and incorporated in the British Virgin Islands on 19 September 2013 (registered number 1791533). The address of its registered office is OMC Chambers, Wickhams Cay 1, Road Town, Tortola VG1110, British Virgin Islands. The Company is quoted on London's AIM (ticker: PXC) and trades on New York's OTCQX Market (ticker: PXCLF; ADR ticker PXCLY).

The subsidiaries of the Company are:

Incorporated in the United States of America
KPX Holdings Inc (100% equity holding)
Subsidiaries of KPX Holdings Inc:
Konnex Resources Inc (80% equity holding)
Borah Resources Inc (100% equity holding)
Lost River Resources Inc (100% equity holding)
Salmon Canyon Resources Inc (100% equity holding)

2 Going concern

The Group currently has no income and meets its working capital requirements through raising development finance. In common with many businesses engaged in exploration and evaluation activities prior to production and sale of minerals the Group requires funding in order to fully develop its business plan. The directors believe that the proceeds expected to be received from the further issue of 10-year Copper Bonds will be sufficient to cover projected construction costs for the Empire open pit mine, which will enable the Group to commence production and generation of income.

The directors have prepared annual budgets and forecasts for the period through to 30 June 2026 in order to ensure that they have sufficient liquidity in place and that they comply with the terms and conditions of their obligations in relation to the ongoing development of the mining assets and the Group's environmental and other commitments.

At the date of approval of these financial statements, the Group remains dependent on securing additional financing to fund its operations and meet its obligations as they fall due. Although the Group experienced delays in receiving certain bond funds, management is in advanced discussions with several potential investors to secure necessary financing for the development of the Empire open-pit mine. However, to date no binding agreement has been signed, and no additional funds have yet been received.

Sensitivity analysis performed by the Group indicates that, in the absence of this financing, a cash shortfall could arise by August 2025, which would affect the Group's ability to meet key obligations, including interest payments and creditor settlements.

In response, the directors have considered a number of contingency plans to manage liquidity in the event of a delay or failure to secure further bond financing. These include the deferral of discretionary expenditure, including directors' and advisory board fees and non-essential project costs, temporary suspension of certain capital expenditure activities, and a potential equity funding, which management believes is feasible based on preliminary investor discussions and historical shareholder support. The Group is also due to repay its short-term loan at the end of August 2025, and any delay in funding may impact its ability to meet this obligation. Management is actively considering options to address this, including refinancing or restructuring the loan. On 7 April 2025 the Company raised £300,000 and on 13 June 2025 an additional £500,000 from equity placings for working capital.

These circumstances represent a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Nevertheless, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, the directors believe it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

going concern.

3 Basis of preparation

This preliminary information does not comprise full financial statements. The significant accounting policies and other information contained within this preliminary announcement has been extracted from the Group's audited financial statements a copy of which is available on the Company's website: www.pgmining.com.

The financial information is presented in US dollars.

4 Revenue

The Group is not yet producing revenues from its mineral exploration and mining activities. The Company charged its subsidiary entities 900,000 (2023: 900,000) in respect of management services provided.

5 Other operating expenses

	31 December 2024	31 December 2023
Fair-value adjustment on financial assets	**10,066**	(14,372)
Impairment loss in respect of bond-issue expenses	**(4,602,934)**	-
Net other operating expenses	**4,592,868**	-

The fair-value adjustment on financial assets arises from the Group's investment in Toronto-based Electra Battery Materials Corporation which are stated at fair-value through profit and loss.

The impairment loss in respect of bond issue expenses arises from the value of shares issued by the Company to a bondholder, as an arrangement fee, which were classified as other receivables pending allocation to the net carrying value of future bonds to be subscribed for. This subscription is no longer expected to take place.

6 Finance costs

	31 December 2024	31 December 2023
Finance costs	**618,918**	231,701
Amount capitalised into non-current assets - mining property	**(560,709)**	(231,701)
Net finance costs	**58,209**	-

The capitalisation rates are based upon the utilisation of the related borrowings and the finance costs arising from short-term borrowings and 10-year Copper Bonds. Finance costs include interest calculated using the effective interest rate method. There are no related foreign exchange differences.

7 Loss per share

	31 December 2024	31 December 2023
Loss attributable to the parent used in calculating basic and diluted loss per Share	**(6,225,246)**	**(1,535,494)**
Number of shares		
Weighted average number of shares for the purpose of basic earnings per share	**169,554,296**	**123,483,143**
Weighted average number of shares for the purpose of diluted earnings per share	**169,544,296**	**123,483,143**
Basic loss per share (US cents per share)	**(3.67)**	**(1.24)**
Diluted loss per share (US cents per share)	**(3.67)**	**(1.24)**

Basic earnings per share amounts are calculated by dividing net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

Where the Group has incurred a loss in a year the diluted earnings per share is the same as the basic earnings per share.

The Company has potentially issuable shares of 22,644,509 (2023: 15,446,457) all of which relate to the potential dilution in respect of warrants and share options issued by the Company.

8 Non-current assets

	Mining property
At 1 January 2023	33,104,230
Additions	5,328,292
At 31 December 2023	**38,432,522**
At 1 January 2024	38,432,522
Additions	5,634,588
Write off	(296,524)
At 31 December 2024	**43,770,586**
Net book value	
At 1 January 2023	**33,104,230**
At 31 December 2023	**38,432,522**
At 31 December 2024	**43,770,586**

Mining property assets relate to the past producing Empire Mine copper - gold - silver - zinc project in Idaho, USA. The Empire Mine has not yet recommenced production and no depreciation has been charged in the statement of comprehensive income. There has been no impairment charged related to the mine construction and related resources in any period due to the early stage in the Group's project to reactivate the mine. However, the market capitalisation of the Group is below the carrying value of the mining asset, which is an indicator of impairment. Management performed an impairment assessment and concluded that an impairment is not required. The write off amount of 296,524 (2023: nil) relates to motor vehicles which have been scrapped in the year.

9 Intangible assets

	Exploration and evaluation expenditure
At 1 January 2023	347,000
Additions	9,805
At 31 December 2023	**356,805**
At 1 January 2023	356,805
Additions	5,935
At 31 December 2024	**362,740**
Net book value	
At 1 January 2023	**347,000**
At 31 December 2023	**356,805**
At 31 December 2024	**362,740**

Exploration and evaluation expenditure relates to the Bighorn and Redcastle properties on the Idaho Cobalt Belt in Idaho, USA and initial costs relating to the potential acquisition of mining rights in a producing copper project in the western USA. The Bighorn property is owned by Salmon Canyon Resources Inc. The Redcastle property is owned by Borah Resources Inc. Both companies are wholly owned subsidiaries of KPX Holdings Inc, a wholly owned subsidiary of the parent entity, and each of which are registered and domiciled in Idaho. The Redcastle property is subject to an Earn-In Agreement with First Cobalt Idaho, a wholly owned subsidiary of Electra Battery Materials Corporation of Toronto, Canada.

10 Other receivables

	31 December 2024	31 December 2023

	2024	2023
Other receivables	**1,763,997**	382,179
Preliminary bond issue expenses	**1,338,471**	882,814
Prepaid expenses	**122,479**	169,287
	3,224,947	1,434,280

There were no receivables that were past due or considered to be impaired. There is no significant difference between the fair value of the other receivables and the values stated above.

Preliminary bond issue expenses relate to the 10-Year Copper Bonds and will be deducted from the proceeds of the bonds proportionately by tranche of issue of the bonds and amortised to finance expenses over the expected life of each tranche of bonds issued.

Other receivables include an advanced payment of1,133,926 in respect of a potential investment in mining operations in the western USA. Subject to additional funding, the Company intends to continue discussions regarding this potential investment with a view to agreeing an earn-in or such other similar arrangement.

11 Financial assets

	31 December 2024	31 December 2023
Quoted investments	**14,257**	**4,191**

Quoted investments represent 11,111 shares in Toronto-based Electra Battery Materials Corporation. The shares have been valued at market price as at 31 December 2024. A fair value gain of10,066 (2023: a loss of 14,372) has been taken to other operating income/expenses.

12 Trade and other payables

	31 December 2024	31 December 2023
Trade payables	**730,126**	**410,448**
Other payables	**83,213**	**16,275**
	813,339	**426,723**

All trade and other payables are payable on demand or have payment terms of less than 90 days. The Group is not exposed to any significant currency risk in respect of its payables.

13 Borrowings

	31 December 2024	31 December 2023
Current liabilities		
Short-term borrowings	**1,986,502**	2,048,501
Deferred consideration	**-**	190,000
	1,986,502	2,238,501
Non-current liabilities		
10-year Copper Bonds	**3,868,832**	-
Total borrowings	**5,855,334**	2,238,501

Net debt reconciliation of cash flows	31 December 2024	31 December 2023
At 1 January 2024	**2,238,501**	500,000
	968,436	

New short-term borrowings		2,000,000
Proceeds of bonds issued net of discount	**4,750,000**	-
	5,718,436	2,000,000
Repayment of borrowings	**(190,000)**	(310,000)
Borrowings settled by the issue of share capital	**(1,487,325)**	-
Other non-cash movements	**(369,751)**	48,501
Interest paid	**(54,527)**	-
	(2,101,603)	(261,499)
At 31 December 2024	**5,855,334**	2,238,501

Short-term borrowings

In 2023 the Group entered a short-term unsecured funding arrangement of2,000,000, with an initial fixed 4% coupon, which was subsequently modified on several occasions. On 2 March 2024 the Company refinanced the facility into an 18-month term loan, repayable over 15 months following an initial 90-day repayment holiday. Since the year end the loan has been extended to 30 August 2025, unless the Company redeems the loan earlier. The loan remains unsecured and attracts interest at 15% per annum. The loan is potentially convertible, by the lender, into approximately 7.2 million new ordinary shares in the Company at a fixed subscription price of 20 pence per share.

Deferred consideration

In April 2021 the Group entered into an agreement with Mackay LLC to acquire 1% of the 2.5% net smelter royalty payable on mining leases on the Empire Mine in Idaho, USA. The amount outstanding as at 31 December 2023 of 190,000 was paid in the year.

10-year Copper Bonds

On 27 December 2023 the Company created a class of corporate copper bonds ("Bonds") in an authorised amount of 300 million. 110 million in principal value of Bonds were issued and deposited with The Bank of New York Mellon as Settlement Agent, pending onward transfer to Bonds investors.

The Bonds are not convertible, are secured on the Group's interests in the Empire open pit mine and are listed on The International Stock Exchange in the Channel Islands ("TISE"), under the ticker PHCOUSDN.

During the period the Company agreed an initial subscription for80 million of Bonds from an investor. The initial drawdown of 5 million of Bonds was made in the year at a discount of250,000 which will be amortised over the remaining life of the bonds issued.

The Company paid an arrangement fee of4.96 million, settled by the issue of 33,884,031 ordinary shares of no par value to the Bond holder at a fair-value of 11.5 pence per share in lieu of an arrangement fee. 0.31 million has been allocated proportionately against the first 5 million of Bonds issued. The balance of4.60 million was recognised initially in other receivables pending allocation against future Bonds issues of up to75 million. This subscription from the Bond holder is no longer expected to take place and the remaining balance has been expensed.

Additionally the Company agreed a drawdown fee, conditional upon the drawdown by the Company of further tranches of Bonds, by way of warrants to subscribe at no cost for a further 22.59 million of new ordinary shares. These warrants have not vested and will now lapse.

1.34 million of other Bond issue expenses are carried forward to be amortised against the issue of further Bonds when drawn

The Bonds have a final maturity of ten years with Bond investor option to request redemption at principal value after six years, and the Company's option to offer early redemption at a 10% premium to principal value after five years. The Bonds will remain listed on TISE until the earlier of redemption or maturity.

The Bonds pay a floating rate coupon subject to a minimum of 8.5% per annum and a maximum of 20%. The floating rate coupon is calculated as to the higher of a copper price coupon linked to the copper price on the London Metal Exchange, or an interest rate coupon linked to the US Federal Discount Rate. The coupon is only payable on the principal value of Bonds drawn down.

14 Provisions

	31 December 2024	**31 December 2023**

Royalties payable	**657,702**	**657,702**
	657,702	**657,702**

The provision of657,702 arises from a business combination in 2017 and comprises potential royalties payable in respect of future production at the Empire Mine. This liability will only be payable if the Empire Mine is successfully restored to production and will be deducted from the royalties payable. The amount of the provision will be reassessed as exploration work continues and on commencement of commercial production.

15 Share capital

	Group and Company Number 2024	Group and Company Number 2023
Number of ordinary shares of no par value		
At the beginning of the year	**124,928,622**	122,628,622
Issued in the year	**72,255,470**	2,300,000
At the end of the year	**197,184,092**	124,928,622

The Company does not have an authorised capital and is authorised to issue an unlimited number of no-par value shares of a single class.

In the year the Company issued 72,255,570 ordinary shares at an average issue price of0.14 per share to raise 9.96 million gross, before share-issue expenses, including 1.49 million to repay short-term borrowings and 4.91 million in lieu of an arrangement fee for 10-year Copper Bond issue expenses.

Since the year end the Company has issued a further 27,353,208 ordinary shares at 0.045 including 22,500,000 ordinary shares from equity placing and 4,853,208 ordinary shares issued to a provider of short-term borrowings.

The ordinary shares in the Company have no par value. All ordinary shares have equal voting rights in respect of shareholder meetings. All ordinary shares have equal rights to dividends and the assets of the Company.

The Company has issued warrants to subscribe for additional shares. Each warrant provides the right to the holder to convert one warrant into one ordinary share of no-par value at exercise prices ranging from £0 to £0.385. At 31 December 2024 the number of warrants in issue was 16,419,509 (2023: 9,221,457).

The Company has issued options to subscribe for additional shares to the directors and senior employees of the Group. Each option provides the right to the holder to subscribe for one ordinary share of no par-value, subject to the vesting conditions, at exercise prices ranging from £0.17 to £0.50. On 31 December 2024 the number of options in issue was 6,225,000 (2023: 6,225,000). Since the year end all the options have lapsed.

Since the year end a further 2,565,934 warrants have been issued at an exercise price of £0.07, and 3,775,000 warrants with exercise prices ranging from £0.18 to £0.50 have lapsed.

16 Share-based payments

The Company has in issue 16,419,509 (2023: 9,221,457) warrants to subscribe for additional share capital of the Company. Each warrant entitles the holder to subscribe for one ordinary equity share in the Company. The right to convert each warrant is unconditional.

The Company has issued 6,225,000 (2023: 6,225,000) share options to directors and senior employees of the Group. Each share option entitles the holder to subscribe for one ordinary equity share in the Company once the vesting conditions have been satisfied. No new share options were issued or amended in the year ended 31 December 2024. Since the year-end these options have lapsed.

In the periods presented the Company has operated an equity-settled share based incentivisation schemes for employees.

Equity-settled share-based payments are measured at fair-value (excluding the effect of non-market-based vesting conditions) as determined through use of the Black-Scholes technique, at the date of issue. The warrants were issued as exercisable from the date they were issued and there are no further vesting conditions applicable.

Warrants issued

	Weighted	31 December	31 December

	Weighted Average Exercise price	31 December 2024 Number	31 December 2023 Number
At the beginning of the year	£0.38	**9,221,457**	7,521,457
Issued in the year	£0.12	**1,602,827**	-
Issued in the year	£0.18	**-**	2,000,000
Issued in the year	£0.20	**8,951,779**	-
Issued in the year	£0.42	**-**	2,000,000
Exercised in the year	£0.12	**(423,913)**	-
Exercised in the year - average exercise price	£0.18	**-**	(2,300,000)
Lapsed	£0.41	**(2,932,641)**	-
At the end of the year	£0.19	**16,419,509**	9,221,457

Share options issued

	Weighted average Exercise price	31 December 2024 Number	31 December 2023 Number
At the beginning of the year	£0.34	**6,225,000**	6,225,000
Issued in the year	£0.30	**-**	-
At the end of the year	£0.34	**6,225,000**	6,225,000

The total share-based payment charge for all warrants and options in the year was 541,230 of which 65,328 has been charged to profit and loss and 475,902 allocated to Mining Property (2023: 412,716, 18,991 and 393,725 respectively). The share-based payment charge was calculated using the Black-Scholes model. All warrants issued vest immediately on issue. Share options vest up to a 36-month period from the date of issue, or on the achievement of certain vesting milestones.

Volatility for the calculation of the share-based payment charge in respect of both the warrants and the share options issued was determined using the historic volatility calculated over a year period by reference to movements in the Company's quoted share price on AIM.

The inputs into the Black-Scholes model for the warrants and share options issued were as follows:

	31 December 2024 Warrants issued	31 December 2024 Share options issued
Weighted average share price at grant date	**£0.12**	-
Weighted average exercise prices	**£0.19**	-
Weighted average expected volatility	**108.5%**	-
Expected life in years	**1.00**	-
Weighted average contractual life in years	**1.00**	-
Risk-free interest rate	**3.5%**	-
Expected dividend yield	**-**	-
Fair-value of warrants granted (pence)	**£0.04**	-

On 2 February 2024 the Company issued 1,602,827 warrants with an exercise price of £0.115, the share price on the date of issue was £0.114 and the fair-value of each warrant was £0.04. Issued fully vested.

On 2 March 2024 the Company issued 3,300,874 warrants with an exercise price of £0.20, the share price on the date of issue was £0.118 and the fair-value of each warrant was £0.03. Issued fully vested.

On 16 May 2024 the Company issued 1,550,905 warrants with an exercise price of £0.20, the share price on the date of issue was £0.22 and the fair-value of each warrant was £0.08. Issued fully vested.

On 30 September 2024 the Company issued 4,100,000 warrants with an exercise price of £0.20, the share price at the date of issue was £0.10 and the fair-value of each warrant was £0.02.

In the year 423,913 warrants of £0.12 were exercised and 2,932,641 warrants with an average price of £0.39 lapsed.

In the year 3,482,500 warrants with exercise prices ranging from £0.30 to £0.50 were modified to be exercisable at £0.20.
The warrants issued are all exercisable from the date of issue. The average volatility for the warrants issued was 108.5%.

No share options were issued or amended in the year. The number of outstanding share options are exercisable between £0.30 to £0.34.

The expected life of the outstanding warrants and options is up to 1 year.

Share-based payments allocation of charge	**31 December 2024**	**31 December 2023**
Share options	**-**	54,262
Warrants including modification	**541,230**	358,454
Total charge	**541,230**	412,716
Allocation:		
Mining property	**475,902**	393,725
Administrative expenses	**65,328**	18,991
	541,230	412,716

The share- based payment charge has been simultaneously credited to retained deficit.

17 Events after the reporting date

In June 2025 the Company signed a non-binding Letter of Intent with an accredited US investor to subscribe for75 million of the Company's 10-year Copper Bonds. The subscription is subject to the preparation and execution of definitive legal documentation, including the bond subscription letter. In the same period, the Company also raised £800,000 from equity placings for working capital.