

**ORIOLE RESOURCES PLC**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

Quality Exploration in  
Highly Endowed Gold  
Districts

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# Highlight

## Operational Highlights:

- At the Mbe licence ('Mbe') in the Eastern Central Licence Package ('Eastern CLP'), results for a total of 19 channel-chip samples returned mineralised intervals across all six sample lines, with 11 samples grading over 1 grammes per tonne ('g/t') gold ('Au'). Best intervals included 5.00 metres ('m') at 2.03 g/t Au and 2.20m at 8.47 g/t Au, with mineralisation continuing into the wall rock;
- Completion of an earn-in agreement with BCM International Limited ('BCM') in respect of the Bibemi licence ('Bibemi') in Cameroon, which has seen BCM make a signature payment of US\$0.5 million ('M') and will see it invest up to US\$4M into exploration and move Bibemi through the exploitation licence application phase, in return for up to a 50% interest in the licence;
- Improvement in the independently calculated maiden JORC-resource at the Bibemi project in Cameroon to 375,000 Troy ounces ('oz') Au, grading 2.38 g/t in the JORC Inferred category;
- Completion of a second earn-in agreement with BCM in respect of the Mbe licence in Cameroon, which has seen BCM make a signature payment of US\$1M and will see it invest up to US\$4M into exploration, in return for up to a 50% interest in the licence;
- IAMGOLD announced that it had completed the sale of its interest in the Senala licence ('Senala') to Managem Group ('Managem'), a Moroccan-based mine developer and operator. Managem has continued to provide exploration funding under the pre-existing option agreement but has not reached the expenditure necessary to guarantee Managem a 70% ownership stake in the licence. Instead, following expiration of the option agreement in February 2024, Managem will hold an approximate 59% interest in the licence.

## Financial Highlights

- Administrative expenses reduced by 4% to £1.13M (2022: £1.18M);
- Cash outflow from operations reduced by 59% to £0.53M (2022: £1.31M) as the Group introduced cash saving measures throughout the period;
- Loss for the year of £2.27M (2022: loss of £1.57M) inflated by £0.42M impairment provision against the Company's holding in Thani Stratex Djibouti, a legacy asset, revaluation of the receivable from Lanstead Capital Partners L.P. ('Lanstead') at the year end share price amounting to a fair value adjustment of £0.65M, and an adverse foreign exchange movement of £0.79M. These three items have no cash-flow implications.

# Highlights (continued)

**Tim Livesey, CEO of Oriole, commented:**

*“2023 was a year of consolidation in a very difficult market for junior explorers.*

*“Our early focus in Cameroon was a review and revisit of our exploration targeting in the Eastern CLP and at Bibemi. In both areas, programmes of ground geophysical data collection were carried out and, at the Eastern CLP, further field mapping and sampling was undertaken in order to improve our understanding of the mineralisation prior to the initiation of the next phases of work.*

*“As we continued to see positive support for the concept of a mineralised gold corridor through the Eastern CLP, in particular with additional exposure of the mineralized system on the Mbe licence created by some small-scale artisanal activity, the projects in the Eastern CLP began to attract attention from a number of international mining groups, ultimately culminating in the signing of heads of terms agreements on both Bibemi and Mbe in November 2023. Definitive agreements for both projects were signed in January 2024.*

*“The agreements will deliver US\$4M of exploration funding for each of the projects, in addition to a total of US\$1.5M in signature payments directly to Oriole and Resource-definition based success payments.*

*“At a time when the market capitalisation of the Company sat at around £3M, these two agreements demonstrated the highly undervalued nature of the Company, and also reconfirmed the technical capabilities of our team, in both, identifying and developing a maiden resource and, identifying a new potential gold district in Cameroon.*

*“With a change of our Joint Venture (‘JV’) partner at Senala, following IAMGOLD’s sale of its West African exploration assets, we also began our relationship with Managem, who will continue to explore the prospective Faré targets.*

*“As we close out the year, we are very pleased to be one of the very few junior explorers carrying out true greenfield exploration in a new jurisdiction, with cash in the bank and a strong partner funding and advancing exploration at two of our 11 licences in Cameroon.”*

# About Oriole Resources PLC

## Who we are:

Oriole Resources PLC is an exploration and development company focusing primarily on gold and high-value base metals.

The Company is incorporated and domiciled in the UK. The Company's shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange (company number: 05601091).

## Directors:

Eileen Carr (Non-Executive Chair)

Tim Livesey (Chief Executive Officer)

Bob Smeeton (Chief Financial Officer)

Claire Bay (Executive Director for Exploration & Business Development)

David Pelham (Non-Executive Director)

*See Company's website for the directors' biographies: [www.orioleresources.com](http://www.orioleresources.com)*

## Our strategy:

The Company operates a project generator model, with a focus on delivering exploration success, but remains flexible with respect to the development pathway of each project in order to maximise value-add for the benefit of its shareholders. This strategy of identifying and developing a highly-prospective portfolio of gold and base metal assets, is designed to allow for the excellent returns that are possible on quality exploration projects whilst minimising the inherent risks that exist in a single project. The process can be summarised by five key steps, as outlined below.

## **EXPLORE**

### ***Our unique position illustrated by the Lassonde Curve***

Within the Lassonde curve, we strategically position ourselves in the early-stage exploration and evaluation phase. Our primary objective is to maximize shareholder value by swiftly advancing targets towards resource development and conducting impactful technical studies. This approach has consistently proven to enhance shareholder value, particularly during the discovery and evaluation phase:

### ***Distinct Advantages of Our Positioning within the Lassonde Curve***

**A team of experienced experts** - Our experienced Board and management team play a pivotal role in guiding the Company. Their extensive industry-specific expertise contributes to value delivery and enhances engagement with stakeholders, ensuring strategic decisions align with both project advancement and stakeholder expectations.

**Quality Exploration** - Developing a portfolio of highly-prospective projects is a strategic initiative that demands meticulous planning and a forward-thinking approach. The key lies in carefully evaluating projects based on geological and market criteria, ensuring alignment with corporate objectives. Advancement of the Company projects is through swift and systematic exploration.

# About Oriole Resources PLC (continued)

**Our project generator model** - The project generator model spreads exploration risks across multiple projects, commodities and jurisdictions. This approach mitigates the risk associated with relying on a single project's success or failure, with the ultimate goal of developing multiple successful ventures.

**Attractive opportunities for value creation** - The market demand for gold, copper and lithium, coupled with the technical viability of the assets, offers enticing opportunities for value creation. The enduring appeal of these commodities as both financial instruments and essential components in various industries, positions Oriole Resources favorably to leverage these market dynamics, potentially leading to substantial value generation for stakeholders.

**Low entry costs** - We initiate exploration using cost-effective methods transitioning to higher-cost methods as exploration success is proven as a pivotal strategy to mitigate risks. As we approach these more expensive methods, a project-level funding approach becomes advantageous. By diversifying risks across multiple projects, forming partnerships, and securing funding, we ultimately contribute to the overall value-creating potential of our business.

**Access to Emerging Markets** - Oriole's strategic position on the Lasso Curve, coupled with its first-mover advantage in Cameroon, presents compelling opportunities for shareholder value creation, enhancing its ability to capitalise on emerging prospects, and aligning with its commitment to delivering significant and sustainable returns to shareholders.

**Diversification of Exploration Projects** - Spreading exploration efforts across multiple projects or geographic locations can help reduce the impact of a failure in one area. Diversification provides a safety net against unexpected challenges or unsuccessful exploration efforts.

**Strategic Partnerships** - Forming strategic partnerships with established companies and industry experts can help mitigate risks by leveraging their resources, expertise, and networks. These partnerships can provide financial support, shared knowledge, and access to valuable resources.

**High growth potential** - Early-stage companies have the potential for significant growth. Successful exploration activities may lead to the discovery of valuable resources or groundbreaking technologies, offering substantial returns on investment.

## **DISCOVER**

Oriole has achieved numerous exploration milestones at its projects over the years, and this update for the current year highlights substantial progress. Throughout the year, Oriole has made notable advancements in identifying both gold and lithium anomalies across multiple projects, including:

- Mbe - Channel-chip sampling programme over artisanal pits returned best intervals of 2.20m at 8.47 g/t Au, 2.10m at 3.69 g/t Au, and 5.00m at 2.03 g/t Au.
- Mbe and Bibemi - Signature and subsequent execution of Earn-In agreements with BCM International to collectively fund over US\$9.5m via signature payments and exploration expenditures over both projects.

# About Oriole Resources PLC (continued)

- Bibemi - Updated JORC Inferred Resource at Bibemi to 5.1Mt grading at 2.30 g/t Au for 375,000oz, an increase of ~23%.
- Mbe – outcrop and pit sampling at Mbe returned 155 samples  $\geq 1$  g/t Au with 13 of these samples returning Au  $\geq 10$  g/t Au with best results of 256.74 g/t, 133.44 g/t, 75.09 g/t, 33.66 g/t, and 22.89 g/t Au from outcrop sampling and 25.16 g/t, 23.97 g/t, 9.98 g/t and 8.75 g/t Au from pit sampling.
- Bibemi – interpretation of geophysical data and upgrades to the Bibemi camp ahead of Phase 5 drilling in 2024 to further increase the mineral inventory at Bakassi Zone 1 and conduct extensional drilling to the NE and SW.

## **PARTNER**

### ***Our Funding Cycle***

Our project generator model minimises exploration risks by diversifying the Company's portfolio across multiple projects, commodities and jurisdictions, which reduces the Company's dependence on a single project's success or failure. Value is developed through ongoing exploration, often with partners to reduce the Company's upfront capital exposure.

We operate a de-risking project generator model through which we focus on core project-level funding and partnerships to minimise the need for PLC level funding, allowing us to focus on specific project goals, benefits and risks, enabling us to:

**Be agile and flexible enabling phased and faster funding** - Funding can be raised in stages as the project progresses, allowing value uplift from exploration success to crystallise, thus attracting further investment at key milestones. This reduces initial capital requirements and provides greater control over spending. Project-level fundraising can be quicker and more agile, allowing the Company to seize time-sensitive opportunities or respond to emerging discoveries.

**Manage risk extensively to limit investor exposure and improve project focus** - If a project encounters difficulties, the impact is contained to that specific project, minimising risk for PLC-level investors and protecting the Company's overall financial health. Project-level funding incentivises focus on individual project success, as investor returns are directly tied to that specific endeavour.

## **DEVELOP**

The successful discovery of gold and other minerals such as copper and lithium holds the transformative potential to significantly enhance the value of our assets. These successes not only bode well for Oriole as a thriving business entity but also contribute positively to the wider society in which we are actively engaged:

*Oriole benefits:*

# About Oriole Resources PLC (continued)

**Increase resources** - Oriole Resources PLC stands to continue the development of its asset portfolio, securing additional valuable resources that serve as a cornerstone for sustained production and long-term profitability

**Enhanced exploration opportunities** - Continued successful exploration and discovery at the Company's projects would likely elevate Oriole Resources PLC's share price and therefore market capitalisation, attracting new investors and solidifying trust among existing shareholders

**Heightened investor confidence** - The execution of successful exploration strategies instills confidence among investors, showcasing Oriole Resources PLC's ability to deliver on its objectives and to communicate transparently about its achievements and future prospects.

## *Societal Benefits:*

**Economic growth** - Oriole's successful mining endeavours have the potential to make a significant and positive contribution to the growth and diversification of the mining industries in the countries in the Group operates. As the Company explores and extracts valuable resources, it not only contributes to the country's GDP but also stimulates economic activity in related sectors, fostering a more robust and resilient national economy.

**Job creation** – The recruitment of personnel for mining activities by Oriole serves as a powerful mechanism for reducing unemployment rates in the region. By providing job opportunities to local communities, Oriole not only supports individual livelihoods but also contributes to the overall socio-economic development of the areas in which it operates.

**Technology transfer and skill development** – Oriole's strategic partnerships with established mining service providers are a catalyst for the transfer of cutting-edge technologies and the development of crucial skills within the local workforce. This symbiotic relationship not only enhances the efficiency of Oriole's operations but also leaves a lasting impact by empowering local communities with valuable expertise, creating a more skilled and adaptable labour force.

**Infrastructure development** – Mining activities, such as those initiated by Oriole, often serve as catalysts for broader infrastructure development. As operations expand, there is a growing need for well-connected transportation networks, reliable ports, and sufficient energy facilities. Oriole's initiatives will therefore contribute to the future development of vital infrastructure in the region, providing lasting benefits to the economic landscape in the countries in which it operates, and by improving overall accessibility and connectivity.

## **REPEAT**

Successful exploration programmes are the linchpin of Oriole Resources, uncovering the inherent value within its assets and catapulting the business towards the assessment of new opportunities. This pivotal transition not only amplifies immediate benefits but also propels the Company into the next stage of value creation, initiating a potential cycle of repeated success in future exploration endeavors.

The benefits of asset value realisation leads to opportunities for Oriole Resources PLC including:

**Geographical expansion** - A successful discovery brings forth the opportunity to enhance Oriole's market value, potentially leading to increased market recognition, increased analyst coverage, and an overall positive impact on Oriole's attractiveness.



# About Oriole Resources PLC (continued)

**Asset monetisation** - The success of one or more exploration projects gives us the flexibility to consider monetising our assets through options such as selling exploration rights, engaging in joint ventures, or potentially selling the entire project to a larger mining entity.

**Market recognition** - The success of one or more exploration projects can provide the Company with the confidence and financial capacity to explore other regions or classes of mineral deposits, further diversifying its portfolio.

**Reinvestment** – The above landscape gives Oriole the opportunity to allocate resources for additional research and portfolio development in existing or new jurisdictions.

This strategy has led to Oriole having interests in a number of licences that are moving through the early phases of discovery and resource development and towards the mine construction, commissioning and production phases.

The Company's early-stage assets include its projects in Cameroon, a new frontier for gold exploration, where it has earned an 82.2% interest in the Bibemi project and 90% interest in the Wapouzé project, and has 90% ownership of the district-scale Central Licence Package ('CLP') (with the exception of Mbe at 80% ownership), in the centre of the country. In addition, Oriole has a 90% ownership of Gamboukou, a contiguous licence with the CLP and has another contiguous licence with the CLP which remains under application, Maboum.

Oriole defines its interests in Cameroon and Senegal as Projects, and its later stage, predominantly Turkish, non-core interests as investments. The Company actively seeks further exploration opportunities, particularly in West Africa, to consolidate its existing geographic footprint.

# About Oriole Resources PLC (continued)

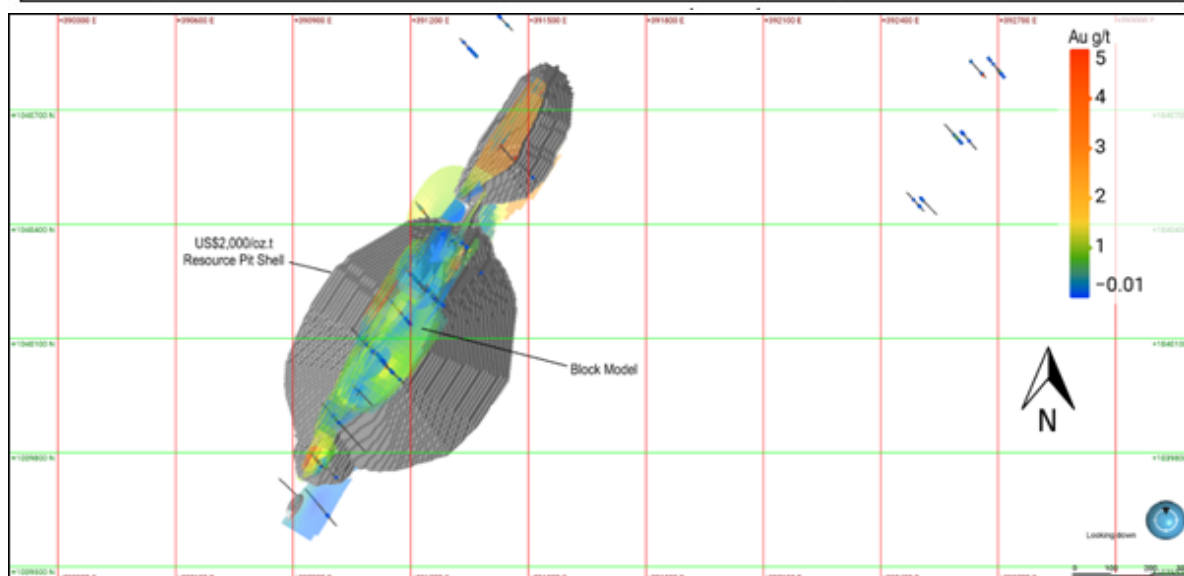
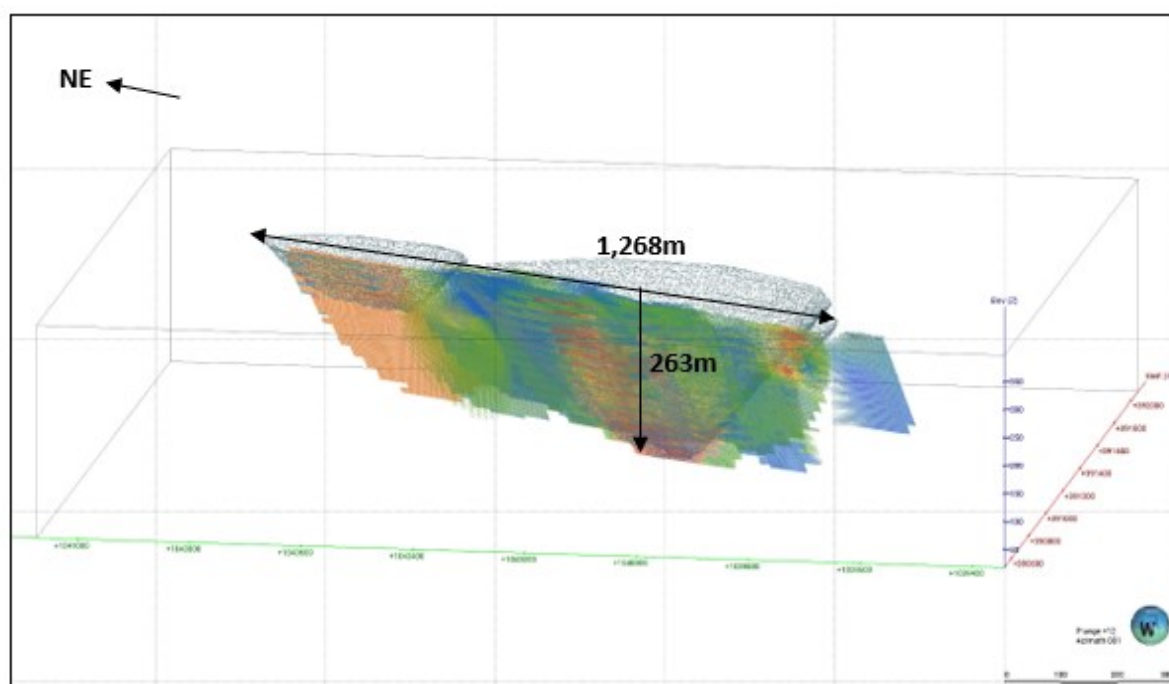
## Projects and Investments



### Bibemi (Cameroon):

- Bibemi is an orogenic gold exploration project, covering highly prospective Neoproterozoic Pan-African greenstone rocks in north-eastern Cameroon. It is the Company's most advanced project in Cameroon;
- The Company has an 82.2% interest in the project, held through RMC Cameroon SARL ('RMC'), with its investment partner BCM International Limited ('BCM') holding 10% and its local partner Bureau d'Etudes et d'Investigations Géologique-minières, Géotechniques et Géophysiques SARL ('BEIG3') holding the remaining 7.8%;
- Exploration to date has identified four key prospects – Bakassi Zone 1, Bakassi Zone 2, Lawa West and Lawa East – within a 12km-long hydrothermal system;
- Since Q1-2021, the Company has completed four phases of diamond drilling at the project for a total of 6,685.40m in 54 holes. The majority of the drilling has been focussed on a c.1 km section at the southern end of Bakassi Zone 1 and has delivered best intersections of 14.80m grading 4.27 g/t Au and 7.70m grading 2.74 g/t Au (hole BBDD050), 6.50m grading 3.92 g/t Au (hole BBDD034), 5.20m grading 1.97 g/t Au (hole BBDD031), and 9.20m grading 1.31 g/t Au (hole BBDD042) (announcements dated 20 December 2021, 9 February 2022 and 15 September 2022). These results enabled the delivery of a maiden Mineral Resource Estimate in December 2022;
- Work during the period focused on securing a funding partner and in November 2023, Oriole announced that it had signed a non-binding Heads of Terms agreement with BCM for an earn-in agreement to fast-track development of the project;
- Following year end, the earn-in agreement was executed and the Company received a total of US\$500,000 in signature payments (announcements dated 5 and 8 January 2024). Accordingly, BCM has a 10% beneficial interest in Bibemi and is earning up to a 50% interest in the project by spending up to US\$4 million on exploration, and making further JORC Resource based success payments;
- During the year, the Company completed a follow-up ground-based geophysical survey across all four prospects to aid drill targeting. Following the year end, an interpretation of the geophysical dataset and three dimensional inversion modelling has been completed, highlighting key structural intersections that has enabled the planning of a c.7,000m Phase 5 drill programme focused on resource infill and expansion drilling at the project;
- Technical studies were also commenced during the year to support the Company's submission of an exploitation licence application in 2024. In addition to preliminary economic viability studies, this has included the initial stages of a baseline Environmental and Social Impact Assessment (ESIA), work on which has continued during the first quarter of 2024;
- Since year end, as part of these ongoing studies, Oriole has also published an updated JORC Mineral Resource Estimate for the Bakassi Zone 1 prospect of 375,000 oz grading 2.30 g/t Au in the Inferred category, based largely on improved economics:

# About Oriole Resources PLC (continued)



Material	Classification	Gross			Net Attributable (82.2%)		
		Tonnage	Grade (g/t Au)	Total contained gold (oz)	Tonnage	Grade (g/t Au)	Total contained gold (oz)
Oxidised	Inferred	200,000	1.30	7,000	164,400	1.30	5,754
Fresh	Inferred	4,900,000	2.33	368,000	4,027,800	2.33	302,496
<b>Total</b>	<b>Inferred</b>	<b>5,100,000</b>	<b>2.30</b>	<b>375,000</b>	<b>4,192,200</b>	<b>2.30</b>	<b>308,250</b>

- The Phase 5 diamond drilling programme is expected to commence in April 2024, and first results are anticipated in Q2-2024.

# About Oriole Resources PLC (continued)

## Central Licence Package ('CLP') (Cameroon):

- The CLP is a district-scale land package in central Cameroon, located to the west of the regional capital, Ngaoundéré and covering an area of 4,091km<sup>2</sup>. The CLP comprises the Eastern CLP licences (Tenekou, Niambaram, Pokor, Ndom and Mbe), the Western CLP licences (Mana, Dogon and Sanga) and the Gamboukou licence; Oriole has an 80% interest in the Mbe licence and a 90% ownership of the remaining eight licences. A further licence, Maboum, is currently under application to the east of the Eastern CLP;
- The Eastern CLP and Western CLP licences, granted in February 2021, were targeted through an in-house, country-wide prospectivity analysis that considered the district to have significant potential to host orogenic-type gold mineralisation. This assessment was made on the basis of host-rock geology, alteration, structural location and evidence of gold anomalism (in the form of previous historical regional sampling data and artisanal workings), targeting the regional Tcholliré-Banyo shear zone corridor ('TBSZ'), a major splay off the larger-scale Central African Shear Zone;
- The northeast-trending TBSZ corridor, with its associated shears, thrusts and faults, are, according to academic literature, thought to be one of the significant structural controls for gold and other mineralisation in the region;
- At the end of 2022, Oriole had confirmed anomalous gold in all five Eastern CLP licences and delineated multiple 2-3km long gold-in-soil anomalies across the Ndom, Pokor and Niambaram licences, as well as a broad anomalous zone within the Mbe licence, where en-echelon, structurally-controlled trends are now confirmed to occupy a c.12.5km long by 3km wide corridor. Best results included 838 ppb Au (0.84 g/t Au), 520 ppb Au and 463 ppb Au;
- Oriole had also identified the potential for hard rock lithium mineralisation within the Ndom licence via stream sediment and soil sampling anomalism, prompting the application and granting of a new licence, Gamboukou, to the south of Ndom.

## CLP – Gold exploration:

- During the period, much of the gold exploration focussed on the zone of gold-in-soil anomalism at Mbe;
- The Company completed 1:15,000 scale mapping (lithology and regolith) and rock-chip sampling over a c.48km<sup>2</sup> area at Mbe to help constrain the source of the gold anomalism. A total of 76 rock-chip samples (including QAQC) were taken over selective outcrops, predominantly quartz veins, within a 3km-long geological zone that is up to 700m-wide and is cored by a variably silicified felsic porphyry unit ('MB01'). Best results included 134.10 g/t Au, 131.80 g/t Au and 64.30 g/t Au (announcements dated 30 January 2023 and 27 February 2023);
- A ground-based geophysical (magnetics) survey was completed across the Mbe prospect during the period and the data has subsequently been processed by Terra Resources in Q1 2024 (announcement dated 27 March 2023);
- Oriole also completed a series of short channel-chip samples within newly-opened artisanal pits exposed across MB01, yielding best results of up to 2.20m at 8.47 g/t Au. Importantly, this sampling confirmed that mineralisation was not just limited to silicified or vein material but is also present within the altered host rocks, flagging the potential for wide mineralised intervals (announcement dated 21 June 2023);
- In November 2023, Oriole signed a non-binding Head of Terms with BCM International for an earn-in agreement at Mbe, which was conditional on the successful completion of a due diligence and the definitive agreement was signed in January 2024 ;
- The due-diligence review was undertaken during December 2023 and results from 639 representative rock-chip samples yielded best results of 256.74 g/t Au, 133.44 g/t Au and 75.09 g/t Au and 155 samples returning greater than 1 g/t Au (announcement dated 22 January 2024);
- This work satisfied the conditions of the earn-in agreement and BCM has subsequently paid Oriole US\$1 million in signature payments. Accordingly, BCM now has a 10% beneficial interest in Mbe and has the right to acquire up to a 50% interest by spending up to US\$4 million on exploration at Mbe and making further JORC Resource based success payments (announcements dated 30 January 2024 and 29 February 2024);
- Soil sampling programmes are currently underway at Mbe ahead of a trenching programme later in H1 2024 and drilling at the MB01 target is anticipated later in 2024;

# About Oriole Resources PLC (continued)

- At the three Western CLP licences, the Company had previously requested their temporary suspension until a resolution could be found to access issues. This request was granted in 2023 and as such, the spending commitments on the licences are suspended.

## **CLP – Lithium exploration:**

- During the period, low-level lithium exploration has been completed at the Ndom and Gamboukou licences;
- At Ndom, pegmatites were confirmed to be present within the area of anomalous lithium-in-soil anomalism, highlighted by the 2022 soil sampling campaign. A series of rock chip samples were collected in multiple phases and analysed for multi-elements, including lithium. While low concentrations of lithium were recorded from the rock-chip samples, geochemical assessment indicates that the rocks show chemical fractionation that occurs in lithium pegmatite systems. Furthermore, eight rock chip samples were analysed by X-ray Diffraction (XRD) at University College London but, due to the multiphase nature of the samples, formal identification of lithium bearing micas was not possible;
- At Gamboukou, a reconnaissance visit was completed and follow-up work is being planned for the current field season;
- The Company is actively seeking third party investment to push forward the lithium exploration at these licences, and discussions are underway with a number of interested parties.

## **Wapouzé (Cameroon):**

- During 2022, the team conducted a comprehensive review of all historical data available for Wapouzé, concluding that the project area was less prospective for gold than Bibemi. However, the data highlighted that the large quantity of carbonate material outcropping within the licence area, as previously identified by geological mapping, could be suitable for industrial use and therefore presented an attractive commercial opportunity for the Company. The Company proceeded to apply for a change of commodity for the Wapouzé licence;
- During the period, Oriole was informed that the change had been approved by the Ministry of Mines and was awaiting a wider licence renewal process. The renewal has reportedly been approved by the Presidency of Cameroon and the Company is awaiting issuance of the new licence by the Ministry of Mines.

## **Senala (Senegal):**

- The Senala gold project lies in the highly-endowed Birimian-age Kédougou-Kéniéba gold belt in south-eastern Senegal. Oriole's interest is held through its 85% interest in the licence holding company, Stratex-EMC Sarl;
- In March 2018, Stratex-EMC signed a six-year earn-in agreement with AGEM Senegal Exploration Sualr ('AGEM'), which, at the time was a wholly-owned subsidiary of IAMGOLD corporation, whereby AGEM could earn up to a 70% interest in Senala by spending up to US\$6 million on exploration. Work under that agreement has focussed on the Madina Bafé and Faré prospects;
- At Faré, the mineralised system extends over at least 6km, with three main zones defined. In 2021, the Company reported a maiden Mineral Resource Estimate of 155,000 oz Au for the Faré South zone, grading at 1.26 g/t in the JORC Inferred category, based on a 0.3 g/t Au cut-off and a US\$1,800/oz pit shell (announcement dated 23 August 2021). This Resource sits within a larger JORC-compliant Exploration Target for Faré South of up to 280,000 oz grading 1.10 g/t Au. Both estimates remain open at depth and along strike;
- This Resource does not include any of AGEM's drilling results at the project, where over 7,000m has returned best grades of up to 35.00m grading 3.61 g/t Au including 18.00m grading 6.46 g/t Au from the Faré Far South zone;
- In April 2023, Managem acquired AGEM from IAMGOLD and no further work has been completed at the project since that time, although a licence renewal application was submitted in December 2023 ahead of the February 2024 licence expiry;
- In February 2024, the option period came to an end and Managem advised Oriole that AGEM had spent c.US\$5.8 million at the project during the earn-in, equating to an estimated 59% beneficial interest in the Senala Exploration Licence. A formal review of that expenditure is underway and conformation of the licence renewal is awaited;

# About Oriole Resources PLC (continued)

- A discussion on the next steps is underway, which would include: the formation of a joint-venture company and associated technical committee; the submission of a work plan and budget by Management; and a decision by Stratex-EMC on whether to contribute to the work costs or dilute its percentage ownership.

## Investments

### Thani Stratex Djibouti Ltd ('TSD') (Djibouti):

- Since late 2019, TSD, in which Oriole has a 8.03% interest, has been funded and operated by its largest shareholder African Minerals Exploration & Development Fund III (AMED Fund III);
- TSD's three main projects (Pandora, Hesdaba and Assaleyta) are located within the Afar epithermal province of the East African Rift Valley, where epithermal gold mineralisation has been defined over all three projects;
- No work programmes have been completed during the year and the Company is awaiting an update. Oriole is no longer represented at the board-level of TSD and in 2023 the Board decided to make full provision for impairment against the carrying value of the investment.

### Muratdere (Turkey):

- Muratdere is a substantial copper porphyry system located in Bilecik, Turkey. The mining rights of Muratdere are owned by Muratdere Madencilik San. Ve Tic. A.Ş. (Muratdere Madencilik), a 100% owned subsidiary of Turkish company Lodos Maden Yatırım Sanayi ve Ticaret A.Ş.(Lodos), which is 100% owned by Turkish investment and Finance Company Pragma Finansal Danışmanlık Ticaret A.Ş. ('Pragma');
- In November 2019, Oriole Resources PLC ('Oriole') executed share purchase and royalty agreements with Lodos that resulted in Oriole's equity interest in Muratdere being sold to Lodos and converted to a 1.2% NSR royalty;
- Muratdere Madencilik received a positive Environmental Impact Assessment ('EIA') in August 2022, granted by the Turkish State. There is currently a lawsuit brought by third parties against the State for the grant of EIA and an appeal process against the EIA is ongoing;
- The Company is continuing to engage with royalty groups regards to a potential sale of the NSR once the EIA is granted.

### Hasaңcelebi and Dođala projects (Turkey):

- In 2019, the Company's wholly-owned subsidiary, Stratex Madencilik Sanayi ve Ticaret Limited Şirketi ('Stratex Madencilik'), signed an exploration agreement with Bati Toroslar Madencilik Sanayi ve Ticaret Ltd. Sti. ('Bati Toroslar') for the Hasaңcelebi and Dođala high-sulphidation projects which will result in a US\$500k success-based payment on delivery of a minimum JORC-compliant Indicated and/or Measured gold resource of 100,000 oz (with a 0.3 g/t Au cut off), defined within the oxide and transition zones at Hasaңcelebi, and the completion of an EIA;
- Following the sale of Oriole's 1.5% royalty on the projects in 2020, a further US\$220k is due to Stratex Madencilik once Hasaңcelebi moves to the mine-development stage;
- No significant work was conducted during the period.

### Karaađac Gold project (Turkey):

- Karaađac is located 300 km west-south-west of Ankara. Mineralisation is hosted by an outcropping thrust zone and altered limestone, and the project has a non-JORC resource of 156,798 oz Au;
- In March 2019, the Company's partner Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi ('Anadolu'), 96%-owned by Istanbul-listed ODAŞ Elektrik, confirmed the definition of a JORC-2012 compliant Measured, Indicated and Inferred resource of 348,150 oz Au and 2,832,036 oz Ag (0.2 g/t Au cut-off) (announcement dated 11 March 2019);
- Under the terms of the Agreement, definition of this JORC-resource triggered the payment by Anadolu of a US\$500k success-based fee. US\$75k of this was received in 2019 but the balance remains outstanding and, during the period, the Company has been engaged in legal proceedings to recover the outstanding US\$425,000 plus VAT. The Company has a strong case and remains hopeful of a positive outcome;

# About Oriole Resources PLC (continued)

- Following the sale of our 1.5% NSR royalty to Anadolu in 2020, the Company remains entitled to a further US\$250k when the project moves towards mine construction.

The Technical Information relating to Exploration Results has been prepared by Claire Bay, EurGeol, CGeol, MIMMM, an employee of the Company, who is a Competent Person as defined by the JORC Code 2012 Edition. The information is extracted from various source reports. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

The Technical Information relating to Mineral Resources and Exploration Targets is based on data compiled by Mr. Robert Davies, EurGeol, CGeol, an independent consultant to Oriole. Mr Davies is a Director of Forge International Limited. Mr Davies has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Davies consents to the inclusion in this report of the matters relating to the Mineral Resource Estimate and Exploration Targets in the form and context in which they appear.

The Company confirms that the material assumptions and technical parameters for resource estimate continue to apply and have not materially changed.

It is noted that the potential quality and grade of the Exploration Targets referenced in this report are conceptual in nature. There has therefore been insufficient exploration to estimate a Mineral Resource for all target areas reported and it is uncertain whether further exploration will result in the estimation of a Mineral Resource. The Exploration Targets have been prepared in accordance with the 2012 edition of the JORC Code.

*More detail of the above Oriole projects and investments can be found on the Company's website: [www.orioleresources.com](http://www.orioleresources.com)*



# Chair's Statement

Dear Shareholders,

As a predominantly gold exploration company, I thought it would be useful to look at the underlying trends supporting the current increase in the price of gold which, at the end of 2023 stood at US\$2,078/oz compared to the previous year end of US\$1,823/oz. The price of gold has continued to rise this year, reaching a peak of US\$2,203/oz on 20 March 2024. There are several reasons for this increase in price, the main one being the continued demand for bullion by Central Banks who made net purchases of 1,037 tonnes ('t') during the year, being just a little short of the 2022 record. Of this amount, China bought 225t and now holds the largest amount of gold reaching over 33,000t split equally between State and private investors. The reason behind this buying is primarily linked to the geopolitical situation which did not improve in 2023, with the Russian invasion of Ukraine continuing and now the added conflict in the Middle East. The People's Republic of China, having seen the sanctions imposed upon Russia, has reduced its US dollar dependency and, as a consequence, continues to build its bullion reserves. In a similar fashion, the BRICS countries have decided to also use bullion as a basis for international exchange, a role previously held by the US dollar and the Euro. Many countries now support de-dollarisation and physical gold is seen as the only guarantee of economic and political independence. It is therefore likely that Central Banks will continue their demand for bullion. In addition to this trend away from dollars, the continued break in supply chains due in part to on-going Panama and Suez situations, has led to an increase in the cost of goods, which the increased cost of oil and gas has only aggravated. Although Western governments have managed to curtail the relatively high rate of inflation experienced in the recent past, there is some concern that prices will not return to the levels previously seen. As a consequence, gold, which has always been seen as the top hedging instrument against inflation, should continue to be prized as an asset to be held and so one might expect the price to continue its upward trajectory. As with everything though, nothing is guaranteed in today's economic and political environment.

The positive news on the gold price was not reflected in the investment attitude towards the junior exploration end of the London market and Oriole was faced with an uphill struggle to finance operations throughout the year. I was happy to invest in the Company in April 2023 and hope that my investment demonstrated my belief in our assets and our team. In addition to my investment, the Board of Directors took shares and options in part payment of their salaries/fees and the extent of these actions has increased the Board's ownership to 6.6% of the share capital of the Company. I am pleased to report that our cash position has significantly improved with the signing of the two agreements with BCM. Since year end, we have received signature payments totalling US\$1.5M from BCM and exploration has already begun at both the Bibemi and Mbe projects.

In addition to the BCM earn-in deals, we also entered an agreement with Lanstead in August 2023, whereby they bought 930 million shares at a notional price of 0.19 pence ('p') per share, which was significantly above the then market price of the shares which stood at 0.15p. The sale proceeds were, in effect, repaid to Lanstead who then undertook to repay the proceeds in 24 monthly instalments based on the prevailing share price each month. The main reason for entering into this form of transaction was because the Board strongly believed that a deal would be struck with the Cameroon assets that would significantly improve the underlying value of the Company and which would be reflected in an increased share price. The repayments began in September and the first four months were, as expected, lower than the benchmark receipt. However, since the year end, the receipts from Lanstead have significantly increased, sitting at or above the benchmark amount, and we are hopeful that results from our exploration efforts will continue to drive our share price higher.



# Chair's Statement (continued)

These transactions mean that our exploration work at Bibemi and Mbe is fully funded by up to US\$4M on each asset and our UK overheads are covered by the monthly receipts from Lanstead. In addition, the signature payments received will help to fund our exploration work elsewhere in Cameroon, although we continue to seek partners for our other licences in both Cameroon and Senegal in order to defray both costs and risks in our asset portfolio.

Due to the constrained cash position in 2023, exploration throughout the period was limited, although we did manage to undertake a geophysical work programme over Bibemi that has identified further potential areas for exploration and assisted with the location of drill holes for the upcoming BCM-funded drilling programme. At Mbe, we also undertook a geophysical survey and undertook selective rock-chip and limited channel-chip sampling which has further demonstrated the gold potential in not only the vein but also the host rock.

In January of this year, BCM undertook a more representative sampling campaign at Mbe, as part of its due diligence review, and were delighted with the results achieved thus far, supporting our contention that this is potentially a new gold frontier in Africa. At Bibemi, we will shortly commence an approximate 7,000 metre drilling campaign that will test both the existing gold Mineral Resources Estimate ('MRE') at Bakassi Zone 1, through infill and extension drilling, as well as at new geophysics targets along strike. The drilling will hopefully add to the global MRE for the project, which currently sits at 375,000ozs grading 2.38 g/t Au in the JORC Inferred category.

Should the drilling prove up additional ounces, and subject to the mining studies proving positive, it is envisaged that the deposit will be mined from surface as an open pit operation. Our partner, BCM, is ideally placed to assist with the development of this operation and it is currently our intention to submit an application for a mining licence over this area during 2024. Infrastructure in the area is conducive to development and capital expenditure will eventually be focussed on the plant and mining fleet rather than construction of roads etc.

Meanwhile, the work programme at Mbe will focus on soil and trench sampling with a view to drilling initial targets during the next dry season. Results to date from this licence are extremely encouraging and will aid exploration on our other four licences within the Eastern CLP. Elsewhere, we will continue our exploration at Gamboukou to review the lithium potential, continue to discuss the accessibility of our Western CLP licences, currently under voluntary suspension, and await the signature of our Wapouzé licence to the north of Bibemi where there appears to be significant potential for limestone extraction for cement.

In Senegal, the second option period over the Senala licence has now ended and Managem appears to have earned in to approximately 59% of the licence, with a review of the expenditure to confirm this position underway. According to the original agreement, the next steps include the formation of a JV company to manage the asset going forward, and the review and approvals for workplans and budgets. Oriole has the option to contribute or dilute at that stage.

We also continue to pursue sums due in respect of our legacy assets in Turkey and we will update the market as and when any progress is made.

With the two exploration programmes now underway in Cameroon, and results expected in the coming months, this is a very exciting time for the Company.

# Chair's Statement (continued)

Turning next to our share price, which has continued to fluctuate, hitting a high of 0.50p in January 2024 from a low of 0.0722p in November 2023 and now sits at around 0.25p, giving a market capitalisation of £9.7M. I do not believe this is a fair reflection of the worth of the Company and I am forever hopeful that the market will reward good results when they begin to arrive. We shall also continue to seek value enhancing transactions whilst we pursue our exploration efforts in Cameroon. The current market for junior exploration companies remains challenging, but we shall continue to persist and I am confident that positive market sentiment will return.

Before signing off, I must thank the team at BCM who shares our vision for the potential of a new gold district in Cameroon. This is not my first venture with Paul List and his team and I am pleased that we are working together again on two such exciting projects. I would also like to thank the team at Managem, as I recognise that to integrate a group of assets positioned in three West African countries is not an easy feat, and I look forward to working together in order to maximise our value in Senegal.

I would also like to say how glad I am for the continuing support and sound advice given to the Company by our High Commissioner in Cameroon and understand that the UK has recently entered into various trade deals with Cameroon, which can only help with the continued economic development of that country. Likewise, we are pleased with the help given by the Governments of both Cameroon and Senegal in moving our assets forward. Our partner in BEIG3 continues to offer enormous assistance with logistics which has been, and will continue to be, crucial during this next phase of exploration in Cameroon. Our partners at EMC have been of great assistance in helping with the renewal process for our Senala licence in Senegal.

I must also recognise that our teams on the ground in Cameroon and in the UK are the bedrock of the Company and I appreciate their efforts during a difficult period. I look forward to continuing our work together to make this coming year a success.

Finally, the Board deserves a special vote of thanks as there have been hard days in 2023 with a heavy workload and little else. I am hoping that now we are funded with an exciting work programme ahead, 2024 will be a much better year for us all. Which brings me finally to our shareholders who, I suspect, are battered and bruised but hopefully now a little more optimistic of a brighter future. Please be assured that the Board and management are working extremely hard to make your Company a success and I rather believe that this year will be the turning point.

**Eileen Carr**  
Non-Executive Chair  
27 March 2024

# Strategic Report

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## **Oriole Resources PLC**

**Company number: 05601091**

**Registered office: Wessex House, Eastleigh, Hampshire SO50 9FD, UK**

The Directors present their strategic report on the Group for the year ended 31 December 2023.

## **OPERATIONAL AND FINANCIAL REVIEW**

### **Principal Activities**

The principal activity of the Group is the exploration and development of gold and other high-value base metal projects.

### **Strategic approach**

The Board's strategy is to establish the Company as a leading value-adding project-generator in our chosen mineral specialisations and in our geographic areas of operation. The Board seeks to acquire exposure to highly-prospective districts, primarily in West and Central Africa, and the Group has developed a first-mover position in Cameroon, an exciting new frontier for gold-exploration. The Board aims to develop a portfolio of projects that cover a range of mineral deposits across multiple jurisdictions, thus mitigating sovereign, technical and operational risks.

The Group finances its activities through the monetisation of more advanced projects, project specific investment agreements and through periodic capital raisings if necessary.

### **Business environment**

The price of gold fluctuated during the year but remained above US\$1,800/oz throughout, and currently sits at a 10-year high. The continued global uncertainty, with conflict in the Ukraine and the Middle East, is expected to provide continued strong demand for gold during 2024, which is important for Oriole as its projects move forward towards the mine development phases. However, a strong demand for gold does not necessarily translate into a good environment for early-stage gold explorers, and 2023 continued to be a challenging environment for the junior exploration companies looking to raise funds via traditional equity placings.

The Board continues to believe that the global demand for gold, and the need for new resources, will ultimately drive an increased appetite for the main gold producers to support the activities of junior exploration companies like Oriole.

We were saddened to hear that Cameroon's Minister of Mines, Industry and Technological Development, Gabriel Dodo Ndoke, passed away suddenly on the morning of 18 January 2023. Interim Minister, Dr. Calistus Gentry Fuh has been appointed, and we have been working effectively with the Minister and his team throughout the year.

### **2023 Operations and progress**

The Group's main operations are split between active exploration projects in Cameroon, partner exploration activities in Senegal, and the management of its investment and royalty positions. Much of 2023 was dominated by the search for funding, culminating in reaching an agreement with Lanstead to provide a two-year equity funding mechanism, and the signing, early in 2024, of two agreements with BCM in respect of the Group's Bibemi and Mbe projects. These latter two agreements fulfilled a long-held strategy of attracting project-level funding as a means to more appropriately reflect the underlying value of the Group's assets than was being recognised by the overall market capitalisation of the Group. The Directors continue to look for further avenues for project-level funding.

#### Active Exploration projects

The primary focus for the Group's own exploration activities is its position in Cameroon.

#### *Bibemi*

In December 2022, the Company reported a maiden JORC-compliant Resource of 305,000 oz grading 2.19 g/t Au for Bakassi Zone 1, one of four prospects at the project. Since year end, the rising gold price led to an upward revision of the existing Resource to 375,000 oz grading 2.30 g/t Au (announcement dated 15 January 2024). The MRE remains open at depth and along strike to the northeast, and there exists significant potential to expand the Resource at Bakassi Zone 1 and to identify additional resources at the other three prospects on the licence,

# Strategic report (continued)

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Bakassi Zone 2, Lawa West and Lawa East, which are all located within a few kilometres ('km') of Bakassi Zone 1.

After long-running discussions with BCM, agreement on Heads of Terms was reached in November 2023 and a full earn-in agreement signed on 5 January 2024. This provided Oriole with US\$500,000 in signature payments and allows BCM to earn into a 50% ownership position upon completion of US\$4M of investment into the project and resources-definition based success payments. This investment will allow the Group to commence Phase 5 drilling at Bibemi in 2024 with a review to increasing the existing Resource and moving towards submission of an application of an exploitation licence later this year. Local-level technical studies, including a baseline Environmental Impact Assessment ('EIA'), have already commenced. The infill ground magnetics programme completed during Q2 provided more complete and detailed coverage than the prospect-level data acquired in 2022. This has identified a number of further targets at Bibemi, two of which will be tested during the upcoming Phase 5 drilling programme alongside infill and extension drilling at the Bakassi Zone 1 MRE zone.

## *Central Licence Package*

Covering Paleo-Proterozoic to Neoproterozoic (including Pan-African) age rocks, well-known hosts for orogenic gold deposits both in West Africa and worldwide, the CLP licences were initially targeted by the Company's technical team due to their apparent proximity to the dominant regional shear corridor associated with the Tcholliré-Banyo Shear Zone ('TBSZ'), a major southwest-northeast-trending splay off the larger-scale Central African Shear Zone. The TBSZ and its associated shears, thrusts and faults are thought to be one of the most significant structural controls for gold and other mineralisation in the region.

With the grant of the initial eight licences in the package in February 2021, follow-on work to the early stream sediment sampling programmes has continued to focus on the five licences designated as the Eastern CLP (Tenekou, Niambaram, Pokor, Ndom and Mbe).

In 2022, semi-regional soil sampling over the five Eastern CLP licences identified multiple 2-3km long anomalies across the Ndom, Pokor, and Niambaram licences. At Mbe, a c.12.5km long by 3km wide gold-mineralised corridor ('MB01') was identified and during Q4-22, the team completed regolith and lithological mapping (1:15,000 scale) as well as selective rock-chip sampling over outcropping rocks, predominantly quartz veins. This work resulted in the identification of a north-northeast trending corridor comprising sulphide-rich and locally brecciated quartz veins within strongly altered and mineralised felsic porphyry host rocks. Selective sampling over outcropping quartz veins in Q1 delivered grades up to 134.10 and 131.80 g/t Au.

The results to date appear to support the team's hypothesis that the Eastern CLP area is host to a wide (15 to 20km) corridor of gold mineralisation, stretching along an approximate 70km-long segment of the TBSZ.

In 2023 the Group focussed its exploration efforts on Mbe, in order to showcase the potential of the whole Eastern CLP. Analysis of a further 493 soil samples over Grid 6 at Mbe during H1 2023 returned an anomalous sample of 257 parts per billion ('ppb') Au and seems to have identified the south-westerly extent of the 12.5km long gold-in soil anomaly.

A ground-based geophysics programme has been completed over the entire gold anomalous zone at Mbe to test the local and regional scale structures at depth and to help develop the geological model. The survey was conducted by our own field teams at a line-spacing of 100m and provided high-quality data that has now been interpreted to assist with drill target identification.

During 2023, minor artisanal pits exposed trench-like profiles at six locations over a 200m strike length of one of the shear veins at MB01. The hand-dug workings enabled the collection of channel-chip samples on short 2-5m wide lines that are approximately perpendicular to the dominant north-east shear trend and provide a small window into the much wider corridor of mineralised veins. Results for a total of 19 channel-chip samples (22 including QAQC) returned mineralised intervals across all six sample lines, with 11 samples grading over 1 g/t Au. Best intervals (using a 0.30 g/t Au cut off) included; MBTR01: 2.20m at 8.47 g/t Au; MBTR02: 5.00m at 0.90 g/t Au; MBTR04: 5.00m at 2.03 g/t Au; and MBTR05: 2.10m at 3.69 g/t Au.

Mineralisation was returned from a range of host rocks including variably brecciated shear and extensional quartz veins and altered wall rock. The highest grade returned from a wall rock sample was 5.94 g/t Au over 0.90m, within the MBTR05 interval, suggesting the potential for near-surface bulk-mineable mineralisation.

Late in 2023, the Company's ongoing discussions with BCM in respect of the Bibemi project grew to encompass project level funding for the Mbe licence, culminating in a Heads of Terms agreement with BCM being signed in

# Strategic report (continued)

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November 2023 and the full Earn-in Agreement being signed in January 2024. The Group has received US\$1M as a payment on signature and work has already commenced in the field in respect of BCM's US\$4M investment into exploration at Mbe for which they will earn a 50% ownership position in the licence, subject to also making any resource-based success payments that are due. It is anticipated that exploration success at Mbe will further enhance investment interest in the other four licences in the Eastern CLP and the Group intends to progress these licences during 2024, whilst seeking further project-level funding arrangements.

## *Lithium*

In November 2022, the Company reported that geochemical data from its soil sampling programmes had identified a lithium-in-soil anomalism at the Ndom licence (part of the Eastern CLP), with two parallel zones, each extending over an approximate 9km strike length and associated with units mapped regionally as porphyritic granitoid. In the same month, the Company secured the Gamboukou licence, immediately to the south of Ndom on the basis of it having similar lithium-prospective geology.

During H1 2023, the team completed reconnaissance exploration and mapping at the Ndom and Gamboukou licences, in order to assess their potential to host lithium-bearing pegmatites, and confirmed multiple pegmatite veins within the granitoids and the older basement rocks. Sampling programmes continued at Ndom through the remainder of the year and further work to qualify these areas as lithium prospects is planned for 2024.

## *Wapouzé*

A review of the historical data in 2022 determined that gold prospectivity at Wapouzé was lower than that at the Group's nearby Bibemi project, but highlighted the potential for cement-quality limestone within the licence area. Thirteen out of fourteen rock-chip samples returned suitable chemistry to be classified as high-grade carbonate material, suitable for use within the cement industry (an industry which in Cameroon is believed to be worth in the order of £700M per year, largely supported by import), which provided support for Oriole to request a change of commodity for the licence during the renewal process. This process is still ongoing but once granted, Oriole will look to secure an industrial minerals partner to develop the Wapouzé project through to exploitation on an expedited basis, from which Oriole will look to secure a royalty-stream.

## *Senala*

In December 2022, our earn-in partner at the Senala licence in Senegal, IAMGOLD, announced the pending sale of its West African assets, including its stake in Senala, to Managem, a Moroccan based mining company. The sale moved to completion in March 2023 and Managem continued funding of the earn-in on Senala under the terms of the 2018 Option Agreement (announcement dated 1 March 2018), with the option to earn up to a maximum 70% interest in the project by February 2024, subject to a total spend of US\$8M. The Option Agreement, has now reached its full term and a review of expenditure is underway in order to confirm Managem's ownership position, expected to be around 59%. Discussions regarding the future exploration and joint-operatorship of the licence are underway.

## *Investment and royalty positions*

The Company has a long history of gold and base metal exploration success. This history has left it with a potentially valuable portfolio of legacy assets, which are the subject of an on-going asset realisation programme.

One of these assets, an 8.03% holding in Thani Stratex Djibouti ('TSD'), arises from a legacy JV agreement between the Company, whilst under previous management, and Thani Ashanti. Whilst the project is still active, and highly prospective, progress under the new arrangements has been slow and with funding for the exploration industry as a whole proving to be very difficult, the Board has made full provision against the value of this investment, whilst still remaining hopeful of an eventual return to its shareholders.

The Group remains committed to realising value from its interest in Turkey, with potentially US\$1.6M and Turkish Lira 3.75M (together, £1.3M) to be collected from the agreements that are in place with former partners. At the Group's former Karaağaç gold project in Turkey, pursuit of the US\$425k owed by the operator, Anadolu Export ('Anadolu'), is still ongoing although progress through the courts is painfully slow.

The Group is also awaiting news of a debt owed by NTF Insaat Ticaret Ltd Sti ('NTF'), a former partner in Turkey, who defaulted on tax payments that were originally due in 2017. Further depreciation of the Turkish Lira against the Dollar has now reduced this receivable to US\$115k.

# Strategic report (continued)

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Meanwhile, work continued at the Hasançelegebi project. The Group is due to receive US\$500k from its partner Bati Toroslar when this project passes EIA stage, and a further US\$220k once mine construction commences.

At the Muratdere copper project in Northern Turkey, the Company holds a 1.2% net smelter return royalty position. The EIA Report for this project has been submitted to the State Authority by Muratdere Madencilik, and was approved by the State in August 2022, but has been subject to an ongoing appeals process. Oriole has engaged with a number of royalty companies with regards to the sale of its royalty rights, and believes successful confirmation of the EIA will prove to be a trigger for a sale of this asset.

## Financial Review

As noted earlier, 2023 was a particularly challenging year for junior exploration funding, but the Group has managed to enter 2024 having secured significant funding for its operational expenses and for the comprehensive exploration plans for the projects in Cameroon. In such challenging times the Board has invested into the Group throughout the year, with a direct placing by Eileen Carr, salary sacrifice schemes (undertaken by the whole Board) running for most of the year in relation to shares and share options, and the simple method of deferring salary.

Following discussion with the Group's financial advisors about their experience of raising funds in 2023, which had seen deep discounting of share prices in order to attract investment, the Board decided to try an alternative equity funding route, one which would leverage the potential upside in the share price that could be foreseen as discussions regarding the introduction of project-level funders advanced.

Accordingly, the Group entered into an arrangement whereby 930 million new Ordinary Shares were issued to Lanstead (at a notional value of 0.19p per share) in exchange for 24 monthly repayments from a 'Sharing Agreement', those monthly repayments being based upon the prevailing monthly share price and its variance against a reference price of 0.253p per share. Whilst the mechanics of the Sharing Agreement are complex, essentially the funds received monthly are £74k plus or minus a percentage equal to the variance from the reference price. Whilst complex arrangements like this are unpopular with investors, as appeared to be proven in the early months post-signature, the Board's belief that positive news would make the arrangement beneficial to the Group has been borne out following the completion of the BCM deals. Based on returns received to date, against the shares to which those returns relate, the average price per share from the Sharing Agreement is 0.18p at the time of writing, significantly in excess of what could have been achieved from an equity placing to the market in 2023. The proceeds of the Sharing Agreement are to be used primarily to provide funding for the Group, as Oriole continues its strategy of seeking joint-venture partnerships and project-level financing. Excess funds will be directed towards exploration spend on the Group's projects.

The accounting for the Lanstead Agreement reflects IFRS stipulations that such financial instruments should be 'marked to market' at the period reporting date, and so a £652k fair value adjustment arose at the year end and was recognised as a loss in the statement of comprehensive income, based on the remaining amounts receivable using the year end share price as a reference. Such was the impact of the BCM deals on the share price, that 'marking to market' based on the price one month later would have seen a fair value uplift of £471k, instead of a loss of £652k.

This 'marking to market' fair value movement contributed to a Group loss for the year of £2,269k (2022: £1,569k). Also included in that figure is the £416k provision made against the debt due from Thani Stratex Djibouti, following the Board's decision to make full provision against the investment in TSD. A year-on-year adverse forex movement of £788k on our Euro denominated assets in Senegal is the other significant factor in understanding the movement between the two periods. These three items contributed to the 'other losses' line of £1,304k (an adverse swing of £1,958k against the prior year).

In areas which are more directly under our control, administration expenses fell by 5% to £1,129k (2022: £1,182k), as a result of cost saving measures implemented to maximise available funds for exploration and minimise monthly cash burn. Included within the 2023 administrative expenses is an accounting charge of £182k for 'share based payments', which is a non-cash item required under IFRS to reflect the potential value of share options issued to Directors and employees. This figure is inflated from its normal levels, for example in 2022 the charge was £8k, due to the extensive salary sacrifice for share options scheme implemented during the year, which saved £60k of cash flow in the second half of the year. Consequently on a cash basis, cash flows from operational activities reduced by 59% to £531k (2020: £1,305k).



# Strategic report (continued)

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The Group continues to reclaim research and development tax credits, with £158k received in the year reflecting 2022's exploration activities. Work is underway to submit the 2023 tax computations, although the 2022 level is unlikely to be repeated due to lower levels of exploration during the period.

The Group enters 2024 in a much stronger financial position than it was in for much of 2023. With monthly incoming funds from the Lanstead Agreement, and an excellent partner providing funding on two of our licences in Cameroon, the Board remains convinced that the share price does not yet fully reflect the progress that has been made across the Group's portfolio. However, with field work underway, the prospects for the Group are excellent and hindsight will show 2023 to have been a difficult but ultimately transformational year.

## OUR GOVERNANCE

### The Board of Directors

The Board is responsible for providing strategic direction for the Group, setting objectives and management policies and agreeing performance criteria. The Board monitors compliance with objectives and policies of the Group through monthly performance reporting, budget updates and monthly operation reviews. The Board has a proven track record of success in both mineral exploration specifically and the AIM market generally. The Board is ably supported by a management team that, for many years, has delivered successful exploration projects.

The current composition of the Board is three Executive Directors and two Non-Executive Directors. The Board believes that the composition of the Board provides an appropriate mix to conduct the Group's affairs at the present time, and the Nomination Committee (comprising the Non-Executive Directors) keep this under regular review.

### The Audit Committee

The Audit Committee provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements, and the external audit process. During 2023 the Committee comprised Eileen Carr as Chair of the Committee and David Pelham (Independent Non-Executive Director). The external auditors and the Executive Directors attend by invitation when appropriate.

No internal control issues were identified during 2023 requiring disclosure.

### The Remuneration Committee

The Remuneration Committee provides a formal and transparent review of the remuneration of the Executive Directors and senior employees and makes recommendations to the Board on individual remuneration packages. This includes the award of non-contractual performance related bonuses and share options. Remuneration packages are designed to reward, motivate, retain and recruit individuals. Bonuses are only paid in recognition of performance.

During 2023, the Committee comprised David Pelham as Chair of the Committee and Eileen Carr (Non-Executive Chair), the Group's two Independent Non-Executive Directors. No Director took part in discussions concerning the determination of their own remuneration.

### Principal risks and uncertainties

The Group's operations are exposed to a variety of risks, many of which are outside of the Company's control.

#### Exploration Industry Risks:

Mineral exploration is speculative in nature, involves many risks and is frequently unsuccessful. Following any discovery, it can take a number of years from the initial phases of drilling and identification of mineralisation until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves and to construct mining and processing facilities. As a result of these uncertainties, no assurance can be given that the exploration programmes undertaken by the Group will result in any new commercial mining operations being brought into operation. Government activity, which could include non-renewal of licences, may result in any income receivable by the Group being adversely affected. In particular, changes in the application or interpretation of mining and exploration laws and/or taxation provisions in the countries in which the Group operates could adversely affect the value of its interests.

# Strategic report (continued)

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These risks are mitigated as much as possible by building and maintaining a pipeline of projects at various stages of development, by employing highly experienced and highly trained geologists, both at Board level and at the operational level and by maintaining good relationships with the Governments of the countries in which we operate.

## Political risks:

All of the Group's operations are located in foreign jurisdictions. As a result, the Group is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, terrorism, nationalisation, appropriation of property without fair compensation, cancellation or modification of contract rights, foreign exchange restrictions, currency fluctuations, export quotas, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which these operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrection.

The Board aims to only conduct operations in those countries with a stable political environment and which have established acceptable mining codes. The Company adheres to all local laws and pays heed to local customs.

## Financial and liquidity risks:

The main financial risks facing the Group are the availability of adequate funding and fluctuations in foreign exchange rates.

The Group's main source of finance is the monetisation of projects supported where necessary by the issue of share capital. Tight budgetary and financial controls are maintained across the Group. The Group only deals with high-quality banks and has direct oversight of all foreign bank accounts operated by the Group. It does not hold derivatives, does not engage in hedging arrangements and does not enter into binding commitments for exploration expenditure. During the year the Company entered into a financial instrument with Lanstead Capital Partners ('Lanstead'), whereby the Company issued shares to Lanstead in exchange for entry into a Sharing Agreement. Under this agreement the Company are receiving variable amounts of funding on a monthly basis for the two years commencing in September 2023. The exact amounts of funds received are derived by reference to the Company's prevailing share price each month. Other than this agreement, the Company does not trade in financial instruments.

The use of interest-bearing deposit accounts is maximised and cash flow forecasts are constantly updated and reviewed by the Board.

## Foreign exchange risks:

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, which is tied to the Central African Franc which is the operational currency of Cameroon, and US Dollar, which is the currency predominantly used by suppliers of drilling equipment and services.

The Group's exposure to foreign exchange movements is set out in Note 19 of the Accounts. Risks to exchange movements are mitigated by minimising the amount of funds held overseas. All treasury matters are handled centrally in the UK. All requests for funds from overseas operations are reviewed and authorised by Board members. The Group hedges its exposure to foreign currency by budgeting in the currencies that will be required to fund its exploration programmes, and then holding sufficient cash in those currencies to meet those requirements. No further hedges are required to manage this foreign exchange exposure and the Group recognises the profits and losses resulting from currency fluctuations as and when they arise.

## Liquidity risk:

The Group's liquidity risk is considered to be significant as it is a pre-revenue business. The Directors regularly review the opportunities for asset realisation and the need for further equity raising. However, entry into the Sharing Agreement with Lanstead has now provided the Group with a regular source of funds with which to meet its regular costs, with excess amounts used as exploration capital.

The Group does not enter into binding commitments for exploration expenditure. Cash forecasts are updated continuously. The financial exposure of the Group is substantially reduced by partnering with third parties in exploration joint ventures.



# Strategic report (continued)

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## Future developments

The Company advances its exploration projects on the basis of analysing results to date, deciding on the most cost-effective techniques for the next stage and raising funds to support those activities as appropriate. In addition, the Company regularly reviews potential new exploration projects at various stages of development, and based within the European and African time-zones.

The completion of the two earn-in agreements with BCM International Limited in early 2024 provides significant funding directly to the Group's two most advanced projects in Cameroon, and has also provided funds to the Group to enable other projects to be advanced.

## Key performance indicators

The Board monitors the following KPIs on a regular basis:

- Share price versus its peer group. Whilst there is no formal index of exploration company performance, review of the price performance of an identified peer group shows a similar trend to the Group's share price throughout the year, which is reflective of the current difficult conditions in the junior exploration market;
- Exploration expenditure as a percentage of total expenditure. The Board has established a 60% or more target for this metric and in 2023 achieved 47% (2022: 48%). As in the prior year this is reflective of relatively inexpensive exploration techniques being undertaken at the Central Licence Project while project level funding was sought to fund more expensive drilling campaigns.

## **Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole**

The Board of Directors ('Board' or 'Directors') believes that it has acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

The Company operates as an early-stage exploration business with a primary focus on gold, which is inherently speculative in nature and, without regular income, is dependent upon fund-raising, either via equity fund raises or the introduction of project level funding, for its continued operation. The pre-revenue nature of the business is important to the understanding of the Company by its members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements as is allowed under the regulations for quoted companies and by the AIM Market.

The long-term nature of the mineral exploration industry, with typically many years between early-stage exploration and ultimately mine development, is a primary driver in the Board's decision making. Weighing up the implications of short-term decisions on the long terms goals of the Company is a key part of the Board's role and impacts all decisions around financing, licence acquisition, exploration work programmes and asset realisations.

The application of the s172 requirements can be demonstrated in relation to some of the key decisions made during 2023:

- Investment by the Directors, by way of direct subscription and salary sacrifice: 2023 was a challenging year for the exploration industry with funding very difficult to secure on advantageous terms, and consequently the Board agreed various measures to allow for capital to be introduced and for funds to be retained in the Company. These measures included:

# Strategic report (continued)

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- In April 2023, Eileen Carr subscribed for 115,000,000 ordinary shares in the Company at a price of 0.17 pence per share, bringing £195,500 of funds to the Company;
  - The continuation of the scheme that commenced in November 2022, whereby each member of the Board agreed to take a significant part of their remuneration as equity in the Company. The scheme concluded in April 2023;
  - In May 2023, the Board determined that, in order to preserve funds for exploration purposes, the Board would each sacrifice 25% of monthly salary for the 6 months to November 2023, with an issue of share options in lieu of that salary sacrifice;
  - These, and other measures, provided a platform for the Company to continue exploration work but also for the Board to realise the plans that it had been pursuing throughout the first half of the year, to secure project level funding advancing its projects through quality exploration in order to deliver shareholder value.
- Entering into the Sharing Agreement with Lanstead: As the year progressed discussions with our financial advisors made it clear that the equity markets were exceptionally difficult and that an equity fund raise would not be possible at an acceptable price. With discussions regarding project-level funding on two licences ongoing but by no means certain, the Board noted that there was an opportunity to leverage good news into an equity raise, by entering into a 2-year Sharing Agreement with Lanstead Capital Limited. This agreement provides funds over 2 years against a reference price of 0.253p per share, and the Board's view was that the expected upcoming news would lift the price beyond the reference price, and therefore provide significant monthly funding. Whilst the agreement was initially poorly received by the market, subsequent news releases have raised the share price above the reference price and the anticipated benefits are starting to be realised
  - Project level funding initiatives leading to the completion of two earn-in agreements with BCM. The Board has long held the view that the Company's market capitalisation does not reflect the value of the underlying assets, and therefore that project level funding would be beneficial to the Group. Whilst recognising this strategy, delivering upon it for projects in a brand-new jurisdiction had proven difficult, with projects needing to be advanced to a sufficient level before partnerships could be agreed. Early signs that this was changing came with the offer of funding for the Eastern CLP from a Canadian Investment Bank, although progress on this front has been slow. Alongside this, discussions with BCM International Limited which had been ongoing for most of the year, accelerated in autumn and eventually led to the signing of two agreements with BCM, in respect of the Bibemi and Mbe licences, bringing up to \$4m of inward investment into each licence for an earn-in of up to a 50% interest into each Licence. With signature payments totalling \$1.5m and potential extra payments based on resource definition, the Board's view was that these agreements more appropriately captured the underlying value of the assets, and the results from exploration work funded by these two agreements would start to become reflected in the market capitalisation of the Company.
  - Pursuit of an ongoing asset realisation strategy: the Board continues to believe an asset realisation strategy is in the best interests of shareholders, as a route to providing funds for exploration work on our primary projects. Whilst progress has been slower than desired, the Board continues to engage with potential purchasers of its investment interests.

As a gold exploration company operating in West Africa, the Board takes seriously its ethical responsibilities to the communities and environments in which it works. We abide by the local and relevant UK laws on anti-corruption and bribery. Wherever possible, local communities are engaged in the geological operations and support functions required for field operations, providing much needed employment and wider economic benefits to the local communities. In addition, we follow international best practice on environmental aspects of our work. Our goal is to meet or exceed international standards, in order to ensure we obtain and maintain our social licence to operate from the communities with which we interact.

# Strategic report (continued)

The interests of our employees are a primary consideration for the Board. An inclusive share-option programme allows them to share in the future success of the Company, whilst personal development opportunities are supported, and a health and security support network is in place to assist with any issues that may arise on field expeditions.

## ENVIRONMENTAL SOCIAL GOVERNANCE

At Oriole, ethical and responsible stakeholder engagement and protection of the environments in which we work is at the core of everything we do, ensuring that all parties benefit from our operations. The Company recognises the United Nations Sustainable Development Goals, and is focussed on the following eight that we believe are most aligned with our core business and with our responsibilities as a corporate citizen.



### #3 Good health and well-being

Throughout the year, Oriole continued to maintain a constant vigilance for the health and well-being of its employees, with daily health and safety briefings conducted to ensure a consistently safe workplace. In addition to the water filtration system installed in 2022, further improvements to the Bibemi base camp during the period included renovation of the accommodation ahead of the anticipated 2024 drilling campaign. The allotment at Bibemi was also maintained to provide a supply of fresh vegetables. At Mbe, renovation of the base camp is currently underway and our local teams are empowered to bring forward suggestions that can improve lives and continue to build our social licence to operate.

### #4 Quality education

Exploration and mining companies have always been at the forefront of upskilling the local population in what are often remote areas of the world where educational facilities are sometimes less well established. Operating in Cameroon, with its relatively embryonic mining industry, gives us exposure to this opportunity and we work closely with the local communities and universities to deliver on this. Across all our operations, we source our employees in-country wherever possible and provide appropriate training at all levels to ensure everyone has an equal opportunity. Throughout the 2023 work programme at the Eastern CLP, 3 students from the Meigana School of Mines, University of Ngaoundéré were engaged to accompany Oriole geologists in the field for on-the-job training

# Strategic report (continued)

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in exploration techniques. Oriole is committed to generating a local work force, with the training of technicians and other support roles leading to the development of new skills within the communities in which we operate. During the 2021 and 2022 drilling campaigns at Bibemi, local people filled the 'off-sider' roles, an important part of the drill-crew, and these individuals are being reengaged for the upcoming 2024 work programmes. Local employment further strengthens Oriole's ties to the local communities and it is committed to providing further opportunities.

The Company is also working to improve links with UK based universities and is supporting a University College London student with their MSci project which is investigating the petrology and genesis of the gold at our Mbe project. Oriole provided rock samples for the project and hosted the student at our UK office, providing training and examples of real world exploration tasks, giving an insight into the industry. This research project will be completed in 2024 and it is anticipated that the work will be very useful in understanding the gold system at Mbe highlighting the significance of academic-industry partnerships.

## **#5 Gender equality**

Diversity within a workforce brings wide-ranging benefits and can often be fundamental to a company's success. Oriole promotes diversity throughout the Group, building its teams based on merit and not gender – or any other prejudice - and ensuring that everyone has equal rights, responsibilities and opportunities. Despite being a male-dominated industry, Oriole strongly supports and empowers women in mining and the broader working environment. The Company has female roles at all levels of the business, from junior staff through to management and the Board.

## **#8 Decent work and economic growth**

Exploration, and the resultant mining operations, drive significant growth in developing economies and are associated with a multiplier effect at both a local and national level. Oriole is committed to providing all of its employees with fair incomes, job security and safe working conditions. We support the development of all our employees and aim to provide an environment which will attract, retain, and motivate people, helping them to maximise their potential and share in the Group's successes. Despite 2023 being a difficult year from a funding perspective, Oriole has retained all but one of its local team in Cameroon, and in 2024 has expanded the team to maximise operational capacity. We also remain committed to recruiting local and regional talent wherever possible and training and employing technicians and casual workers from the local communities. This equitable process has had a significant positive impact both financially and in terms of upskilling the local workforce.

## **#9 Industry, Innovation & Infrastructure**

Exploration and mining is at the front line of discovering the very resources that are critical to the delivery of global infrastructure and technological advancements and that are important to many of the sustainability challenges facing the world today. Whilst we are gold-focussed, during our exploration work we also test for a wide range of other elements, including the battery metals that are crucial to meeting the UN's sustainability goals. This is highlighted by our continued evaluation of anomalous lithium-in-soil concentrations within our CLP Lithium licence alongside, our gold exploration programmes. Whilst the importance of lithium in the context of carbon neutrality and development of green energy is well known, the importance of gold in building resilient infrastructure and promoting sustainable industrialisation is often overlooked and yet, due to its inherent properties, 11% of all gold produced is used in industry, with applications in medical, electronics, automotive, defence and aerospace industries, as well as climate-controlled buildings.

At a more local level, we aim to support governmental sustainability programmes and where possible include new and green technologies within our workplace. In Senegal, through the option agreement with Managem, the Company provides annual contributions to the country's Social Mining Programme, a fund dedicated to benefiting local communities, and an integral part of the Senegalese Mining Code.

## **#10 Reduced inequalities**

Oriole leads by example in the countries and communities in which it operates, by building diverse teams that do not discriminate on the basis of sex, age, disability, sexual orientation, race, class, ethnicity, or religion. Throughout the business, we fully embrace the individuality of each and every one of our employees and operate a zero-tolerance approach to anyone that does not adhere to these values. Within the business, our team of 13 employees are from four different countries, practise a number of different religions and have ages ranging from 24 to over 65 years.

# Strategic report (continued)

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## #15 Life on Land

The Company is committed to minimising any adverse impacts of its activities on the natural environment and, as a minimum standard, we comply with any relevant legislation and environmental regulations within the territories in which we operate. During all of our programmes, we ensure that we have a minimal impact on the environment by planning our programmes as efficiently as possible and we have protocols in place to ensure that all of our sites are rehabilitated before we move on. At Mbe, where workings have to remain open for sampling and logging purposes, measures are put in place to ensure the safety of animals and people in the area prior to rehabilitation. As part of ongoing technical studies at the Bibemi project, a preliminary Environmental and Social Impact Assessment (ESIA) has been completed to support an exploitation licence application in 2024. This study takes into consideration a wide range of environmental and social factors along with local stakeholder engagement to make sure the project is moving forward in a socially beneficial and environmentally friendly manner.

## #17 Partnerships for the Goals

Oriole has a diverse array of stakeholders and is committed to understanding and meeting their needs. In all the countries we operate, we have local partners that help us to foster good relationships with local communities and the local administration to ensure that our goals are aligned. We also use in-country suppliers wherever possible to support communities and local businesses. In Cameroon specifically, we have also continued to work closely with the Ministry of Mines, the UK Honorary Consul and the British High Commission, and strongly support the efforts they are making to attract foreign investment and promote the sustainable development of Cameroon. At a local scale, Oriole has a commitment to stakeholder engagement and a continuous programme of reparation where any of our exploration programmes are found to impact on the local communities. Oriole has continued to engage with local governance and stakeholders to make sure that all exploration is undertaken in a way that is beneficial to all parties.

## Corporate Governance

The Chair of the Board of Directors of Oriole Resources PLC ('Oriole' or 'the Company' or 'the Group' or 'we/our') has a responsibility to ensure that Oriole has a sound corporate governance policy and an effective Board.

The Board has adopted the Quoted Companies Alliance ('QCA') Corporate Governance Code (the 'Code'). The Code identifies ten principles to be followed in order for companies to deliver growth in long-term shareholder value, encompassing effective management with regular and timely communication to shareholders. This report follows the structure of those principles and explains how we have applied the guidance as well as disclosing any areas of non-compliance.

The Company notes that it fully complies with the 2018 QCA Corporate Governance Code and will provide annual updates on its continuing compliance with the Code. The Board notes the revision of the Code and will be applying the revised Code during 2024. The sections below set out how the Group applies the ten principles of the Code.

There have been no significant governance changes during the year.

### Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

The Company is a gold and base metals exploration specialist, with operations and investments in Africa and Turkey. Our goal is to deliver long term value for our shareholders. We aim to do this by identifying and proving up good quality grassroots and early-stage exploration projects. Consequently we:

- Assess the business and political environment of the target country and its attractiveness for prospecting and eventual mining operations;
- Understand existing interests in a licence area in order to ensure we can earn-in on terms favourable to our shareholders;
- Review existing infrastructure in an area, as this is a significant factor in assessing economic potential; and

# Strategic report (continued)

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- Use our expertise to identify and progress those areas which demonstrate the potential for economically feasible deposits of gold and base metals.

Early-stage mineral exploration is, by its nature, speculative. We aim to reduce the risks inherent in the industry by careful application of funds across individual projects. We do that by:

- Reviewing existing exploration data where available;
- Establishing in-country partnerships for our projects;
- Applying the most appropriate and cost-effective programmes in order to determine whether further work, using increasingly expensive exploration techniques, is justified; and
- Appreciating the likely realisation routes that will be available to us as the project moves towards development.

## Principle 2: Seek to understand and meet shareholder needs and expectations

The Company is committed to engaging with its shareholders to ensure that its strategy, operational results and financial performance are clearly understood. We aim to engage with our shareholders via roadshows, attending investor conferences, through our regular reporting on the London Stock Exchange ('LSE') and posting on the Company's website. During the year, regular investor meetings were held, timed to coincide with significant news releases. This comprised online investor meetings as well as face-to-face meetings with investors and prospective investors. Ahead of online meetings, we actively encourage investors to submit questions, primarily via our website, and seek to answer those questions received within the restrictions of being a public company admitted to AIM. The recordings of those meetings remain available for later viewing, and have proven to be an effective way of engaging with shareholders and potential investors.

LSE announcements include details of the website, X (formerly Twitter) feed and phone numbers to contact the Company and its professional advisers. In addition, the Company has appointed SP Angel Corporate Finance LLP ('SP Angel') as its broker. As part of their services, SP Angel also publish research on the Company which is available from their website.

### Private shareholders

The Company's Annual General Meeting ('AGM') is the key forum for dialogue between retail shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. Question and answer sessions are held a week before the meetings, in order to let shareholders ask questions in advance of submitting proxy votes. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are announced via the LSE. Investors can contact us via our website (<https://www.orioleresources.com>) or by email ([info@orioleresources.co.uk](mailto:info@orioleresources.co.uk)).

Retail shareholders also regularly attend our seminar presentations and we publicise our attendance via LSE announcements and X. In addition, our most recent corporate presentation is made available on our website.

### Institutional shareholders

The Directors actively seek to build a relationship with institutional shareholders. Shareholder relations are managed primarily by the Executive Directors. The Executive Directors make presentations to institutional shareholders and analysts throughout the year, both in virtual forums and, where possible, in person by attendance at internationally-recognised mining conferences. We also have ad-hoc meetings with our shareholders via conference call and email. The Board as a whole is kept informed of the views and concerns of major shareholders by the Executive Directors. Any significant investment reports from analysts are also circulated to the Board. The Non-Executive Chair and Non-Executive Director are available to meet with major shareholders if required to discuss issues of importance to them and are considered to be independent from the executive management of the Company.

# Strategic report (continued)

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**Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success.**

Aside from our shareholders, our most important stakeholder groups are our employees, local partners and those local communities that may be impacted by our exploration activities. The Board is regularly updated on stakeholder issues and their potential impact on our business to enable the Board to understand and consider these issues in decision-making. The Board understands that maintaining the support of all its stakeholders is paramount for the long-term success of the Company.

## Employees

We maintain only a small permanent staff across the UK and Africa and as such, employee engagement with the Executive Directors is frequent with scheduled weekly team calls as well as daily calls and discussions. We aim to provide an environment that will attract, retain and motivate our team and we continue to monitor this through regular one-on-one discussions and an annual appraisal system. We also have an employee handbook in order to provide a comprehensive document detailing all the policies and procedures covering all aspects of employment with Oriole Resources PLC. Our key value underpinning the Employee Handbook is to treat all employees fairly and equally and to promote ethical behaviour, diversity and non-discrimination.

Relevant, cost-effective training courses are available to all employees and are discussed during the annual appraisal process.

## Local partners and communities

Our operations provide employment in remote areas of developing countries. Essential to our success is the establishment of close working relationships with local partners. We seek local partners who have a good understanding of the local exploration and mining industry and regulations within their country, and with the capacity and capability to assist with the management and maintenance of the project.

We are mindful of our obligations to the local environment and operate to high levels of health and safety in respect of both our local workers and the local community. Employee training focuses on operating safely and considerately in these communities. Engagement with local communities is dependent on jurisdiction and the stage of exploration but is typically by public forum or with local or regional leaders, including site visits and workshops. Social projects in the local communities are dependent on local needs and also the stage of exploration/level of project investment. Examples of our previous social projects include providing Covid-19 vaccinations, drilling new boreholes for drinking water, provision of medical clinics, supply of equipment to a local school and building a new road.

As projects move forward, towards potential mining activities, we seek to bring in partners who can credibly make the investments to move towards mine production. In doing so, we have regard for their ability and desire to move projects forward, their industry reputation, and their commitment to treating the local communities fairly whilst also protecting the environment. We enter agreements that allow us to monitor their activities and have monthly updates on project progress.

**Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation**

## Audit, risk and internal control

### Financial controls

The Company has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the Executive Directors, the Audit Committee and the Board. The key financial controls are:

- The Board is responsible for reviewing and approving overall Company strategy, approving new exploration projects and budgets, and for determining the financial structure of the Company including treasury, tax and dividend policy. Monthly results and variances from plans and forecasts are reported to the Board;



# Strategic report (continued)

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- The Audit Committee, comprising the Non-Executive Directors, assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, operational and financial controls;
- Regular budgeting and forecasting is performed to monitor the Company's ongoing cash requirements and cash flow forecasts are circulated to the Board on a monthly basis;
- Actual results are reported against budget and prior year and are circulated to the Board;
- The Company has an investment appraisal system that considers expected costs against a range of potential outcomes arising from the exploration opportunities that we are invited to participate in;
- Regular reviews of exploration results are performed as the basis for decisions regarding future expenditure commitments;
- Due to the international nature of the business there are, at times, significant foreign exchange rate movement exposures. Cash flow forecasting is done at the 'required currency' level and foreign currency balances are maintained to meet expected requirements; and
- For exploration projects, we manage the risk of failure to find economic deposits by low-cost, early stage exploration techniques, with detailed analysis of results. Moving projects to more expensive exploration techniques requires a rigorous review of results data prior to deciding whether to proceed with further work.

## Non-financial controls

The Board has ultimate responsibility for the Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Group. The principal elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by the Executive Directors;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while minimising risks; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

The Group reviews at least annually the effectiveness of its system of internal control, whilst also having regard to its size and the resources available. As part of the Group's plans we continue to review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, and corporate social responsibility. All employees are aware of their obligations under anti-bribery and corruption legislation and detailed information is provided in the Employee Handbook. In addition, whistleblowing procedures have been established and publicised to all employees.

## **Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair**

The Board comprises an Independent Non-Executive Chair, three Executive Directors and one Independent Non-Executive Director. All current Directors were appointed during or since 2018. Eileen Carr has served as Independent Non-Executive Chairman from 17 February 2022. David Pelham serves as an independent Non-Executive Director. Both the Non-Executive Directors have extensive experience in the mining industry and have considerable experience of serving on the boards of public companies. Given the current board structure, the Company has not designated a Senior Independent Director.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company and industry on the other, to enable it to discharge its duties and responsibilities effectively. The Nomination Committee keeps the need for an additional Non-Executive Director under regular review. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.



# Strategic report (continued)

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In 2020, the Company issued options to all Directors including the Non-Executive Directors, at that time, under a Director share option remuneration plan which was enacted to maximise funds available for exploration by conserving cash, through the grant of options in lieu of contractual salary payments for a limited term during 2019 and 2020. The grant of options to the Non-Executive Directors is not considered to be part of any incentive plan nor to impair their independence.

In 2023, the Company issued shares in lieu of salary to all Directors on three occasions being part of an ongoing programme from 2022. All Directors, including the Non-Executive Directors participated in this, and the Company then continued with a similar scheme for 6 months between May and October, with each Director being awarded share options in lieu of salary foregone. The grant of share options under this scheme is not considered to be part of any incentive plan nor to impair independence.

In May 2023, as part of a Group wide review of existing share option awards, the Executive Directors considered and recommended to the Board that share options should be issued to the Non-Executive Directors. This grant of share options is not considered to be part of any incentive plan nor to impair their independence.

The Board aims to meet at least bi-monthly, either via a formally-scheduled Board meeting or an ad-hoc telephone conference call when matters must be discussed on a more timely basis. The agenda for Board Meetings is set by the Company Secretary in consultation with the Chair and CEO. The standard agenda points include:

- Review of previous meeting minutes and actions arising therefrom;
- A discussion of the major strategic and operational issues facing the business;
- A report by the Executive Director for Exploration & Business Development, covering all operational matters;
- A report from the CFO covering all financial matters;
- Any other business including an update of the Register of Conflicts.

## Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board. A Register of Conflicts is maintained and is a standard agenda item at each Board Meeting. The Board has access to the Company's nominated adviser, its brokers and its lawyers. The advisers do not typically provide materials for Board meetings except if requested to do so for the purposes of discussing upcoming regulations and other issues, although an annual review of AIM regulations and key topics is provided by our nominated adviser outside of Board Meetings.

Board meetings are deemed quorate if two Board members are present and providing 7 days' notice of such meeting has been given and waived by the non-attending Directors. During 2023, Board Meetings were held both remotely, using video conference facilities, and face-to-face wherever possible.

Directors and Officers Liability insurance is maintained for all Directors and key employees. The table below sets out the attendance statistics for all current Board members through 2023:

	Meetings attended	Meetings held during the year
Tim Livesey	9	9
Bob Smeeton	9	9
Claire Bay	9	9
Eileen Carr	9	9
David Pelham	9	9

# Strategic report (continued)

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**Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities**

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, particularly so in the area of gold and base metal exploration and development. The Directors keep their skill set up to date through discussion with the Company's advisors, participation on the Board's of other listed companies and training courses as required. Biographies of the Directors are available on the company website, [www.orioleresources.com](http://www.orioleresources.com). All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings by the Company Secretary. Service contracts are available for inspection at the Company's registered office and at the AGM.

New Directors are selected having regards to the Company's needs for a balance of operational, industry, legal and financial skills. Experience of the mining industry and in particular the exploration sector is important but not critical, as is experience of running a public company.

It is the Company's aim to have an appropriate level of gender balance on the Board, which currently sits at 60% male, 40% female.

As ratified at the 2023 AGM, the Company amended its Articles of Association in order to make the Directors subject to the requirement to retire by rotation. Prior to this, only the Non-Executive Directors were required to retire by rotation.

#### Appointment, removal and re-election of Directors

The Board has established a Nominations Committee, comprising the Non-Executive Directors, to consider the need for further Board appointments, and to identify suitable candidates for recommendation to the Board. The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that one-third of the Directors must stand for re-election by shareholders annually in rotation and that any new Directors appointed during the year must stand for re-election at the AGM immediately following their appointment.

#### Independent advice

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense, from lawyers, the nominated adviser, brokers and other professional advisors that they deem relevant. In addition, the Directors have direct access to the advice and services of the Company Secretary and Chief Financial Officer, who, due to the size of the Company, are currently the same individual.

**Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement**

The Board of Directors was fully refreshed in 2018, and has since been added to. During 2019 the Board adopted a policy to evaluate the Board's performance based on clear and relevant objectives, seeking continuous improvement. The clear and relevant objectives that the Board has identified are as follows:

- Suitability of experience and input to the Board;
- Knowledge of Corporate Governance matters including Environmental Social Governance ('ESG');
- Attendance at Board and committee meetings; and
- Interaction with management in relevant areas of expertise to ensure insightful input into the Company's business.

The Board recognises the importance of formally reviewing, on a regular basis, the effectiveness of its performances as a unit, as well as that of its committees and the individual directors, based against the criteria set out above. During the year, the Board carried out a Board Effectiveness Review, held internally but based on guidelines available from the Quoted Company Alliance. The primary finding of the review was the need for a continuing focus on assessing the skills and experience the Company needs, both at Board level and within the management team, as our projects move towards development,

# Strategic report (continued)

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This review is performed annually, with any actions arising monitored on a regular basis at Board Meetings. This ongoing process includes development or mentoring needs of individual directors or the wider senior management team, identifying any succession planning issues and putting in place processes to provide for such succession planning.

## **Principle 8: Promote a culture that is based on ethical values and behaviours**

The Board aims to lead by example and do what is in the best interests of the Company. We operate in remote and under-developed areas and ensure our employees understand their obligations towards the environment and in respect of anti-bribery and corruption.

Details of the Company's values are set out in the Employee Handbook that was published to all employees during 2018. This document brings together various policies that have been distributed to all employees previously. Regular team calls and meetings serve to refresh and reiterate the Company's ethical standards as they apply to the operational issues that are discussed during such interactions.

In support of this, the Company engages with well respected advisers and contractors, with a track record of providing high-quality services and of operating in an ethical manner.

## **Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board**

### Board programme

The Board aims to meet approximately bi-monthly and as and when required, and has regular update calls. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. During the year to December 2023, the Board met for nine scheduled meetings. The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting and Board and Committee papers are distributed by the Company Secretary several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and are then followed up by the Company's management.

### Roles of the Board, Chair and Chief Executive Officer

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy; approval of exploration projects; approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks.

There is a clear division of responsibility at the head of the Company. The Chair is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction.

The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company. The CEO, together with the other Executive Directors and other senior employees, are responsible for establishing and enforcing systems and controls, and liaison with external advisers. The CEO has responsibility for communicating with shareholders, assisted by the other Executive Directors.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Board reviews the update on performance and any significant variances are reviewed at each meeting.

### Board committees

The Board is supported by the Audit, Remuneration and Nomination committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The three committees comprise the Non-Executive Directors:

# Strategic report (continued)

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**The Audit Committee** provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements, and the external audit process. The Committee meets at least twice per year to review the published financial information and to meet with the Auditors. The Report of the Audit committee is set out on page 40.

**The Remuneration Committee** provides a formal and transparent review of the remuneration of the Executive Directors and senior employees and makes recommendations to the Board on individual remuneration packages. The Committee met once during the year. The Remuneration Committee has produced a report on its activities as set out on page 36.

**The Nomination Committee** had its terms of reference established in June 2021. Its main activity in 2023 was to consider informally the current Board composition and whether there was a need for an additional Non-Executive Director.

**Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders**

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results announcements, the AGM and one-to-one meetings with large existing or potential new shareholders. The Company regularly posts regulatory announcements on the LSE, covering operational and corporate matters such as drilling results and significant changes in ownership positions across historic projects in which it still retains an investment, and it holds regular online seminars for investors. Online seminars enable the Directors to provide an update on the Company and to answer questions submitted by investors either before or during the seminars. A range of corporate information (including all Company announcements and a corporate presentation) is also available to shareholders, investors and the public on the Company's corporate website, [www.orioleresources.com](http://www.orioleresources.com) and also on its X feed @OrioleResources.

The Board receives regular updates on the views of shareholders through briefings and reports from Investor Relations, the Executive Directors and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analyst notes and broker briefings are reviewed to achieve a wide understanding of investor views.

This Strategic Report was approved by the Board of Directors on 27 March 2024.

**Tim Livesey**  
Chief Executive Officer

# Report of the Remuneration Committee

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The Remuneration Committee of the Board is responsible for providing recommendations to the Board on matters including the composition of the Board and competencies of directors, the appointment of directors, the performance of the Executive Directors and senior management, and making recommendations to the Board on matters relating to their remuneration and terms of employment.

The committee will also make recommendations to the Board on proposals for the granting of annual bonuses, shares awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The remuneration and nominations committee meet at least once a year. The members of the committee during 2023 were David Pelham (Chair of the committee) and Eileen Carr.

The policy of the Board is to provide remuneration packages designed to attract, motivate and retain personnel of the calibre necessary to maintain the Group's position and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. Remuneration packages also reflect levels of responsibilities and contain incentives to deliver the Group's objectives.

The Board recognises that the remuneration of Directors (both Executive and Non-Executive) and senior management is of legitimate concern to shareholders and is committed to following current best practice. The Group operates within a competitive environment and its performance depends upon the individual contributions of the Directors and senior management. Throughout the year, the Company paid remuneration to Directors and senior management in accordance with Contracts for Services (in respect of Non-Executive directors) and Service Agreements (in respect of officers and senior management) except in respect of six months of salary sacrifice in exchange for shares in the Company that were agreed to by all Directors during 2022 and were ongoing up to and including April 2023. In addition, and as part of a Group wide review of existing share option awards, a further six months of 25% salary sacrifice for share options was agreed by all Directors, commencing in May 2023. Alongside this, the Remuneration Committee agreed the issuance of share option awards to both Executive and Non-Executive Directors and senior management of the Group to reflect their hard work under difficult circumstances and to compensate for previous years when no awards had been made.

Furthermore, the directors of the Company agreed to a deferral of salary for a number of months during the period, in order to further conserve cash within the Company. In addition, bonus awards of share options were made to reflect the success of drilling at the Bibemi project in Cameroon. No other long-term incentives have been awarded to any of the Directors during the period under review.

Details of Directors' shareholdings are set out on page 43 and interests in share options are set out on page 37. Whilst the Company has no formal shareholding requirement, the Directors have collectively participated in fund raisings, acquired shares on the open market, and accepted shares and share options in lieu of salary. The Committee considers that, because the Company regularly raises equity finance to progress its exploration projects, a formal shareholding policy requirement would potentially be detrimental to the interests of the Company, as decisions on financing need to be made based solely on the interests of the Company. The Remuneration Committee has considered whether the Executive Directors have sufficient exposure to the equity of the Company to satisfactorily align their interests with the interests of shareholders and have concluded that they have.

Remuneration paid to the Directors is set out below:

## Report of the Remuneration Committee (continued)

2023	Salaries and other short-term benefits						Total
	Gross salary satisfied by cash	Gross value of salary by issue of shares	Gross value of salary sacrificed for share options	Accrued salary and pension contribution	Taxable benefits	Pension	
	£	£	£	£	£	£	
Tim Livesey	59,781	12,567	18,750	41,329	4,636	2,307	139,370
Robert Smeeton	54,219	10,054	15,000	30,385	-	2,037	111,695
Claire Bay	57,750	7,540	11,250	15,450	434	1,913	94,337
Eileen Carr	25,200	3,519	5,250	8,750	-	-	42,719
David Pelham	16,790	2,346	3,515	5,828	-	-	28,479
<b>Total</b>	<b>213,740</b>	<b>36,026</b>	<b>53,765</b>	<b>101,742</b>	<b>5,070</b>	<b>6,257</b>	<b>416,600</b>

2022	Salaries and other short-term benefits					Total
	Gross salary satisfied by cash	Gross value of salary satisfied by issue of shares	Taxable benefits	Pension		
	£	£	£	£		
Tim Livesey	95,632	42,740	3,797	3,161	145,330	
Robert Smeeton	87,080	27,498	-	900	115,478	
Claire Bay	75,891	12,127	411	2,367	90,796	
John McGloin (resigned 17 February 2022)	4,286	-	-	-	4,286	
Eileen Carr (appointed 17 February 2022)	28,100	7,189	-	-	35,289	
David Pelham	22,401	4,501	-	-	26,902	
<b>Total</b>	<b>313,390</b>	<b>94,055</b>	<b>4,208</b>	<b>6,428</b>	<b>418,081</b>	

Details of share options held by Directors over the ordinary shares of the Company are set out below. The market price of the Company's shares at the end of the financial year was 0.17p per 0.1p share (2022: 0.16p) and the range of market prices during the year was between 0.08p and 0.17p.

Director	At 1/1/23	Granted	At 31/12/23	Exercise Price (p)	Issue Date	Vesting Date
Tim Livesey	2,000,000	-	2,000,000	0.90	1/3/18	1/3/19
Tim Livesey	2,000,000	-	2,000,000	0.90	1/3/18	1/3/20
Tim Livesey	2,000,000	-	2,000,000	0.90	1/3/18	1/3/21
Tim Livesey	2,000,000	-	2,000,000	0.37	19/3/19	19/3/20
Tim Livesey	2,000,000	-	2,000,000	0.37	19/3/19	19/3/21
Tim Livesey	2,000,000	-	2,000,000	0.37	19/3/19	19/3/22
Tim Livesey	17,979,940	-	17,979,940	0.10	19/8/20	19/8/20

## Report of the Remuneration Committee (continued)

Tim Livesey	2,000,000	-	2,000,000	0.37	22/12/20	1/1/21
Tim Livesey	2,000,000	-	2,000,000	0.37	22/12/20	1/1/22
Tim Livesey	2,000,000	-	2,000,000	0.37	22/12/20	1/1/23
Tim Livesey	-	6,000,000	6,000,000	0.20	25/5/23	25/5/23
Tim Livesey	-	6,000,000	6,000,000	0.20	25/5/23	25/5/24
Tim Livesey	-	6,000,000	6,000,000	0.20	25/5/23	25/5/25
Tim Livesey	-	22,500,000	22,500,000	0.20	25/5/23	30/10/23
Robert Smeeton	666,666	-	666,666	0.62	4/6/18	4/6/19
Robert Smeeton	666,667	-	666,667	0.62	4/6/18	4/6/20
Robert Smeeton	666,667	-	666,667	0.62	4/6/18	4/6/21
Robert Smeeton	2,000,000	-	2,000,000	0.37	19/3/19	19/3/20
Robert Smeeton	2,000,000	-	2,000,000	0.37	19/3/19	19/3/21
Robert Smeeton	2,000,000	-	2,000,000	0.37	19/3/19	19/3/22
Robert Smeeton	14,383,952	-	14,383,952	0.10	19/8/20	19/8/20
Robert Smeeton	2,000,000	-	2,000,000	0.37	22/12/20	1/1/21
Robert Smeeton	2,000,000	-	2,000,000	0.37	22/12/20	1/1/22
Robert Smeeton	2,000,000	-	2,000,000	0.37	22/12/20	1/1/23
Robert Smeeton	-	6,000,000	6,000,000	0.20	25/5/23	25/5/23
Robert Smeeton	-	6,000,000	6,000,000	0.20	25/5/23	25/5/24
Robert Smeeton	-	6,000,000	6,000,000	0.20	25/5/23	25/5/25
Robert Smeeton	-	18,000,000	18,000,000	0.20	25/5/23	30/10/23
Claire Bay*	10,000	-	10,000	2.70	5/12/14	5/12/15
Claire Bay*	10,000	-	10,000	2.70	5/12/14	5/12/16
Claire Bay*	10,000	-	10,000	2.70	5/12/14	5/12/17
Claire Bay*	50,000	-	50,000	1.50	4/6/15	4/6/16
Claire Bay*	50,000	-	50,000	1.50	4/6/15	4/6/17
Claire Bay*	50,000	-	50,000	1.50	4/6/15	4/6/18
Claire Bay*	50,000	-	50,000	2.00	2/9/16	2/9/17
Claire Bay*	50,000	-	50,000	2.00	2/9/16	2/9/18
Claire Bay*	50,000	-	50,000	2.00	2/9/16	2/9/19
Claire Bay*	1,166,667	-	1,166,667	0.37	19/3/19	19/3/20
Claire Bay*	1,166,667	-	1,166,667	0.37	19/3/19	19/3/21
Claire Bay*	1,166,666	-	1,166,666	0.37	19/3/19	19/3/22
Claire Bay*	1,000,000	-	1,000,000	0.37	22/12/20	1/1/21
Claire Bay*	1,000,000	-	1,000,000	0.37	22/12/20	1/1/22
Claire Bay*	1,000,000	-	1,000,000	0.37	22/12/20	1/1/23
Claire Bay	1,066,667	-	1,066,667	0.32	14/3/22	1/1/23
Claire Bay	1,066,667	-	1,066,667	0.32	14/3/22	1/1/24
Claire Bay	1,066,666	-	1,066,666	0.32	14/3/22	1/1/25
Claire Bay	-	12,000,000	12,000,000	0.20	25/5/23	25/5/23
Claire Bay	-	6,000,000	6,000,000	0.20	25/5/23	25/5/24
Claire Bay	-	6,000,000	6,000,000	0.20	25/5/23	25/5/25
Claire Bay	-	13,500,000	13,500,000	0.20	25/5/23	30/10/23
David Pelham	3,290,446	-	3,290,446	0.10	19/8/20	19/8/20
David Pelham	-	6,000,000	6,000,000	0.20	25/5/23	25/5/23
David Pelham	-	6,000,000	6,000,000	0.20	25/5/23	25/5/24

## Report of the Remuneration Committee (continued)

David Pelham	-	6,000,000	6,000,000	0.20	25/5/23	25/5/25
David Pelham	-	4,200,000	4,200,000	0.20	25/5/23	30/10/23
Eileen Carr	-	6,000,000	6,000,000	0.20	25/5/23	25/5/23
Eileen Carr	-	6,000,000	6,000,000	0.20	25/5/23	25/5/24
Eileen Carr	-	6,000,000	6,000,000	0.20	25/5/23	25/5/25
Eileen Carr	-	6,300,000	6,300,000	0.20	25/5/23	30/10/23
<b>Totals</b>	<b>77,684,338</b>	<b>160,500,000</b>	<b>238,184,338</b>			

\*Claire Bay held these options as an employee and they are now disclosed here following her appointment to the Board of Directors on 12 July 2021.

Share options expire 10 years after the date of issue.

Four of the Directors participated in the fundraise that completed on 29 June 2022, and as a consequence received warrants to purchase ordinary shares on the same terms as the other investors in that fundraise. Details of these warrants are set out in the table below and in note 19 to the Financial Statements:

Director	At 1/1/23	Granted	At 31/12/23	Exercise Price (p)	Issue Date	Expiry Date
Tim Livesey	2,777,778	-	2,777,778	0.25	13/7/22	12/7/25
Robert Smeeton	6,666,666	-	6,666,666	0.25	13/7/22	12/7/25
Claire Bay	1,666,667	-	1,666,667	0.25	13/7/22	12/7/25
Eileen Carr	11,111,111	-	11,111,111	0.25	13/7/22	12/7/25

In compliance with the Pensions Act 2008 the Company has established a Workplace Pension Scheme for its UK-based Directors and employees. The Executive Directors and employees are members of the scheme and contributions are in line with the statutorily prescribed minimum contributions for employees and employers. The Non-Executive Directors have individually elected to opt-out of the Workplace Pension Scheme.

Report approved on behalf of the Remuneration Committee on 27 March 2024, by

**David Pelham**  
Chairman of the Remuneration Committee



# Report of the Audit and Risk Committee

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Dear Shareholder,

I am pleased to present this Audit and Risk Committee Report for Oriole, for the period ending 31 December 2023.

The Audit and Risk Committee assists the Board with its oversight of the integrity of the financial statements and other financial reporting and the internal controls and risk management of the Group.

The Audit and Risk Committee comprises myself, Eileen Carr who as Chair of the Board is also Chair of the Committee and David Pelham a Non-Executive Director, as a member of the Committee. Both Committee members are considered independent with recent and relevant financial and technical experience in the mining sector.

Under its terms of reference, the Audit and Risk Committee meets at least twice each year and more often if required. The Audit and Risk Committee met twice during 2023 with both members in attendance at each meeting. Being a small team, all Executive Directors were invited to attend the Committee meetings in 2023.

## Key responsibilities

The terms of reference of the Audit and Risk Committee will be reviewed and updated on a regular basis to reflect best practice and currently the principal roles and responsibilities of the Committee include:

- Monitoring the integrity of the interim and annual financial statements and ensuring full compliance with accounting standards;
- Reviewing key accounting policies, judgements, and estimates;
- Reviewing the disclosures in the interim and annual report and financial statements;
- Overseeing the relationship with the external auditor, appointment and approval of auditor remuneration and assessment of the auditor's independence and objectivity;
- Reviewing and monitoring the effectiveness of the Group's financial reporting, internal control policies, and procedures for the identification, assessment, and reporting of risk; and
- Considering the need for an internal audit function.

## 2023 meetings

During 2023 the key areas covered by the Committee were:

- Review of the Company's internal controls including the Finance team structure, responsibilities and reporting lines, the Company's Whistleblowing Policy and the Company's risk management framework, management's assessment of key risks and the risk register;
- Review of the 2022 annual financial statements including review of key accounting judgements and estimates and discussion with the external auditors regarding their audit findings plus consideration of the independence of the auditors;
- Review of audit planning and approach for 2023;
- Review of the 2023 interim financial statements including review of key accounting judgements and estimates and discussion with the external auditors;
- Consideration of the external auditor's independence, experience and effectiveness and whether their reappointment should be recommended. Whilst PKF Littlejohn have been the Company's auditors for 17 years, the Audit and Risk Committee are comfortable that PKF Littlejohn remain independent, as they follow a policy of rotating the reporting partner on a 5-year cycle. The Committee is also satisfied with the experience of the audit team, the effectiveness of the audit and the competitiveness of the pricing; and

# Report of the Audit and Risk Committee (continued)

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- Consideration of whether the Company should implement an internal audit function. The Committee concluded that at this stage of its development this was not appropriate.

## **2023 Group financial statements key judgements and estimates**

An essential element of the integrity of the financial statements lies around the key assumptions and estimates or judgements to be made. The Audit and Risk Committee reviews key judgements prior to publication of the financial statements at both the end of the financial year and at the end of the six-month interim period, as well as considering significant issues throughout the year.

In particular, this includes reviewing any subjective material assumptions within the Group's activities to enable an appropriate determination of asset valuation, provisioning and the accounting treatment thereof. The Audit and Risk Committee reviewed and was satisfied that the judgements exercised by management on material items contained within the Report and Financial Statements are reasonable.

Key judgements and estimates in the 2023 Group financial statements considered by the Audit and Risk Committee were:

- Carrying value of intangible exploration and evaluation assets;
- Recognition and measurement of deferred tax assets;
- Going Concern;
- Accounting for the Lanstead transaction; and
- Various other financial reporting matters including the IFRS 2 share-based payment charge for employee stock options during the year.

## **2024 and beyond**

The Audit and Risk Committee, shall continue to work according to its Terms of Reference, and keep under review the Company's control and risk management framework and ensure it remains appropriate as the Group's business develops.

**Eileen Carr**

Chair of the Audit and Risk Committee

27 March 2024

# Directors' report

## Oriole Resources PLC

Company number: 05601091

The Directors present their report, together with the Financial Statements and auditor's report, for the year ended 31 December 2023.

### General Information

Certain information required by the Companies Act 2006 relating to the information to be provided in the Directors' Report is set out in the Group Strategic Report and includes: principal activities, future developments and principal risks and uncertainties.

### Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Under that law the Directors have prepared the Group and Parent Company Financial Statements in accordance with UK-adopted international accounting standards and, as regards the Parent Company Financial Statements, as applied in accordance with the Companies Act 2006.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and Group as at the end of the financial year and of the profit and loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the Financial Statements comply with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the website is the responsibility of the Directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the Financial Statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements and other information included in annual reports may differ from legislation in other jurisdictions. The Company is compliant with AIM Rule 26 regarding the Company's website.

### Substantial shareholdings

As at 15 January 2024, the Company had been informed of the following holdings of 3% or more in the Company's issued share capital:

	Number of shares	% of issued share capital
Lanstead Capital Investors	811,301,440	20.99%
Eileen Carr	162,172,969	4.16%

# Directors' report (continued)

## Directors and their interests

The current Directors, who were the only Directors who acted during the year, are listed on page 4.

In compliance with the Company's Articles of Association, Tim Livesey and Robert Smeeton, will retire and, being eligible, offer themselves for re-election at the forthcoming Annual General Meeting.

Those Directors serving at the end of the year, or at the date of this report, had beneficial interests in the issued share capital and share options of the Company as follows:

	As at 31 December 2023			As at 31 December 2022		
	Ordinary Shares	Share Warrants	Share Options	Ordinary Shares	Share Warrants	Share Options
Tim Livesey	38,308,323	2,777,778	76,479,940	34,201,952	2,777,778	35,979,940
Robert Smeeton	32,436,378	6,666,666	64,383,952	29,151,281	6,666,666	28,383,952
Claire Bay	9,739,901	1,666,667	47,530,000	7,276,080	1,666,667	10,030,000
Eileen Carr	152,672,969	11,111,111	24,300,000	36,111,661	11,111,111	-
David Pelham	6,681,075	-	25,490,446	5,600,507	-	3,290,446
<b>Total</b>	<b>239,838,646</b>	<b>22,222,222</b>	<b>238,184,338</b>	<b>112,341,481</b>	<b>22,222,222</b>	<b>77,684,338</b>

## Provision of information to Auditor

The Directors who held office at the date of this report confirm that, so far as they are individually aware, there is no relevant audit information of which the Company's auditors are unaware and the Directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

## Going Concern

The Company raises money for exploration and capital projects as required. There can be no assurance that the Group's projects will be developed in accordance with the current plans. Future work on these projects, the levels of production and the financial returns arising therefrom, may be adversely affected by factors outside of the control of the Group.

Notwithstanding the loss incurred during the year under review, the Directors have a reasonable expectation that the Group will have sufficient access to funds to provide adequate resources to continue in operational existence for the foreseeable future being a period of 12 months from the date of signing of these financial statements. The Group has therefore continued to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on Directors' assumptions and conclusions thereon are included in the statement on going concern in note 2 to the Financial Statements.

## Events after the Reporting Period

On 5 January 2024 and 22 January 2024 the Company announced the completion of Earn-in Agreements with BCM in respect of the Bibemi and Mbe exploration permits in Cameroon, respectively. Under these agreements \$1.4m has been received by the company since the year end, which completes the signature payments due under the agreements, and work has commenced on the two \$4m earn-in agreements that will see BCM move to a 50% ownership position on each licence.

On 15 January 2024, as a result of the increasing gold price the Group announced an updated Inferred JORC-compliant Mineral Resource Estimate of 375,000 Troy ounces grading 2.30 grammes per tonne gold for Bakassi Zone 1, one of four prospects at its 82.2%-owned Bibemi orogenic gold project in Cameroon.

On 22 January 2024 the Directors collectively exercised 17,444,445 of the outstanding warrants over ordinary shares.

# Directors' report (continued)

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On 18 February 2024, the Group reported that, in respect of its Senala project in Senegal, its JV-partner, Managem has confirmed expenditure over the 6 years of an earn-in agreement of \$5.8M, so securing a 59% interest in the Senala project.

## **Auditor**

PKF Littlejohn LLP has signified its willingness to continue in office as auditor and will be proposed for reappointment at the forthcoming Annual General Meeting.

**Robert Smeeton**  
Company Secretary

# Independent auditor's report to the members of Oriole Resources Plc

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## Opinion

We have audited the financial statements of Oriole Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the Statement of Consolidated Comprehensive Income, the Statements of Consolidated and Company Financial Position, the Statements of Consolidated and Company Changes in Equity, the Statements of Consolidated and Company Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Challenging the directors' forecasts prepared to assess the group and parent company's ability to meet its financial obligations as they fall due for a period of at least twelve months from the date of approval of the financial statements. We have reviewed the committed cash flows against contractual arrangements and historic information and compared general budgeted overheads to current run rates;
- Identifying and evaluating subsequent events which impact upon going concern and evaluating the likelihood of occurrence of forecast future cash inflows; and
- Stress testing the forecasted cash flows by eliminating sources of cash inflows that are not currently guaranteed, sensitising income and expenses under scenarios considered to be reasonably possible, as well as critically reviewing committed versus discretionary expenditure, in order to evaluate reasonably possible up- and downside scenarios impacting the financial headroom.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

# Independent auditor's report to the members of Oriole Resources Plc

Entity	Basis for materiality	Overall materiality
Oriole Resources Plc – Group	2.5% of Net Assets	£321k (2022: £297k)
Oriole Resources Plc – Parent	2.5% of Net Assets	£279k (2022: £242k)

The basis of materiality has remained unchanged year on year. We consider net assets to be the most significant determinant of the group's financial position and performance used by shareholders, with the key financial statement balances being exploration and evaluation assets, financial assets and cash.

Whilst materiality for the financial statements as a whole was set at £321k, significant components of the group were audited to a level of materiality ranging between £119k - £279k. Performance materiality for the group and all significant components was set at 70% of overall materiality (2022: 75%) to ensure sufficient coverage of key balances. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes during the audit.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our group audit in excess of £16k (2022: £14.8k), or, in respect of the parent company, in excess of £14k (2022: £12.1k). There were no misstatements identified during the course of our audit that were individually, or in aggregate, considered to be material.

## Our approach to the audit

Our group audit scope focused on the principal areas of operation being;

- Senegal – the Senala gold project; and
- Cameroon – exploration on Bibemi and the Central License Package.

Together with the parent Company and consolidation, these represent the financially significant components of the group.

The audit of all significant components was performed in London, conducted by PKF Littlejohn LLP using a team with specific experience of auditing mineral exploration entities and publicly listed entities.

Our work scope included audit procedures to address the key audit matters, being the capitalisation and impairment of exploration and evaluation expenditure, and the recoverability of investments and intercompany receivables.

## Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
<b>Capitalisation and impairment of exploration assets</b>	Our audit work in this area included: <ul style="list-style-type: none"><li>• Substantive testing of a sample of exploration and evaluation expenditure to</li></ul>



# Independent auditor's report to the members of Oriole Resources Plc

<p><b>GROUP &amp; COMPANY</b></p> <p>There is a risk that the carrying values of the Group's exploration assets are not fully recoverable and should be impaired in line with IFRS 6.</p> <p>The Group holds intangible assets in respect of its exploration activities, with key projects in Cameroon and Senegal. The Directors use their judgement in assessing whether an impairment arises in respect of these assets. As a result of the significant level of management judgement involved, we consider this to be a key audit matter. This risk also relates to the appropriate capitalisation of exploration costs in accordance with IFRS 6.</p> <p>Related disclosures are included in Note 4 and Note 11 to the financial statements.</p>	<p>assess their eligibility for capitalisation under IFRS 6;</p> <ul style="list-style-type: none"> <li>• Obtaining valid exploration licences and, where applicable, license renewal documentation and correspondence, and relevant agreements relating to project partnerships and reviewing key terms to ensure compliance;</li> <li>• Making enquiries of management regarding future plans for each project including obtaining cashflow projections where necessary and corroborating to minimum spend requirements attached to licences, where appropriate;</li> <li>• Considering whether there are indications of impairment on a project by project basis in accordance with IFRS 6;</li> <li>• Reviewing management's impairment paper in respect of the carrying value of intangible assets, corroborating and providing challenge to key assumptions made;</li> <li>• Reviewing Board minutes and RNS announcements in the year and post year end for indicators of impairment; and</li> <li>• Evaluating the presentation and disclosures in the financial statements.</li> </ul> <p>Based on the work performed, we are satisfied that intangible assets are not materially misstated.</p>
<p><b>Valuation and recoverability of investments and intercompany receivables</b></p> <p><b>GROUP &amp; COMPANY</b></p> <p>There is a risk of material misstatement regarding the recoverability of investments in subsidiaries (including intercompany receivables i.e. the net investment in each subsidiary) and other equity investments.</p> <p>The carrying value of investments is ultimately dependent on the value of the underlying assets, many of which are exploration projects which are at an early stage of exploration making it difficult to definitively determine their value. Valuations for these sites are therefore based on judgments and estimates made by the Directors, which leads to a risk of misstatement.</p> <p>Similar considerations apply to the recoverability of loans to group undertakings disclosed as</p>	<p>Our audit work in this area included:</p> <ul style="list-style-type: none"> <li>• Reviewing the value of investment balances against the value of the underlying assets, including reference to work performed in respect of the carrying value of exploration expenditure in accordance with IFRS 6;</li> <li>• Obtaining evidence of ownership for all investments held within the group;</li> <li>• Reviewing management's impairment paper in respect of the recoverability of investment balances (including intragroup receivables at the parent level) and providing appropriate challenge, corroborating any key assumptions used; and</li> <li>• Evaluating the presentation and disclosures in the financial statements in accordance with IFRS.</li> </ul>

# Independent auditor's report to the members of Oriole Resources Plc

**investments, as well as equity instruments held at fair through other comprehensive income.**

**As a result of the significant level of management judgement involved, we consider this to be a key audit matter.**

**Related disclosures are included in Note 4, Note 10, Note 13 and Note 14 to the financial statements.**

During the year the Directors took the decision to fully impair the carrying value of the following assets, as a result of limited progress having been made in recent years:

- Equity investment in Thani Stratex Djibouti Limited ('TSD'), held as a financial asset at fair value through other comprehensive income (£395k); and
- Debt instrument, held at amortised cost, due from TSD (£416k).

Based on the work performed, we are satisfied that the carrying value of investments in subsidiaries and intercompany receivables is not materially misstated.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

# Independent auditor's report to the members of Oriole Resources Plc

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## Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the group and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through detailed discussions with management about the potential instances of non-compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
  - Companies Act 2006
  - AIM Rules
  - Local industry regulations in Senegal and Cameroon
  - Local tax and employment law
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
  - Making enquiries of management
  - A review of Board Minutes
  - A review of legal ledger accounts
  - A review of RNS Announcements
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that there were no other significant fraud risks.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing

# Independent auditor's report to the members of Oriole Resources Plc

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accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Imogen Massey (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

15 Westferry Circus  
Canary Wharf  
London E14 4HD

2024

# Statement of consolidated comprehensive income

	Notes	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000
<b>Continuing operations</b>			
Administration expenses	7	(1,129)	(1,182)
Other (losses)/profits	6	(1,304)	654
<b>Operating loss</b>		<b>(2,433)</b>	<b>(528)</b>
Financial income		6	5
Share of losses and impairment of associates	28	-	(1,449)
<b>Loss before income tax</b>		<b>(2,427)</b>	<b>(1,972)</b>
Income tax credit	9	158	403
<b>Loss for the year</b>		<b>(2,269)</b>	<b>(1,569)</b>
<b>Other comprehensive income for the year</b>			
<b>Items that may be subsequently reclassified to profit or loss</b>			
Exchange differences on translating foreign operations		36	(100)
Change in fair values of other financial assets		(395)	-
<b>Other comprehensive income for the year, net of tax</b>		<b>(359)</b>	<b>(100)</b>
<b>Total comprehensive income for the year</b>		<b>(2,628)</b>	<b>(1,669)</b>
<b>Loss for the year attributable to:</b>			
Owners of the Parent Company		(2,221)	(1,616)
Non-controlling interests	21	(48)	47
<b>Loss for the year</b>		<b>(2,269)</b>	<b>(1,569)</b>
<b>Total comprehensive income for the year attributable to:</b>			
Owners of the Parent Company		(2,580)	(1,716)
Non-controlling interests		(48)	47
<b>Total comprehensive income for the year</b>		<b>(2,628)</b>	<b>(1,669)</b>
Earnings per share for losses from continuing operations attributable to the owners of the Company (expressed in pence per share).			
- basic and diluted	18	(0.07)	(0.07)

The notes on pages 58 to 80 form part of these financial statements

# Statement of consolidated financial position

Company number: 05601091

	Notes	As at 31 December 2023 £'000	As at 31 December 2022 £'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	12	8	33
Intangible assets	11	10,766	10,559
Financial assets at fair value through other comprehensive income	13	-	395
Financial assets at fair value through profit and loss	13	395	-
Trade and other receivables	14	-	440
<b>Total non-current assets</b>		<b>11,169</b>	<b>11,427</b>
<b>Current Assets</b>			
Financial assets at fair value through profit and loss	13	593	-
Trade and other receivables	14	132	196
Cash and cash equivalents	15	114	507
<b>Total current assets</b>		<b>839</b>	<b>703</b>
<b>Total Assets</b>		<b>12,008</b>	<b>12,130</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	17	8,070	6,929
Share premium	17	25,804	24,980
Other reserves	20	1,336	1,513
Retained earnings		(23,520)	(21,299)
<b>Total equity attributable to owners of the Company</b>		<b>11,690</b>	<b>12,123</b>
Non-controlling interest	21	(289)	(241)
<b>Total equity</b>		<b>11,401</b>	<b>11,882</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	22	607	248
<b>Total Liabilities</b>		<b>607</b>	<b>248</b>
<b>Total Equity and Liabilities</b>		<b>12,008</b>	<b>12,130</b>

The notes on pages 58 to 80 form part of these financial statements

The financial statements were approved and authorised for issue by the Board of Directors on 27 March 2024 and were signed on its behalf by:

**Eileen Carr**  
Non-Executive Chair

**Robert Smeeton**  
Chief Financial Officer

# Statement of consolidated changes in equity

	Attributable to owners of the Company						Total equity £'000
	Share capital	Share premium	Other reserves (see note 20)	Retained earnings	Total	Non-controlling interest	
	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Balance at 1 January 2022</b>	<b>6,200</b>	<b>24,758</b>	<b>1,606</b>	<b>(19,838)</b>	<b>12,726</b>	<b>(133)</b>	<b>12,593</b>
Loss for the year	-	-	-	(1,616)	(1,616)	47	(1,569)
Other comprehensive income	-	-	(100)	-	(100)	-	(100)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(100)</b>	<b>(1,616)</b>	<b>(1,716)</b>	<b>47</b>	<b>(1,669)</b>
Issue of share capital net of expenses	729	222	-	-	951	-	951
Share-based payments	-	-	8	-	8	-	8
Share options lapsed	-	-	(1)	-	(1)	-	(1)
Transfer between reserves	-	-	-	155	155	(155)	-
<b>Total transactions with owners of the Company</b>	<b>729</b>	<b>222</b>	<b>7</b>	<b>155</b>	<b>1,113</b>	<b>(155)</b>	<b>958</b>
<b>Balance at 31 December 2022 and 1 January 2023</b>	<b>6,929</b>	<b>24,980</b>	<b>1,513</b>	<b>(21,299)</b>	<b>12,123</b>	<b>(241)</b>	<b>11,882</b>
Loss for the year	-	-	-	(2,221)	(2,221)	(48)	(2,269)
Other comprehensive income	-	-	(359)	-	(359)	-	(359)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(359)</b>	<b>(2,221)</b>	<b>(2,580)</b>	<b>(48)</b>	<b>(2,628)</b>
Issue of share capital net of expenses	1,141	824	-	-	1,965	-	1,965
Share-based payments	-	-	182	-	182	-	182
<b>Total transactions with owners of the Company</b>	<b>1,141</b>	<b>824</b>	<b>182</b>	<b>-</b>	<b>2,147</b>	<b>-</b>	<b>2,147</b>
<b>Balance at 31 December 2023</b>	<b>8,070</b>	<b>25,804</b>	<b>1,336</b>	<b>(23,520)</b>	<b>11,690</b>	<b>(289)</b>	<b>11,401</b>

The share capital account includes the nominal value of all ordinary shares issued by the Company, as well as the nominal amount of the deferred shares created as part of the 2018 capital re-organisation.

The share premium account includes the amounts received over and above the nominal value of each share upon issue of such shares, net of any expenses of that issue.

Other reserves are described in note 20.

Retained earnings comprises the retained profits and losses arising on the Group's activities since inception.

Non-controlling interests relates to the 15% holding of our local partner in the Group's activities in Senegal.

The notes on pages 58 to 80 form part of these financial statements



# Statement of consolidated cash flows

	Notes	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000
<b>Cash flow from operating activities:</b>			
<b>Net cash used in operating activities</b>	23	<b>(531)</b>	<b>(1,305)</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant and equipment		-	(10)
Purchase of intangible assets		(329)	(842)
Tax received	9	158	403
Interest received		6	5
<b>Net cash used in investing activities</b>		<b>(165)</b>	<b>(444)</b>
<b>Cash flow from financing activities:</b>			
Net proceeds from the issue of shares	17	303	895
<b>Net cash generated from financing activities</b>		<b>303</b>	<b>895</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(393)</b>	<b>(854)</b>
Cash and cash equivalents at beginning of the period		507	1,361
<b>Cash and cash equivalents at end of the period</b>	15	<b>114</b>	<b>507</b>

## Major non-cash items

In 2024 the Group entered into an equity placing with Lanstead Capital Partners that provides cashflows over 24 months, from September 2024. The transaction has been recognised as an equity placing of £1,767,000 of which £128,000 has been received as cash during the year. Further details are provided at note 27.

The notes on pages 58 to 80 form part of these financial statements

# Statement of Company financial position

Company number: 05601091

	Notes	As at 31 December 2023 £'000	As at 31 December 2022 £'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	12	6	30
Intangible assets	11	4,230	3,928
Financial assets at fair value through other comprehensive income	13	-	395
Financial assets at fair value through profit and loss	13	395	-
Investment in subsidiaries	10	4,919	4,557
Trade and other receivables	14	-	440
		<b>9,550</b>	<b>9,350</b>
<b>Current Assets</b>			
Financial assets at fair value through profit and loss	13	593	
Trade and other receivables	14	38	81
Cash and cash equivalents	15	94	420
		<b>725</b>	<b>501</b>
<b>Total assets</b>		<b>10,275</b>	<b>9,851</b>
<b>EQUITY</b>			
<b>Capital and reserves attributable to owners of the Company</b>			
Share capital	17	8,070	6,929
Share premium	17	25,804	24,980
Other reserves	20	(37)	176
Retained earnings		(24,122)	(22,413)
<b>Total equity</b>		<b>9,715</b>	<b>9,672</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Trade and other payables	22	560	179
		<b>560</b>	<b>179</b>
<b>Total Equity and Liabilities</b>		<b>10,275</b>	<b>9,851</b>

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company has not been separately presented in these accounts. The Parent Company loss for the year was £1,709,000 (2022: loss of £689,000).

The notes on pages 58 to 80 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 27 March 2024 and were signed on its behalf by:

**Eileen Carr**  
Non-Executive Chair

**Robert Smeeton**  
Chief Financial Officer

# Statement of Company changes in equity

	Share capital	Share premium	Other Reserves (see note 20)	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 January 2022</b>	<b>6,200</b>	<b>24,758</b>	<b>169</b>	<b>(21,724)</b>	<b>9,403</b>
Loss for the year	-	-	-	(689)	(689)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(689)</b>	<b>(689)</b>
Issue of share capital net of expenses	729	222	-	-	951
Share-based payments	-	-	8	-	8
Share options lapsed	-	-	(1)	-	(1)
<b>Total transactions with owners of the Company</b>	<b>729</b>	<b>222</b>	<b>7</b>	<b>-</b>	<b>958</b>
<b>Balance at 31 December 2022 and 1 January 2023</b>	<b>6,929</b>	<b>24,980</b>	<b>176</b>	<b>(22,413)</b>	<b>9,672</b>
Loss for the year	-	-	-	(1,709)	(1,709)
Other comprehensive income	-	-	(395)	-	(395)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(395)</b>	<b>(1,709)</b>	<b>(2,104)</b>
Issue of share capital net of expenses	1,141	824	-	-	1,965
Share based payments	-	-	182	-	182
<b>Total transactions with owners of the Company</b>	<b>1,141</b>	<b>824</b>	<b>182</b>	<b>-</b>	<b>2,147</b>
<b>Balance at 31 December 2023</b>	<b>8,070</b>	<b>25,804</b>	<b>(37)</b>	<b>(24,122)</b>	<b>9,715</b>

Information in respect of the Company's reserves is set out on page 53.

The notes on pages 58 to 80 form part of these financial statements.

# Statement of Company cash flows

	Notes	Year ended 31 December 2023 £'000	Year ended 31 December 2022 £'000
<b>Cash flow from operating activities:</b>			
<b>Net cash used in operating activities</b>	23	<b>(404)</b>	<b>(1,262)</b>
<b>Cash flow from investing activities:</b>			
Purchase of property, plant and equipment		-	(9)
Investment in intangible assets		(284)	(720)
Funding of subsidiary exploration companies		(99)	(149)
Tax received	9	158	403
<b>Net cash used in investing activities</b>		<b>(225)</b>	<b>(475)</b>
<b>Cash flow from financing activities:</b>			
Net proceeds from share issues	17	<b>303</b>	<b>895</b>
<b>Net cash generated from financing activities</b>		<b>303</b>	<b>895</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(326)</b>	<b>(842)</b>
Cash and cash equivalents at beginning of the period		420	1,262
<b>Cash and cash equivalents at end of the period</b>	15	<b>94</b>	<b>420</b>

## Major non-cash items

In 2024 the Group entered into an equity placing with Lanstead Capital Partners that provides cashflows over 24 months, from September 2024. The transaction has been recognised as an equity placing of £1,767,000 of which £128,000 has been received as cash during the year. Further details are provided at note 27.

The notes on pages 58 to 80 form part of these financial statements

# Notes to the financial statements

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## 1. General information

The principal activity of Oriole Resources Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and high-value base metals. The Company's shares are quoted on the AIM Market of the London Stock Exchange. The Company is incorporated and domiciled in the UK.

The address of its registered office is Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD.

## 2. Summary of significant accounting policies

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

### **2.1 Basis of preparation**

These financial statements have been prepared in accordance with UK-adopted international accounting standards and the requirements of the Companies Act 2006. The financial statements were prepared under the historical cost convention as modified by the measurement of certain investments at fair value.

#### Going Concern

It is the prime responsibility of the Board to ensure the Company and the Group remains a going concern. At 31 December 2023 the Group had cash and cash equivalents of £114k and no borrowings. However, the Group had signed Heads of Terms agreements with BCM International Limited that became binding agreements in January and February 2024 (the 'BCM Agreements'). The BCM Agreements provided payments of \$1.5m to the Group, received in full at the date of this report, and provide \$8m of exploration funds across two licences.

Alongside this, in August 2023, the Group had signed an equity funding agreement with Lanstead Capital Investors L.P (the 'Lanstead Agreement') that provides monthly income until August 2025 based upon the prevailing monthly share price.

Having considered the funds received from the BCM Agreements and the likely funds to come from the Lanstead Agreement, together with the prospects for asset disposals, the Group's ability to implement cash preservation measures, as was done in 2023, and having considered the Group budgets which include significant discretionary expenditure, the Directors consider that they will have access to adequate resources in the 12 months from the date of the signing of these financial statements. As a result, they consider it appropriate to continue to adopt the going concern basis in the preparation of the financial statements. There can be no assurance that the cash received from the Lanstead Agreement and asset sales will match the Board's expectations, and this may affect the Group's ability to carry out its work programmes as expected. Should the Group and Company be unable to continue trading as a going concern, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify non-current assets as current. The financial statements have been prepared on the going concern basis and do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

#### Changes in Accounting Policies

##### a) New and amended standards adopted by the Group

There were no new IFRS or IFRIC interpretations effective for the first time for the financial year beginning 1 January 2023 that had a material effect on the Group or Company financial statements.

##### b) New and amended standards not yet adopted by the Group

At the date of approval of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements were in issue but not yet effective:

- Amendments to IAS 1: Classification of current or non-current liabilities (effective 1 January 2024); and
- Amendments to IAS 1: Presentation of Financial Statements – Non current liabilities with covenants (effective 1 January 2024).

The effect of these new and amended standards and interpretations, which are in issue but not yet mandatorily effective, is not expected to be material.

### **2.2 Basis of consolidation**

Oriole Resources PLC was incorporated on 24 October 2005 as Stratex International PLC. On 21 November 2005 the Company acquired the entire issued share capital of Stratex Exploration Ltd by way of a share for share exchange. The transaction was treated as a Group reconstruction and was accounted for using the merger accounting method.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

# Notes to the financial statements (continued)

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- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The business acquisition method is used to account for the acquisition of subsidiaries.

Any contingent consideration is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or a liability is recognised in accordance with IFRS9 either in profit or loss or as a change in other comprehensive income. The unwinding of the discount on contingent consideration liabilities is recognised as a finance charge within profit or loss.

Acquisition related costs are expensed as incurred.

The Group measures goodwill at the acquisition date as the excess of the fair value of the consideration transferred, plus the recognised amount of any non-controlling interests, less the recognised amount of the identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All significant intercompany transactions and balances between group entities are eliminated on consolidation.

When the Group ceases to consolidate a subsidiary as a result of losing control and the Group retains an interest in the subsidiary and the retained interest is an associate, the Group measures the retained interest at fair value at that date and the fair value is regarded as its cost on initial recognition. The difference between the net assets de-consolidated and the fair value of any retained interest and any proceeds from disposing of a part interest in the subsidiary is included in the determination of the gain or loss on disposal. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that subsidiary had directly disposed of the related assets or liabilities.

Associates are all entities over which the Group has significant influence but not control over the financial and operating policies.

References to joint venture agreements do not refer to arrangements which meet the definition of joint ventures under IFRS 11 "Joint Arrangements" and therefore these Financial Statements do not reflect the accounting treatments required under IFRS 11.

Investments in associates and jointly controlled entities are accounted for using the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses exceeds its interest in an equity-accounted investee the carrying amount of the investment, including any other unsecured receivables, is reduced to zero, and the recognition of further losses is discontinued, unless the Group has incurred obligations or made payments on behalf of the investee.

Unrealised gains on transactions between the Group and equity-accounted investees are eliminated to the extent of the Group's interest in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in equity-accounted investees are recognised in profit or loss.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Gains or losses on disposals to non-controlling interests are recorded in equity.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair

# Notes to the financial statements (continued)

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value on initial recognition. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

## 2.3 Foreign currency translation

### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in sterling, which is the Group's presentation currency.

### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

### (c) Group companies

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
- income and expenses in profit or loss for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

## 2.4 Intangible assets - Exploration and evaluation assets

The Group capitalises expenditure in relation to exploration and evaluation of mineral assets when the legal rights are obtained. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, research into the topographical, geological, geochemical and geophysical characteristics of the asset, exploratory drilling, trenching, sampling and activities to research the technical feasibility and commercial viability of extracting a mineral resource.

Exploration and evaluation assets are not amortised but are assessed for impairment, with an impairment test being required when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas. Whenever the exploration for and evaluation of mineral resources does not lead to the discovery of commercially viable quantities of mineral resources or the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to profit or loss.

## 2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive Board of Directors.

## 2.6 Impairment of non-financial assets

The carrying amount of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.



# Notes to the financial statements (continued)

In assessing the carrying values of major exploration assets, the Directors would use cash flow projections for each of the projects where a JORC – compliant indicated or measured resource had been calculated. The Group currently has no such directly controlled projects.

Certain of the other exploration projects are at an early stage of development and no JORC-compliant resource estimate has been completed. In these cases, the Directors have assessed the impairment of the projects based on future exploration plans and estimates of geological and economic data. The Board does not believe that the key assumptions will change so as to cause the carrying values to exceed the recoverable amounts.

To date impairment losses recognised have followed the decision of the Board not to continue exploration and evaluation activity on a particular project licence area where it is no longer considered an economically viable project or where the underlying exploration licence has been relinquished.

## 2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions.

## 2.8 Financial instruments

### (a) Classification

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

- those to be measured subsequently at fair value (either through Other Comprehensive Income ('OCI') or through profit or loss); and
- those to be measured at amortised cost.

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

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

### (b) Recognition

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

### (c) Measurement

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

### *Debt instruments*

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

The Group's financial assets at amortised cost include trade and other receivables.

### *Equity instruments*

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

### *Derivative financial assets*

During the year the Company entered into a financial instrument that, following an issue of equity in 2023, will provide monthly income until August 2025 based upon the prevailing monthly share price. Further details of the terms of this instrument are disclosed in Note 27. The instrument has been classified as a financial asset at fair value through profit or loss. Fair value is assessed at each reporting date in accordance with the provisions of IFRS 13 *Fair Value Measurement*, based on the Level 1, Level 2 or Level 3 inputs that are available

# Notes to the financial statements (continued)

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and appropriate. Where the value of amounts due can be derived from underlying Level 1 inputs these inputs are used in precedence to any other. Any fair value gains or losses are recognised in profit or loss at each reporting date in the period they relate to.

## (d) Impairment

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

For trade and other receivables due within 12 months the Group applies the simplified approach permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but rather recognises a loss allowance based on the financial asset's lifetime expected credit losses at each reporting date.

A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The Group considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss.

## 2.9 Deferred taxation

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. In principle, deferred tax liabilities are 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.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled. Deferred tax is charged or credited in profit or loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. No liability to UK corporation tax arose on ordinary activities for the current period or prior periods. The Group has losses to be carried forward on which no deferred tax asset is recognised. Deferred tax assets are recognised on tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

## 2.10 Share-based payments

The fair value of the services received from employees and third parties in exchange for the grant of share options is recognised as an expense. The fair value of the options granted is calculated using the Black-Scholes pricing model and is expensed over the vesting period. At each reporting period the Group revises its estimate of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

## 2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

## 2.12 Finance income

Finance income comprises bank interest receivable. Interest revenue is recognised using the effective interest method.

## 2.13 Other income

Other income represents income from activities other than normal business operations. Royalty payments, arising from the involvement of exploration partners, are recognised as other income once payment has been received.

## 2.14 Post-employment benefits

Retirement benefit costs are calculated by applying the Projected Unit Credit Method and the resulting adjustments are recognised in profit or loss.

# Notes to the financial statements (continued)

## 3. Risk management

### **3.1 Financial risk management**

The main financial risks facing the Group are the availability of adequate funding, movements in interest rates and fluctuations in foreign exchange rates. Constant monitoring of these risks ensures that the Group is protected against any potential adverse effects of such risks so far as it is possible and foreseeable. Other than the Lanstead Agreement (detailed in note 27) the Group does not hold derivatives, does not trade in financial instruments and does not engage in hedging arrangements. The Group engages only with High-Quality banks.

In keeping with similar sized mineral exploration groups, its continued future operations depend on the ability to raise sufficient working capital. The Group finances itself through the monetisation of exploration assets and the issue of equity share capital and has no borrowings. Management monitors its cash and future funding requirements through the use of on-going cash flow forecasts. All cash, with the exception of that required for immediate working capital requirements, is held on short term deposit.

The Group's only exposure to interest rate fluctuations is restricted to the rates earned on its short-term deposits. These deposits returned an interest rate of between 4.775% and 5.275% during the past year.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Turkish Lira, Euro and US Dollar, see note 16. Foreign exchange risk arises from future commercial transactions and net investments in foreign operations. The Group does not hedge its exposure to foreign currencies and recognises the profits and losses resulting from currency fluctuations as and when they arise.

The Group will continue to make substantial expenditures related to its exploration and development activities. The financial exposure of the Group has been substantially reduced as a result of entering into agreements with third parties.

### **3.2 Capital risk management**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

## 4. Critical accounting estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, most importantly the carrying values assigned to intangible assets, associates, and financial assets designated as fair value through other comprehensive income. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### *The Lanstead Agreement*

As set out in note 27 the Group has entered into a financial instrument that, following an issue of equity in 2023, will provide monthly income until August 2025 based upon the prevailing monthly share price. The Directors have considered the valuation of this financial asset which is based on the future share price of Oriole Resources plc, and considered that the fair value should be assessed based upon the share price at the reporting date, being a Level 1 input under the IFRS 13 fair value hierarchy and therefore the most appropriate indication of fair value at a point in time. The financial asset has been classified as Financial Asset recognised at Fair Value through the profit and loss account as the Directors believed this to be the most appropriate treatment in accordance with IFRS 9.

Gains or losses on the fair value of the financial asset have been recognised in profit and loss.

### *Exploration asset carrying value*

The most significant judgement for the Group is the assumption that exploration at the various sites will ultimately lead to a commercial mining operation, which includes the assumption that any licences held will be renewed as required upon expiry. Failure to do so could lead to the write-off of the intangible assets relating to the particular site (see note 2.4). In considering potential impairment the Directors consider the following factors;

- results of exploration work to date;
- licence renewal status, with a presumption that licences will be renewed but consideration given to any possible issues in respect of the periodic renewal process;
- comparative valuations of similar assets as they are announced to the stock market; and
- the Directors understanding of the plans of any joint venture partners on individual projects.

# Notes to the financial statements (continued)

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Based on these factors the Directors do not believe there is an impairment in the valuation of the Group's exploration assets.

## *Thani Stratex Djibouti carrying value*

The Directors have given consideration to the carrying value of the 8.03% holding in Thani Stratex Djibouti Limited ('TSD'). As little progress has been made in the last two years, and in a difficult funding market, the Directors have decided that full provision should be made against the carrying value of the investment.

## *Local taxes*

The Group is subject to income taxes in numerous jurisdictions. Judgement is required in determining the worldwide provision for such taxes. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the current and deferred income tax assets and liabilities in the period in which such determination is made. No deferred tax balances are currently recognised in the accounts in respect of temporary timing differences relating to the Group's intangible assets or unutilised losses.

## *Provision for bad debts*

The Group is currently due \$425,000 from Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi in respect of a success-based payment of \$500,000 that was due on the basis of an exploration partnership with that company. The Directors continue to pursue payment, but have made full provision against the debt in these financial statements.

## *Recoverability of investment balances in the Parent Company Balance Sheet*

The Parent Company recognises £4.9 million of investment and intercompany balances relating to its subsidiary companies. The Board believe these amounts to be recoverable based primarily on the expected realisation value of the Senala exploration asset in Senegal.

# Notes to the financial statements (continued)

## 5. Segment reporting

The Group's main exploration operations are located in Turkey, East Africa and West Africa. The Group's head office is located in the UK and provides corporate and support services to the Group and researches new areas of exploration opportunities. The management structure and the management reports received by the Directors and used to make strategic decisions reflect the split of operations.

### a) The allocation of assets and liabilities by segment is as follows:

	Exploration				UK support & other	Group Total
	Turkey	East Africa	West Africa			
	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 31 December 2023</b>						
Intangible assets	-	-	10,766	-	-	10,766
Property, plant and equipment	-	-	2	6	-	8
Cash and other assets	18	-	98	1,118	-	1,234
Liabilities	(1)	-	(47)	(559)	-	(607)
Inter-segment	(3,313)	-	(3,697)	7,010	-	-
<b>Net assets</b>	<b>(3,296)</b>	<b>-</b>	<b>7,122</b>	<b>7,575</b>	<b>-</b>	<b>11,401</b>
Additions to property, plant and equipment	-	-	-	-	-	-

	Exploration				UK support & other	Group Total
	Turkey	East Africa	West Africa			
	£'000	£'000	£'000	£'000	£'000	£'000
<b>At 31 December 2022</b>						
Intangible assets	-	-	10,559	-	-	10,559
Property, plant and equipment	-	-	23	10	-	33
Cash and other assets	30	835	173	500	-	1,538
Liabilities	(1)	-	(69)	(178)	-	(248)
Inter-segment	(3,304)	-	(3,341)	6,645	-	-
<b>Net assets</b>	<b>(3,275)</b>	<b>835</b>	<b>7,345</b>	<b>6,977</b>	<b>-</b>	<b>11,882</b>
Additions to property, plant and equipment	-	-	1	9	-	10

The capitalised cost of the principal projects and the additions during the year are as follows:

	Capitalised cost		Additions in year	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
<b>West Africa</b>				
Senegal	6,363	6,502	-	-
Cameroon	4,403	4,057	346	858
<b>Total Intangible assets</b>	<b>10,766</b>	<b>10,559</b>	<b>346</b>	<b>858</b>

# Notes to the financial statements (continued)

## b) The allocation of profits and losses for the year by segment is as follows:

	Exploration			UK support & other	Group Total
	Turkey	East Africa	West Africa		
	£'000	£'000	£'000		
<b>2023</b>					
Administration expenses	(13)	-	(61)	(1,047)	(1,121)
Depreciation charge	-	-	(1)	(7)	(8)
Other income/(losses)	6	(416)	-	(639)	(1,049)
Exchange gains/(losses)	-	-	(216)	(33)	(249)
Inter-segment charges	-	-	(274)	274	-
Income tax	-	-	-	158	158
<b>Profit/(loss) for year</b>	<b>(7)</b>	<b>(416)</b>	<b>(552)</b>	<b>(1,294)</b>	<b>(2,269)</b>

	Exploration			UK support & other	Group Total
	Turkey	East Africa	West Africa		
	£'000	£'000	£'000		
<b>2022</b>					
Administration expenses	(39)	-	(183)	(952)	(1,174)
Depreciation charge	-	-	(1)	(7)	(8)
Other income/(losses)	49	-	79	(8)	120
Share of associate company losses and impairment of associate	-	(1,449)	-	-	(1,449)
Exchange gains/(losses)	1	-	492	46	539
Inter-segment charges	-	-	(274)	274	-
Income tax	-	-	-	403	403
<b>Profit/(loss) for year</b>	<b>11</b>	<b>(1,449)</b>	<b>113</b>	<b>(244)</b>	<b>(1,569)</b>

## 6. Other profits/(losses)

	2023 £'000	2022 £'000
Exchange (losses)/gains	(249)	539
Loss on financial assets held at fair value (note 27)	(652)	-
Provision against loan due from Thani Stratex Djibouti (note 13)	(416)	-
Other profits	13	115
<b>Net other (loss)/profit for the year</b>	<b>(1,304)</b>	<b>654</b>

# Notes to the financial statements (continued)

## 7. Expenses by nature

Administration expenses comprise:

	2023 £'000	2022 £'000
Personnel expenses (see note 8)	717	710
Legal and professional expenses	242	215
Amounts paid to the Company's auditors (see below)	35	30
Office costs	37	84
Travel costs	28	70
Depreciation expense	7	8
Other expenses	63	65
<b>Total for year</b>	<b>1,129</b>	<b>1,182</b>

During the year the Group obtained the following services from the Company's auditor:

	2023 £'000	2022 £'000
Auditor's remuneration:		
Fees payable for the audit of parent and consolidated financial statements	35	30
<b>Total for year</b>	<b>35</b>	<b>30</b>

## 8. Personnel expenses

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Wages and salaries	440	535	395	444
Social security costs	45	56	45	56
Share options granted to Directors and employees	182	7	182	7
Shares granted under salary sacrifice arrangement	29	94	29	94
Employee benefits-in-kind	8	4	7	4
Employee pensions	13	14	13	10
<b>Total for year</b>	<b>717</b>	<b>710</b>	<b>671</b>	<b>615</b>
Average number of employees, including Directors	<b>13</b>	<b>13</b>	<b>9</b>	<b>9</b>

Details of the Directors' remuneration is shown in the Report of the Remuneration Committee on page 36.

## 9. Income tax

Analysis of income tax expense:

	2023 £'000	2022 £'000
Current taxation:		
UK Corporation tax credit for the year	158	403
Deferred taxation:		
Deferred tax charge for the year	-	-
<b>Total tax on loss for the year</b>	<b>158</b>	<b>403</b>

The Group does not anticipate a UK corporation tax charge for the year due to the availability of tax losses. The Group did not recognise deferred income tax assets of approximately £1,241,000 (2022: £1,031,000).



# Notes to the financial statements (continued)

## Reconciliation of tax credit:

	2023 £'000	2022 £'000
<b>Loss before tax</b>	<b>(2,427)</b>	<b>(1,972)</b>
Current tax credit at 19% (2022: 19%)	461	375
<b>Effects of:</b>		
Expenses not deductible for tax purposes	(208)	(280)
Tax losses carried forward – UK	(195)	(262)
Tax losses used/(carried forward) – outside UK	(116)	27
Origination and reversal of temporary differences	58	140
Prior year differences (research and development credits claim)	158	403
<b>Tax credit</b>	<b>158</b>	<b>403</b>

## 10. Investment in subsidiaries

The cost of shares in subsidiary companies is as follows:

Company	2023 £'000	2022 £'000
Cost of investment at 1 January	2,701	2,701
Write off of investment	(561)	(561)
Impairment provision	(1,000)	(1,000)
	1,140	1,140
Loans to subsidiary companies	3,779	3,417
<b>At 31 December</b>	<b>4,919</b>	<b>4,557</b>

There are no significant restrictions in relation to the subsidiaries.

Investments in subsidiaries are stated at cost and are as follows:

	Country of incorporation	% owned by the Company	% owned by subsidiary	Nature of Business
Stratex Exploration Ltd	UK	100	–	Holding company
Stratex West Africa Limited	UK	100	–	Exploration
RMC Cameroon (BVI) Corp	British Virgin Islands	56.7	-	Holding company
Oriole Cameroon SARL	Cameroon	90	–	Exploration
OrrCam2 SARL	Cameroon	90	–	Exploration
Stratex Madencilik Sanayi Ve Ticaret Ltd. Şti	Turkey	–	100	Exploration
Stratex EMC SA	Senegal	–	85	Exploration

	Registered office
Stratex Exploration Ltd	Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD, UK
Stratex West Africa Limited	Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD, UK
RMC Cameroon (BVI) Corp	Tropic Isle Building, Nibbs Street, Road Town, Tortola, VG1110, British Virgin Islands
Oriole Cameroon SARL	Yaoundé-Rue Marie Gocker, Place De L'Intendance, BP 11792, Yaoundé, Cameroon
OrrCam2 SARL	Yaoundé-Rue Marie Gocker, Place De L'Intendance, BP 11792, Yaoundé, Cameroon
Stratex Madencilik Sanayi Ve Ticaret Ltd. Şti	Mustafa Kemal Mahallesi 2152.Cadde Kent İş Merkezi No:2/17 Çankaya, Ankara, Turkey,
Stratex EMC SA	Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD, UK

# Notes to the financial statements (continued)

## 11. Intangible assets

The Group's Intangible assets comprise entirely of exploration assets.

	Group		Company	
	2023	2022	2023	2022
<b>Cost</b>	£'000	£'000	£'000	£'000
Cost at 1 January	10,559	9,376	3,928	3,192
Exchange movements	(139)	325	-	-
Additions	346	858	302	736
<b>At 31 December</b>	<b>10,766</b>	<b>10,559</b>	<b>4,230</b>	<b>3,928</b>

## 12. Property, plant, and equipment

	Group			
	Motor Vehicles	Field Equipment	Office furniture and equipment	Total
	£'000	£'000	£'000	£'000
<b>Cost</b>				
<b>At 1 January 2022</b>	-	65	172	237
Exchange movements	-	-	-	-
Additions	-	6	4	10
Disposals	-	(19)	(61)	(80)
<b>At 31 December 2022</b>	-	52	115	167
Additions	-	-	-	-
Disposals	-	-	(2)	(2)
<b>At 31 December 2023</b>	-	52	113	165
<b>Depreciation</b>				
<b>At 1 January 2022</b>	-	(34)	(155)	(189)
Exchange movements	-	-	-	-
Additions	-	(16)	(8)	(24)
Disposals	-	19	60	79
<b>At 31 December 2022</b>	-	(31)	(103)	(134)
Additions	-	(17)	(8)	(25)
Disposals	-	-	2	2
<b>At 31 December 2023</b>	-	(48)	(109)	(157)
<b>Net Book Value</b>				
at 1 January 2022	-	31	17	48
at 31 December 2022	-	21	12	33
<b>at 31 December 2023</b>	-	4	4	8
<b>Right of use assets included above</b>	-	-	-	-

# Notes to the financial statements (continued)

	Company			
	Motor Vehicles £'000	Field Equipment £'000	Office furniture and equipment £'000	Total £'000
<b>Cost</b>				
<b>At 1 January 2022</b>	-	47	116	163
Additions	-	6	3	9
Disposals	-	-	(5)	(5)
<b>At 31 December 2022</b>	-	53	114	167
Additions	-	-	-	-
Disposals	-	-	(2)	(2)
<b>At 31 December 2023</b>	-	53	112	165
<b>Depreciation</b>				
<b>At 1 January 2022</b>	-	(16)	(102)	(118)
Additions	-	(16)	(7)	(23)
Disposals	-	-	4	4
<b>At 31 December 2022</b>	-	(32)	(105)	(137)
Additions	-	(17)	(7)	(24)
Disposals	-	-	2	2
<b>At 31 December 2023</b>	-	(49)	(110)	(159)
<b>Net Book Value</b>				
at 1 January 2022	-	31	14	45
at 31 December 2022	-	21	9	30
<b>at 31 December 2023</b>	-	4	2	6
<b>Right of use assets included above</b>	-	-	-	-

## 13. Financial Assets and Liabilities

### a) Financial Assets

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Financial assets at amortised cost:				
Trade and other receivables	132	196	38	81
Deposits and guarantees	17	29	-	-
Cash and cash equivalents	97	478	94	420
Loan note receivable	-	440	-	440
Financial assets at fair value through profit and loss recoverable after more than one year	395	-	395	-
Financial assets at fair value through profit and loss recoverable within one year	593	-	593	-
Financial assets at fair value through other comprehensive income	-	395	-	395
<b>Total</b>	<b>1,234</b>	<b>1,538</b>	<b>1,120</b>	<b>1,336</b>

# Notes to the financial statements (continued)

## a) Financial Liabilities

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Financial liabilities at amortised cost:				
Trade creditors	174	66	173	62
Amounts due to related parties and employees	118	7	100	7
Social security and other taxes	17	29	16	27
Leases	-	4	-	4
Accrued expenses	298	142	271	79
<b>Total</b>	<b>607</b>	<b>248</b>	<b>560</b>	<b>179</b>

## b) Assets by quality

### Trade Receivables:

Trade receivables includes net receivables from exploration partners of £94,000 (2022: £41,000). None of the exploration partners have external credit ratings.

### Cash and cash equivalents:

External ratings of cash at bank and short-term deposits:

	2023 £'000	2022 £'000
A	93	420
Ba, Bb & Bbb	21	87
<b>Total</b>	<b>114</b>	<b>507</b>

Equity investments at FVOCI comprise the following individual investments:

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Thani Stratex Djibouti – Unlisted Equity Security	-	395	-	395
<b>At 31 December</b>	<b>-</b>	<b>395</b>	<b>-</b>	<b>395</b>

During the year the Company made full provision against the value of this asset (see note 4).

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

Information about the methods and assumptions used in determining fair value is provided in (e) below. The assets are held in non-sterling currencies but there are no significant exchange rate risks associated with these investments.

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

## c) Financial Assets at Fair Value Through Profit and Loss ('FVPL')

The Group classifies the following financial assets at fair value through profit or loss:

Equity instruments for which the entity has not elected to recognise fair value gains and losses through OCI.

The Group's investment in Muratdere Madencilik Sanayi ve Ticaret AS ('Muratdere') is held at £Nil (2022: £Nil) in the consolidated financial statements following its write down in 2017.

# Notes to the financial statements (continued)

The Lanstead Agreement (see note 27) is a financial instrument that will provide funds to the Group monthly to August 2025 based on the monthly prevailing share price. The receivable arising has been valued based upon the share price at 31 December 2023.

## d) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under Accounting Standards, as set out and explained below:

<b>Recurring fair value measurements</b>	Level 1	Level 3	Total
<b>At 31 December 2023</b>	£'000	£'000	£'000
Financial assets at fair value through profit and loss accounts			
Lanstead Agreement	988	-	988
Financial assets at fair value through other comprehensive income:			
Djibouti unlisted equity securities	-	-	-
<b>Total Financial Assets</b>	<b>988</b>	<b>-</b>	<b>988</b>
At 31 December 2022			
Financial assets at fair value through other comprehensive income:			
Djibouti unlisted equity securities	-	395	395
Total Financial Assets	-	395	395

## Movements in the year

	Level 1	Level 3	Total
	£'000	£'000	£'000
At 1 January 2023	-	395	395
Recognised during the year	988	-	988
Impairment provision	-	(395)	(395)
At 31 December 2023	988	-	988

There were no transfers of assets between levels for recurring fair value measurements during the year. The Lanstead Agreement is considered to be a level 1 financial instrument as its value is determined based solely on the Company's share price on the AIM Market of the London Stock Exchange. The Group has no level 2 financial instruments.

Level 3 – if one or more of the significant valuation inputs is not based on observable market data, the instrument is held at level 3. This is the case for unlisted securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices to provide comparative pricing for Level 3 instruments when reviewed against comparable companies at similar stages of asset development.
- Cost of asset development work to date, together with a review of exploration results and a view of market values of similar companies.
- Director's opinion about recoverability.

# Notes to the financial statements (continued)

## 14. Trade and other receivables

The fair value of trade and other receivables equate to their carrying values, which also represents the Group's maximum exposure to credit risk. No collateral is held as security.

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Receivables	326	372	-	41
Bad debt provision	(326)	(326)	-	-
Loans	94	109	-	-
Loan note (see below)	-	440	-	440
Prepayments and other current assets	38	41	38	40
<b>Total</b>	<b>132</b>	<b>636</b>	<b>38</b>	<b>521</b>
Non-current	-	440	-	440
Current	132	196	38	81
<b>Total</b>	<b>132</b>	<b>636</b>	<b>38</b>	<b>521</b>

### Non-current assets

In the prior year, the non-current asset reflected the loan note for \$530,806 (2022: £440,000) repayable by Thani Stratex Djibouti Limited in accordance with a loan note instrument dated 14 November 2019. Full provision has been made against this asset in 2023.

\$425,000 of a success-based payment due from Anadolu Export Maden Sanayi ve Ticaret A.S. is past due, and has been fully provided against in these, and the prior year, financial statements.

## 15. Cash and cash equivalents

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
Cash at bank and on hand	96	478	94	420
Short-term deposits	18	29	-	-
<b>Total</b>	<b>114</b>	<b>507</b>	<b>94</b>	<b>420</b>

## 16. Currency risk

The Group's exposure to foreign currency is as follows:

# Notes to the financial statements (continued)

GBP £'000	2023			2022		
	US\$	Euro	Turkish Lira	US\$	Euro	Turkish Lira
Trade and other receivables	-	-	-	41	5	-
Cash and cash equivalents	-	19	18	-	58	30
Trade and other payables	(5)	(56)	-	(2)	(75)	(1)
Net exposure	<b>(5)</b>	<b>(37)</b>	<b>18</b>	<b>39</b>	<b>(12)</b>	<b>29</b>
The following year end spot rates to sterling have been applied	1.2747	1.1539	37.6479	1.2039	1.1277	22.5344
A 20% fluctuation in the sterling exchange rate would have affected profit and loss as follows:	£'000	£'000	£'000	£'000	£'000	£'000
Strengthening of sterling	(2)	(8)	4	6	(2)	7
Weakening of sterling	2	8	(4)	(6)	2	(7)

## 17. Share capital and share premium

Group and Company	Number of Ordinary shares issued	Ordinary shares £'000	Deferred shares £'000	Share premium £'000	Total £'000
At 1 January 2023	<b>2,723,341,840</b>	<b>2,723</b>	<b>4,206</b>	<b>24,980</b>	<b>31,909</b>
Issued during the year	1,141,197,165	1,141	-	1,003	2,144
Expenses of share issue	-	-	-	(179)	(179)
At 31 December 2023	<b>3,864,539,005</b>	<b>3,864</b>	<b>4,206</b>	<b>25,804</b>	<b>33,874</b>

### Analysis of cash received during the year from share issues:

Group and Company	Number of Ordinary shares issued	Cash £'000	Non-cash £'000	Total £'000
Issued as a placing for cash	115,000,000	196	-	196
Issued in lieu of salary	12,497,165	-	21	21
Issue of shares under Lanstead agreement (deferred cash proceeds, see note 27)	1,013,700,000	128	1,799	1,927
Share issue costs	-	(21)	(158)	(179)
	1,141,197,165	303	1,662	1,965

During the year the Company raised capital by way of an equity placing upon six occasions:

- On 13 July 2022 the Company issued 115,000,000 Ordinary 0.1p shares at a price of 0.17p per share.
- On 1 August 2023 the Company issued 1,013,700,000 Ordinary 0.1p shares at a notional price of 0.19p under the Lanstead Agreement (see note 27).
- Between 4 January 2023 and 12 May 2023 shares were issued to the Directors in lieu of salary on three occasions, covering four months of salary sacrifice. The number of shares to be issued was based on the net pay forgone, converted to shares at the 30-day volume weighted price of the Ordinary shares ('30-day VWAP') at the end of the month of salary sacrifice:
  - On 4 January 2023 2,725,021 shares were issued based on a share price of 0.1558p;

# Notes to the financial statements (continued)

- On 20 April 2023 7,655,885 shares were issued based on a share price of 0.17p;
- On 12 May 2023 2,116,259 shares were issued based on a share price of 0.205p.

The Ordinary shares have a nominal value of 0.1p and all shares have been fully paid.

At the 2018 Annual General Meeting as part of a capital re-organisation, 467,311,276 deferred shares were created, each with a nominal value of 0.9p. The Deferred Shares have no right to vote, attend or speak at general meetings of the Company and have no right to receive any dividend or other distribution and have only limited rights to participate in any return of capital on a winding-up or liquidation of the Company, which will be of no material value.

## 18. Earnings per share

The calculation of the basic earnings per share is based on the loss attributable to the equity holders of the Company and a weighted average number of Ordinary shares in issue during the year, as follows:

	2023 £'000	2022 £'000
Loss attributable to owners of the Company from continuing operations	(2,221)	(1,616)
Weighted average number of ordinary shares in issue	3,235,543,451	2,173,550,827
<b>Basic and diluted loss per share from continuing operations (pence per share)</b>	<b>(0.07)</b>	<b>(0.07)</b>

There is no difference between basic and diluted loss per share as the effect on the exercise of the options would be to decrease the earnings per share.

At 31 December 2023 there were 264,526,245 (2022: 87,526,245) share options and 188,888,888 (2022: 188,888,888) warrants that could potentially dilute the earnings per share in the future.

Deferred shares have no rights to dividends or retained profits and are excluded from the calculation of earnings per share.

## 19. Share options and warrants

### Share options

The Directors have discretion to grant options to Group employees to subscribe for Ordinary Shares up to a maximum of 10% of the Company's issued share capital. The Company runs two schemes, one is the Enterprise Management Incentive scheme and the other is the Unapproved Share Option scheme.

As at 31 December 2023, the Company had in issue 242,671,892 (2022: 74,671,892) options to Group employees granted under the Enterprise Management Incentive scheme and 17,290,446 (2022: 8,290,446) options to Group employees granted under the unapproved scheme. In addition, there are 4,563,907 (2022: 4,563,907) unexercised options held by past employees. All options vest over one to three years from the grant date and lapse on the tenth anniversary of the grant date, except for the options granted to Directors in 2020, in lieu of salary, which vested immediately.

The granting of the share options has been accounted for as equity-settled share-based payment transactions. The total expenses recognised in the loss for the year arising from share-based payments was £182,000 (2022: £8,000). The Group has no legal or constructive obligation to repurchase or settle the options in cash.

The share options issued in 2023 have been valued at 0.13 pence each under the Black Scholes valuation methodology, based upon an exercise price of 0.19 pence, a discount rate of 12%, the exercise of 0.20 pence and a volatility rating of 76%, based upon the standard deviation of the share price over the 12 months prior to issue of the option.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:



# Notes to the financial statements (continued)

Group and Company	2023		2022	
	Number of options	Weighted average exercise price pence	Number of options	Weighted average exercise price pence
Outstanding at 1 January	87,526,245	0.29	81,592,912	0.27
Issued	177,000,000	0.20	6,700,000	0.32
Lapsed	-	-	(766,667)	0.37
<b>Outstanding at 31 December</b>	<b>264,526,245</b>	<b>0.231</b>	<b>87,526,245</b>	<b>0.29</b>
Exercisable at 31 December	180,826,246	0.238	76,592,912	0.29

The weighted average contractual life of the outstanding options at 31 December 2023 was 8.38 years (2022: 7.32 years).

Details of share options outstanding at 31 December 2023 are as follows:

Life of option		Outstanding 31 December 2023	Option Price pence
Start date	Expiry date		
5 December 2014	5 December 2024	60,000	2.7
4 June 2015	4 June 2025	150,000	1.5
2 September 2016	2 September 2026	198,000	2.0
1 March 2018	1 March 2028	6,000,000	0.9
4 June 2018	4 June 2028	2,000,000	0.62
19 March 2019	19 March 2029	16,183,333	0.37
19 August 2020	19 August 2030	39,884,912	0.10
22 December 2020	22 December 2030	16,350,000	0.37
14 March 2022	14 March 2032	6,700,000	0.32
25 May 2023	25 May 2033	177,000,000	0.20
<b>Total options outstanding</b>		<b>264,526,245</b>	

## Share Warrants

Group and Company	2023		2022	
	Number of warrants	Weighted average exercise price pence	Number of warrants	Weighted average exercise price pence
Outstanding at 1 January	188,888,888	0.25	208,385,020	0.66
Issued	-	-	188,888,888	0.25
Lapsed	-	-	(208,385,020)	0.66
<b>Outstanding at 31 December</b>	<b>188,888,888</b>	<b>0.25</b>	<b>188,888,888</b>	<b>0.25</b>

Life of warrant		Outstanding 31 December 2023	Warrant Price Pence
Start date	Expiry date		
13 July 2022	13 July 2025*	188,888,888	0.25
<b>Total warrants outstanding</b>		<b>188,888,888</b>	<b>0.25</b>

\*The Company have the right to force exercise of those warrants in the event the 10-day volume weighted average share price exceeds 0.6 pence at any time.

# Notes to the financial statements (continued)

## 20. Other reserves

Group	Merger reserve	Reserve for FVOCI assets	Share option reserve	Translation reserve	Total
	£'000	£'000	£'000	£'000	£'000
<b>At 1 January 2022</b>	<b>(485)</b>	<b>-</b>	<b>169</b>	<b>1,922</b>	<b>1,606</b>
Share based payments	-	-	8	-	8
Share options lapsed	-	-	(1)	-	(1)
Other comprehensive income	-	-	-	(100)	(100)
<b>At 31 December 2022</b>	<b>(485)</b>	<b>-</b>	<b>176</b>	<b>1,822</b>	<b>1,513</b>
Share based payments	-	-	182	-	182
Other comprehensive income	-	(395)	-	36	(359)
<b>At 31 December 2023</b>	<b>(485)</b>	<b>(395)</b>	<b>358</b>	<b>1,858</b>	<b>1,336</b>

Company	Reserve for FVOCI assets	Share option reserve	Total
	£'000	£'000	£'000
<b>At 1 January 2022</b>	<b>-</b>	<b>169</b>	<b>169</b>
Share based payments	-	8	8
Share options lapsed	-	(1)	(1)
<b>At 31 December 2022</b>	<b>-</b>	<b>176</b>	<b>176</b>
Share based payments	-	182	182
Other comprehensive income	(395)	-	(395)
<b>At 31 December 2023</b>	<b>(395)</b>	<b>358</b>	<b>(37)</b>

The Merger reserve arose on consolidation as a result of the merger accounting for the acquisition of the entire issued share capital of Stratex Exploration Limited during 2005 and represents the difference between the nominal value of shares issued for the acquisition and that of the share capital and share premium account of Stratex Exploration Limited.

The Group has elected to recognise changes in the fair value of certain investments in equity securities through Other Comprehensive Income, as explained in Note 13 and the accounting policies. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are realised.

The Share option reserve balance relates to the fair value of outstanding share options measured using the Black-Scholes method.

The Translation reserve comprises the exchange differences from translating the net investment in foreign entities and of monetary items receivable from subsidiaries for which settlement is neither planned nor likely in the foreseeable future (see Note 2.3).

The Group has elected to recognise changes in the fair value of certain investments in equity securities through Other Comprehensive Income, as explained in Note 13 and the accounting policies. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are recognised.

# Notes to the financial statements (continued)

## 21. Non-controlling interest

Effect on equity of transactions with non-controlling interests:

	Stratex EMC SA	Total
	£'000	£'000
Balance attributable to NCI		
<b>At 1 January 2022</b>	<b>(133)</b>	<b>(133)</b>
Transfer between reserves	(155)	(155)
Losses for the year	47	47
<b>At 31 December 2022</b>	<b>(241)</b>	<b>(241)</b>
Gain for the year	(48)	(48)
<b>At 31 December 2023</b>	<b>(289)</b>	<b>(289)</b>

The non-controlling interest arises in the 15% holding by a third party in Stratex EMC SA, whose financial statements include the following balances:

Stratex EMC SA	2023	2022
	£'000	£'000
Intangible assets	5,996	6,135
Other assets	993	1,028
Intercompany loans	(8,939)	(8,798)
Other creditors	(27)	(62)
<b>Net liabilities</b>	<b>(1,977)</b>	<b>(1,697)</b>
<b>Profit/(loss) for the year</b>	<b>(320)</b>	<b>287</b>
<b>Cash flows:</b>		
Cash flows from operations	(79)	(125)
Cash flows from investing activities	-	79
Cash flows from intercompany funding	73	52
<b>Net cash flow</b>	<b>(6)</b>	<b>6</b>

## 22. Trade and other payables

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Trade payables	174	66	173	61
Amounts due to related parties and employees	120	7	103	7
Social security and other taxes	17	29	16	28
Lease liability	-	4	-	4
Accrued expenses	296	142	268	79
<b>At 31 December</b>	<b>607</b>	<b>248</b>	<b>560</b>	<b>179</b>

All financial liabilities, except those for accrued expenses, are stated, where material, at amortised cost.

# Notes to the financial statements (continued)

## 23. Cash flow from operating activities

	Group		Company	
	2023 £'000	2022 £'000	2023 £'000	2022 £'000
<b>Loss before income tax</b>	(2,427)	(1,972)	(1,867)	(1,094)
<b>Adjustments for:</b>				
Issue of share options	182	7	182	7
Issue of shares in lieu of salary	21	57	21	57
Depreciation	7	8	7	8
Write back of intercompany loan	-	-	-	(264)
Share of losses and impairment of associates	-	1,449	-	657
Impairment of loan receivable	416	-	416	-
Other Income and deductions	646	(5)	652	-
Interest income on intercompany indebtedness	-	-	(35)	(28)
Intercompany management fees	-	-	(239)	(243)
Foreign exchange movements on operating activities	215	(539)	33	(47)
<b>Changes in working capital, excluding the effects of exchange differences on consolidation:</b>				
Trade and other receivables	49	7	44	(6)
Trade and other payables	360	(317)	382	(309)
<b>Cash used in operations</b>	<b>(531)</b>	<b>(1,305)</b>	<b>(404)</b>	<b>(1,262)</b>

## 24. Related party transactions

- Transactions with non-controlling interests:  
During the year the Company spent £Nil (2022: £Nil) with Minexia Limited, a company in which Tim Livesey and Robert Smeeton have 10.35% and 2.35% shareholdings respectively.
- Parent company and ultimate controlling party:  
In the opinion of the Directors there is no ultimate controlling party.
- Amounts provided to subsidiaries:  
During the year the Company provided funds amounting to £123,000 (2022: £149,000) to its subsidiaries and charged its subsidiary companies £239,000 (2022: £243,000) for the provision of management services. The total net receivable from subsidiaries at 31 December 2023 was £3,779,000 (2022: £3,417,000).
- Transactions with Directors and Key Management Personnel:  
During the year the Directors were remunerated for services performed on behalf of the Company. Details of this remuneration are included in the Report of the Remuneration Committee. All Directors during the year were remunerated through the UK payroll. There are not considered to be any key management personnel other than Directors.

## 25. Contingencies and capital commitments

There are no contingencies or capital commitments at 31 December 2023.

## 26. Parent company statement of comprehensive income

As permitted by section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements.

## 27. Financial assets at fair value through the Profit and Loss Account

On 1 August 2023 the Company arranged a conditional subscription to raise £1.767 million following the issue of 930 million new shares at 0.19 pence per share to Lanstead Capital Investors L.P. ('Lanstead'). The Company entered into an equity swap price mechanism (the 'Sharing Agreement') with Lanstead for these shares, with consideration payable on a monthly basis over a period of 24 months. The Company also issued 83.7 million shares to Lanstead in consideration for the equity swap agreement.

The consideration due from Lanstead has been treated as a derivative financial asset and its fair value has been determined by reference to the Company's share price at the balance sheet date as measured against a benchmark price of 0.253 pence per share.

# Notes to the financial statements (continued)

If the actual share price exceeds the benchmark price during any of the 24 settlement months, the Company will receive more than 100% of the monthly settlement due. Should the share price fall below the benchmark price, the Company will receive less than 100% of the expected monthly settlement on a pro rata basis.

	2023			2022		
	Total	Non-current assets	Current assets	Total	Non-current assets	Current assets
<b>Group and Company</b>	£'000	£'000	£'000	£'000	£'000	£'000
Value recognised on 1 August 2023	1,767	883	884	-	-	-
Capital repayments	(127)	-	(127)	-	-	-
Fair value adjustment at year end	(652)	(194)	(458)	-	-	-
Recategorisation	-	(294)	294	-	-	-
<b>Fair value recognised at 31 December 2023</b>	<b>988</b>	<b>395</b>	<b>593</b>	-	-	-

## 28. Investment in equity-accounted associates

	Group		Company	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 1 January	-	1,449	-	657
Share of losses and impairment provision	-	(1,449)	-	(657)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Company's 24.92% shareholding interest in Thani Stratex Resources Limited ("TSRL") was included in the consolidated financial statements using the equity accounting method. On 31 December 2022, TSRL relinquished the Hodine licence in Egypt, the company's only operational asset. Consequently, full provision for impairment was made in the prior year financial statements.

## 29. Subsequent events

Subsequent to the year end:

- the Group completed two agreements with BCM International Limited which provided total funds of \$1.5m to the Group and allow BCM to earn-in to 50% of both the Bibemi and Mbe projects in Cameroon by funding \$4m of exploration work on each licence;
- the Directors collectively exercised 17,444,445 of the outstanding warrants over ordinary shares;
- the Group announced an updated Inferred JORC-compliant Mineral Resource Estimate ('MRE' or the 'Resource') of 375,000 Troy ounces ('oz') grading 2.30 grammes per tonne ('g/t') gold ('Au') for Bakassi Zone 1, one of four prospects at its 82.2%-owned Bibemi orogenic gold project ('Bibemi' or the 'Project') in Cameroon, and
- the Group reported that, in respect of its Senala project in Senegal, its JV-partner, Managem has confirmed expenditure over the 6 years of an earn-in agreement of \$5.8M, so securing a 59% interest in the Senala project.

# Advisors & Offices

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# Glossary

Term	Definition
Au	Chemical symbol for gold
breccia	A rock composed of sharp-angled fragments embedded in a fine-grained matrix. It can also be used to describe localised areas of sharp-angled fragments within a fine-grained matrix within any rock type.
Cu	Chemical symbol for copper.
cut-off	The lowest grade value that is included in a resources statement. It must comply with JORC requirement 19: "reasonable prospects for eventual economic extraction". It may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.
dyke	A tabular body of intrusive igneous rock emplaced vertically or at a steeply inclined angle to the horizontal and usually cross-cuts the host rock.
felsic	A general term used to describe an igneous rock that contains an abundance of 'light-coloured' silicate minerals such as quartz and feldspar. Also defined by a silica content of > 69%.
g/t	Grammes per tonne, equivalent to parts per million.
granite	A medium to coarse-grained igneous rock that is rich in quartz and feldspar minerals. Granites are the most common 'plutonic' rock in the Earth's crust, formed by the cooling of magma at depth.
Greenstone belt	An area, typically in Precambrian shields, occupied by igneous (± sedimentary) rocks of variable compositions that have been subjected to 'Greenschist facies' metamorphism and defined by the presence of green-coloured metamorphic minerals such as chlorite, epidote and actinolite. Globally, 'greenstone belts' host district scale economic mineralisation of a range of commodities including gold, silver, copper, zinc and lead.
hydrothermal solution	Typically a high temperature saline solution that is capable of dissolving a wide range of elements including economic metals such as gold, silver, copper, zinc, and lead. The movement of hydrothermal solutions through the Earth's crust enables transportation of economic metals/minerals and are generally required to form mineral deposits e.g. orogenic gold deposits.
igneous	A term used to describe rocks that have solidified from lava or magma.
Indicated Resource	The part of a Mineral Resource for which tonnage, densities, shape, physical characteristics grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling, and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.
Inferred Resource	The part of a Mineral Resource for which tonnage, grade, and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
JORC	The Australasian Joint Ore Reserves Committee Code of Reporting of Exploration Results, Mineral Resources and Ore Resources, 2004 (the 'JORC Code' or 'the Code'). The Code sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Ore Resources in Australasia.
Limestone	A sedimentary rock made from calcium carbonate (CaCO <sub>3</sub> ) usually in the form of calcite or aragonite. Limestones typically form at or below the seafloor when calcite and/or aragonite precipitates out of water containing dissolved calcium.
mafic	A general term used to describe an igneous rock that contains an abundance of 'dark coloured' minerals such as olivine, amphibole, pyroxene, and biotite. Also defined by a silica content of between 45 and 52%.

# Glossary

metamorphic	A term used to describe a rock that has undergone transformation typically by a combination of heat and/or pressure conditions, or other processes, that were significantly different from those encountered at the surface of the earth.
metasediment	A term used for a metamorphic rock formed when a sedimentary rock undergoes partial or completed recrystallisation under conditions of temperature and pressure that were significantly different from those encountered at the surface of the earth.
Mineral Resource	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality, and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated, or interpreted from specific geological evidence, into Inferred, Indicated, and Measured categories when reporting under the JORC Code.
Moz	Million troy ounces.
orogenic gold deposits	A mineral deposit type formed from hydrothermal solutions at depths of between 6,000 and 20,000m and in the temperature range of 300-550°C. Typically these deposits are controlled and shaped by the structural deformation that occurs during mountain building events known as orogenies
oxide gold	Gold mineralisation that occurred within the 'oxide zone' as free gold
oxide zone	A zone of weathered rock occurring at or close to the Earth's surface
oz	Troy ounce (=31.103477 grammes)
porphyry	A general term for any igneous rock in which relatively large crystals (phenocrysts) constitute 25% or more of the volume and are set in a fine-grained ground mass. Can also be used in conjunction with a mineral where the rock is rich in that component or rock descriptor where appropriate e.g. quartz-feldspar porphyry.
schist	A general term for a medium-grained metamorphic rock defined by the presence of schistose texture, which is where elongate minerals are aligned into thin, often repeating, parallel layers. Can be used in conjunction with a mineral or rock descriptor where appropriate e.g. quartz-pyrite schist or mafic schist
sedimentary	A term used to describe a rock that has formed by the accumulation of deposition of minerals and/or organic particles at the Earth's surface followed by cementation
Shear zone	A tabular zone of rock showing evidence of shear stress i.e. a stress field that is acting parallel to a plane passing through any point in the body. Shear zones are a common feature of orogenies and present a structural control that can be favourable for the formation of orogenic gold deposits.
silica	A general term white or colourless crystalline compound (SiO <sub>2</sub> ), occurring abundantly as crystalline quartz. This term also includes materials such as sand, flint, agate, and many other industrial related minerals used in the construction of glass and concrete etc.
sulphide gold	Gold mineralisation occurring within the 'sulphide zone' can occur as both free gold or locked within the sulphide crystal structure.
sulphide zone	Unweathered rock occurring below the 'oxide zone' and containing metal-sulphide minerals.
tonalite	An igneous rock composed of crystals that are clearly visible to the naked eye and defined by a composition of greater than 20% silica.
tonne (t)	1 million grammes.



Oriole Resources PLC

[www.orioleresources.com](http://www.orioleresources.com)