26 November 2025

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Karelian Diamond Resources plc
(â€œ**Karelian**â€ or the â€œ**Company**â€)
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FINAL RESULTS FOR THE YEAR TO 31 MAY 2025
NOTICE OF ANNUAL GENERAL MEETING

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Karelian Diamond Resources plc (AIM: KDR), the diamond exploration company focused on Finland and Ireland, announces its audited financial statements for the year ended 31 May 2025.Â Details of these can be found below and a full copy of the Annual Results can be viewed on the Companyâ€™s website. During the period the Company advanced its prospects in both Finland and Ireland.
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Highlights of the period included:
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- The long-awaited decision regarding mine boundaries for the Lahtojoki diamond deposit in Finland was received. It is the Companyâ€™s intention to move through the development stage and on to production and the Company is focussed on securing appropriate strategic investment to this end.

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- Following analysis of basal till samples excavated at various target locations in the Kuhmo region of Finland a semi-airborne unmanned aerial vehicle (UAV) survey was completed and the data resulting from this survey was processed. The geophysical interpretation of the data identified two diatreme-shaped anomalies that could represent the kimberlitic source of the green diamond. A follow up drilling programme when weather conditions suit is planned.

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- A number of interlinking new licences and licence extensions have also been obtained in the Kuhmo area.

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- The Companyâ€™s exploration programme for Nickel, Copper and Platinum-Group Elements in Northern Ireland, with licences covering 750KmÂ², adds a significant important supplement to the Companyâ€™s diamond programme in Finland.Â

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- The Company has identified the site of the historic Cappagh Copper Mine in Northern Ireland as a significant new copper target for investigation within its KDR 4 licence area.Â

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Brendan McMorrow, Chairman of Karelian, said:
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â€œThe Company has again made progress towards developing its targets in both Finland and Ireland and it is the Boardâ€™s intention to now accelerate the pace of the work, particularly in Finland where we have the opportunity to move towards the development of a producing diamond mine.â€
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Annual Report and Financial Statements for the year to 31 May 2025
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The full audited annual report and financial statements for the year to 31 May 2025 has been posted to shareholders and will be published on the Company's website (www.kareliandiamondresources.com) shortly. Â Key elements can also be viewed at the bottom of this announcement.
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Annual General Meeting
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The Annual General Meeting of the Company ("**AGM**") will be held at The Radisson Blu St. Helenâ€™s Hotel, Stillorgan Road, Blackrock, Dublin at 12 noon on Wednesday 17 December 2025.Â A copy of the notice of AGM has been posted to shareholders and can be viewed on the Company's website.
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Further Information:

Karelian Diamond Resources plc Brendan McMorrow, Chairman Maureen Jones, Managing Director	+353-1-479-6180	Â Â
Allenby Capital Limited (Nomad) Nick Athanas / Nick Harriss	+44-20-3328-5656	
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CMC Markets (Joint Broker) Douglas Crippen	+ 44-20-3003-8632	
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Hall Communications Don Hall	+353-1-660-9377	

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http://www.kareliandiamondresources.com
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Chairmanâ€™s Statement
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Dear Shareholder,
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I am pleased to present the Companyâ€™s Annual Report and Financial Statements for the year ended 31 May 2025, a year which saw progress on our projects in both Finland and Northern Ireland.
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The Lahtojoki Diamond Deposit
During the year the Company was granted a mining concession certificate by Tukes which formally entitles the Company to utilise the minerals within the mining concession.Â This was a critical milestone for your Company as it allows the Company to proceed with its plans to bring in a mine at Lahtojoki.
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The Lahtojoki mining project comprises a mining concession covering 71 hectares (c. 176 acres), including a kimberlite pipe with a surface area of 1.6 hectares (c.4 acres).Â Since itsâ€™ initial purchase of the project over eight years ago, the Company has been steadily working with the relevant authorities to achieve the various milestones required for the granting of a mining concession certificate by Tukes.Â Â Now that this has been received, focus has turned to securing appropriate strategic investment to take this project through the development stage and on to production.Â Â I do not expect this to be easy, however with the presence of fancy diamonds, including pink diamonds, and also the potential for the mine to act as a hub for other developments by your Company in the area, I believe the Company is an attractive proposition as the first diamond mine in Europe outside of Russia.
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Diamond Exploration in the Kuhmo Region
Exploration work continues in the Kuhmo region of Finland where during the year, significantly, the geophysical interpretation of electromagnetic data from a UAV-based survey identified two diatreme-shaped anomalies that could represent the kimberlitic source of the green diamond that is the focus of the Companyâ€™s exploration in the area. These two diatreme anomalies also have significant kimberlite indicator mineral fans down ice, with numerous Peridotitic garnets (G10 and G9) and even garnets from the diamond stability field (G10D) as well as Eclogitic garnets (G4) and the best indicator of all the green diamond.Â The Company is classifying the resultant target as a high priority for drilling and has incorporated the testing of this target into its plans for the financial year ending May 2026.Â Â Â
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In February 2025 the Company was granted a new reservation, namely â€œKuumu-1â€ in the Lentiira area of northern Kuhmo, which is approximately 30 kms to the north of the noted green diamond discovery.Â Â The Lentiira area is considered highly prospective by the Company. Several orangeite dikes with highly prospective indicator mineral compositions were discovered in the area by European Diamonds PLC in the early 2000s, and diamonds were discovered by till sampling in a number of locations.Â Considering the fact that the ultimate sources of the main indicator fans still remain unlocated, the exploration possibilities for the Company in the Lentiira area are interesting.
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Extensions for the exploration permits covering the SeitaperÃ¤ diamondiferous kimberlite (lamproite) in Kuhmo, and the kimberlite (olivine lamproite) discovery at Riihivaara are held until a minimum of Q1 2027.Â We are pleased to note that the various licences in the Kuhmo area interlink and cover an area that has the potential to become a significant diamond province on the Finnish side of the Karelian Craton using a potential development at Lahtojoki as a production hub.
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The Company held a public meeting in Kuhmo in January 2025 in relation to its diamond exploration activities in Finland which was well received.
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Nickel, Copper and Platinum Group Metals in Northern Ireland

Your Company holds a significant licence package covering over 1,000 km^2 in Northern Ireland where it has established first move advantage and continues to advance its exciting exploration programme exploring for Nickel, Copper and Platinum Group Elements over the year under review.Â Â An assessment of the Companyâ€™s licences by Dr Larry Hulbert was commissioned in early 2024 and on completion of his work during the year under review, his report confirmed the significant potential for Nickel, Copper and Platinum Group Elements and recommended a follow up work programme.
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This assessment followed the discovery in October 2023 by the Company of indicator minerals for nickel, copper and platinum group metals during the course of a stream sediment sampling programme.Â In June 2025 the Company announced that it had identified the site of the historic Cappagh Copper Mine which will provide a significant new copper target for investigation within its new KDR 4 licence area.Â This further enhances the Companyâ€™s strategic position in Northern Ireland.Â Further investigation and detailed exploration work programmes are now being planned to review and assess the potential of this target.
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Environmental, Social and Governance Issues

Great emphasis is placed by the Company on these issues, and the Company is committed to high standards of corporate governance and integrity in all its activities and operations, including rigorous health and safety compliance, environmental consciousness and the promotion of a culture of good ethical values and behaviour.
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Financial Review

The Company recorded a loss for the financial year ended 31 May 2025 of â‚¬279,357 (31 May 2024: Loss of â‚¬237,160). At 31 May 2025 the Company had total assets of â‚¬12,246,037 (31 May 2024:Â â‚¬11,811342) and net assets at the same date of â‚¬10,141,861 (31 May 2024: â‚¬9,741,609).
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During the year under review total funds raised amounted to Â£651,822 at share prices ranging from 0.75 pence to 1.5 pence per share. Subsequent to the year end, in June 2025 a further Â£185,000 of funds were raised at a price of 0.75 pence per share.
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Directors and Staff

I would like to take this opportunity to sincerely thank my fellow directors, staff and consultants for their work and contribution to the Company and its operations over the past year.Â This is greatly appreciated and has contributed significantly to its progress.
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Brendan McMorrow
Chairman
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25 November 2025
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Extract from Independent Auditorâ€™s ReportÂ
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Material uncertainty related to going concern
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In auditing the financial statements, we have concluded that the directorsâ€™ use of the going concern basis of accounting in the preparation of the financial statements is appropriate.
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We draw attention to note 1 in the financial statements, which indicates that during the financial year ended 31 May 2025, the Company incurred a loss of â‚¬279,357 and had net current liabilities of â‚¬1,913,340 as at that date.
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As stated in note 1, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Companyâ€™s ability to continue as a going concern. Our opinion is not modified in respect of this matter.
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Our evaluation of the directorsâ€™ assessment of the Companyâ€™s ability to continue to adopt the going concern basis of accounting included:
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- obtaining an understanding of the Companyâ€™s relevant controls over the preparation of cash flow forecasts and approval of the projections and assumptions used in cash flow forecasts to support the going concern assumption;
- assessing the design and determining the implementation of these relevant controls;
- evaluating directorsâ€™ plans and their feasibility by agreeing the inputs used in the cash flow forecast to expenditure commitments and other supporting documentation;
- challenging the reasonableness of the assumptions applied by the directors in their going concern assessment;
- obtaining confirmations received by the Company from the directors and former directors evidencing that they will not seek repayment of amounts owed to them by the Company within 12 months of the date of approval of the financial statements, unless the Company has sufficient funds to repay;
- assessing the mechanical accuracy of the cash flow forecast model; and
- assessing the accuracy and completeness of the relevant disclosures made in the financial statements.

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Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.
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Statement of profit or loss
For the year ended 31 May 2025
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Â	*Note*	**2025**	Â	Â	2024
Â	*Â*	**â‚¬**	Â	Â	â‚¬
Â	*Â*	Â	Â	Â	Â
Continuing operations	*Â*	**Â**	Â	Â	Â
Operating expenses	*2*	**(364,615)**	Â	Â	(418,312)
Â	*Â*	**Â**	Â	Â	Â
Operating loss	*Â*	**(364,615)**	Â	Â	(418,312)
Â	*Â*	**Â**	Â	Â	Â
Gain in fair value of warrants	*10*	**91,738**	Â	Â	187,628
Interest expense	*11*	**(6,480)**	Â	Â	(6,476)
Â	*Â*	**Â**	Â	Â	Â
Total finance gain	*Â*	**ÂÂÂÂÂ 85,258**	Â	Â	181,152
Â	*Â*	**Â**	Â	Â	Â
Loss before taxation	*3*	**ÂÂÂÂÂ (279,357)**	Â	Â	(237,160)
Â	*Â*	**Â**	Â	Â	Â
Income tax expense	*5*	**-**	Â	Â	-
Â	*Â*	**Â**	Â	Â	Â
Loss for the financial year	*Â*	**ÂÂÂÂÂ (279,357)**	Â	Â	(237,160)
Â	*Â*	**Â**	Â	Â	Â
Loss per share	*Â*	**Â**	Â	Â	Â
Basic and diluted loss per share	*6*	**(0.0020)**	Â	Â	(0.0023)
Â	*Â*	**Â** Â		Â	Â

The total loss for the financial year is entirely attributable to equity holders of the Company.
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Statement of comprehensive income
For the year ended 31 May 2025
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Â	*Â*	**2025**	Â	Â	2024
Â	*Â*	**â‚¬**	Â	Â	â‚¬
Â	*Â*	Â	Â	Â	Â
Loss for the financial year	*Â*	**(279,357)**	Â	Â	(237,160)
Â	*Â*	**Â**	Â	Â	Â
Income recognised in other comprehensive income	*Â*	**-**	Â	Â	-
Â	*Â*	**Â**	Â	Â	Â
Total comprehensive income for the financial year	*Â*	**(279,357)**	Â	Â	(237,160)

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The total comprehensive income for the financial year is entirely attributable to equity holders of the Company.
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Statement of financial position
as at 31 May 2025
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Â	*Â*	**31 May**	Â	31 May	Â
Â	*Note*	**2025**	Â	2024	Â
				Â	
Â	*Â*	**â‚¬**	Â	â‚¬	Â
Assets	*Â*	**Â**	Â	Â	Â
Non-current assets	*Â*	**Â**	Â	Â	Â
Intangible assets	*7*	**12,085,967**	Â	11,690,194	Â
Tangible Assets	*Â*	**2,114**	Â	-	Â
Total non-current assets	*Â*	**12,088,081**	Â	11,690,194	Â
Â	*Â*	**Â**	Â	Â	Â
Current assets	*Â*	**Â**	Â	Â	Â
Cash and cash equivalents	*8*	**40,862**	Â	39,597	Â
Other receivables	*9*	**117,094**	Â	81,551	Â
Total current assets	*Â*	**157,956**	Â	121,148	Â

Â	*Â*	**Â**	Â	Â	Â
Total assets	*Â*	**12,246,037**	Â	11,811,342	Â
Â	*Â*	**Â**	Â	Â	Â
Equity	*Â*	**Â**	Â	Â	Â
Capital and reserves	*Â*	**Â**	Â	Â	Â
Share capital presented as equity	*12*	**3,220,201**	Â	3,203,532	Â
Share premium	*12*	**11,399,829**	Â	10,736,889	Â
Share-based payments reserve	*Â*	**450,658**	Â	450,658	Â
Retained deficit	*Â*	**(4,928,827)**	Â	(4,649,470)	Â
Total equity	*Â*	**10,141,861**	Â	9,741,609	Â
Â	*Â*	**Â**	Â	Â	Â
Liabilities	*Â*	**Â**	Â	Â	Â
Non-current liabilities	*Â*	**Â**	Â	Â	Â
Warrant liabilities	*10,15*	**32,880**	Â	-	Â
Total non-current liabilities	*Â*	**32,880**	Â	-	Â
Â	*Â*	**Â**	Â	Â	Â
Current liabilities	*Â*	**Â**	Â	Â	Â
Trade and other payables	*11*	**1,928,790**	Â	1,903,601	Â
Convertible loan	*11*	**132,202**	Â	125,722	Â
Derivative liability	*11*	**10,304**	Â	10,304	Â
Warrant liabilities	*11*	**-**	Â	30,106	Â
Total current liabilities	*Â*	**2,071,296**	Â	2,069,733	Â
Â	*Â*	**Â**	Â	Â	Â
Total liabilities	*Â*	**2,104,176**	Â	2,069,733	Â
Â	*Â*	**Â**	Â	Â	Â
Total equity and liabilities	*Â*	**12,246,037**	Â	11,811,342	Â

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Statement of changes in equity

for the financial year ended 31 May 2025

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Â	**Â**	**Share capital**	**Share premium**	**Share-based payment reserve**	**Retained deficit**	**Total Âequity**
Â	*Note*	**â‚¬**	**â‚¬**	**â‚¬**	**â‚¬**	**â‚¬**
Balance at 1 June 2024	*Â*	**3,203,532**	**10,736,889**	**450,698**	**(4,649,470)**	**9,741,609**
Share issue	*12*	**16,669**	**789,422**	**-**	**-**	**806,091**
Share issue costs	*15*	**-**	**(126,482)**	**-**	**-**	**(126,482)**
Loss for the financial year	*Â*	**-**	**-**	**-**	**(279,357)**	**(279,357)**
Balance at 31 May 2025	*Â*	**3,220,201**	**11,399,829**	**450,698**	**(4,928,827)**	**10,141,861**
Â	*Â*	**Â**	**Â**	**Â**	**Â**	**Â**
Balance at 1 June 2023	*Â*	3,200,882	10,546,844	450,658	(4,412,310)	9,786,074
Share issue	*12*	2,650	298,555	-	-	310,205
Share issue costs	*Â*	-	(108,510)	-	-	(108,510)
Loss for the financial year	*Â*	-	-	-	(237,160)	(237,160)
Balance at 31 May 2024	*Â*	3,203,532	10,736,889	450,658	(4,649,470)	9,741,609
Â	*Â*	**Â**	**Â**	**Â**	**Â**	**Â**

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Share capital

The share capital comprises of the nominal value share capital issued for cash and non-cash consideration. The share capital also comprises deferred share capital. The deferred share capital arose through the restructuring of share capital which was approved at the Annual General Meeting held on 9 December 2016. A detailed breakdown of the share capital figure is included in Note 12.

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Share premium

The share premium reserve comprises of the excess consideration received in respect of share capital over the nominal value of shares issued net of any direct share issue costs which are deducted from share premium in line with the Companyâ€™s accounting policies.Â Â The fair value of warrants issued as part of a fundraise are included in direct share issue costs (see note 15).

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Retained deficit

This reserve represents the accumulated losses absorbed by the Company to the statement of financial position date.

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Statement of cash flows

for the financial year ended 31 May 2025

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Â	**Â**	**2025**	Â	Â	2024
Â	**Â**	**â‚¬**	Â	Â	â‚¬
Cash flows from operating activities	*Note*	**Â**	Â	Â	**Â**
Loss for the financial year	*Â*	**(279,357)**	Â	Â	(237,160)
Adjustments for:	*Â*	**Â**	Â	Â	Â
Movement in fair value of warrants	*10*	**(91,738)**	Â	Â	(187,628)
Interest expense	*Â*	**6,480**	Â	Â	6,476
Â	*Â*	**(364,615)**	Â	Â	(418,312)
Â	*Â*	**Â**	Â	Â	Â
Increase in trade and other payables	*11*	**25,189**	Â	Â	467,514
Increase in other receivables	*9*	**(35,543)**	Â	Â	(2,548)
Net cash (used in) / from operating activities	*Â*	**(374,969)**	Â	Â	46,654
Â	*Â*	**Â**	Â	Â	Â
Cash flows from investing activities	*Â*	**Â**	Â	Â	Â
Expenditure on intangible assets	*7*	**(395,773)**	Â	Â	(424,300)
Purchase of tangible assets	*Â*	**(2,114)**	Â	Â	-
Net cash used in investing activities	*Â*	**(397,887)**	Â	Â	(424,300)
Â	*Â*	**Â**	Â	Â	Â

Cash flows from financing activities	Â	**Â**	Â	Â	Â
Proceeds on issue of share capital	12	**774,121**	Â	Â	301,205
Net cash provided by financing activities	Â	**774,121ÂÂ**	Â	Â	301,205
Â	Â	**Â**	Â	Â	Â
Increase / (decrease) in cash and cash equivalents	Â	**1,265ÂÂÂÂÂÂÂÂÂÂÂÂÂÂ**	Â	Â	(76,441)
Cash and cash equivalents at beginning of financial year	Â	**39,597**	Â	Â	116,038
Cash and cash equivalents at end of financial year	Â	**40,862**	Â	Â	39,597

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Notes

to the financial statements for the financial year ended 31 May 2025

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1Â Â Â Â Material accounting policies

Reporting entity

Karelian Diamond Resources P.L.C. (the â€œCompanyâ€) is a company domiciled in Ireland. The Company is a public limited company incorporated in Ireland under registration number 382499. The registered office is located at Shannon Airport House, Shannon Free Zone, Shannon, Co. Clare, V14E370, Ireland.

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The principal activity of the Company during the financial year is mineral exploration and development.

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Basis of preparation

The financial statements are presented in Euro (â€œâ‚¬â€). The Euro is the functional currency of the Company.

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The financial statements are prepared under the historical cost basis except for derivative financial instruments which are measured at fair value at each reporting date.Â Â The preparation of financial statements requires the Board of Directors and management to use judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Details of significant judgements are disclosed in the accounting policies.

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The financial statements were authorised for issue by the Board of Directors on 25 November 2025.

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Going concern

In preparing the financial statements, the directors consider it appropriate to use the going concern assumption, which assumes the company will have sufficient resources to enable it to meet its liabilities as they fall due.Â The Company recorded a loss of â‚¬279,357 (31 May 2024: loss of â‚¬237,160) for the financial year ended 31 May 2024. The Company had net assets of â‚¬10,141,861 (31 May 2024: â‚¬9,741,609) at that date. The Company had net current liabilities of â‚¬1,913,340 (31 May 2024: â‚¬1,948,585) at that date. The Company had cash and cash equivalents of â‚¬40,862 (31 May 2024: â‚¬39,597) at 31 May 2025.Â As set out in the Chairmanâ€™s statement, the Company expects to incur capital expenditure in 2025 and 2026, consistent with its strategy as an exploration company.Â

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The Directors have considered carefully the financial position of the Company and in that context, have prepared and reviewed cash flow forecasts for the period to 30 November 2026.Â Â In doing so, the Directors are mindful of the risks faced by the business including in particular general industry risks facing companies in the natural resource sector as described in the Directors Report.Â The Board of Directors are experienced at managing the peaks and troughs of investor sentiment in the natural resources industry and will continue to manage the cashflows of the Company including planning/revising work programmes according to available funds.Â Â The Company continues to rely on the support of its Directors and also its ability to raise appropriate finance through either asset level investment or fresh issues of share capital to meet its liabilities as they fall due.Â Â In this context the Board of Directors noteÂ thatÂ all directors, namely, Brendan McMorrow, Maureen T.A. Jones, Howard Bird and Dr. Sorċa Conroy, and former Directors namely SÃ©amus P. FitzPatrick, James P. Jones and the Estate of Professor Richard Conroy, have confirmed that they will not seek repayment of amounts owed to them by the Company of â‚¬1,614,885 (31 May 2024: â‚¬1,476,970) for a minimum period of 12 months from the date of approval of the financial statements, unless the Company has sufficient funds to repay.Â Â

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The Directors recognise that net current liabilities of â‚¬1,913,340 (31 May 2024: â‚¬1,948,585) is a material uncertainty that may cast significant doubt on the Companyâ€™s ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.Â The cashflows include plans to raise funds to carry out the activities of the company and the Board of Directors are confident that adequate funds can be raised through strategic partnerships or direct market fundraising to meet their objectives.Â To mitigate the risk of the timing and scale of investment not being met, the Board and management continue to take actions to monitor and manage the cost base and project implementation plans as appropriate.Â

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In reviewing the proposed work programme for exploration and evaluation assets, the results obtained from the exploration programme, the support noted above from the Board (and past Board members), the funds raised post year end and the prospects for raising additional funds as required, the Board of Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

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The financial statements do not include any adjustments to the carrying value and classification of assets and liabilities that would arise if the Company was unable to continue as going concern.

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Statement of compliance

The Companyâ€™s financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (â€œEUâ€) and the requirements of the Companies Act 2014.

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Recent accounting pronouncements

(i)Â New and amended standards adopted by the Company

The Company has adopted the following amendments to standards for the first time for its annual reporting year commencing 1 June 2024:

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- Amendments to IFRS 16 Leases: Lease liability in a sale and leaseback â€“ Effective date 1 January 2024; and
- Amendments to IAS 1 Presentation of Financial Statements: Classification of liabilities as current orÂ non-current â€“ Effective date 1 January 2024.

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The adoption of the above amendments to standards had no significant impact on the financial statements of the Group and the Company either due to being not applicable or immaterial.Â Â

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(ii)Â New standards and interpretations not yet adopted by the Company

Certain new accounting standards and interpretations have been published and endorsed by the EU that are not mandatory for 31 May 2025 reporting periods and have not been early adopted by the Company.Â Directors does not consider that those of the below that will be effective for the year ended 31 May 2026 will have a material effect on the financial statements and they are considering whether or not those that become effective in the following financial year will have any impact on the financial statements.

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- Amendments to IAS 21 Lack of Exchangeability â€“ Effective date 1 January 2025;
- Amendments to IAS 7 and IFRS 17 regarding supplier finance arrangements â€“ Effective date 1 January 2025;
- Amendments to IFRS 9 and IFRS 7 regarding classification and measurement of financial instruments â€“ Effective date 1 January 2026;
- Annual Improvements to IFRS Accounting Standards â€“ Volume 11 â€“ Effective date 1 January 2026;

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The following new standards and amendments to standards have been issued by the International Accounting Standards Board but have not yet been endorsed by the EU, accordingly, none of these standards have been applied in the current year. The Board of Directors is currently assessing whether these standards if endorsed by the EU will have any impact on the financial statements of the Company.

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- IFRS 18 Presentation and Disclosure in Financial Statements â€“ Effective date 1 January 2027;
- IFRS 19 Subsidiaries without Public Accountability: Disclosures â€“ Effective date 1 January 2027;
- Amendments to SASB standards regarding enhancement of their international applicability;

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(a)Â Intangible assets

The Company accounts for mineral expenditure in accordance with IFRS 6: *Exploration for and Evaluation of Mineral Resources*.

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(i)Â Â Â *CapitalisationÂ*

All costs related to acquiring the legal rights to explore will be capitalised. All other costs incurred prior to acquiring the rights to explore are charged directly to the consolidated statement of profit or loss . Exploration, appraisal and development expenditure incurred on exploring, and testing exploration prospects are accumulated and capitalised as intangible exploration and evaluation (â€œE&Eâ€) assets.

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E&E capitalised costs include geological and geophysical costs, and other direct costs of exploration (drilling, trenching, sampling and technical feasibility and commercial viability activities). In addition, E&E capitalised costs include an allocation from operating expenses, including share-based payments. All such costs are necessary for exploration and evaluation activities.

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E&E capitalised costs are not amortised prior to the conclusion of appraisal activities.

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At completion of appraisal activities if technical feasibility is demonstrated and commercial resources are discovered, then the carrying amount of the relevant E&E asset will be reclassified as a development and production asset, once the carrying value of the asset has been assessed for impairment. If following completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability, or if the right to explore expires, then the costs of such unsuccessful exploration and evaluation are written off to the statement of profit or loss in the period in which the event occurred.

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(ii)Â Â Â Impairment

If facts and circumstances indicate that the carrying value of an E&E asset may exceed its recoverable amount, an impairment review is performed. The following are considered to be key indicators of impairment in relation to E&E assets:

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- The period for which the entity has the right to explore in the specific area has expired or will expire in the near future and is not expected to be renewed.

- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

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The Company accounts for mineral expenditure in accordance with IFRS 6: *Exploration for and Evaluation of Mineral Resources*.

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(i)Â Â Â *Capitalisation*Â

All costs related to acquiring the legal rights to explore will be capitalised. All other costs incurred prior to acquiring the rights to explore are charged directly to the consolidated statement of profit or loss . Exploration, appraisal and development expenditure incurred on exploring, and testing exploration prospects are accumulated and capitalised as intangible exploration and evaluation (â€œE&Eâ€) assets.

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E&E capitalised costs include geological and geophysical costs, and other direct costs of exploration (drilling, trenching, sampling and technical feasibility and commercial viability activities). In addition, E&E capitalised costs include an allocation from operating expenses, including share-based payments. All such costs are necessary for exploration and evaluation activities.

Â

E&E capitalised costs are not amortised prior to the conclusion of appraisal activities.

Â

At completion of appraisal activities if technical feasibility is demonstrated and commercial resources are discovered, then the carrying amount of the relevant E&E asset will be reclassified as a development and production asset, once the carrying value of the asset has been assessed for impairment. If following completion of appraisal activities in an area, it is not possible to determine technical feasibility and commercial viability, or if the right to explore expires, then the costs of such unsuccessful exploration and evaluation are written off to the statement of profit or loss in the period in which the event occurred.

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(ii)Â Â Â Impairment

If facts and circumstances indicate that the carrying value of an E&E asset may exceed its recoverable amount, an impairment review is performed. The following are considered to be key indicators of impairment in relation to E&E assets:

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

Â

For E&E assets, where the above indicators exist on an annual basis, an impairment test is carried out. The E&E assets are categorised into Cash Generating Units (â€œCGUâ€) on a country-by-country (where material) basis. The carrying value of the CGU is compared to its recoverable amount and any resulting impairment loss is written off to the statement of profit or loss. The recoverable amount of the CGU is assessed as the higher of its fair value, less costs to sell, and its value in use.

Â

Â**(b) Income taxation expense**

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive loss, in which case it is recognised in the statement of comprehensive income. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Â

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

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Â**(c) Share-based payments**

The Company classifies instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. When the warrants issued (see note 15 for details) have an exercise price in sterling, they are derivative in nature and are liability classified. They do not qualify for equity classification as any cash settlement on exercise of these warrants will be received in a foreign currency. Where warrants are issued in the functional currency of the Company and meet the other necessary conditions, they are recognised as equity instruments. The warrant liabilities are recognised at their fair value on initial recognition and subsequently are measured at fair value through statement of profit or loss. Any incremental direct costs associated with the issuance of warrants are taken as an immediate charge to finance costs through the statement of profit or loss. See note 11 for further details.

Â

For equity-settled share-based payment transactions (i.e. the granting of share options and share warrants), the Company measures the services and the corresponding increase in equity at fair value at the measurement date (which is the grant date) using a recognised valuation methodology for the pricing of financial instruments (Binomial Lattice Model or Black Scholes Model).

Â

Â**(d) Trade and other receivables and payables**

Trade and other receivables are measured at their transaction price and subsequently measured at amortised cost. Trade and other payables are measured at initial recognition at fair value, and subsequently measured at amortised cost.

Â

(e)Â Earnings per share

The Company presents basic and diluted earnings per share (â€œEPSâ€) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all potentially dilutive ordinary shares.

Â

Â Â**(f)**Â **Cash and cash equivalents**

Cash and cash equivalents consist of cash at bank held by the Company and short-term bank deposits with a maturity of three months or less. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments.

Â

Â**(g)**Â **Pension costs**

The Company provides for pensions for certain employees through a defined contribution pension scheme. The amount charged to the statement of profit or lossÂ is the contribution payable in that financial year. Any difference between amounts charged and contributions paid to the pension scheme is included in receivables or payables in the statement of financial position.

Â

Â**(h) Foreign currencies**

Transactions denominated in foreign currencies relating to costs and non-monetary assets are translated into â‚¬ at the rates of exchange ruling on the dates on which the transactions occurred. Monetary assets and liabilities denominated in foreign currencies are translated into â‚¬ at the rate of exchange ruling at the statement of financial position date. The resulting profits or losses are dealt with in the statement of profit or loss .

Â

Â Â**(i)**Â **Directorsâ€™ Loans**

Directorsâ€™ loans are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on the effective interest rate method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability.

Â

(j) Convertible loan

As the convertible loan is made up of both liability and derivative components, it is considered to be a compound financial instrument. At initial recognition, the carrying amount of a compound financial instrument is allocated to its liability and derivative components. The fair value of the liability, which is the difference between the transaction price and the fair value of the conversion feature, and derivative is recognised as a liability in the statement of financial position. The conversion feature is subsequently measured at fair value with changes recognised in profit or loss. The liability is subsequently measured at amortised cost. The Company accounts for the interest expense of the convertible loan note at the effective interest rate. The difference between the effective interest rate and interest rate attached to the convertible loan increases the carrying amount of the liability so that, on maturity, the carrying amount is equal to the capital cash repayment that the Company may be required to pay.

Â

(k) Ordinary shares

Ordinary shares are classified as equity. Costs directly attributable to the issue of ordinary shares are recognised as a deduction from retained earnings, net of any tax effects.Â Where warrants are issued for the sole purpose of assisting with an issue of equity or to meet broker transaction costs directly attributable to the issue of equity, the amount initially recognised, that is their fair value, is deducted from share premium.Â Subsequently, where the warrants qualify as equity they are recognised in other reserves and the amount recognised is not changed.Â If the warrants qualify as a liability the fair value is trued up from one reporting period to the next through profit or loss.

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(l) Impairment - financial assets are measured at amortised cost

Financial assets measured at amortised cost are reviewed for impairment loss at each reporting date.

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The Company measures the loss allowance at an amount equal to the lifetime expected credit losses (â€œECLâ€) as required under a simplified approach for receivables that do not contain a financing component. The Companyâ€™s approach to ECL reflects a probability-weighted outcome, the time value of money and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial re-organisation and default in payments are all considered indicators for increases in credit risks. If the credit risk increases to the point that it is considered to be credit impaired, interest income will be calculated based on the gross carrying amount adjusted for the loss allowance. Any contractual payment which is more than 90 days past due is considered credit impaired.

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(m) Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

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Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

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Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

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Impairment of financial assets

IFRS 9â€™s impairment requirements use forward-looking information to recognise expected credit losses â€“ the â€˜expected credit loss (ECL) modelâ€™. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss. The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

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Subsequent measurement of financial assets

Financial assets held within a different business model other than â€˜hold to collectâ€™ or â€˜hold to collect and sellâ€™ are categorised at FVTPL. Further, irrespective of the business model used, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below). The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in XY Ltd and listed equity securities at FVOCI. The fair value was determined in line with the requirements of IFRS 13 â€˜Fair Value Measurementâ€™. Assets in this category are measured at fair value with gains or losses recognised in profit or loss.

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The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

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Classification and measurement of financial liabilities

The Companyâ€™s financial liabilities include trade and other payables and derivative financial instruments. Financial liabilities are initially measured at fair value, and, where applicable. Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments). All interest-related charges and, if applicable, changes in an instrumentâ€™s fair value that are reported in profit or loss are included within finance costs or finance income.

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Â**(n) Significant accounting judgements and key sources of estimation uncertainty**

Significant judgements in applying the Companyâ€™s accounting policies

The preparation of the financial statements requires the Board of Directors to make judgements and estimates and form assumptions that affect the amounts of assets, liabilities, contingent liabilities, revenues and expenses reported in the financial statements. On an ongoing basis, the Board of Directors evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. The Board of Directors bases its judgements and estimates on historical experience and on other factors it believes to be reasonable under the circumstances, the results of which form the basis of the reported amounts that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. In the process of applying the Companyâ€™s accounting policies above, the Board of Directors have identified the judgemental areas that have the most significant impact on the amounts recognised in the financial statements (apart from those involving estimations), which are dealt with as follows:

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Exploration and evaluation assets

The assessment of whether operating costs and salary costs are capitalised to exploration and evaluation costs or expensed involves judgement. The Board of Directors consider the nature of each cost incurred and whether it is deemed appropriate to capitalise it within exploration and evaluation assets. Given that the activity of management and the resultant administration and salary costs are primarily focused on the Companyâ€™s diamond prospects, the Board of Directors consider it appropriate to capitalise a portion of such costs. These costs are reviewed on a line-by-line basis with the resultant calculation of the amount to be capitalised being specific to the activities of the Company in any given year.

Â

Cash generating units (â€œCGUsâ€)

As outlined in the intangible assets accounting policy, the exploration and evaluation assets should be allocated to CGUs. The determination of what constitutes a CGU requires judgement. The Board of Directors consider its diamond licences in the Kuhmo region of Finland to be one CGU and its copper / nickel / platinum group element licences in Northern Ireland to be a separate CGU.

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The carrying value of each CGU is compared to its recoverable amount. The recoverable amount of the CGU is assessed as the higher of its fair value less costs to sell and its value in use. The determination of value in use requires the following judgements:

- Estimation of future cash flows expected to be derived from the asset.
- Expectation about possible variations in the amount or timing of the future cash flows.
- The determination of an appropriate discount rate.

Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption. The validity of the going concern assumption is dependent on the successful further development and ultimate production of the mineral resources and the availability of sufficient finance to bring the resources to economic maturity and profitability. The Board of Directors have reviewed the proposed programme for exploration and evaluation assets and, on the basis of the equity raised after the financial year, the results from the exploration programme and the prospects for raising additional funds as required, consider it appropriate to prepare the financial statements on the going concern basis. Refer to page 30 for further details.

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Deferred tax

No deferred tax asset has been recognised in respect of tax losses as it is not considered probable that future taxable profit will be available against which the related temporary differences can be utilised.

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Key sources of estimation uncertainty

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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Exploration and evaluation assets

The carrying value of exploration and evaluation assets in the statement of financial position was â‚¬12,085,967 (31 May 2024: â‚¬11,690,194) at 31 May 2025 (Note 7).Â The Board of Directors carried out an assessment, in accordance with IFRS 6: Exploration for and Evaluation of Mineral Resources relating to likelihood of licence renewal, likelihood of further expenditure, possible discontinuation of activities over specific claims and available data which may suggest that the recoverable value of an exploration and evaluation asset is less than its carrying amount.Â This assessment included an assessment of the likelihood of securing a future strategic investment or joint venture partner to assist with the development of the assets.Â The granting, post year end, of a mining permit in Lahtojoki, provides the opportunity to progress the development of a central processing hub for its exploration assets in the Kuhmo region.Â Having considered the prospects for both development of its diamond deposit and further exploration success in its licence area, the Board of Directors is satisfied as to the carrying value of these assets and is satisfied that these are recoverable, acknowledging however that their recoverability is dependent on future successful exploration effortsÂ

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Employee benefits â€“ Share-based payment transactions

The Company operates equity-settled share-based payment arrangements with non-market performance conditions which fall within the scope of and are accounted for under the provisions of IFRS 2: Share-based Payment. Accordingly, the grant date fair value of the options under these schemes is recognised as an operating expense with a corresponding increase in the â€œShare-based payment reserveâ€, within equity, where the exercise price is granted in EUR or recognised as a liability where a different currency is quoted as the exercise price over the vesting period. The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model used by the Company is the Black Scholes Model. The fair value of these options is measured using an appropriate option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest, except where forfeiture is only due to share prices not achieving the threshold for vesting.

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ÂÂ2ÂÂÂ Operating expenses

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Analysis of operating expenses	
Operating expenses	
Transfer to intangible assets	**(166,536)Â Â**
Â	
Operating expenses are analysed as follows:	**Â**
Professional fees	
Wages and salaries	
Directorsâ€™ Fees	
Other operating expenses	
Auditorâ€™s remuneration	
Â	

Â

Other operating expenses consisted mainly of freight and courier, rent and printing, stationery and postage.

Â

Of the above costs, a total of â‚¬166,536 (31 May 2024: â‚¬151,997) is capitalised to intangible assets based on a review of the nature and quantum of the underlying costs. Refer to Note 1(a)(i) for further details. The costs capitalised to intangible assets mainly relate to the costs of geological and on-site personnel together with an appropriate portion of executive management salaries. â‚¬38,542 (31 May 2024: â‚¬57,500) is charged to the Statement of profit or loss in relation to Directorsâ€™ salaries.

Â

Â	2025	Â	Â	2024
Â	**â‚¬**	Â	Â	â‚¬
Wages and salaries costs as disclosed above is analysed as follows:				
Wages and salaries	**174,902**	Â	Â	171,618
Social insurance costs	**5,207**	Â	Â	14,087
Â	**180,109**	Â	Â	185,705

Â

The amount of wages, salaries and related costs incurred during the financial year was recorded as follows:

Â

Â	2025	Â	2024
Â	**â‚¬**	**Â**	â‚¬
Capitalised to intangible assets	**141,567**	Â	83,058
Charged to the profit or loss	**38,542**	Â	107,309
Â	**180,109**	Â	190,367

Â

Â

The average number of persons employed during the year (including executive Directors) by activity was as follows:

Â	2025	Â	2024
Â	**Â**	**Â**	**Â**
Corporate management and administration	**2**	Â	2
Exploration and evaluation	**1**	Â	1
Â	**3**	Â	3

An analysis of remuneration for each Director of the Company in the current financial year (prior to amounts transferred to intangible assets) is as follows:

Â	**Fees**	**Salary**	**Total**
	â‚¬	**â‚¬**	**â‚¬**
Professor Richard Conroy	**8,333**	**27,083**	**35,416**
Maureen T.A. Jones	**10,000**	**50,000**	**60,000**
Brendan McMorrow	**16,667**	**-**	**16,667**
SÃ©amus P. FitzPatrick	**5,833**	**-**	**5,833**
Dr. Sorċa Conroy	**10,000**	**-**	**10,000**
Howard Bird	**10,000**	**-**	**10,000**
Â	**60,833**	**77,083**	**137,916**

Â

An analysis of remuneration for each Director of the Company in the prior financial year (prior to amounts transferred to intangible assets) is as follows:

Â	**Fees**	**Salary**	**Total**
	â‚¬	**â‚¬**	**â‚¬**
Professor Richard Conroy	20,000	65,000	85,000
Maureen T.A. Jones	10,000	50,000	60,000
Brendan McMorrow	10,000	-	10,000
SÃ©amus P. FitzPatrick	10,000	-	10,000
Dr. Sorċa Conroy	10,000	-	10,000
Howard Bird	10,000	-	10,000
Â	70,000	115,000	185,000

Â

No share based payments or pension contribution costs have been made or incurred over the past number of years.Â It is anticipated that the Company will move towards incorporating share based payments as part of overall remuneration in the future. Accrued amounts of salary and pension owing to current and former directors are set out in Note 11.Â

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3Â Â Â Â Loss before taxation

The loss before taxation is arrived at after charging the following items:

	2025	2024
	â‚¬	â‚¬
Auditorâ€™s remuneration		
The analysis of the auditorâ€™s remuneration is as follows:		
• Audit of entity financial statements	**41,500**	40,000

No fees were incurred for other assurance, tax advisory or other non-audit services in respect of the current or prior financial years.

4 Directorsâ€™ remuneration

	2025	2024
	â‚¬	â‚¬
Aggregate emoluments paid to or receivable by Directors in respect of qualifying services	**137,916**	185,000

During the year ended 31 May 2025 and 31 May 2024, one Director was a member of a defined contribution scheme but no contributions were due or paid and accordingly none were made, no other disclosures are required by Section 305 of the Companies Act 2014.

No compensation has been paid or is payable for the loss of office or other termination benefit in respect of the loss of office of Director or other offices (31 May 2024: â‚¬Nil).

5 Income tax expense

No taxation charge arose in the current or prior financial year due to losses incurred in prior years and this year.

Factors affecting the tax charge for the financial year:

The total tax charge for the financial year is different to the standard rate of Irish corporation tax. This is due to the following:

	2025	2024
	â‚¬	â‚¬
Loss on ordinary activities before taxation	**(279,357)**	(237,160)
Irish standard tax rate	**12.50%**	12.50%
Tax credit at the Irish standard rate	**(34,920)**	(29,645)
Effects of:		
Losses carried forward utilised	**-**	-
Losses carried forward for future utilisation	**34,920**	29,645
Tax charge for the financial year	**-**	-

No deferred tax asset has been recognised on accumulated tax losses as it cannot be considered probable that future taxable profit will be available against which the deferred tax asset can be utilised.

Unutilised losses may be carried forward from the date of the origination of the losses but may only be offset against taxable profits earned from the same trade. Unutilised losses carried forward amounted to â‚¬13,084,193 at 31 May 2025 and â‚¬12,804,836 at 31 May 2024.

6 Loss per share

Basic loss per share	31 May 2025	31 May 2024
	â‚¬	â‚¬
Loss for the year attributable to equity holders of the Company	**(279,357)**	(237,160)
Number of ordinary shares at start of the financial year	**105,092,749**	94,492,749
Number of ordinary shares issued during the financial year	**66,676,662**	10,600,000
Number of ordinary shares at end of the financial year	**171,769,411**	105,092,749
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	**138,490,187**	101,040,146
Basic and diluted loss per ordinary share	**(0.0020)**	(0.0023)

Diluted loss per share

The effect of share options and warrants is anti-dilutive.

7 Intangible assets

Exploration and evaluation assets		
Cost	**31 May 2025**	31 May 2024
	â‚¬	â‚¬
At 1 June	**11,690,194**	11,265,894
Expenditure capitalised during the financial year:		
• Licence and appraisal costs	**199,937**	272,303
• Other operating expenses	**195,836**	151,997
At 31 May	**12,085,967**	11,690,194

Exploration and evaluation assets relate to expenditure incurred in the development of mineral exploration opportunities. These assets are carried at historical cost and have been assessed for impairment in particular with regard to the requirements of IFRS 6: *Exploration for and Evaluation of Mineral Resources* relating to remaining licence or claim terms, likelihood of renewal, likelihood of further expenditure, possible discontinuation of activities as a result of specific claims and available data which may suggest that the recoverable value of an exploration and evaluation asset is less than its carrying amount.

The Board of Directors note that the realisation of the intangible assets is dependent on further successful development and ultimate production of the mineral resources and the availability of sufficient finance to bring the resources to economic maturity and profitability. Mineral interests are categorised geographically as follows:

Finland		
Cost	**31 May 2025**	31 May 2024
	â‚¬	â‚¬
At 1 June	**11,501,738**	11,223,401
Expenditure capitalised during the financial year:		
• Licence and appraisal costs	**124,539**	157,299
• Other operating costs	**149,999**	121,038
At 31 May	**11,777,276**	11,501,738

Northern Ireland		
Cost	**31 May 2025**	31 May 2024
	â‚¬	â‚¬
At 1 June	**188,456**	42,493
Expenditure capitalised during the financial year:		
• Licence and appraisal costs	**74,399**	89,287
• Other operating costs	**45,836**	56,676
At 31 May	**308,691**	188,456

In assessing exploration licences for impairment the Board of Directors have considered in particular the proposed work programmes for the underlying diamond resources in Finland and copper â€" nickel â€" platinum group elements in Northern Ireland and their likelihood of adding to the existing resource and resource potential in their licence areas. They have also assessed the likelihood of securing a future strategic investment or joint venture partner to assist with the development of the assets. The Board of Directors are satisfied that following this review that no indications of impairment exist requiring a reduction in the carrying value of the capitalised exploration expenditure above.

The diamond deposit at Lahtojoki has recently had its mining permit granted by Tukes and will shortly be entering its development phase. In assessing this asset in particular, the Board of Directors have also considered the potential

recoverability of the carrying value by evaluating a financial model for the development of the deposit at Lahtojoki and are satisfied that no impairment of the carrying value of the related capitalised expenditure is required.
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8. Cash and cash equivalents

Â	Â Â Â	31 May 2025	Â	31 May 2024
Â	Â Â Â	â‚¬	Â	â‚¬
Cash held in bank accounts	Â Â Â	40,862	Â	39,597
Â	Â Â Â	40,862	Â	39,597

Â
Certain of the above bank accounts are held for the purpose of holding collateral deposits related to the Finnish licenses. As at 31 May 2025, a total amount of â‚¬24,500 (31 May 2024: â‚¬24,500) relates to these collateral deposits and are treated as restricted cash balances.
Â

9. Other receivables

Â	Â Â Â	31 May 2025	Â	31 May 2024
Â	Â Â Â	â‚¬	Â	â‚¬
VAT receivable	Â Â Â	76,387	Â	51,469
Prepayments	Â Â Â	38,707	Â	28,082
Other receivables	Â Â Â	2,000	Â	2,000
Â	Â Â Â	117,094	Â	81,551

Â
The Directors consider that the carrying values of receivables are approximate to their fair values.Â No expected credit losses exist in relation to the Companyâ€™s receivables as at 31 May 2025 (2024: â‚¬Nil).Â Â Â
Â Â Â Â Â Â Â Â Â Â Â Â Â Â
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10. Non-current liabilities

Warrant liabilities

During the year ended 31 May 2025, a total of 54,876,664 warrants were issued with a sterling exercise price and expiry dates of between 12 months and 24 months. 10,000,000 warrants with a sterling exercise price and expiry of 12 months were issued in the prior year. The fair value amount of each warrant at grant date was valued using the Black Scholes Model and recorded as warrant liabilities.
Â
At 31 May 2025, the warrants in issue were fair valued with the movement in fair value of â‚¬91,738 (2024: â‚¬187,628) being recorded in the statement of profit or loss and a fair value of â‚¬32,880 (2024: â‚¬30,106) recorded in the statement of financial position.Â Â
Â
Warrant in issue in the prior year had a 12 month expiry date and were included in current liabilities (see Note 11).Â Â These warrants lapsed unexercised during the current year.Â Warrants issued on 1 July 2024 have a 12-month expiry date and a Nil value as at 31 May 2025.Â Â Warrants issued on 20 February 2025 have a 24-month term included in non-current liabilities. See Note 15 for further details.
Â

Â	Â Â Â	31 May 2025	Â	31 May 2024
Â	Â Â Â	â‚¬	Â	â‚¬
Opening balance	Â Â Â	30,106	Â	109,224
Warrant liability recorded on issue (Note 15)	Â Â Â	94,512	Â	108,510
Movement in fair value of warrants	Â Â Â	(91,738)	Â	(187,628)
Â	Â Â Â	32,880	Â	30,106
Disclosed as	Â Â Â	Â	Â	Â
Non current liability (Note 10)	Â Â Â	32,880	Â	-
Current liability (Note 11)	Â Â Â	-	Â	30,106

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11. Current liabilities

Trade and other payables

Â	Â Â Â	31 May 2025	Â	31 May 2024
Â	Â Â Â	â‚¬	Â	â‚¬
Accrued Directorsâ€™ remuneration	Â Â Â	Â	Â	Â
Â Â Â Â Fees and other emoluments	Â Â Â	1,351,636	Â	1,213,720
Â Â Â Â Pension contributions	Â Â Â	263,250	Â	263,250
Amount due to related party (see Note 14 (b))	Â Â Â	75,065	Â	144,551
Directorsâ€™ Current Account (Note 14)	Â Â Â	6,772	Â	-
Other creditors and accruals	Â Â Â	232,067	Â	282,080
Â	Â Â Â	1,928,790	Â	1,903,601

Â
It is the Companyâ€™s practice to agree terms of transactions, including payment terms with suppliers. It is the Companyâ€™s policy that payment is made according to the agreed terms. The carrying value of the trade and other payables approximates to their fair value.Â The Directors, Maureen T.A. Jones, Dr. Sorċa Conroy, Howard Bird and Brendan McMorrow, and former Directors, SÃ©amus P. FitzPatrick James P. Jones and representatives of the Estate of Professor Richard Conroy have confirmed that they will not seek repayment of amounts owed to them by the Company of â‚¬1,614,885 (31 May 2024: â‚¬1,476,970) within 12 months of the date of approval of the financial statements, unless the Company has sufficient funds to repay same.
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Convertible Loan

On 26 May 2023, the Company entered into a convertible loan note agreement for a total amount of â‚¬129,550 (Â£112,500) with Conroy Gold and Natural Resources P.L.C. which is both a shareholder in the company and has a number of other connections as noted in Note 14. The convertible loan note is unsecured, has a term of 18 months and attracts interest at a rate of 5% per annum which is payable on the maturity or conversion of the convertible loan. The conversion price is at a price of 5 pence per ordinary share. The shareholder has the right to seek conversion of the principal amount outstanding on the convertible loan note and all interest accrued at any time during the term.Â Â Â
Â
â‚¬10,304 was recorded as a derivative liability attached to the total convertible loan note above and the net amount of â‚¬119,246 was initially recorded as the value of the convertible loan at 31 May 2023. The loan incurred interest of â‚¬6,480 in the current year (31 May 2024: â‚¬6,476). The convertible term has passed but the loan continues place on an informal basis on the same terms and is classified as a current liability for the year ended 31 May 2025.Â Â The Company is in discussions to extend the term of the loan note.
Â

Â	Â Â Â	31 May 2025	Â	31 May 2024
Â	Â Â Â	â‚¬	Â	â‚¬
Opening balance	Â Â Â	125,722	Â	119,246
Interest payable	Â Â Â	6,480	Â	6,476
Closing balance	Â Â Â	132,202	Â	125,722

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Â

12. Called up share capital and share premium

Authorised:	31 May 2025	Â	31 May 2024
Â	â‚¬	Â	â‚¬
7,301,310,041 consolidated ordinary shares of â‚¬0.00025 each	1,825,328	Â	1,825,328
317,785,034 deferred shares of â‚¬0.00999 each	3,174,672	Â	3,174,672
Â	5,000,000	Â	5,000,000

Â
The deferred shares do not entitle the holder to receive a dividend or other distribution. Furthermore, the deferred shares do not entitle the shareholder to receive notice of or vote at any general meeting of the Company, and do not entitle the shareholder to any proceeds on a return of capital or winding up of the Company.
Â

Issued and fully paid â€“ Current financial year

Â	Number of ordinary shares	Called up share capital â‚¬	Called up deferred share capital â‚¬	Share premium â‚¬
Start of financial year â€“ consolidated ordinary shares of â‚¬0.00025 each	105,092,749	28,860	3,174,672	10,736,889
Share issue *(a)*	23,599,995	5,900	-	411,232
Share issue *(b)*	43,076,667	10,769	-	378,189
Share issue costs	-	-	-	(126,482)
End of financial year	171,769,411	45,529	3,174,672	11,399,828

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Â Â Â **Issued and fully paid â€“ Prior financial year**

Â	Number of ordinary shares	Called up share capital â‚¬	Called up deferred share capital â‚¬	Share premium â‚¬

Start of financial year â€"shares of â,¬0.00025 each	94,492,749	26,210	3,174,672	10,546,844
Share issue *(c)*	10,600,000	2,650	-	298,555
Share issue costs	-	-	-	(108,510)
End of financial year	105,092,749	28,860	3,174,672	10,736,889
Â	Â	Â	Â	Â

Â **(a)** ÂOn 1 July 2024 the Company raised â,¬417,132 (Â£354,000) before share issue costs through the issue of 23,599,995 consolidated ordinary shares of â,¬0.00025 in the capital of the Company at a price of Â£0.015 per Subscription Share.Â Â The company incurred share issue costs of a total of â,¬35,901 with â,¬20,919 being the fair value as at date of grant of warrants issued as part of the terms attaching to the share issue (see Note 15) and the remainder being broker costs of â,¬14,982.

Â **(b)** On 20 February 2025 the Company raised â,¬388,958 (Â£323,075) before share issue costs through the issue of 43,076,667 consolidated ordinary shares of â,¬0.00025 in the capital of the Company at a price of Â£0.0075 per Subscription Share.Â Â The company incurred share issue costs of â,¬90,581 with â,¬73,592 being the fair value as at date of grant of warrants issued as part of the terms attaching to the share issue (see Note 15) and the remainder being broker costs of â,¬16,989.

(c) On 11 October 2023, warrants were exercised to acquire 600,000 consolidated ordinary shares of â,¬0.00025 in the capital of the Company at price of Â£0.025 per Subscription Share.Â Â On 19 October 2023, the Company raised â,¬301,205 (Â£250,000) before share issue costs through the issue of 10,000,000 consolidated ordinary shares of â,¬0.00025 in the capital of the Company at a price of Â£0.025 per Subscription Share.Â Â The company incurred share issue costs of â,¬108,510 being the fair value as at date of grant of warrants issued as part of the terms attaching to the share issue (see Note 15).

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Warrants: At 31 May 2025, warrants over 54,876,664 shares exercisable at prices varying from Â£0.015 to Â£0.03 at any time up to 28 February 2027 were outstanding. All warrants in issue at that date had been issued during the current financial year (31 May 2024: 27,900,000 warrants were in issue, all of which lapsed unexercised during the year).

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Share price: The share price at 31 May 2025 was Â£0.00585 (31 May 2024: Â£0.027). The share price ranged from Â£0.0274 to Â£0.00585 (31 May 2024: Â£0.0205 to Â£0.0515) during the year under review.

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Â **13** Â Commitments and contingencies

At 31 May 2025, there were no capital commitments or contingent liabilities (31 May 2024: â,¬Nil) recognised at the balance sheet date. Should the Company decide to further develop the Lahtojoki project, an amount of â,¬40,000 is payable by the Company to the vendors of the Lahtojoki mining concession.

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Â **14** Â Related party transactions

Â **(a)** ÂThe Company shares office accommodation with Conroy Gold and Natural Resources P.L.C. which has certain common Directors and shareholders. For the financial year ended 31 May 2025, Conroy Gold and Natural Resources P.L.C. incurred costs totalling â,¬62,508 (31 May 2024: â,¬115,048) on behalf of the Company. These costs were recharged to the Company by Conroy Gold and Natural Resources P.L.C. net of the shared costs of a consultants report in Northern Ireland.

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These costs are analysed as follows:Â Â Â Â Â Â

Â	**Â**	Â	**Â 2025**	Â	2024
Â	**Â**	Â	**â,¬**	Â	â,¬
Â Salaries	**Â**	Â	**52,811**	Â	71,738
Â Rent and rates	**Â**	Â	**-**	Â	13,310
Â Shared consultancy costs	**Â**	Â	**(20,628)**	Â	-
Â Other operating expenses	**Â**	Â	**30,325**	Â	30,000
Â	**Â**	Â	**62,508**	Â	115,048

Â

(b) At 31 May 2025, the Company owed â,¬75,065 to Conroy Gold and Natural Resources P.L.C. (31 May 2024: â,¬144,551 owed to). Amounts owed to Conroy Gold and Natural Resources P.L.C. were included within trade and other payables during the current year. During the financial year ended 31 May 2025, the Company paid â,¬129,495Â Â Â Â to (31 May 2024: â,¬23,007 was received from) Conroy Gold and Natural Resources P.L.C.Â as part of the cost sharing arrangement.Â During the financial year ended 31 May 2025, the Company was charged â,¬62,508 (31 May 2024: â,¬115,048) by Conroy Gold and Natural Resources P.L.C. in respect of the allocation of certain costs as detailed in Note 14(a). In May 2023, Conroy Gold and Natural Resources P.L.C. converted amounts owing to it equivalent to â,¬143,943 (Â£125,000) into ordinary equity as detailed as part of the â€œshare issue (c)â€ detailed in Note 12 and a further â,¬129,550 (Â£112,500) into a convertible loan instrument as detailed in Note 14.

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(c) Key management personnel are considered to be the Directors and other key management.Â The compensation of all key management personnel during the year was â,¬162,083 (2023: â,¬148,250) including an amount of â,¬25,000 (31 May 2024: â,¬33,250) payable to the Company Secretary Cathal Jones in respect of services provided.Â Further analysis of remuneration for each Director of the Company is set out in note 2.

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(d) Details of share capital transactions with the Directors are disclosed in the Directorsâ€™ Report.

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(e) Apart from Directorsâ€™ remuneration (detailed in Note 2 and Note 4), a convertible loan from a shareholder (which is detailed in Note 11) and share capital transactions (which are detailed within the Directorsâ€™ Report), there have been no contracts or arrangements entered into during the financial year in which a Director of the Company had a material interest.

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Â **15** Â Share-based payments

Warrants granted by the company generally have a vesting period ranging from one to two years. Details of the warrants outstanding during the financial year are as follows:

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Â	**2025 No. of Share Warrants**	**2025 Weighted Average Exercise Price â,¬**	**Â**	**2024 No. of Share Warrants**	**2024 Weighted Average Exercise Price â,¬**
At 1 June	**27,900,000**	**0.04871**	Â	34,750,000	0.05963
Granted during the financial year	**54,876,664**	**0.02217**	Â	10,000,000	0.05882
Lapsed during the financial year	**(27,900,000)**	**0.04871**	Â	(16,250,000)	0.09412
Exercised during the financial year	**-**	**-**	Â	(600,000)	0.02353
At 31 May	**54,876,664**	**0.02217**	**Â**	27,900,000	0.04871

Â

The company issued 11,799,997 sterling based warrants on 1 July 2024, with an estimated fair value at date of grant of â,¬20,919. The company also issued 43,076,667 sterling based warrants on 20 February 2025, with an estimated fair value at date of grant of â,¬73,593.Â Both of these issues were in conjunction with the issue of ordinary shares as part of a financing.Â The fair value of the warrants at the date of grant were deducted from share premium as a direct share issue cost (see Note 12).Â As a result of the valuation performed at year end, the fair value of the sterling based warrants was â,¬32,880 at 31 May 2025 (31 May 2024: â,¬30,106) and accordingly â,¬91,738 (31 May 2024: 187,628) was credited to the Statement of profit or loss as a movement in the fair value of warrants.

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The Company estimated the fair value of warrants awards using the Black Scholes Model. The determination of the fair value of share-based payment awards on the date of grant and on revaluation at each year end using the Black Scholes Model is affected by Karelian Diamond Resources P.L.C. stock price, share price volatility as well as assumptions regarding a number of subjective variables. These variables include the expected term of the awards, the stock price volatility, the risk-free interest rate and the expected dividends.

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The following key input assumptions were used to calculate the fair value of the sterling based warrants at the balance sheet dates and date of issue during the year:

Â	**31 May 2025 Warrants**	**Â**	Date of issue Warrants	**Â**	31 May 2024 Warrants
Dividend yield	**0%**	Â	0%	**Â**	0%
Share price volatility	**85.106%**	Â	66.395%	**Â**	65.956%
Risk free interest rate	**3.88101%**	Â	4.183%	**Â**	5.1582%
Expected life (in years)	**0.0833 / 1.75**	Â	1.0 / 2.0	**Â**	0.5

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Â During the prior year, the company issued 10,000,000 sterling based warrants in conjunction with the issue of ordinary shares as part of a financing and an amount of â,¬108,510 was deducted from share premium as a direct issue cost (being the fair value of these warrants at date of grant).

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Â **16** Â Financial instruments

Financial risk management objectives, policies and processes

The Company has exposure to the following risks from its use of financial instruments:

Â **(a)** ÂInflation;
Â **(b)** ÂInterest rate risk;
Â **(c)** ÂForeign currency risk;
Â **(d)** ÂLiquidity risk; and
Â **(e)** ÂCredit risk.

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The Board of Directors has overall responsibility for the establishment and oversight of the Companyâ€™s risk management framework.

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The Companyâ€™s risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

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Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Companyâ€™s activities.

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The Companyâ€™s Audit Committee oversees how management monitors compliance with the Companyâ€™s risk management policies and procedures and framework in relation to the risks faced.

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Â(a) Inflation

Â The Company is exposed to the risk associated with inflation such as the impact of increased operating expenses including rent, light & heat and wages and salaries. The Chairman and Managing Director monitor costs on an ongoing basis.

Â

Â(b) Interest rate risk

The Company currently finances its operations through shareholdersâ€™ funds and loan finance. The loan finance at 31 May 2025 and 31 May 2024 relates to a convertible loan therefore any fluctuations in interest rates will not have an impact on the results of the Company and no sensitivity analysis has been performed. The Company did not enter into any hedging transactions with respect to interest rate risk.

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Â (c)Â Foreign currency risk

The Company is exposed to currency risk on purchases, loans and bank deposits that are denominated in a currency other than the functional currency of the Company. The Company is further exposed to foreign currency risk through the warrants denominated in sterling which is not the Companyâ€™s functional currency.

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It is the Companyâ€™s policy to ensure that foreign currency risk is managed wherever possible by matching foreign currency income and expenditure. During the years ended 31 May 2025 and 31 May 2024, the Company did not utilise foreign currency forward contracts or other derivatives to manage foreign currency risk.

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The Companyâ€™s foreign currency risk exposure in respect of the principal foreign currencies in which the Company operates was as follows at 31 May 2025:

Â	**Sterling exposure denominated in â,¬**	**Euro exposure â,¬**	**Total â,¬**
Cash and cash equivalents	**(9)**	**40,871**	**40,862**
Derivative liability	**(10,304)**	**-**	**(10,304)**
Convertible Loan	**(132,202)**	**-**	**(132,202)**

Trade and other payables	-	(2,071,296)	(2,071,296)
Other prepayments	-	40,707	40,707
VAT/PAYE receivable	-	52,282	52,282
Amount due to Conroy Gold and Natural Resources plc	-	(75,065)	(75,065)
Total exposure	**(142,515)**	**(2,012,501)**	**(2,155,016)**

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The Companyâ€™s foreign currency risk exposure in respect of the principal foreign currencies in which the Company operates was as follows at 31 May 2024:

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Â **Â**	**Sterling exposure denominated in â‚¬**	**Euro exposure â‚¬**	**Total â‚¬**
Cash and cash equivalents	525	39,017	39,542
Derivative liability	(10,304)	-	(10,304)
Convertible loan	(125,722)	-	(125,722)
Trade and other payables	-	(1,759,050)	(1,759,050)
Other prepayments	-	30,082	30,082
VAT/PAYE receivable	-	51,469	51,469
Amount due to Conroy Gold and Natural Resources plc	-	(144,551)	(144,551)
Total exposure	(135,501)	(1,783,033)	(1,918,534)

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The following are the significant exchange rates that applied against â‚¬1 during the financial year:

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Â	**Â** **Average Rate 2025**	Â Average Rate 2024	**Spot Rate 31 May 2025**	Spot Rate 31 May 2024 Â
GBP	**0.840**	0.860	**0.841**	0.851

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Sensitivity analysis

A 10% strengthening of the Euro against Sterling, based on outstanding financial assets and liabilities at 31 May 2025 would have decreased the reported loss by â‚¬14,251 (31 May 2024: â‚¬13,550) as a consequence of the retranslation of foreign currency denominated financial assets at those dates. A weakening of 10% of the Euro against Sterling would have had an equal and opposite effect.Â Â It is assumed that all other variables, especially interest rates, remain constant in the analysis.

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(d)Â Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Companyâ€™s approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and adverse conditions, without incurring unacceptable losses or risking damage to the Companyâ€™s reputation. The Company manages liquidity risk by regularly monitoring cash flow projections. The nature of the Companyâ€™s exploration and appraisal activities can result in significant differences between expected and actual cash flows. Contractual maturities of financial liabilities as at 31 May 2025 were as follows:Â

Â

Â	**Carrying amount â‚¬**	**Contractual cash flows â‚¬**	**Â**	**6 months or less â‚¬**	**6-12 months â‚¬**	**1-2 years â‚¬**	**2-5 years â‚¬**
Trade and other payables (including amounts owed to related party)	**1,928,790**	**1,928,790**	**Â**	**307,130***	**-**	**1,621,660****	**-**
Convertible loan	**142,506**	**142,506**	**Â**	**142,506*****	**-**	**-**	**-**
Â	**2,071,296**	**2,071,296**	**Â**	**449,636**	**-**	**1,621,660**	**-**

Â

Â Contractual maturities of financial liabilities as at 31 May 2024 were as follows:

Â

Â	**Carrying amount â‚¬**	**Contractual cash flows â‚¬**	**Â**	**6 months or less â‚¬**	**6-12 months â‚¬**	**1-2 years â‚¬**	**2-5 years â‚¬**
Trade and other payables (including amounts owed to related party)	1,903,601	1,903,601	Â	426,631*	-	1,476,970**	-
Convertible loan	136,026	136,026	Â	136,026***	-	-	-
Â	2,039,627	2,039,627	Â	562,657	-	1,476,970**	-

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*The amount of â‚¬307,130 (31 May 2024: â‚¬426,631) relates to other creditors and accruals (including amounts owed to Conroy Gold and Natural Resources P.L.C.).

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**The Directors, Maureen T.A. Jones, Dr. Sorċa Conroy, Howard Bird and Brendan McMorrow, and former Directors, SÃ©amus P. FitzPatrick James P. Jones and the Estate of Professor Richard Conroy, have confirmed that they will not seek repayment of amounts owed to them by the Company of â‚¬1,621,660Â (31 May 2024: â‚¬1,476,970) within 12 months of the date of approval of the financial statements, unless the Company has sufficient funds to repay. There were no related party loans in existence at 31 May 2025 and 31 May 2024 relating to monies owed to any of the Directors.

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***On 26 May 2023, the Company has entered into a convertible loan note agreement for a total amount of â‚¬129,550 (Â£112,500) with one of its shareholders. Please refer to Note 11 for further details.Â Â The contractual cash amount owing at 31 May 2025 of â‚¬142,506 is reflected in the balance sheet of the Company split between a loan and an embedded derivative liability.

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The Company had cash and cash equivalents of â‚¬40,862 at 31 May 2025 (31 May 2024: â‚¬39,597).

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(e)Â Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge its obligation.

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Credit risk is the risk of financial loss to the Company if a cash deposit is not recovered. Company deposits are placed only with banks with appropriate credit ratings.Â Â The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk was as follows:

Â Â	**Â** **Â**	**Â** **Â**	Â Â	**2025** **â‚¬**	Â Â	2024 â‚¬
Cash and cash equivalents	**Â**	**Â**	Â	**40,862**	Â	39,597
Other receivables	**Â**	**Â**	Â	**40,707**	Â	30,082
Â	**Â**	**Â**	Â	**81,569**	Â	69,679

Â

The Companyâ€™s cash and cash equivalents are held at AIB Bank which has a credit rating of â€œBBBâ€ (31 May 2024: â€˜â€™BBBâ€™â€™) as determined by Standard & Poorâ€™s Credit Rating.Â

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Expected credit loss

The Company measures credit risk and expected credit losses on financial assets measured at amortised cost using probability of default, exposure at default and loss given default. Management consider both historical analysis and forward-looking information in determining any expected credit loss. At 31 May 2025 and 31 May 2024, all cash is accessible on demand and held with counterparties with a credit rating of BBB or higher. Having considered the credit rating of the counterparties and the outstanding balances, management have determined that for both financial years presented, the amount of ECL is immaterial.

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(f) Fair values versus carrying amounts

Due to the short-term nature of the majority of the Companyâ€™s financial assets and liabilities held at amortised cost at 31 May 2025 and 31 May 2024, the fair value equals the carrying amount in each case. The carrying value of non-current financial assets and liabilities is a reasonable approximation of fair value.

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(g) Capital management

The principal activities of the Company are concentrating particularly on diamond exploration and evaluation.

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The Company has historically funded its activities through share issues and placings and loans. The Companyâ€™s capital structure is kept under review by the Board of Directors and it is committed to capital discipline and continues to maintain flexibility for future growth.

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The capital structure of the Company consists of equity of the Company (refer to the statement of changes in equity and Note 12). The Company is not subject to any externally imposed capital requirements.

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17Â Â Post balance sheet events

The Company announced on 10th June 2025 that the mining concession had been registered by the Finnish National Land Survey into the land registry.Â This decision facilitated the registration by the Finnish Safety and Chemical Agency (TUKES) of the mining rights for Lahtojoki, with registration number K7363. The mining concession certificate received from TUKES entitles the Company to utilise the minerals within the mining concession and the Company is now planning to proceed to the next stage of work on the mining concession area.

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The Company announced on 17th June 2025 that a promising new copper target had been identified around the Cappagh Copper Mine (an old copper mine where limited mining had been carried out historically).Â Initial desk-based studies and reconnaissance work have highlighted this a promising new target for the Company's exploration with further investigation and detailed exploration programmes now being planned to fully assess the potential of the Cappagh Copper Mine and the adjacent area.

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The Company also raised funds of â‚¬217,239 (Â£185,000) on 20th June 2025 with a view to carrying out follow up exploration in Northern Ireland and to continue its ongoing work in Finland.Â

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There were no further material events to note post year end.

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18Â Â Â Â Approval of the financial statements for the financial year ended 31 May 2025

The financial statements were approved by the Board of Directors on 25 November 2025 and authorised for issue on 25 November 2025. A copy of the audited financial statements will be available on the Companyâ€™s website www.kareliandiamondresources.com and will be available from the Companyâ€™s registered office at Shannon Airport House, Shannon Free Zone, Shannon, Co. Clare, V14E370 Ireland.

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