

Red Rock Resources PLC

("Red Rock" or the "Company")

Business and Financial Review

21 July 2025

Red Rock Resources Plc, the natural resource exploration and development company with interests in gold, base metals, battery metals, and hydrocarbons principally in Africa and Australia announces an update on (i) the Company's arbitration and associated actions in the DRC further to its announcements of 15 January 2025, 29 January 2025, 31 March 2025, 15th May 2025 and 12th June 2025, and (ii) other matters including a financial review.

DRC CLAIMS

A judgment has been rendered by the Cour de Cassation (Supreme Court) of the Democratic Republic of Congo (DRC) in relation to certain proceedings instituted by the Company. The Company awaits conclusion of the publication process and will then receive a copy, translate and review internally before releasing.

The intent of these proceedings was to remove any doubts about the effect of the judgments in the Company's favour at the court of first instance, confirming therefore that the Company's former JV partner ("VUP") is liable to the Company for 2.503m plus 2m of damages and interest (i.e. 4.503m) in respect of Red Rock's 50.01% interest in the 5m paid as the first instalment payment by a purchaser of certain mining properties ("Purchaser"). These judgments, though final and executory, had been potentially impugned by gratuitous observations unrelated to the *res judicata* in other proceedings, so it was desirable in the Company's view to obtain a clear affirmation at Cour de Cassation level, with a striking of the irrelevant remarks and a sanctioning of the judge.

The Arbitrator had indicated this year that such guidance by the Cour de Cassation would be of great assistance to him in closing the arbitration.

Red Rock's claims in relation to the sale and purchase include the sums noted above totalling 4.503m due from VUP or anyone holding VUP funds in relation to the first 5m paid by the Purchaser, and 7.51m being 50.01% of the 15m not yet paid by the Purchaser but stated by its lawyer to be held by it on account for Red Rock and VUP parties and distributable by it in accordance with the Arbitration judgment. The Company also expects to claim costs, damages, and foregone interest.

The Company will continue to update the market. In the meantime, there can be no certainty of any monetary recovery until such time as this is received in cleared funds by Red Rock or its subsidiary in its bank account.

AUSTRALIAN ASSETS

The Company has agreed to reschedule its final payments to Power Metal Resources PLC (AIM:POW and "POW") in respect of its purchase of the POW minority interest in the Australian assets of the two companies in Victoria held through New Ballarat Gold Corporation PLC and its subsidiary Red Rock Australasia Ltd.

The payments will be made as follows:

- a. £200,000 by a long stop date of 19th September 2025
- b. £200,000 by 14th November 2025
- c. Balance of £254,449.67 by 31st December 2025.

In the event that any of these payments is not made by the due date POW reserves the right to cancel the agreement, whereupon all outstanding amounts will be immediately due and payable, and in those circumstances POW will have the right to take enforcement action including presentation of a winding up petition following the making of a statutory demand in the above amount of approximately £654k.

COLOMBIA GOLD ROYALTY

Red Rock has a gold royalty on the product of the El Limon mine and mill in Colombia, held by Soma Gold Corporation. The NSR royalty runs at 3% for the first 2m receivable and 0.5% for the next 1m. Small amounts have been received before Soma closed the mill in 2019 after a 2-year, C 3m expansion programme. The mill, with a 225 tpd capacity, is according to various announcements by Soma, being

brought back into operation this month and building up to 100tpd over 60 days, with further increases thereafter. A 3,000t stockpile has been built up with material from the Cordero and Aurora mines, and Soma has now agreed the purchase of the Escondida mine with a historic diluted grade of 9 g/t so believes with operational improvements it can quickly deliver 40-50 tpd of higher grade ore from this source to El Limon.

On the figures given and provided the mine is brought back into production as scheduled, Red Rock estimates that it might expect a flow of royalty payments from November 2025, at the level of several hundred thousand dollars in the first twelve months of operation.

IVORY COAST

The Company has received several expressions of interest for its Ivory Coast gold portfolio, with two offers of a mixture of cash, shares and other consideration made. Any of these offers would represent a significant premium over cost. Both of the more advanced offers envisages the use of a listed company on an overseas market. One is subject to drafting of a definitive proposal, which is under way; the other is paused while the buyer raises development funds. Since the structure and assets are simple, the Company hopes to conclude a transaction quickly, but has not identified a preferred bidder or entered into definitive agreements.

FINANCIAL REVIEW

The interim statement on 31 March 2025 ("Interim Statement") disclosed current creditors of £2.8m of which £654k relates to amounts due to Power Metals as dealt with above, and £2.15m to other creditors. This latter number consists primarily of one long term creditor dating back to 2012 relating to contracting work in Greenland, where the creditor has been willing to wait for a resolution in the DRC for payment. Based on updated current figures, pressing creditors include an aggregate £372k for tax and professional advisers and others necessary to maintain the AIM listing and the Company in good standing, and a £39k judgement which been notified to an overseas inactive subsidiary, which will be disputed in part.

The Chairman stated in the Interim Statement: *"Conversely, a failure, or a further long delay, in the DRC, neither of which appear likely to the management, would leave the Company's short-term finances under significant strain as the level of current liabilities now reflects the expectation of an early award. Immediate action would have to be taken to dispose of some non-core assets, and other action taken to restructure or convert some of the Company's convertible and debt securities and/or raise money on what could be dilutive terms. The Company's convertible and debt holders have been strongly supportive of the Company, and we are discussing with the loan note holders the terms of an extension to the Convertible Loan Notes. A failure to generate sufficient funds by disposals or external funding might put in question the Company's ability to continue operations."*

In broad terms, this remains the Company's financial position with no material changes, and the Company believes that it continues to enjoy the support of key shareholders and certain creditors.

Since then, despite credible assurances that the DRC judgment has now been rendered, the Company still awaits a copy, although it remains of the view that this is imminent. Until this judgement is publicised and the Company receives a copy, it is unable to pursue its arbitration award as explained above.

As there is an expectation but no certainty of the timing of receipt of proceeds from the DRC judgement even after the judgement is publicised and the Company obtains a copy, the Board has resolved to take the following immediate "No DRC" prudential actions to preserve the Company's financial position:

- Expediting the potential or pending sales of certain existing mineral exploration and development assets and reporting progress as and when any definitive agreements are reached
- Calling as soon as practically possible for an AGM to renew its shareholder authorities to issue new equity
- Raising of equity finance as one of the immediate actions after the AGM
- Reducing its cost base where possible
- Seeking to agree a new funding facility from its historic lenders
- Negotiating formal restructuring of the Company's debt obligations in order to more fully recapitalise the business and to preserve value for all stakeholders

While the directors consider the Company to be currently solvent, should the above measures prove insufficient to meet the Company's financial obligations, then, as noted in the Interim Statement, the Company may be unable to continue trading and would have to file for Administration.

Andrew Bell 0207 747 9990
Roland Cornish/ Rosalind Hill Abrahams 0207 628 3396
Bob Roberts 0203 8696081

Chairman Red Rock Resources Plc
NOMAD Beaumont Cornish Limited
Broker Clear Capital Corporate Broking

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