

Company No. 05285814

Alba Mineral Resources plc

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2023

Alba Mineral Resources plc

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Alba Mineral Resources plc

OFFICERS AND PROFESSIONAL ADVISERS

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George Frangeskides (Chairman)
Michael Nott
Elizabeth Henson

SECRETARY

Ben Harber

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Alba Mineral Resources plc

CHAIRMAN'S STATEMENT

The Board of Alba Mineral Resources plc is pleased to report the results for the financial year ended 30 November 2023.

References to the "Company" or "Alba" are to Alba Mineral Resources plc and references to the "Group" are to Alba collectively with its Subsidiary Companies (as listed in Note 13).

CHAIRMAN'S STATEMENT

Alba's corporate strategy is to unlock latent value from previously drilled or mined projects and to this end we are advancing multiple projects across the Dolgellau Gold Belt in Wales, with a particular focus on the Clogau-St David's Gold Mine ("Clogau" or the "Clogau Project"). Additionally, we hold significant stakes in two investee companies, including GreenRoc Mining Plc ("GreenRoc"), an AIM-quoted vehicle which is dedicated to the exploration and development of critical mineral projects in Greenland. After the year end, we announced that we had purchased an option over 50% over a lithium exploration project in Western Australia.

1. REVIEW OF ACTIVITIES

1.1 WELSH GOLD PROJECTS

Introduction

The story at Clogau and the wider Dolgellau Gold Belt this past year has been of our team having to manage a series of obstacles to the implementation of our work programmes. However, due in no small measure to our ability to overcome those many challenges that have been thrown at us, as I write I am more optimistic than ever about the prospects for the Clogau Mine.

The most obvious example of those obstacles came during the course of the dewatering of our primary in-mine gold target, the Llechfraith Target within the Lower Llechfraith Workings. Having spent the best part of two years undertaking a painstaking Habitat Regulations Assessment for the Mine, and finally obtaining the permits in July 2023 to enable us to commence the dewatering of those workings, we then encountered freak and sustained rainfall of historic proportions in north Wales during the summer of 2023 which meant that our permits had to be effectively re-applied for, to allow for much higher pumping rates. Nonetheless, we now have those enhanced permits and are busy getting on with preparations for blasting and bulk sampling.

In this section, I cover the progress made at the Llechfraith Target as well as over our regional exploration targets and at the historic gold Waste Tip.

Clogau and the Llechfraith Target (100% owned)

During the first half of the reporting period, much our work was focused on securing the ecological permits required for us to be able to dewater and then explore the Llechfraith Target within the Lower Llechfraith Workings at Clogau, this being our highest priority gold target within the Mine system. During the second half of the reporting period and in the post reporting period, we have been getting on with implementing our work programmes.

The Llechfraith Target at Clogau has all the key geological characteristics for the occurrence of high-grade gold mineralisation, including greenstone sills, Clogau Shales and structural complexity in the lode itself. This area was a key focus for the last large-scale development efforts at Clogau, prior to Alba's time.

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In July 2023 we were delighted to report the award to us of the key ecological permits in relation to our plans to bulk sample the Llechfraith Target. Having already done much of the preparatory and planning work in advance in terms of lining up contractors, equipment and materials, we were able to start the dewatering exercise within a matter of days following permit grant. And once the workings had been dewatered to a sufficient extent, our contractors were able to start work on the essential safety and access works which would enable us to make our way safely into the lower workings.

Dewatering was initially successfully undertaken down to circa six metres depth, however unseasonal and exceptionally heavy rainfall during last summer, some three times higher than the average for the time of year, resulted in the workings reflooding. In September 2023, we were refused our request for a temporary extension to higher rate abstraction to take account of those exceptionally heavy rains in July and August. So, while we progressed our applications for formal variations to our discharge and abstraction permits, we at the same time commenced emergency abstraction under the statutory right afforded to us under the Water Resources Act 1991 to protect the integrity of the safety and access works we had completed on Levels 2 and 3 prior to the workings reflooding.

The formal permit variations were granted in December 2023, and enabled us to complete the dewatering of the Mine down to and including No.4 Level.

Once access was obtained to No.4 Level, our team took more than 40 samples from there and then processed those samples through the Company's Gravity Processing Plant to produce heavy mineral concentrates. Composites of the concentrates were then sent to a third-party refining facility and returned exceptional gold grades:

- From Composite 1: 3.1 grams of gold were recovered from 49.2 kg of sample (dry weight), equating to a back-calculated head grade of 89.15 g/t or 2.87 troy ounces per tonne (oz/t).
- From Composite sample 2: 3.2 grams of gold were recovered from 34.4 kg of sample (dry weight), equating to a back-calculated head grade of 111.63 g/t or 3.59 oz/t.
- From Composite sample 3: 4.0 grams of gold were recovered from 36.9 kg of sample (dry weight), equating to a back-calculated head grade of 133.73 g/t or 4.30 oz/t.

While the planned bulk sampling within the extension to the Llechfraith Payshoot below No.4 Level will target "bonanza" type grades of the kind found in previous periods of mining at Clogau, if the above grades encountered on No.4 Level are replicated more extensively, this is expected to significantly strengthen the economic case for reopening the mine for commercial production.

A cabin structure on the Llechfraith Adit level is a key part of the bat exclusion and noise mitigation measures which were implemented by us in order to secure the necessary environmental permits to enable us to proceed with bulk sampling works at the Lower Llechfraith Workings. Acoustics tests which we undertook in September 2023 demonstrated that these measures were sufficiently effective for us to be granted an extension to our permission (under a European Protected Species Licence) in November 2023 which entitles the Company to continue its operations to dewater and explore the Lower Llechfraith workings at Clogau continuously until 31 September 2024.

Dolgellau Gold Exploration Project (100% owned)

In relation to our airborne geophysical surveys over some of the key regional exploration targets over the Dolgellau Gold Belt, the start date was impacted by delays in getting the go-ahead from the Civil Aviation Authority and subsequently by adverse weather conditions across the survey areas. In the end, we obtained the final permission and completed the surveys in February 2024.

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As at the date of writing, we have announced the results of the interpretation of the geophysical data collected over the Clogau mine area, which has identified three new gold targets. Two of those are within the envelope of the existing mine area, which is an advantage as it should be feasible to access and drill those targets directly from underground. We await the results of interpretation of the data sets covering the other two regional target areas covered of Hafod Owen and Castell Carndochan.

Clogau Waste Tip (100% owned)

Meanwhile, over at the historic Waste Tip, where average grades from Alba's sampling of the fine fraction (<20mm material) have averaged more than 2 g/t, following a review of the plan for future exploitation of the Waste Tip the Company has decided to carry out a trenching programme prior to submitting a planning application for the Waste Tip. As at the date of writing, the trenching programme has collected around 35 tonnes of fines material and we are now proceeding to process that material for its gold content.

1.2 GREENROC MINING PLC

Introduction

From September 2021, when Alba completed the spin-out and IPO of our Greenland assets into GreenRoc Mining Plc ("GreenRoc"), until March 2023, Alba held a 54% majority interest in GreenRoc. As such, Alba's consolidated financial statements include GreenRoc and its subsidiaries to that date.

More recently, fundraisings completed by GreenRoc in order to push forward the development of the high-grade Amitsoq project in southern Greenland have resulted in the dilution of Alba's stake in GreenRoc to 38.17 % as at the reporting date and to 37.49% at today's date. Nonetheless, we remain by some distance GreenRoc's largest shareholder and remain heavily involved in the strategic direction and development of the company.

In fact, we did participate in GreenRoc's fundraising during the year, contributing £115,000 in the company's August 2023 share placing. We have always made it clear that we would look to support GreenRoc's fundraising efforts as and when it is feasible to do that. Since its IPO, GreenRoc has consistently delivered excellent results and made great strides at what is turning into a world-class graphite project at Amitsoq.

Developments during the reporting period

GreenRoc made significant progress at the Amitsoq Project during the year. The highlights have included:

- In January 2023, a three times increase was declared in the Mineral Resource Estimate ("MRE") for the Amitsoq Island Graphite Project, which now totals 23.05 Mt at a grade of 20.41% C(g) for 4.71 Mt contained graphite.
- In February 2023, the European Raw Materials Alliance declared its official support for the Amitsoq Project, calling it a deposit of "global importance".
- In March 2023, GreenRoc was named "Greenland's Prospector and Developer of the Year" at PDAC Toronto.

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- In September 2023, GreenRoc commenced a Feasibility Study on establishing an active anode material (AAM) processing plant in Northern Europe, partly funded by a £250k grant from the UK's Automotive Transformation Fund (ATF).
- In October 2023, GreenRoc published an independent Preliminary Economic Assessment (PEA) for Amitsoq, which validated the Project's potential to become a globally significant producer of graphite concentrate. The PEA's highlights included:
 - An after-tax NPV8 of US\$179M, an IRR of 26.7% and 22-year a life of mine ("LOM");
 - Total gross revenue of US\$2.1Bn over the LOM, with average net revenue of US\$89.8M per year; and
 - A 4-year payback period on capital from the start of production.

Post year end highlights included the following:

- January 2024: GreenRoc published successful electrochemical battery test results on AAM produced from Amitsoq graphite.
- February 2024: GreenRoc announced that the exploitation licence process for Amitsoq is expected to accelerate after recent changes in Greenland mining laws, resulting in the Amitsoq exploitation licence application being expected to be filed in H1 2024 with a possible grant of licence by the end of 2024.
- March 2024: GreenRoc participated in the Minerals Security Partnership (MSP) roundtable at PDAC Toronto, hosted by the South Korean Government.
- May 2024: GreenRoc announced the compelling results of a Preliminary Feasibility Study ("PFS") in respect of the establishment of a downstream processing plant to produce active anode material from graphite concentrate produced from GreenRoc's planned graphite mine at Amitsoq, South Greenland. The after-tax NPV8 for the anode plant operation was calculated at US\$545M with an IRR of 25.3%, total gross revenue of US\$6.5Bn over a 22-year operating period, total gross profit totalling US\$2.7Bn and a 4-year payback period on capital from the start of production.

These PFS results firmly place GreenRoc as one of the few realistic contenders to supply the European electric vehicle battery industry with domestically produced active anode material, and reinforce the company's plans for a vertically integrated production model for Amitsoq, from mine to battery anode material production.

With all of this progress delivered and more to come, at Alba we believe that Amitsoq is well set to continue its upward trajectory towards development and production.

1.3 OTHER PROJECTS AND INVESTMENTS

During the period, we surrendered the licence for our Limerick Base Metals Project. The targets we had identified for exploration drilling at Limerick could not be progressed as planned due to landowner access issues, and alternative drill collar locations proved not to be financially viable. As such, we were obliged to surrender the licence.

In March 2023, the majority licence holder of the Horse Hill Oil Field in Surrey, England, UKOG Plc, announced the terms of a proposed farmout arrangement to a third-party group which would fund a seismic survey at Horse Hill. The farmout is subject to approval by the shareholders of the operator of the field, Horse Hill Developments

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Limited ("HHDL"), including Alba. UKOG announced in December 2023 the extension of those terms to 30 June 2024. As at the date of this report, the shareholders have not approved the farmout.

After the reporting date, HHDL made a partial repayment of shareholder loans, Alba receiving £102,000.

In April 2024, we announced that we had acquired an option to purchase a 50% interest in the Andover West Lithium Project, a highly prospective lithium exploration project in the West Pilbara, Western Australia (encompassing the lithium rights in mineral exploration licence E47-3373 and exploration licence application ELA47-4844). Favourable geology within the Project area is indicative of its lithium potential. A significant amount of lithium exploration activity has taken place in neighbouring tenements in recent years, including the discovery at the Andover Project immediately to the east of numerous thick, high-grade lithium intersections (e.g. 209.4m @ 1.42% Li₂O). Western Australia already hosts four of the world's biggest lithium mines, with combined reserves exceeding 500 Mt.

At the time of writing, we are in the process of carrying out confirmatory due diligence during our 30-day option period. If we elect to exercise the option for a 50% interest in the Andover West Project, we will pay GBP 250,000 in Alba shares at a premium of 25% above the VWAP of Alba ordinary shares in the 15 trading days prior to the exercise of the option plus 1 for 1 attaching 12 month share warrants at an exercise price of 0.2p per share.

2. CORPORATE

2.1 Funding

In July 2023, Alba announced a share placing, raising £750,000 before costs. A broker option was included as part of the placing, allowing shareholders and others to apply through their brokers for an allocation in the placing, and later in July it was announced that an additional £15,150 had been raised via the broker option.

After the reporting period, in March 2024, Alba announced a share placing, raising £380,000 in gross proceeds.

2.2 Investments

In March 2023, following the dilution of its shareholding in GreenRoc due to a share placing by the latter, the Group ceased to consolidate the GreenRoc companies and instead accounted for its holding in GreenRoc as an "Investment in Associate".

Under applicable accounting standards, the dilution and resulting change in GreenRoc's status from subsidiary to associate is a deemed disposal of GreenRoc by Alba which results in an accounting loss on the parent company balance sheet, as the investment value is remeasured at the date of disposal. At Group level, a profit on deemed disposal arises as previously eliminated fair value uplift from the initial IPO transaction is now partially recognised. This accounting gain does not have any tax implications for the Group.

In August 2023 Alba participated in a GreenRoc placing, subscribing for 3,026,316 Placing Shares for a total subscription of £115,000.

Alba's current holding in GreenRoc is 37.49% of the issued share capital of that company.

2.3 Other

Shortly after the reporting date, Alba announced new grants of options and warrants to management and directors at the same time as cancelling a number of warrants and options with similar terms and exercise prices. This exercise was undertaken to reflect changes in role, align incentives and ensure the options qualify for tax-approved status where possible.

During the reporting period, the Company announced a change in broker from OvalX to CMC Capital Markets.

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CHAIRMAN'S STATEMENT

For a detailed financial review, see the Strategic Report which follows this statement.

3. OUTLOOK

The outlook for our Welsh gold projects is strong, not least as we now find ourselves within touching distance of possible first gold production from the bulk sampling of both the Waste Tip and the Llechfraith Target.

With that in mind, in the next period we intend to further our partnership, marketing and offtake discussions in relation to future gold produced at Clogau and at the same time to continue our development work to establish a fully traceable "mine-to-market" supply chain. This will underpin our ability to command a premium price for our gold production.

The coming six months also promises to be very productive at GreenRoc. The publication of the much-anticipated PFS for the establishment of an anode processing plant using Amitsoq graphite as the feedstock promises to add significant value to a world-class project which already benefits from a strong economic assessment of the upstream operations.

At the same time as developing our existing assets and supporting our investee companies, we remain focused on securing one or more additional complementary assets for Alba which will help drive serious value and growth for shareholders into the future. Our first foray into a new project was announced in April 2024, with the option we have taken over the Andover West Lithium Project in Western Australia. As we are already heavily invested in the battery materials sector with our major stake in the Amitsoq Graphite Project, we see exposure to lithium, one of the other critical raw materials in an Electric Vehicle battery, as highly complementary to our existing portfolio.

Finally, I would like to take this opportunity to thank the Board and our management & technical team for their continued hard work and dedication over the course of the year and to thank our shareholders for their ongoing support. I look forward to all of us at Alba continuing our work in the year ahead to deliver on our overriding objective of generating significant value for our shareholders.

George Frangeskides
Executive Chairman
7 May 2024

Alba Mineral Resources plc

STRATEGIC REPORT

The Directors present the strategic report for Alba Mineral Resources plc for the year ended 30 November 2023.

References to the “Company” or “Alba” are to Alba Mineral Resources plc and references to the “Group” are to Alba collectively with its Subsidiary Companies (as listed in Note 13).

PRINCIPAL ACTIVITIES

The Group’s principal activity is exploration for and development of natural resources.

BUSINESS REVIEW

The Company operates principally as a holding company and specifically provides support to the Subsidiary Companies, which own and operate mining projects in Wales (gold), as well as having investments in Greenland (graphite and ilmenite) and in the onshore UK oil and gas sector.

The Directors believe that the Group’s asset and investment portfolio provides access to a range of assets with potential to add significant value for the Company’s shareholders in the long-term. Our strategy, where possible, is to target assets that have a history of production or advanced exploration and are in stable jurisdictions, and which thereby offer real potential to be brought into commercial production. At the same time, we will also continue to pursue earlier stage opportunities which fit within our overall portfolio or strategic outlook, whether from a geographic or a commodity perspective. The Andover West Lithium Project is one such opportunity, as it presents us with exposure to another of the critical raw materials which is essential to the energy transition and would, therefore, sit alongside our long-standing investment in the Amitsoq Graphite Project.

A review of activities across the portfolio is given in the Chairman’s Statement on pages 2-7.

The key challenge for the Company is identifying the most effective, including the most cost-effective, methods for progressing mineral exploration activities at our projects, with the aim being to materially advance the level of knowledge and confidence in the potential of our projects and thereby justify the committing of further resources to progress those projects rapidly through exploration and into the development phase.

KEY PERFORMANCE INDICATORS (KPIs)

At this stage in the Company’s development, the Directors regularly monitor key performance indicators associated with funding risk, being primarily projected cash flows associated with general administrative expenses and projected cash flows on a project-by-project basis. This year the Company has been able to raise the funds as needed to finance its activities.

Performance of projects is assessed using measures specific to that project. As an exploration group with no production or proven reserves, evaluation is based on exploration results and technical reports and assessments. In the review of activities, we have identified for each project the exploration results or assessments that demonstrate the progress that is being made on that project. These assessments also inform our plans for future work and assist in determining how much of our funding we allocate to each project.

During the period under review, the Company successfully secured the necessary permissions and undertook development to access key underground mine targets within the Clogau-St David’s Gold Mine, meeting a milestone set out in the Strategic Report and applying to the financial year ending 30 November 2023.

For the current year, the Board has identified the following milestones to be material indicators of value having been added to the Company:

- Producing gold from bulk sampling of the Clogau Waste Tip or from underground at the Llechfraith Target;
- Submitting a planning application for the exploitation of the Clogau Waste Tip and/or for the development of the Llechfraith Target to allow for larger-scale commercial production to commence there; and

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- Identifying and securing an interest in a mining project which is complementary to the Company's existing portfolio.

Two of the current milestones above are carried forward from 2022. Regarding planning applications, the development of our work underground at Clogau has been impacted by permitting delays and other factors outside the Company's control and this has inevitably had a knock-on effect on timelines for seeking planning permission to reopen the mine for commercial production. The work we are embarking on to bulk sample the Llechfraith Target will tell us if there are economic grades of gold for exploitation within that section of the mine. This is work that must therefore be completed before any decision to proceed with a planning application can be made. As regards the Waste Tip, the Company decided that it would be prudent to carry out a further large-scale bulk sampling exercise, this time by trenching, before proceeding with a planning application to exploit the tip as a whole.

Regarding new projects, during the reporting period the Company reviewed a number of projects in detail, focusing on those showing significant potential for near-term production or which were otherwise complementary to Alba's existing portfolio. On 24 April 2024, the Company announced the acquisition of an option over the Andover West Lithium Project in Western Australia.

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties facing the Group are:

- (i) **Funding risk** – the risk that the Group will not be able to raise sufficient funds to continue as a going concern or to progress exploration and development activities.
The Group has an ongoing requirement to fund its activities through equity capital markets. There is no certainty that funds will be available when needed. The Company prepares ongoing cash flow forecasts and closely monitors spend. As reported in Note 1b) to these Accounts, there is a material uncertainty that the Group can obtain sufficient funding to continue as a going concern as it does not have cash to cover 12 months of planned spend. Given its strong track record in raising funds as needed, the Directors have prepared these accounts on the going concern basis but must highlight this to users of the Report and Accounts.
- (ii) **Exploration risk** – the risk that exploration programmes are not successful.
Every project has exploration risk attached, being the risk that the project is not successful in finding, developing and/or extracting sufficient quantities of minerals to be commercially viable.
Specific risks are identified, evaluated and addressed on a project-by-project basis and can include finding insufficient reserves of minerals, complexity of extraction and meeting commitments or obligations under a licence. The Company addresses these risks in all phases of project planning, for example with legal and geological due diligence prior to acquisition and by employing permanent geological staff as well as engaging external consultants in relevant areas at different phases in a project's development.
- (iii) **Legal & regulatory risk** – the risk that the group will not be able to obtain the permits and consents required to progress exploration and development activities.
The Company addresses this risk by employing experts to advise on and assist with any necessary permitting and consents. It engages fully with regulatory bodies and aims to work with them to achieve a positive outcome as demonstrated by the recent water permitting success.
- (iv) **Climate-related risks** – the risk that changes to the climate impact directly on specific projects or that climate-risk related legislation affects a project directly or indirectly.
As shown by the heavy rains in July 2023 at the Clogau project, changes to weather patterns can directly impact projects and the Company will factor such climate-related risks into future planning for projects in Wales and elsewhere.
The Company strives to reduce its environmental and carbon footprint and its activities in Wales are powered by locally generated hydroelectric energy wherever possible to minimise emissions.

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- (v) Global events – such as geopolitical uncertainty and public health incidents. Both funding risk and exploration risk can be materially increased by the impact of international geopolitical, financial and public health developments, whether due to the resulting logistical challenges, because of the unavailability of exploration personnel, equipment or materials or because of any negative effect on capital markets and the availability of funding. The Company mitigates such risks this by focusing its activities in stable jurisdictions and working with local suppliers and operators. In a public health emergency, the Company closely follows all recommendations and guidelines from the relevant authorities.

FINANCIAL REVIEW

The Group made a loss of £196,000 after tax (2022: loss of £2,605,000), including an accounting gain in relation to the de-consolidation of GreenRoc of £1,475,000 and a share of loss of GreenRoc as an associate of £661,000 (although unaudited at today's date, management is satisfied that this value is not expected to change).

Operating losses were £683,000 compared with £2,607,000 in the comparative period. The reduction in costs is principally due to ceasing to consolidate GreenRoc Mining plc from 9 March 2023, where a full year of results from GreenRoc was included in the prior year. The underlying operating losses of Alba and its remaining subsidiaries are at a similar level year-on-year.

During the period, £508,000 was spent on exploration activities across the Group. Cash at the period end was £97,000. As noted above, Alba raised funding of £750,000 via a placing during the reporting period and £380,000 since the reporting date.

Intangible assets decreased by £4.9m from the prior year as at the year end. GreenRoc's intangible assets were not included in the balance. Instead, the Group's investment in GreenRoc is shown in a new line, "Investment in Associate", of £3.5m, representing the Group's investment in GreenRoc at a remeasured value at the date of deconsolidation, less any further dilution and a proportionate share of losses since deconsolidation.

Section 172(1) Statement

The Directors believe they have 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.

Addressing individually the requirements of s172, Directors are to:

- Consider the likely consequences of any decision in the long term,
Alba's stated activities are exploration and development. The nature of such activities requires a long-term perspective as it may take several years' work on a project to bring it to the point of crystallising value. In the evaluation of projects, both those in the portfolio and those identified as prospects for the Company, the Company always considers the long-term potential of the project.

- Act fairly between the members of the Company,
The Company does not differentiate between members in terms of access to information – all information is shared via the regulatory news service as required by AIM and any other communications are via public channels such as X/Twitter, YouTube and LinkedIn.

In respect of acting fairly between members, the Directors note that equity financings are typically managed by the Company's appointed corporate brokers who are responsible for book-building on each private placement undertaken for the Company. As a junior resource company, it is prohibitively expensive to undertake rights issues whereby all existing shareholders are given the opportunity to participate in an equity financing, which is why the Company expects to undertake future equity financings by way of private placements.

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In July 2023, alongside a private placing the Company offered existing shareholders and other investors who did not have the opportunity to participate in the Placing to do so by putting in place a broker option allowing subscriptions up to a certain value on the same terms and conditions as the Placing, with priority given to existing shareholders of the Company (a "Broker Option"). The Company intends to offer this option again in the future, subject to agreement with its brokers.

- Maintain a reputation for high standards of business conduct,

The Directors are committed to high standards of business conduct and promotes these via policies and procedures such as its anti-bribery and whistle-blowing policy, and a share dealing policy for dealings in shares by Directors and senior employees and requiring adherence to the same by key suppliers.

- Consider the interests of the Company's employees,

As a small Company, Alba does not have a large workforce other than the Board and management personnel and a geological team under the leadership of its COO. All employees have direct access to senior management. The Company demonstrates consideration of the interests of the team by enforcing safe working practices on sites, giving employees a range of opportunities for career development and offering competitive remuneration and flexibility in working arrangements.

- 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 endeavours to use suppliers and services local to the projects where possible. It maintains a manned office in Wales near the licence areas and engages with the local community via open days, school visits, dual language communications and visits to local landowners. The Company has also sponsored signage at a local football club in North Wales, donates to a local charity offering riding for the disabled and supports community events. The local MP and local Member of the Senedd have visited the projects.

The Company also works with other stakeholders such as regulatory and environmental bodies and The Crown Estate. Mining in the United Kingdom is highly regulated. The Company liaises closely with local and national regulatory and environmental bodies and professional advisers to ensure that the Group's activities are properly permitted and approved. Our operations in Wales are undertaken in accordance with all applicable planning, environmental and ecological regulations, and we work closely with the North Wales Minerals and Waste Planning Service ("NWMWPS"), Snowdonia National Park Authority ("SNPA") and Natural Resources Wales ("NRW") on those matters.

Approved by the Board of Directors and signed on behalf of the Board

George Frangeskides
Executive Chairman, 7 May 2024

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DIRECTORS' REPORT

The Directors present their report and the audited financial statements of Alba Mineral Resources plc for the year ended 30 November 2023. Alba Mineral Resources plc is a public limited company incorporated and domiciled in England & Wales, whose shares are publicly traded on the AIM market of the London Stock Exchange plc. The registered office address is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR.

References to the "Company" or "Alba" are to Alba Mineral Resources plc and references to the "Group" are to Alba collectively with its Subsidiary Companies (as listed in Note 13).

RESULTS AND DIVIDENDS

The profit of the Group for the year, after taxation, attributable to equity holders of the parent amounted to £116,000 (2022: £2,039,000 loss). The Directors do not recommend the payment of a dividend (2022: £nil).

DIRECTORS

George Frangeskides, Michael Nott and Elizabeth Henson served as Directors throughout the year.

DIRECTORS' INTERESTS

The beneficial interests of the Directors who held office at 30 November 2023 in the share capital of the Company, and those of their connected parties, were as follows:

	No. of Ordinary shares 2022 and 2023
G Frangeskides	48,115,199
M Nott	52,387,230

SUBSTANTIAL SHAREHOLDERS

The Company has identified the following interests of 3% or more in its issued share capital at 28 April 2024:

	No. of Ordinary shares	Percentage holding
HARGREAVES LANSDOWN (NOMINEES) LIMITED	1,011,536,269	12.16%
HARGREAVES LANSDOWN (NOMINEES) LIMITED	573,319,097	6.89%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED	563,739,427	6.78%
BARCLAYS DIRECT INVESTING NOMINEES LIMITED	560,424,076	6.74%
HSDL NOMINEES LIMITED	559,807,589	6.73%
INTERACTIVE INVESTOR SERVICES NOMINEES LIMITED	492,115,705	5.92%
HARGREAVES LANSDOWN (NOMINEES) LIMITED	476,725,608	5.73%
HSDL NOMINEES LIMITED	429,021,960	5.16%
VIDACOS NOMINEES LIMITED	310,684,010	3.73%
PERSHING NOMINEES LIMITED	281,481,143	3.38%

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each person who was a Director at the time this report was approved:

- so far as that Director was aware, there was no relevant audit information of which the Company's auditor was unaware; and
- that Director had taken all steps that the Director ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

This information is given and should be interpreted in accordance with the provisions of section 418 of Companies Act 2006.

Alba Mineral Resources plc

DIRECTORS' REPORT

AUDITORS

The auditors, PKF Littlejohn LLP, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

FINANCIAL INSTRUMENTS AND RISKS

The disclosure relating to financial instruments and risks have been included in the Notes to the financial statements (Note 22).

CORPORATE GOVERNANCE

The Board follows the Quoted Companies Alliance Corporate Governance Code. For further details see page 15.

EVENTS AFTER THE REPORTING PERIOD

See Note 25 and the Chairman's Statement from page 2.

FUTURE DEVELOPMENTS

See Chairman's Statement "Outlook" on page 7.

Approved by the Board of Directors and signed on behalf of the Board

George Frangeskides
Director, 7 May 2024

Alba Mineral Resources plc

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the Group and parent company financial statements in accordance with UK-adopted international accounting standards. 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 Group and Company and of the profit or loss of the Group for that period.

In preparing those 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 applicable UK-adopted international accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company/Group will continue in business.

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 Group and Company 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 of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

Alba Mineral Resources plc

CHAIRMAN'S STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

The Board of Alba Mineral Resources plc ("Alba" or the "Company" and, together with its subsidiaries, the "Group") is responsible for the direction and oversight of all of the Company's activities. The Board seeks, through effective and efficient decision-making, to ensure that the Company is managed for the long-term benefit of all shareholders. Ensuring good standards of corporate governance is an important part of the Board's role, with the twin objectives being to reduce risk and at the same time to add value to our business. The Chairman of the Board is responsible for ensuring the Board functions effectively, particularly with regards to Corporate Governance matters.

The Board adopted the Quoted Companies Alliance corporate Governance Code (the "Code") in line with the changes to the AIM Rules for Companies ("AIM Rules") requiring all AIM-quoted companies to adopt and comply with a recognised corporate governance code. The Code is available at www.theqca.com. The Code sets out 10 principles that should be applied. How Alba complies with those principles currently is set out below. As required by the Code, we will provide annual updates on our compliance with the Code.

At this stage in the Company's development, the Board does not fully comply with the principle of the Code which concerns the composition of the Board (see Principle 5). As projects and investments are advanced and as resources allow, the Board will actively seek to move towards full compliance with the Code.

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

Alba owns and operates mining projects in Wales (gold) as well as having investments in GreenRoc Mining Plc, a Greenland-focused exploration company listed on AIM (LON: GROC), and in the onshore UK oil and gas sector.

The Board believes that the Group's strong asset and investment portfolio provides access to a range of assets with potential to add significant value for the Company's shareholders in the long-term. Our strategy, where possible, is to target assets that have a history of production or advanced exploration in stable jurisdictions, and which thereby offer real potential to be brought into commercial production. At the same time, the Group will also continue to pursue earlier stage opportunities which fit within its overall portfolio or strategic outlook, whether from a geographic or a commodity perspective.

The key challenge for the Company is identifying the most effective, including the most cost-effective, methods for progressing mineral exploration activities at our projects. Our aim is to materially advance the level of knowledge and confidence in the potential of our projects in order to support committing further resources to progress those projects rapidly through exploration and into the development phase. The expertise of the current Board and management team, and the breadth of their contacts within the natural resources sector, will assist the Company in meeting this challenge.

Principle 2: Seek to understand and meet shareholders' needs and expectations

The Board appreciates that it is accountable to shareholders for the performance and activities of the Company and, to this end, is committed to providing effective communication with Alba shareholders. We publish all regulatory news promptly through the London Stock Exchange's Regulatory News Service ("RNS") and on our website. Shareholders and other interested parties can subscribe to automatic RNS updates via our website.

The Group is also active on social media via X/Twitter @AlbaMinerals, and the Executive Chairman regularly participates in interviews on investment channels including Q&A sessions. The Group also hold occasional investor webinars.

Shareholders can contact the Company via info@albamineralresources.com or directly via a contact form on our website. The Board welcomes feedback from shareholders as this helps Alba to better communicate our activities and, where possible, to deal with any misconceptions in the investment market. We are constrained, however, when responding to shareholder enquiries, by the requirements of the AIM Rules, and in particular the need to avoid making selective disclosure of material information.

The Board maintains regular contact with the Company's advisers, notably our Nominated Adviser (or "Nomad"), SPARK Advisory Partners, and our retained broker, CMC Markets, which also assists the Company in understanding the views of shareholders and the wider investment market.

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

The Board acknowledges that the long-term success of the Company is reliant on the efforts of employees and contractors, suppliers and other stakeholders. As a natural resources company, we feel that we have a responsibility to engage openly, transparently and effectively with community stakeholders and local and national government agencies in the countries in

Alba Mineral Resources plc

CHAIRMAN'S STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

which we conduct operations. The Board is keen to maintain an open dialogue and co-operation with key stakeholders as the Company seeks to advance its projects and investments.

For further information on our efforts in these areas see the Directors section 172(1) statement on page 10.

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

The Board identifies, assesses and manages various risks in its decision-making and constantly evaluates the Company's risk tolerance as part of its strategy as an exploration company. These range from financial and legal risks, to environmental, exploration, regulatory and management risks and more recently risks related to climate change. The Board will also seek consultation with experts in any area where a particular risk is identified.

The financial risks to the Company are addressed in this document in Notes 1 and 22 to the accounts. This covers funding risk, credit risk, liquidity risk and market risk, all areas which are monitored closely by the Board with a particular focus on funding risk.

Environmental and exploration risks are considered at a project level and are constantly under review as project work is planned and undertaken. Some elements of regulatory risk are also project-specific and would be included within that review.

Regulatory risk at a corporate level is addressed annually during production of the Company's Report and Accounts and also at other times such as when notices are received from relevant regulatory bodies. This point is addressed further in Principle 10.

Management risks are mitigated by attracting talent and providing stability and continuity through appropriate remuneration and the awarding of long-term share options, plus a culture of openness within the team, so that all members of the management team feel comfortable in raising any issues with the Board and Chairman.

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their adequacy and effectiveness. These internal controls are designed to safeguard the assets of the Group and ensure the reliability of financial information for both internal and external use and publication.

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

The Board comprises the Executive Chairman and two Non-Executive Directors, Elizabeth Henson (independent) and Mike Nott, who is not considered to be independent.

The Board is aware that it is not currently compliant with the Code in respect of not having two independent Non-Executive Directors, and in having an Executive Chairman fulfilling the role of Chief Executive. The Directors believe that this is appropriate at this stage of the Company's development but both aspects are kept under regular review with a view to moving to full compliance once the Company has achieved a significant, sustained increase in its market capitalisation.

The Board has a wide range of experience directly related to the Group and its activities and its structure ensures that no one individual dominates the decision-making process. The Board also regularly seeks third-party expert advice to support its decisions.

The Board meets on an ad-hoc basis as decisions are required, with update Board meetings also held periodically. During the year, eight scheduled Board meetings were held and all three Directors attended. Various additional matters were approved by written resolutions.

Each of the Directors has entered into a Service Contract or Letter of Appointment with the Company. Under the terms of these agreements, each Director has agreed to devote such time and attention as is necessary to carry out his or her responsibilities and duties as a director.

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

The Board currently consists of three Directors and, in addition, the Company employs Ben Harber of Shakespeare Martineau LLP to act as Company Secretary. The Directors have a range of technical, commercial and professional skills and the majority have experience in the public markets. The Board also engages technical advisers whose specialism is in either mining or oil and gas and who are thereby able to assist the Board in making effective decisions in relation to the Company's projects and investments. The Group employs a COO and CFO.

Alba Mineral Resources plc

CHAIRMAN'S STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

Further information about the Directors' experience, skills, capabilities and personal qualities is published on our website and on page 19 below. The Directors attend industry forums and conferences in addition to maintaining strong links within the minerals and investment communities through regular networking. The Company subscribes to mineral and mining publications for internal use and Directors are encouraged to maintain individual continuing professional education programmes in their respective disciplines.

In addition to its COO, CFO and technical advisers (about whom further details can be found on the "Board and Management" page of the Company's website and in the latest corporate presentation, also found on the Company's website), the Company retains the services of auditors in the UK, a Nomad, broker and solicitors (for details see page 1).

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

Internal evaluation of the Board and individual Directors is undertaken on an ad-hoc basis in the form of peer appraisal and discussions. A further evaluation, in the form of a questionnaire-type assessment tool is undertaken annually.

Given the current size of the Company, Board and senior management appointments are infrequent and subject to the individual being the right "fit" for the Company. The Board seeks prospective candidates via its network of contacts in the industry in the first instance and then via professional search agencies if required.

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

The Board recognises that it has a responsibility to set the corporate culture of the Company as a whole, and that sound and ethical behaviour will contribute to the success of Alba's projects and reputation. The Company operates internationally and as such is mindful of local cultures and practices when planning and carrying out activities. The Board also has in place an approved anti-bribery and whistle-blowing policy. Given the size of the Company, Alba's management remains close to the day-to-day operations and therefore better able to oversee the activities of the Company's representatives. As the Company grows, the Board will oversee the development of guidance on the Company's policies to be issued to new employees and contractors.

The Company has in place a share dealing policy for dealings in shares by Directors and senior employees in line with the framework set by the AIM Rules and the UK Market Abuse regime ("MAR") and also requires adherence to the same by key suppliers. In addition to abiding by the AIM Rules, as Alba operates in the natural resources sector, the AIM Note for Mining and Oil and Gas companies is applicable.

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

Ultimate authority for all aspects of the Company's activities rests with the Board. While the roles of Chairman and Chief Executive are not separated, the Board receives regular updates on activities both formally and informally and has unrestricted access to management and to the technical advisers of the Company. Each Board member also has access to the Company's solicitors and any independent professional advice they might need to discharge their duties effectively.

The Executive Chairman is the leading representative of the Company, presenting the Company's strategy to external interested parties. His responsibilities also include taking the Chair at Board Meetings and at General Meetings, where he is responsible for ensuring the appropriate supply of information. The Executive Chairman is also responsible for the development and execution of the Company's long-term strategy, overseeing matters pertaining to the running of the Company and ensuring that the Company meets all legal requirements and corporate responsibilities. The Non-Executive Directors do not have specific individual responsibilities or remits.

All Directors sit on the Remuneration Committee, although a director whose performance, remuneration and employment terms are due to be discussed at such a meeting shall absent himself or herself from the discussion and not vote on any proposed terms which relate to him or her. The Remuneration Committee reviews the performance of the Executive Director(s) and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the Company's share option plan and the award of shares in lieu of bonuses pursuant to the Company's remuneration policy.

The Audit Committee comprises Mike Nott, Elizabeth Henson and the Group's CFO Sarah Potter, a chartered accountant. The Executive Chairman attends the Audit Committee by invitation. The Committee meets a minimum of twice per year and has met twice in the reporting period in order to consider matters within its remit.

Alba Mineral Resources plc

CHAIRMAN'S STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

The principal duties and responsibilities of the Audit Committee include:

- Overseeing the Company's financial reporting disclosure process; this includes the choice of appropriate accounting policies.
- Monitoring the Company's internal financial controls and assess their adequacy.
- Reviewing key estimates, judgements and assumptions applied by management in preparing published financial statements.
- Annually assessing the auditor's independence and objectivity.
- Making recommendations in relation to the appointment, re-appointment and removal of the company's external auditor.

Given the size of the Board, there is no separate Nominations Committee and therefore recommendations for appointments to the Board are considered by the Board as a whole.

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

For details of the various channels Alba uses for communicating with shareholders, see Principle 2 above.

The results of voting on resolutions proposed at the Company's AGM are reported via RNS and recorded in the "News" section on the Company's website.

In the past five years, there has been no significant level of votes cast against any resolutions put to shareholders at the Company's AGM (where "significant" would mean at least 20 per cent of the votes cast being against a particular resolution).

Historical annual reports and half-yearly results can be accessed via the Company's website under "Reports and Accounts". Final results and interim results are also released via RNS and therefore also reported in the "News" section of the website.

Alba Mineral Resources plc

CHAIRMAN'S STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

BOARD OF DIRECTORS

George Frangeskides, Executive Chairman

Mr Frangeskides has a broad range of experience gained from over 25 years in the legal and corporate advisory sectors in Australia and the United Kingdom. Prior to working in the mining sector, Mr Frangeskides practised as a lawyer in London and Sydney focusing on corporate finance, commercial and capital market transactions.

With his experience in mergers and acquisitions, Mr Frangeskides leads all corporate negotiations for the Company. He has an extensive network of contacts across the mineral exploration and investment sectors in the UK, Asia-Pacific, North America, Middle East and Far East regions, giving the Company wide exposure to both investors and potential investments.

A confident communicator, Mr Frangeskides regularly makes presentations about the Company and projects to the media and to shareholders.

Michael Nott, Non-Executive Director

Mr Nott is a geologist and mining engineer by profession and has over 40 years' experience in the oil and gas, mining, minerals and quarrying industries. His early career was based in Zambia, including eight years with Roan Consolidated Mines Limited. He was a regional manager for Pioneer Aggregates (UK) Limited, then an Australian company, and later a director of Jay Minerals Services Limited and Hills Aggregates Limited, becoming trading director of ARC (Southern) Limited and production director of C. White Limited.

Mr Nott draws on his extensive experience of both the mining industry and the corporate world to offer pragmatic advice to the Company.

Elizabeth Henson, Independent Non-Executive Director

Ms Henson was previously a senior international tax partner for PricewaterhouseCoopers LLP (PwC), based in London. She was the Founder and Leader of PwC UK's International Wealth business and is considered a leader in her field and has an established and substantial contact base consisting of some of the wealthiest entrepreneurs and high net worth individuals from the UK and across the globe.

Ms Henson was the 2018 Spears Private Client Accountant of the Year and won the Citywealth Powerwomen Awards Silver award for Woman of the Year – Leadership (Large, Institutional) in 2016, 2018 and 2019, among other awards. She has a huge amount of professional experience across a wide range of sectors and countries and her advice and input will benefit the Group as it looks to grow. Her financial background adds to the strength and depth of the Board.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

Opinion

We have audited the financial statements of Alba Mineral Resources Plc (the 'group') for the year ended 30 November 2023 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Cash Flow Statements 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 affairs as at 30 November 2023 and of its 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
- 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 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.

Material uncertainty related to going concern

We draw attention to note 1b in the financial statements, which indicates conditions that may cast significant doubt on the ability of the Group and Parent Company to continue as a going concern. The Group has incurred a net loss of £0.2m during the year ended 30 November 2023 and has a cash balance of £97k as at 30 November 2023. As stated in note 1b these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Group and Parent Company's ability to continue as a going concern. The Group is reliant on a future successful fundraises by the Parent Company to fund its recurring outgoings and projected exploration expenditure for the twelve months from the date that the financial statements are approved. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the director's 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 company's ability to continue to adopt the going concern basis of accounting included:

- Confirming the mathematical accuracy of the projections.
- Considering the committed cash flows within the projections consistency against contractual arrangements and historic information and compared general overheads to current run rates.
- Critically assessing management's assumptions of raising the required funds to support the operations of the Group and Parent Company through discussion and also reviewing post year end board minutes and RNS releases.
- Obtaining supporting documentation to evidence the cash inflows post year end from the November and March 2024 fundraise.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

- Stress testing the forecasted cash flows by stripping out sources of income that are not at the current time guaranteed. We have discussed with the directors the strategies that they are pursuing to secure further funding if and when required.

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

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatement. At the planning stage, materiality is used to determine the financial statement areas that are included within the scope of our audit. Materiality applied to the group financial statements was £349,000 (2022: £365,000) with performance materiality set at £244,300 (2022: £225,500). The benchmark for determining materiality of the group was 3% of net assets (2022: 3% of net assets), given that the most significant balances for the Group relate to the exploration and evaluation assets, investments, cash and cash equivalents.

A benchmark of 70% (2022:70%) for performance materiality for our audit of the group and parent company was applied as we believe that this would provide sufficient coverage of significant and residual risks.

We agreed with the audit committee that we would report to them all audit differences identified during the course of our audit in excess of £17,400 (2022: £18,250) for the group. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality applied to the parent company's financial statements was £342,000 (2022: £328,500) with performance materiality of £239,400 (2022: £229,950). The benchmark for determining materiality of the parent company was 3% of net assets (2022: 3% of net assets), given that the most significant balances relate to investment in subsidiaries and associate, investment in Horse Hill Developments Limited and cash and cash equivalents. The parent company is the funding vehicle for the exploration work carried out by the subsidiaries.

For the parent company, we agreed with the audit committee that we would report all individual audit differences identified during the course of our audit in excess of £17,100 (2022: £16,425) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Component materiality ranged from £96,000 to £342,000 (2022: £60,000 to £328,500), based on their individual net assets.

Our approach to the audit

In designing our audit approach, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we assessed the areas requiring the directors to make subjective judgements, for example in respect of significant accounting estimates and judgements including the carrying value of evaluation and exploration assets, intra-group balances and investments in subsidiaries, the deemed disposal of GreenRoc Mining Plc as a subsidiary and subsequent recognition as an associate, and the consideration of future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

An audit was performed on the financial information of the group's material operating components which, for the year ended 30 November 2023, were located in the United Kingdom, Wales and Greenland.

GMOW (Operations) Limited and Alba Mineral Resources plc have been assessed as significant components of the group and therefore we designed procedures focused on exploration cost capitalisation and valuation of the exploration assets in accordance with *IFRS 6 Exploration for and Evaluation of Mineral Resources*. This work was significant in addressing our key audit matter in respect of capitalised exploration costs and valuation of explorations assets in which the group's exploration costs are recorded. We also performed audit work for the purposes of the Group audit on the financial information of GreenRoc Mining Plc.

Work on all significant components of the group has been performed by us as group auditor.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

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. In addition to the matter described in the Material uncertainty related to going concern section 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
<p>Carrying value capitalised exploration costs – group</p> <p>As at 30 November 2022, the group held £3,520k (2022: £8,450k) of intangible assets, comprising capitalised exploration costs. This is a material amount in its Consolidated Statement of Financial Position.</p> <p>There is a risk that these assets have been incorrectly capitalised in accordance with IFRS 6 - Exploration for and Evaluation of Mineral Resources ("IFRS 6"), and that there are indications of impairment as at 30 November 2023 which have not been identified by Management. Management's assessment of impairment under IFRS 6 requires significant estimation and judgement particularly in relation to early-stage exploration projects.</p> <p>There is a risk that the carrying value of these intangible assets could be overstated (refer to notes 2 and 10).</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Confirmation that the Group has good title to the applicable licences held; • Considering whether there are indicators of impairment as disclosed under IFRS 6 (e.g. the entity not having the right to explore the specific area, substantive expenditures on further exploration activities have not been made, and exploration activities have not led to the discovery of commercially viable quantities of mineral resources); • Evaluating future plans for the license areas as detailed by management and assessing these against Group budgets, board minutes and RNS releases; • Evaluating management's impairment assessment and considering key factors in light of other available information, including management's impairment indicators assessment; • Substantive testing to assess whether costs capitalised in the year have met the capitalisation requirements of IFRS 6; and • Reviewing the disclosures in the financial statements, including those relating to estimates and judgements used, and evaluate their completeness in the accounting period.
<p>Disposal of subsidiary undertaking and carrying value of the investment in the associate (note 11)</p>	
<p>GreenRoc Mining Plc was a subsidiary of the Company during the year ended 30 November 2022 with a 53.96% shareholding. Throughout the year ended 30 November 2023, GreenRoc Mining Plc undertook several equity placings, diluting Alba's shareholding to 38.17%. Management consider this the date control has been lost. The holding as at year end was 38.17%.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • A review of the accounting entries in relation to the derecognition of the subsidiary and subsequent recognition of an associate, involving subsidiary accounting up to date of disposal, and share of equity in associate thereafter;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

<p>GreenRoc Mining Plc is consolidated as part of the Group's results up until 1 March 2023, at which point the net assets are derecognised and replaced with an equity investment at fair value, with a resulting profit or loss on disposal. The carrying value of the investment in GreenRoc Mining Plc at 30 November 2023 was £3,447k.</p> <p>Management must apply their judgement in relation to an assessment of significant influence over the associate in accordance with the principles of IAS 28 and, following derecognition of the subsidiary, there is judgment involved in assessing the recoverability of the year end equity accounted balance since the ultimate recoverability of the investment is likely to be linked to the recoverability of underlying assets within GreenRoc Mining Plc.</p> <p>There is also a risk that the activity recorded in the consolidated statement of comprehensive income for the disposal of the subsidiary upon the loss of control could be incorrect.</p>	<ul style="list-style-type: none"> • Reviewing management's calculation of the gain or loss on disposal as at disposal date, ensuring derecognition of net assets at the date of disposal and agreeing to share issue movements of GreenRoc Mining Plc so as to ensure dilution has been appropriately accounted for; • Auditing the underlying records of GreenRoc Mining Plc for the purposes of inclusion within the consolidation; • Obtaining and considering management's assessment of the loss of control in accordance with IAS 28 as at date of loss of majority shareholding against other available corroborative information; • Consideration of recoverability of the investment in associate by reference to underlying net asset values, including the recoverability potential of the underlying exploration projects; and • Reviewing the presentation and disclosure in the financial statements to ensure this is applied in accordance with UK adopted IAS. <p>As is common for many junior entities within the natural resources sector we note that the ultimate recoverability of the carrying value is likely to be linked to the associate's ability to continue to raise further funds in the future to continue development of its assets.</p>
<p>Carrying value of investments in subsidiaries and intra-group receivables - parent company</p>	
<p>The parent company holds material investments of £1,455k (2022: £6,955k) in its Statement of Financial Position related to its subsidiary undertakings. There are also material intragroup balances of £1,990k (2022: £1,550k) as the parent company funds operations in the subsidiaries.</p> <p>Given the losses in the subsidiaries, there is a risk that the investments in subsidiaries (where capitalised exploration costs are the main asset) may not be fully recoverable and therefore overstated (refer to notes 2 and 13). To a significant degree the carrying value of the investments in subsidiaries is intrinsically linked to the value of the capitalised exploration assets held within them.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Confirming ownership documents for investments in subsidiaries held by the parent company. • Reviewing and assessing management's impairment assessment of the valuation of investment per IAS 36 Impairment of assets, with reference to the carrying values of the underlying intangible assets in accordance with IFRS 6. • Reviewing and considering management's assessment of the intragroup balance receivables in respect of the requirements set out in IFRS 9 Financial Instruments. • Evaluating the presentation and disclosures given in the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

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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 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 company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the 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 financial statements, the directors are responsible for assessing the 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 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALBA MINERAL RESOURCES PLC

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 discussions with management, industry research, application of our cumulative audit knowledge and experience of the sector.
- 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, mining regulation in the relevant jurisdictions, Employment Law, Anti-Bribery and Money Laundering Regulations and QCA Corporate Governance Code.
- 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:
 - Enquiries of management regarding potential non-compliance;
 - Review of legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations; and
 - Review of minutes of meetings of those charged with governance and 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 the potential for management bias was identified in relation to the carrying value of the capitalised exploration costs and investments as described in the Key Audit Matters section above.
- 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 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. 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.

Alistair Roberts (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
7 May 2024

15 Westferry Circus
Canary Wharf
London E14 4HD

Alba Mineral Resources plc

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2023

	Note	2023 £'000	2022 £'000
Other income		55	-
Administrative expenses	5	(738)	(1,623)
Impairment expense		-	(984)
Operating loss		(683)	(2,607)
Gain on deemed disposal of subsidiary	3	1,475	-
Loss on dilution of investment in associate	3	(325)	-
Share of loss of associate	11	(661)	-
Revaluation of financial liability		-	2
Finance costs		(2)	-
Profit/(loss) for the year before tax		(196)	(2,605)
Taxation	7	-	-
Profit/(loss) for the year		(196)	(2,605)
Attributable to:			
Equity holders of the parent		(116)	(2,039)
Non-controlling interests		(80)	(566)
		(196)	(2,605)
Earnings per ordinary share			
Basic and diluted (pence)	8	(0.002)	(0.031)

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 NOVEMBER 2023

	2023 £'000	2022 £'000
Profit/(loss) after tax	(196)	(2,605)
Items that may subsequently be reclassified to profit or loss:		
- Foreign exchange movements	(1)	-
Total comprehensive income	(197)	(2,605)
Total comprehensive income attributable to:		
Equity holders of the parent	(117)	(2,039)
Non-controlling interests	(80)	(566)
	(197)	(2,605)

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 NOVEMBER 2023

	Note	2023 £'000	2022 £'000
Non-current assets			
Property, plant and equipment	9	168	150
Intangible fixed assets	10	3,520	8,450
Investment in associate – GreenRoc Mining plc	11	3,447	-
Investments – Horse Hill Developments Limited	12	2,600	2,600
Total non-current assets		<u>9,735</u>	<u>11,200</u>
Current assets			
Trade and other receivables	14	88	129
Cash and cash equivalents	15	97	456
Total current assets		<u>185</u>	<u>585</u>
Current liabilities			
Trade and other payables	16	(220)	(464)
Total current liabilities		<u>(220)</u>	<u>(464)</u>
Net current (liabilities)/assets		<u>(35)</u>	<u>121</u>
Net assets		<u>9,700</u>	<u>11,321</u>
Capital and reserves			
Share capital	18	5,137	5,076
Share premium		11,119	10,461
Warrant reserve		782	1,187
Dilution of ownership reserve		-	991
Other reserves		-	136
Retained losses		(7,506)	(8,929)
Foreign currency reserve		168	168
Equity attributable to equity holders of the parent		<u>9,700</u>	<u>9,090</u>
Non-controlling interests	19	-	2,231
Total equity		<u>9,700</u>	<u>11,321</u>

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 7 May 2024.

Signed on behalf of the Board of Directors
George Frangeskides, Director, Company No. 05285814

Alba Mineral Resources plc

COMPANY STATEMENT OF FINANCIAL POSITION

30 NOVEMBER 2023

	Note	2023 £'000	2022 £'000
Non-current assets			
Investments in subsidiaries	13	1,455	6,955
Loans to subsidiaries	13	1,990	1,550
Investment in associate	11	3,447	-
Investments – Horse Hill Developments Limited	12	2,600	2,600
Total non-current assets		<u>9,492</u>	<u>11,105</u>
Current assets			
Trade and other receivables	14	65	111
Cash and cash equivalents	15	84	322
Total current assets		<u>149</u>	<u>433</u>
Current liabilities			
Trade and other payables	16	(177)	(165)
Total current liabilities		<u>(177)</u>	<u>(165)</u>
Net current assets		<u>(28)</u>	<u>268</u>
Net assets		<u>9,464</u>	<u>11,373</u>
Capital and reserves			
Share capital	18	5,137	5,076
Share premium		11,119	10,461
Warrant reserve		782	1,187
Retained losses		(7,574)	(5,351)
Equity shareholders' funds		<u>9,464</u>	<u>11,373</u>

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

The Company has taken advantage of the exemption allowed under Section 408 of the Companies Act 2006 and has not included its own income statement and statement of comprehensive income in these Financial Statements. The Company's loss for the year was £2,639,000 (2022: a loss of £1,341,000).

These financial statements were approved and authorised for issue by the Board of Directors on 7 May 2024.

Signed on behalf of the Board of Directors

George Frangeskides, Director
Company No. 0528581

Alba Mineral Resources plc
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2023

	Share capital £'000	Share premium £'000	Warrant reserve £'000	Dilution of ownership reserve £'000	Other reserves £'000	Retained losses £'000	Foreign currency reserve £'000	Attributable to equity holders £'000	Non-controlling interests £'000	Total £'000
At 30 November 2021	5,005	9,877	1,425	991	89	(7,421)	168	10,134	2,732	12,866
Loss for the year	-	-	-	-	-	(2,039)	-	(2,039)	(566)	(2,605)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	(2,039)	-	(2,039)	(566)	(2,605)
Shares and warrants issued	71	584	176	-	-	-	-	831	-	831
Equity settled share-based payments	-	-	87	-	-	-	-	87	-	87
Transfer on exercise or expiry of warrants	-	-	(501)	-	-	501	-	-	-	-
Subsidiary equity settled share-based payments	-	-	-	-	47	30	-	77	65	142
Total transactions with owners	71	584	(238)	-	47	531	-	995	65	1,060
At 30 November 2022	5,076	10,461	1,187	991	136	(8,929)	168	9,090	2,231	11,321
Loss for the year	-	-	-	-	-	(116)	-	(116)	(80)	(196)
Other comprehensive income	-	-	-	-	-	(1)	-	(1)	-	(1)
Total comprehensive income for the year	-	-	-	-	-	(117)	-	(117)	(80)	(197)
Shares and warrants issued (net of costs)	61	658	-	-	-	-	-	719	-	719
Equity settled share-based payments	-	-	11	-	-	-	-	11	-	11
Transfer on exercise or expiry of warrants	-	-	(416)	-	-	416	-	-	-	-
Subsidiary equity settled share-based payments	-	-	-	-	5	-	-	5	5	10
Dilution of ownership	-	-	-	-	(8)	-	-	(8)	330	322
Elimination of non-controlling interest on disposal	-	-	-	(991)	(133)	1,124	-	-	(2,486)	(2,486)
Total transactions with owners	61	658	(405)	(991)	(136)	1,540	-	727	(2,151)	(1,424)
At 30 November 2023	5,137	11,119	782	-	-	(7,506)	168	9,700	-	9,700

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 NOVEMBER 2023

	Share capital £'000	Share premium £'000	Warrant reserve £'000	Retained losses £'000	Attributable to equity holders of parent £'000
At 30 November 2021	5,005	9,877	1,425	(4,511)	11,796
Loss for the year	-	-	-	(1,341)	(1,341)
Total comprehensive income for the year	-	-	-	(1,341)	(1,341)
Shares and warrants issued	71	584	176	-	831
Equity settled share-based payments	-	-	87	-	87
Transfer on exercise or expiry of warrants	-	-	(501)	501	-
Total transactions with owners	71	584	(238)	501	918
At 30 November 2022	5,076	10,461	1,187	(5,351)	11,373
Loss for the year	-	-	-	(2,639)	(2,639)
Total comprehensive income for the year	-	-	-	(2,639)	(2,639)
Shares and warrants issued (net of costs)	61	658	-	-	719
Equity settled share-based payments	-	-	11	-	11
Transfer on exercise or expiry of warrants	-	-	(416)	416	-
Total transactions with owners	61	658	(405)	416	730
At 30 November 2023	5,137	11,119	782	(7,574)	9,464

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Operating loss		(683)	(2,607)
Depreciation	9	12	7
Impairment		-	984
Share based payment charges		21	228
Foreign exchange revaluation adjustment			-
(Decrease)/increase in creditors	16	(105)	(208)
Decrease/(increase) in debtors	14	108	49
Net cash used in operating activities		(647)	(1,547)
Cash flows from investing activities			
Payments for exploration expenditure	10	(508)	(2,417)
Payments for tangible fixed assets	9	(30)	(20)
Investment in associate		(115)	-
Deemed disposal by dilution – net cash impact		(98)	-
Net cash used in investing activities		(751)	(2,437)
Cash flows from financing activities			
Proceeds from the issue of shares and exercise of warrants		764	522
Costs of issue		(45)	(30)
Proceeds from the issue of shares and warrants – GreenRoc		322	-
Finance expense		(2)	-
Net cash generated from financing activities		1,039	492
Net increase/(decrease) in cash and cash equivalents		(359)	(3,492)
Cash and cash equivalents at beginning of period		456	3,948
Cash and cash equivalents at end of year	15	97	456

Significant non-cash transactions in the period not reflected above are:

- share of loss of associate of £661,000;
- loss on dilution of investment in associate £325,000; and
- gain on deemed disposal of subsidiary of £1,475,000.

See Note 3 for details.

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2023

	Note	2023 £'000	2022 £'000
Cash flows from operating activities			
Operating loss		(471)	(1,341)
Impairment expense		-	785
Share based payment charge		11	87
Movement in the expected credit loss provision for loans to subsidiaries		-	15
Foreign exchange revaluation adjustment			-
(Decrease)/increase in creditors	16	12	(2)
Decrease/(increase) in debtors	14	46	(7)
Net cash used in operating activities		<u>(402)</u>	<u>(463)</u>
Cash flows from investing activities			
Loans granted to subsidiaries	13	(440)	(370)
Investment in associate	11	(115)	-
Net cash used in investing activities		<u>(555)</u>	<u>(370)</u>
Cash flows from financing activities			
Proceeds from the issue of shares and exercise of warrants		764	522
Costs of issue		(45)	(30)
Net cash generated from financing activities		<u>719</u>	<u>492</u>
Net increase/(decrease) in cash and cash equivalents		(238)	(341)
Cash and cash equivalents at beginning of period		322	663
Cash and cash equivalents at end of year	15	<u>84</u>	<u>322</u>

Significant non-cash transactions in the period not reflected above are:

- share of loss of associate of £661,000. See Note 11 for details.

The Accounting Policies and Notes on pages 34 to 57 form part of these financial statements.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

Alba Mineral Resources plc is a public limited company incorporated and domiciled in England & Wales, whose shares are publicly traded on the AIM market of the London Stock Exchange plc. The registered office address is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

a. Basis of preparation

The consolidated financial statements of Alba Mineral Resources plc (the Company) and its subsidiaries (collectively, the Group) have been prepared in accordance with UK-adopted international accounting standards ("IFRSs") as they apply to the Group for the year ended 30 November 2023 and with the Companies Act 2006. Numbers have been rounded to £'000.

The consolidated financial statements have been prepared on the historical cost basis, save for the revaluation of certain financial assets and liabilities at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 2.

New or amended Standards and interpretations that became effective during the year ended 30 November 2023 had no impact on the Group accounts.

New standards, amendments, and interpretations not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 November 2023 reporting periods and have not been early adopted by the Group and Company. These standards include:

- Amendments to IAS 1 Presentation of Financial Statements (effective 1 Jan 2024) – Classification of Liabilities as Current or Noncurrent
- Amendments to IFRS 16 Leases (effective 1 Jan 2024) – Lease liability in a sale and leaseback
- Amendments to IAS 7 and IFRS 7 – Supplier finance (effective 1 Jan 2024)
- Amendments to IAS 21 – Lack of Exchangeability

The Directors do not anticipate that the adoption of these standards or amendments will have a material impact on the financial statements of the Company and the Group in the period of initial application or in future reporting periods. Other amendments, standards and interpretations are in issue, both endorsed and not yet endorsed, but they are not relevant to the Group and Company and as such they are not commented on.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

b. Going concern

Based on financial projections prepared by the Directors, the Group's current cash resources are insufficient to enable the Group to meet its recurring outgoings and projected exploration expenditure for the entirety of the next twelve months. The Directors have prepared cash flow forecasts to 12 months from the date of signing of these accounts which take into account planned exploration spend, costs and external funding. The need for external funding is a material uncertainty that may cast doubt on the Group's and Company's ability to continue as a going concern. At this stage as an explorer the Group does not have a steady income stream and is reliant on external funding sources such as capital raisings or asset transactions to fund activities. The nature of these is ad-hoc and as such the Group and Company do not carry a cash balance sufficient for 12 months of expenditure. However, the Board has a reasonable expectation that the Group and Company will continue to be able to meet their commitments for the foreseeable future by raising funds when required from the equity capital markets and based on the following:

- The Group has a strong track record in sourcing external funding.
- Forecasts contain a level of discretionary spend such that in the event that cash flow becomes constrained action can be taken to enable the Group to operate within available funding. The Group demonstrated this during the Covid-19 pandemic when sourcing capital was uncertain.
- The Group and Company may also consider future joint venture funding arrangements in order to share the costs of the development of its exploration assets, or to consider divesting of certain of its assets and realising cash proceeds in that way in order to support the balance of its exploration and investment portfolio.

For these reasons the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and companies controlled by the Company, the Subsidiary Companies, drawn up to 30 November each year.

Control is recognised where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, where appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity within the dilution of ownership reserve.

Non-controlling interests consist of the amounts of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

d. Foreign currency

For the purposes of the consolidated financial statements, the results and financial position of each Group entity are expressed in pounds sterling, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences arising are included in profit or loss for the period.

For the purposes of preparing consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Gains and losses from exchange differences so arising are shown through the Consolidated Statement of Changes in Equity.

e. Share based payments

Share-based compensation benefits are made on an ad-hoc basis on the recommendations of the Remuneration Committee or via the Enterprise Management Incentive Scheme where the employee meets the qualifying conditions. The fair value of warrants or options granted is recognised as an employee benefits expense, with a corresponding increase in the warrant reserve. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the warrant reserve.

f. Non-current assets

Intangible assets: Deferred exploration and evaluation costs

Pre-licence costs are expensed in the period in which they are incurred. Expenditure on licence renewals and new licence applications covering an area previously under licence are capitalised in accordance with the policy set out below.

Once the legal right to explore has been acquired, exploration costs and evaluation costs arising are capitalised on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs include appropriate technical and administrative expenses. If a project is successful, the related expenditures will be reclassified as development and production assets and amortised over the estimated life of the commercial reserves. Prior to this, no amortisation is recognised in respect of such costs. When all licences comprising a project are relinquished, a project abandoned, or is considered to be of no further commercial value to the Company, the related costs will be written off to administrative expense within profit or loss. Deferred exploration costs are carried at historical cost less any impairment losses recognised.

Where the Group has entered into a farm out agreement, the Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for as a gain on disposal.

Where the Group enters into a farm in agreement, the Group recognises all expenditure which it incurs under that agreement, with the expenditure being either capitalised or expensed in accordance with the policy detailed above.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

Property, plant and equipment

Land is shown at cost and is not depreciated as it is not a wasting asset. The land owned by the Group is an integral part of access to one of the Group's projects and as such its value is reviewed annually as part of the impairment review of that project value as a whole.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

- Plant and vehicles – 10 years
- Computer equipment – 3 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Investment in subsidiaries: Investment in subsidiaries, comprising equity instruments and capital contributions, are recognised initially at cost less any provision for impairment. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Investment in associates: An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate is recognised initially in the consolidated statement of financial position at cost from the date on which the investee becomes an associate and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment.

Adjustments are made to the carrying amount when changes in the proportionate interest in the associate arise.

If there is objective evidence that the Group's net investment in an associate is impaired, the requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

g. Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The classification is dependent on the business model adopted for managing the financial assets and the contractual terms of the cash flows expected to be derived from the assets.

The Group classifies its financial instruments as follows:

Financial assets

Trade and other receivables	Amortised cost
Loans to subsidiaries (Company only)	Amortised cost
Investments	At fair value through profit or loss (FVPL)

Financial liabilities

Trade and other payables	Amortised cost
Borrowings	Amortised cost
Other borrowings	Amortised cost

Trade and other receivables: Trade and other receivables are held for the collection of contractual cash flows and are classified as being measured at amortised cost. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

Loans to subsidiaries (Company only): Long-term loans to subsidiaries, other than capital contributions, are held for the collection of contractual cash flows and are classified as being measured at amortised cost, net of provision for impairment. Impairment is initially based on the expected lifetime credit loss as applied to the portfolio of loans. The loans are interest free and have no fixed repayment terms. As such the loans are assessed as being credit impaired on inception and lifetime expected credit losses are recognised with the amount of provision being recognised in the profit or loss.

A loan will be subject to impairment review if there is an indicator of impairment, such as the impairment of the value of the deferred exploration intangible asset within the relevant subsidiary. A loan is fully impaired when the relevant subsidiary recognises an impairment of its deferred exploration expenditure, such that the subsidiary is not expected to be able to repay the loan from its existing assets.

Investments (Company only): Investments in unlisted equity instruments whose fair value cannot be reliably measured are recognised initially at investment cost. Any shareholder loans made are included in the investment cost. Where a value can be reliably measured the investment is subsequently recognised at fair value through profit and loss. Information about the methods and assumptions used in determining fair value is provided in Note 12.

Trade and other payables: Trade and other payables are not interest bearing and are recognised initially at fair value and subsequently measured at amortised cost.

Borrowings: Initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are then subsequently measured at amortised cost using the effective interest rate method. Interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Liability components of convertible loan notes are measured as described further below.

Other borrowings: recognised initially at fair value and subsequently measured at amortised cost.

Leases: The Group does not have any leases within the scope of IFRS16.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION (continued)

h. Equity

Share capital represents the nominal value of equity shares, both ordinary and preference.

Share premium represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.

Warrant reserve represents proceeds from the issue of extant warrants.

Dilution of ownership reserve represents the difference between the fair value of any consideration paid and the relevant share of the fair value of net assets acquired in a dilutive transaction where control is retained.

Other reserves represents the proceeds from the issue of warrants by GreenRoc Mining plc attributable to the equity holders of the group.

Foreign currency reserve holds gains/losses arising on retranslating the net assets of the Group into pounds sterling.

i. Taxation

The charge for taxation is based on the profit or loss for the year and takes into account deferred tax. The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit or loss and is accounted for using the liability method.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available in the foreseeable future against which the temporary differences can be utilised.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

j. Segmental information

An operating segment is a distinguishable component of the Group which is subject to risks and rewards that are different from those of other segments. In the Group's current portfolio, the geographical location of exploration projects provides the basis for grouping into segments.

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

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

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 areas of judgement that have the most significant effect on the amounts recognised in the financial statements are as follows:

i) JUDGEMENTS

Capitalisation of exploration and evaluation costs - £3,520,000

The capitalisation of exploration costs relating to the exploration and evaluation phase requires management to make judgements as to the future events and circumstances of a project, especially in relation to whether an economically viable extraction operation can be established. In making such judgements, the Directors take comfort from the findings from exploration activities undertaken, the fact the Group intends to continue these activities and that the Company expects to be able to raise additional funding to enable it to continue the exploration activities.

Impairment assessment of exploration and evaluation costs – £3,520,000

At each reporting date, management make a judgment as to whether circumstances have changed following the initial capitalisation and whether there are indicators of impairment. If there are such indicators, an impairment review will be performed which could result in the relevant capitalised amount being written off to the income statement. For further details see Note 10 “Intangible Assets”.

This balance includes £3.5m relating to the Clogau Gold Project. Management do not judge the Exploration and Evaluation costs associated with that project to be impaired at 30 November 2023. Exploration is underway, and planned and budgeted throughout the year, and the Company expects a new option agreement to be granted to it with effect from the expiry of the current option in February 2025. The Group has no data at this point that suggests that the asset value is unlikely to be recovered from successful development.

Accounting for the investment in GreenRoc Mining plc

During the year the Group's holding in GreenRoc was diluted to below 50%, with an expectation of further dilution within the same accounting period. At the date of this report the shareholding stands at 37.49%. Management judged that once the shareholding dropped below 50%, consolidation was no longer appropriate. Agreements had been put in place at the time of the IPO in 2021 to limit the ability of Alba to control GreenRoc, and that in combination with a reduced shareholding meant that the relationship was that of significant influence rather than control. The decision was taken to reclassify the investment in subsidiary as an investment in associate. In line with IAS 28 “Investments in Associates and Joint Ventures” the investment in associate is held at remeasured cost less a share of profit or loss for the period.

Impairment assessment of the investment in GreenRoc Mining plc - £3,447,000

At the year end management made a judgement that the value of the investment in GreenRoc Mining plc was not impaired. The Group believes that the underlying value of the assets of that company, the Amitsoq graphite project and the Thule ilmenite project, supports the value of the investment. The investment is intended to be long-term until the projects are developed and the current pressure on GreenRoc's share price is a reflection of poor conditions in the sector /market. At the balance sheet date the market value of the Company's shareholding in GreenRoc was £1,544,000.

Accounting for investment in Horse Hill Developments Limited

The Group and Company's investment in Horse Hill Developments Limited (“HHDL”) is in the form of equity and a shareholder loan. However, the Directors judge that the loan is in substance part of the equity investment as governed by the HHDL investment agreement. As such the loan element of the investment is accounted for at fair value with movements in fair value being taken to profit or loss (FVTPL).

The Group and Company's shareholding in HHDL is less than 20%. A director of the Company is also a director of HHDL but does not act in an executive capacity. At the balance sheet date HHDL had a majority shareholder with a 77.9% shareholding. The Directors judge that the Company does not have significant influence over HHDL and that it should not be equity accounted for as an associate.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

Company only – Impairment assessment of investment in and loans to subsidiaries – £1,455,000 and £1,992,000

In preparing the parent company financial statements, the Directors apply judgement to decide if any, or all of the company's investments in (and where applicable loans to) Aurum Mineral Resources Limited, Dragonfire Mining Limited group and GMOW Gwynfynydd Limited are impaired or not.

These companies have no source of funds other than their shareholders and the ability of the companies to repay their inter-company debt and for the Company to gain value from its investments in the companies is dependent on the future success of the companies' exploration activities. In undertaking their review, the Directors consider the outcome of their impairment assessment of the relevant licences as detailed above.

The Directors have used the Expected Credit Loss model to make a general provision against intercompany loans receivable based on historic credit losses and current data. In applying the expected credit loss model, the directors have judged that the loans to the subsidiaries were credit impaired on inception. See Note 13 for further details.

ii) ESTIMATES

Carrying value of investment in Horse Hill Developments Limited – £2,600,000

The Company's investment in Horse Hill Developments Limited is carried at fair value, as, in the judgement of the Directors, it has been possible to estimate a reliable fair value for the investment. For further details of the valuation see Note 12.

The Directors believe that the intrinsic value of the oil field has not been diminished during the year and this is mirrored by the majority owner maintaining the asset valuation in their balance sheet from 30 September 2022 to 30 September 2023. As the majority owner has access to more information for valuation purposes than the Group, management relies on their published information to support the Group's assumptions.

Remeasurement of retained investment in GreenRoc Mining plc after deemed disposal – £4,318,000

Upon loss of control, GreenRoc was de-consolidated from Alba group via a deemed disposal. In accordance with IFRS 10, management remeasured the value of its retained investment to be taken as the cost of investment on initial recognition as an investment in associate. The value was calculated as the applicable percentage of GreenRoc's net assets immediately after de-consolidation.

3. ACQUISITIONS AND DISPOSALS

Deemed disposal of subsidiary

During the year the Group's holding in GreenRoc was diluted to below 50%, with an expectation of further dilution within the same accounting period. Management judged that once the shareholding dropped below 50%, control had been lost and consolidation was no longer appropriate. This was accounted for as a deemed disposal.

The 44.67% retained interest in GreenRoc was then accounted for as an investment in associate at a remeasured value. See the notes on management judgements above.

In the Company financial statements, the disposal was accounted for as follows:

	£'000
Book value of investment disposed of	(5,500)
Retained interest remeasured and transferred to investment in associate	4,318
Loss on deemed disposal	(1,182)

In the Group financial statements the fair value uplift arising in GreenRoc on the IPO was eliminated on consolidation as an intercompany balance. That elimination does not take place with an investment in associate. As the remeasured retained interest includes a share of fair value uplift, a gain on deemed disposal arises.

	£'000
Net assets deemed disposed of (intangible assets, cash and net current assets)	(5,031)
Non-controlling interest eliminated on disposal	2,486
Investment eliminated on disposal	(298)
Retained interest remeasured and recognised as an investment in associate	4,318
Gain on deemed disposal	1,475

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

3. ACQUISITIONS AND DISPOSALS (continued)

Partial disposals of investment in associate by dilution

During the year placings by an investee company led to dilutions of the Group's holding in that company. These were accounted for as partial deemed disposals for nil consideration, as they reduced the share of net assets held by the Group and therefore losses arose. For more information see Note 11 Investment in Associate.

4. ANALYSIS OF SEGMENTAL INFORMATION

The Group currently only has one primary reporting business segment, exploration and development. The Board of the Company evaluates the business on a sector basis, the two sectors being mining and oil and gas. The group exploration assets and investments along with capital expenditures are presented on this basis below:

	2023 £'000	2022 £'000
Total assets		
Exploration and development	7,135	8,600
Oil and gas	2,600	2,600
Current assets	185	585
	<u>9,920</u>	<u>11,785</u>
Capital expenditure		
Exploration and plant	524	2,436

The Group's primary business activities operate in three different geographical areas (and the Group has an investment in a fourth area) and the group exploration assets and investments along with capital expenditures are presented on the basis of geographical segments below:

	2023 £'000	2022 £'000
Total assets		
Greenland	-	5,343
England & Wales*	9,920	6,442
	<u>9,920</u>	<u>11,785</u>

* investment in GreenRoc reclassified from Greenland to England & Wales from de-consolidation

	2023 £'000	2022 £'000
Capital expenditure		
Greenland	94	2,091
England & Wales	430	345
	<u>524</u>	<u>2,436</u>

The administrative expenditure in the income statement primarily relates to central costs or exploration costs that cannot be capitalised.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

5. EXPENSES BY NATURE AND AUDITOR REMUNERATION

Auditor's remuneration:

	Alba and subsidiaries	GreenRoc (3 months only)	2023	Alba and subsidiaries	GreenRoc	2022
	£'000	£'000	£'000	£'000	£'000	£'000
PKF Littlejohn LLP						
- Group audit services	45	-	45	39	35	74
- Taxation advice	-	-	-	3	9	12
	45		45	42	44	86

Expenses by nature:

	Alba and subsidiaries	GreenRoc (3 months only)	2023	Alba and subsidiaries	GreenRoc	2022
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (note 6)	288	88	376	427	534	961
Professional fees and insurances	161	25	186	174	217	391
Consultancy not capitalised	34	-	34	45	9	54
Office, travel, PR, other	97	33	130	120	107	227
Forex	-	-	-	(17)	-	(17)
Depreciation	12	-	12	7	-	7
Administrative expenses	592	146	738	756	867	1,623

	2023	2022
	£'000	£'000
Other income		
Services provided	55	-
	55	-

Other income is personnel services billed to GreenRoc Mining plc after it was no longer part of the Group.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

6. DIRECTORS' EMOLUMENTS AND STAFF COSTS

During the period the Group had on average 8.75 (2022: 11.3) employees each month, being the Directors (who are the key management personnel) plus finance, geological and local site staff. Where eligible, Directors and other staff accrue benefits under a money purchase auto-enrolment scheme held in NEST.

	Costs incurred by:			2023	Costs incurred by:			2022
	Alba Mineral Resources plc	GreenRoc Mining plc (3 months only)	Total Group		Alba Mineral Resources plc	GreenRoc Mining plc	Total Group	
	£'000	£'000	£'000		£'000	£'000	£'000	
Directors' fees, salaries and pension (see table below)	181	14	195		185	54	239	
Directors' share based payments	7	3	10		56	69	125	
Directors' social security costs	15	2	17		16	7	23	
Staff costs								
Salaries and wages	227	48	275		221	295	516	
Share based payment charges	4	7	11		31	72	103	
Social security costs	22	13	35		25	27	52	
Defined contribution pension scheme	5	1	6		5	10	15	
Fees classified as consultancy	(29)	-	(29)		(33)	-	(33)	
Costs recharged to projects	(144)	-	(144)		(79)	-	(79)	
Staff costs reported in administrative expenses (Note 5)	288	88	376		427	534	961	
Average number of employees	7.25	6*	8.75*		7.3	6	11.3	

* Average based on three months only.

*Two employees of Alba are also employees of GreenRoc.

Directors' remuneration:

	2023					2022				
	Fees	Salaries	Pension	FV of options vesting	Total	Fees	Salaries	Pension	FV of options vesting	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
G.F.	36	115	1	7	159	36	115	1	56	208
Fees capitalised	(19)	-	-	-	(19)	(15)	-	-	-	(15)
M.C.N	6	18	-	-	24	6	18	-	-	24
E.H.	6	18	-	-	24	6	18	-	-	24
					188					241
G.F. GreenRoc*	-	14	-	3	17	-	54	-	69	123
Total	29	165	1	10	205	33	205	1	125	364

GF: George Frangeskides, MCN: Michael Nott, EH: Elizabeth Henson

Note 24 gives further details of transactions with the Directors. During the year no warrants or options were granted to the Directors. Charges in the tables above relate to historic grants vesting.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

7. INCOME TAXES

The UK corporation tax rate has been applied throughout the workings below as substantially all of the losses during the year (and historic losses in retained earnings) have been incurred by the parent or other companies resident in the UK for tax purposes. Using a weighted average rate would not change the effective tax rate.

a) Analysis of charge in the period

	2023 £'000	2022 £'000
United Kingdom corporation tax at 19% (2022: 19%)	-	-
Deferred taxation	-	-

b) Factors affecting tax charge for the period

The tax assessed on the loss for the year before tax differs from the standard rate of corporation tax in the UK which is 19% (2022: 19%). The differences are explained below:

	2023 £'000	2022 £'000
Profit/(loss) before tax	(196)	(2,605)
Profit/(loss) multiplied by standard rate of tax	(37)	(495)
Effects of:		
Expenses not deductible / losses not allowable	197	235
Deferred tax assets not recognised/capital allowances not claimed	(160)	260
	-	-

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses and accelerated capital allowances, due to uncertainty that the potential asset will be recovered. The aggregated losses in each of the Group companies being Alba Mineral Resources plc and its subsidiaries as listed in Note 13 amounted to £9,105,000 before adjustments required by local tax rules and excluding losses on intra-group transactions (2022: £8,501,000).

8. EARNINGS PER SHARE

The calculation of the basic loss per share is calculated by dividing the consolidated loss attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year. The Company by the weighted average number of ordinary shares in issue during the year. The diluted earnings per share is the same as the basic earnings per share, as warrants/options are not dilutive due to the loss for the year.

	2023 £'000	2022 £'000
Profit/(loss) attributable to group shareholders	(116)	(2,039)
Weighted average number of ordinary shares for calculating basic loss per share	7,256,844,832	6,476,717,573
Profit/(loss) per share (pence)	(0.002)	(0.031)

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

9. PROPERTY, PLANT AND EQUIPMENT

Group	Land £'000	Plant, equipment and vehicles £'000	Total £'000
Cost			
At 1 December 2021	85	57	142
Additions	-	20	20
At 30 November 2022	85	77	162
Additions	-	30	30
At 30 November 2023	85	107	192
Accumulated Depreciation			
At 30 November 2021 and at 1 December 2022	-	(5)	(5)
Charge for the year	-	(7)	(7)
At 30 November 2022	-	(12)	(12)
Charge for the year	-	(12)	(12)
At 30 November 2023	-	(24)	(24)
Net Book Value at 30 November 2023	85	83	168
Net Book Value at 30 November 2022	85	65	150

The land is part of the Clogau gold project. At the year end the land is held at cost. No depreciation is charged as it is not a wasting asset. Plant is part of the Clogau gold project.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

10. INTANGIBLE FIXED ASSETS

Group	Exploration and evaluation £'000
Cost	
As 1 December 2021	6,845
Additions	2,539
At 30 November 2022	9,384
Additions	508
Deemed disposal on de-consolidation	(5,637)
At 30 November 2023	4,255
Amortisation and impairment	
At 1 December 2021	(735)
Impairment charge 2022	(199)
At 30 November 2022	(934)
Deemed disposal on de-consolidation	199
At 30 November 2023	735
Net book value	
At 30 November 2023	3,520
At 30 November 2022	8,450

The Group's intangible fixed assets relate to the Welsh gold projects (Clogau, Dolgellau Gold and Gwynfynydd).

Management do not judge the Exploration and Evaluation costs related to those projects to be impaired at 30 November 2023. Exploration is planned and budgeted for in 2023 and the Group has no data at this point that suggests that the asset value is unlikely to be recovered from successful development.

During the period Alba's investment in GreenRoc Mining plc was diluted and reclassified as an investment in associate (see Note 11). The deemed disposal above is the removal of GreenRoc's intangible assets and any related impairments from the Group balance sheet.

At the year end the amount of liabilities (being creditors and accruals) relating to the exploration and evaluation assets was £39,000.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

11. INVESTMENT IN ASSOCIATE

Group and Company	Investment in associate £'000
Cost	
As 30 November 2021 and 2022	-
Deemed acquisition at remeasured value	4,318
Additions	115
Dilution of investment – deemed partial disposal	(325)
Share of loss of associate	(661)
At 30 November 2023	3,447

During the year the shareholding in GreenRoc Mining plc diluted to less than 50 per cent. Review of the investment led to reclassification from a subsidiary to an investment in associate. This was accounted for by a deemed disposal and acquisition at remeasured cost. For more information on management's judgement on the matter see Note 2. For details of the deemed disposal see Note 3.

At 30 November 2023 the (unaudited) consolidated results of GreenRoc Mining plc showed a loss for the year of £1,693,000 with net assets of £9,027,000, comprising non-current assets of £9,741,000 and net current assets of £290,000 offset by a deferred tax liability of £1,004,000.

12. INVESTMENTS

Group and Company	Investment in HHDL £'000
At 30 November 2021	3,385
Revaluation of investment	(785)
At 30 November 2022 and 30 November 2023	2,600

The above investment represents an investment in 18.1% (2022: 18.1%*) of the issued share capital of Horse Hill Developments Limited ("HHDL") and associated loans to that company accruing interest at variable rates linked to the Bank of England base rate. Those loans and interest are treated as part of the overall investment and as such are classified as fair value through the profit and loss. Any interest due is subsumed within the overall investment valuation (see Note 22).

HHDL is a private company with no stock quote. There have been no share transactions in HHDL stock nor transactions in licence interests in the past several years to provide any basis for valuation.

The majority owner and operator of HHDL, UK Oil & Gas plc (UKOG) recently announced its results for year ended 30 September 2023 maintaining its carrying values for the assets relating to the Horse Hill oil field and the HH1 well, based on net present value calculated utilizing an internally generated depletion curve that was independently reviewed. Costs were based on current costs less any anticipated savings. A long-term average Brent oil price of US\$78/bbl was used being the Brent curve until 2031 and then kept flat at \$75/bbl. A discount rate of 2.79% was based on a Capital Asset Pricing Model analysis being the weighted average costs of capital of Horse Hill Developments, the holding company of the producing well HH-1. There is inherent uncertainty in any oil field valuation due to the uncertainty of future oil price movements.

Management relies on the valuations of the majority owner of the project as they have access to fuller information and therefore have maintained the current valuation of the investment in HHDL, in line with UKOG.

This revised valuation is a Level 3 valuation under the IFRS 9 hierarchy, as was the valuation in the prior year, as defined in Note 22.

The registered office of HHDL is: The Broadgate Tower, 8th Floor, 20 Primrose Street, London, EC2A 2EW.

**In a prior period the Company elected not to contribute its share of a cash call. As a result the Company's shareholding could be diluted but the impact would be minimal, the reduction being less than 0.1% of the total issued share capital of HHDL.*

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

13. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

		Investments	Capital Contributions	Loans	Total
	Notes	£'000	£'000	£'000	£'000
Company					
At 30 November 2021		5,500	1,116	1,195	7,811
Additions – purchase of minority and royalty		-	339	-	339
Additions – expenditure		-	-	370	370
Impairment of intercompany loan		-	-	(15)	(15)
At 30 November 2022		5,500	1,455	1,550	8,505
Additions – expenditure		-	-	440	440
Deemed disposal by dilution	3	(5,500)	-	-	(5,500)
At 30 November 2023		-	1,455	1,990	3,445

The Company recognises a provision for expected credit loss against the loans due from subsidiaries. These loans are interest-free and have no agreed terms. For the purposes of IFRS 9 the loans were assumed to be repayable on demand. However, management has agreed that these loans will not be recalled within 12 months from the balance sheet date so they are classified as long term.

The loans are assessed as being credit impaired on inception as the subsidiaries have no income other than the receipt of inter-company funding and as the loans are primarily used to fund the subsidiaries deferred exploration expenditure. The subsidiaries would only be able to repay the loans if they can either sell their exploration assets or develop them to the point at which the assets generate cash flows, both of which would take time to achieve. Therefore, at inception, it is known that the loans will not be able to be repaid in accordance with the loan terms (that is, on demand) and therefore they are assessed as being credit impaired.

Historic and current data has been used to derive a probability of default and this has been applied across the portfolio of loans.

At 30 November 2023 the Company held the following interests in subsidiary undertakings, which are included in the consolidated financial statements:

Name of company	Country of incorporation	Holding at 30 November 2023	Nature of holding	Holding at 30 November 2022	Business
Aurum Mineral Resources Ltd	Ireland	100%	Direct	100%	Exploration
Mauritania Ventures Limited	England & Wales	Dissolved Feb '23	Direct	50%	Non-trading
Dragonfire Mining Limited	England & Wales	100%	Direct	100%	Exploration
Gold Mines of Wales Limited	Jersey	100%	Indirect	100%	Holding Co.
GMOW (Holdings) Limited	England & Wales	100%	Indirect	100%	Holding Co.
GMOW (Operations) Limited	England & Wales	100%	Indirect	100%	Exploration
GMOW Gwynfynydd Limited	England & Wales	100%	Direct	100%	Exploration

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

13. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS (continued)

The address of the registered office of Aurum Mineral Resources Ltd is c/o Hugh Lennon Associates, Unit 8&10 Church View, Cavan, Ireland.

The address of the registered office of Gold Mines of Wales Limited is 3rd Floor, IFC5, Castle Street, St Helier, Jersey JE2 3BY.

All the other companies have their registered office at 6th Floor, 60 Gracechurch Street, London EC3V 0HR.

Mauritania Ventures Limited has been treated as a subsidiary undertaking because the Company exercises dominant influence over the investment by virtue of having the casting vote at Board meetings. The Company was dissolved on 14 February 2023.

During the period the holding in GreenRoc Mining plc was diluted leading to de-consolidation such that it is no longer a subsidiary of the Group and has been accounted for as an investment in associate.

After the reporting date, GreenRoc Mining plc issued further share capital. Alba's interest in GreenRoc was diluted to 37.49% at 1 December 2023.

14. TRADE AND OTHER RECEIVABLES

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Current				
Other debtors	68	109	47	92
Prepayments and accrued income	20	20	18	19
	88	129	65	111

The fair value of trade and other receivables approximates to their book value.

15. CASH AND CASH EQUIVALENTS

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Cash at bank and in hand	97	456	84	322

The fair value of cash at bank is the same as its carrying value.

16. TRADE AND OTHER PAYABLES

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Current				
Trade creditors	94	222	93	81
Other creditors	13	15	13	15
Accruals and deferred income	113	227	71	69
	220	464	177	165

The fair value of trade and other payables approximates to their book value.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

17. FINANCIAL LIABILITIES

The Company has no financial liabilities.

Group	Other borrowings	Derivative financial instrument	Total
	£'000	£'000	£'000
Financial Liabilities			
At 30 November 2021	7	214	221
Released as part of 10% minority purchase	(7)	(214)	(221)
At 30 November 2022 and at 30 November 2023	-	-	-

The derivative financial instrument related to the recognition of a liability in respect of the put and call option over the remaining 10% shareholding in the Clogau gold project.

18. CALLED UP SHARE CAPITAL

	2023 Number of shares	2023 £'000	2022 Number of shares	2022 £'000
Issued, allotted and fully paid				
Ordinary shares of 0.01 pence	7,733,688,996	773	7,121,568,996	712
Deferred shares of 0.9 pence	93,070,100	838	93,070,100	838
B deferred shares of 0.09 pence	3,918,351,946	3,526	3,918,351,946	3,526
Total	11,742,111,042	5,137	11,132,991,042	5,076

The Company's Articles do not specify authorised share capital. All issued ordinary shares carry equal rights. The deferred shares do not carry any rights to vote or dividend rights. In addition, holders of deferred shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of the ordinary shares have received a payment of £1,000,000 on each such share.

During the year the Company issued ordinary shares as follows:

	Ordinary shares 0.01 pence	Ordinary shares £'000	Deferred shares £'000	Share premium £'000	Total £'000
At 30 November 2022	7,121,568,996	712	4,364	10,461	15,537
July placing and broker option, net of fees	612,120,000	61	-	658	719
At 30 November 2023	7,733,688,996	773	4,364	11,119	16,256

	Warrants	Warrants reserve £'000
At 30 November 2022	879,930,830	1,187
Warrants vesting (counted in brought forward balance)	-	11
Warrants expired/waived	(170,000,000)	(416)
At 30 November 2023	709,930,830	782

Of the warrants outstanding at 30 November 2023, all are vested and able to be exercised. The weighted average exercise price of these vested warrants is 0.25 pence. No warrants were exercised in the year.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

18. CALLED UP SHARE CAPITAL (continued)

As at 30 November 2023 Alba had 709,930,830 warrants and options outstanding:

No. of warrants	Exercise price (pence)	Final exercise date	Vested
60,000,000 ¹	0.4 pence	13 January 2027	Awarded under the EMI scheme. Vested.
60,000,000 ²	0.42 pence	2 May 2028	Awarded under the EMI scheme. Vested.
50,000,000 ³	0.16 pence	31 December 2023	Vested.
200,000,000 ³	0.16 pence	28 August 2030	Awarded under the EMI scheme. Vested.
8,000,000 ⁴	0.5 pence	7 December 2023	Vested.
81,930,830	0.4 pence	31 August 2024	Vested.
250,000,000	0.2 pence	16 November 2024	Vested.
709,930,830	At 30 November 2023		

As at 30 November 2022 Alba had 879,930,830 warrants and options outstanding:

No. of warrants	Exercise price (pence)	Final exercise date	Vested
60,000,000 ¹	0.4 pence	13 January 2027	Awarded under the EMI scheme. Vested.
60,000,000 ²	0.42 pence	2 May 2028	Awarded under the EMI scheme. Vested.
50,000,000 ³	0.16 pence	31 December 2023	Partially vested.
200,000,000 ³	0.16 pence	28 August 2030	Awarded under the EMI scheme. Partially vested.
160,000,000	0.75 pence	23 November 2022	Vested.
10,000,000	0.375 pence	1 December 2022	Vested.
8,000,000 ⁴	0.5 pence	7 December 2023	Vested.
81,930,830	0.4 pence	31 August 2024	Vested.
250,000,000	0.2 pence	16 November 2024	Vested.
879,930,830	At 30 November 2022		

^{1,2,3,4} These warrants fall within the scope of IFRS 2 "Share-based Payments" and were issued in 2017, 2018, 2020 respectively.

No warrants were granted in the year. After the reporting date on 11 December 2023, it was announced that a number of the extant options/warrants were to be cancelled and new options/warrants issued in their place.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

19. NON-CONTROLLING INTERESTS

	Mauritania Ventures Ltd	GreenRoc Mining plc	Total NCIs £'000
At 30 November 2021	(9)	2,741	2,732
Share of loss for the year	-	(566)	(566)
Share of movement on other reserves	-	65	65
At 30 November 2022	(9)	2,240	2,231
Write back on dissolution	9	-	9
Share of losses to de-consolidation	-	(80)	(80)
Share of reserve movements to de-consolidation		335	335
Deemed disposal of subsidiary	-	(2,495)	(2,495)
At 30 November 2023	-	-	-

During the year the Group de-consolidated GreenRoc in a deemed disposal due to dilution. Thereafter the Group's investment in GreenRoc was recognised as an investment in associate. For further details see Note 3 and Note 11.

At prior year end the Group recognised the non-controlling interest in GreenRoc at the non-controlling interest's proportionate share of the entity's net identifiable assets as included in the Group balance sheet. These differed from the assets presented in the standalone GreenRoc Mining plc Report and Accounts due to consolidation entries, including elimination of fair valuation uplift generated in the IPO in 2021, judged by management to be intragroup profit.

The Report and Accounts of GreenRoc Mining plc can be found on its website www.greenrocmMining.com.

20. LEASES

The Company has no lease or rental commitments within scope of IFRS 16. Expenditure on short-term leases during the year was £25,000 (2022: £19,000).

21. CAPITAL COMMITMENTS

At year end the Group had no capital commitments.

21. CONTINGENT LIABILITIES

A 1% net smelter royalty agreement remains in place with the previous owner of the Clogau gold project. The Group has no obligations under this agreement until such time as gold is produced and sold.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

22. FINANCIAL INSTRUMENTS

The Group's financial instruments comprise investments, cash at bank and various items such as debtors, loans and creditors. The Group has not entered into derivative transactions nor does it trade financial instruments as a matter of policy.

Credit risk

The Group's credit risk arises primarily from cash at bank, debtors and the risk the counterparty fails to discharge its obligations. As at 30 November 2023, debtors included £25,000 that was past due but not impaired (2022: £25,000). Given the low number and value of debtors, management considers recoverability of any overdue amount individually on an annual basis.

The Company's credit risk primarily arises from intercompany debtors and this is reviewed annually in the course of reviewing the Expected Credit Loss provision required under IFRS 9. See Note 13 for more details.

Funding risk

Funding risk is the possibility that the Group might not have access to the financing it needs. The Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital. The Directors are confident that adequate funding will be forthcoming with which to finance operations. The Board has a strong track record of raising funds as required. Controls over expenditure are carefully managed and activities planned to ensure that the Group has sufficient funding.

Liquidity risk

Liquidity risk arises from the management of cash funds and working capital. The risk is that the Group will fail to meet its financial obligations as they fall due. The Group operates within the constraints of available funds and cash flow projections are produced and regularly reviewed by management.

At 30 November 2022 the management considers that the liquidity risk is not material as sufficient cash is held to meet financial liabilities to be settled in cash.

Future liquidity risk is addressed in Note 1 under the heading "Going Concern".

Interest rate risk profile of financial assets

Excluding the investment in HHDL, the only financial assets (other than short term debtors) are cash at bank and in hand, which comprises money at call. The interest earned in the year was nil. The Directors believe the fair value of the financial instruments is not materially different to the book value.

The investment in HHDL includes a loan element. Under an investment agreement those loans attract interest. Loans plus interest become payable once HHDL has surplus cash. As the Group / Company treats the loan as held at fair value through profit and loss, any interest credit is subsumed within the fair value movement.

Foreign currency risk

The Group has an Irish subsidiary, which can affect the Group's sterling denominated reported results as a consequence of movements in the sterling/euro exchange rates. The Group also incurs costs denominated in foreign currencies (primarily Danish Krone) which gives rise to short term exchange risk. The Group does not currently hedge against these exposures as they are deemed immaterial and there is no material exposure as at the year-end. No sensitivity analysis has been performed.

Market risk

Following the acquisition of the investment in Horse Hill Developments Limited ("HHDL"), the Group is exposed to market risk in that the value of the investment would be expected to vary depending on the price of oil and the future cash calls will, to an extent, depend on the revenue generated from oil produced from well testing activities. For a review of the progress of the Horse Hill project, please see the Chairman's Statement.

During the year under review the price of Brent crude oil was stable at an average of \$83, with a low spike of \$72. However, a sustained downturn in the price of oil would have a materially adverse effect on the revenues generated from the Horse Hill Oil Field. A material reduction in the market value of HHDL shares can be expected to result in a proportionate reduction in the carrying value of the Group's investment in HHDL.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

22. FINANCIAL INSTRUMENTS (continued)

Categories of financial instrument

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Financial assets				
Investments at fair value through profit or loss:				
Investment in HHDL (Note 12)	2,600	2,600	2,600	2,600
Held at amortised cost:				
Trade and other receivables	68	109	47	92
Cash and cash equivalents	97	456	84	322
Intercompany receivables net of expected credit losses	-	-	1,992	1,550
	<u>2,765</u>	<u>3,165</u>	<u>4,723</u>	<u>4,564</u>
Financial liabilities				
Held at amortised cost:				
Trade and other payables	107	237	106	96
Other financial liabilities	-	-	-	-
	<u>107</u>	<u>237</u>	<u>106</u>	<u>96</u>

Valuation of financial instruments

Under IFRS 9 the valuation of financial instruments is categorised based on the inputs used to generate the valuation as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

22. FINANCIAL INSTRUMENTS (continued)

The Group's financial instruments by valuation method:

	Level 3 £'000	Total £'000
Financial assets held at FVTPL		
Investment - FV at 30 November 2022	2,600	2,600
Impairment expense in 2023	-	-
Investment - FV at 30 November 2023	2,600	2,600
Financial liabilities held at FVTPL	-	-

For more information on the valuation bases see the relevant Notes referred to above.

Included in the value for HHDL are loans of £2,126,000 plus accrued interest. These were designated as fair value through the profit and loss on recognition as they form part of the Company's investment in Horse Hill Developments Limited. The maximum exposure to credit risk of this financial asset at the end of the reporting period is the carrying amounts of the loans. The loans are not valued separately from the investment. No change in fair value to date has been attributable to a change in credit risk.

23. CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard the entity's ability to continue as a going concern and develop its mining and exploration activities to provide returns for shareholders. The Group's funding comprises equity and debt. The Directors consider the Company's capital and reserves to be capital. When considering the future capital requirements of the Group and the potential to fund specific project development via debt, the Directors consider the risk characteristics of all the underlying assets in assessing the optimal capital structure.

24. RELATED PARTY TRANSACTIONS

All related party transactions have been conducted at arm's length.

Fees charged by Directors are detailed below and also shown in Note 6. "Directors' emoluments and staff costs".

Company

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. The loan balances and transactions in the year with the subsidiaries are disclosed in Note 13. Details of transactions between the Company and other related parties are disclosed below.

Group

During the year a subsidiary, GreenRoc Mining plc, was deconsolidated due to loss of control. After deconsolidation it was accounted for as an associate. Transactions with GreenRoc from this point were as follows:

Alba charged GreenRoc £75,000 for services from its personnel on an arm's length basis as per the Relationship agreement signed on IPO in September 2021 plus certain costs or a share of certain costs incurred on their behalf.

For his role of Chairman, GreenRoc paid George Frangeskides (Executive Chairman of Alba) a salary of £54,000 for the year. £13,500 of that is included within these accounts as it was paid prior to deconsolidation.

Stirling Corporate Limited and Berwick Capital Limited, companies which George Frangeskides, a director of the Company, controls, were paid combined £2,000 during the year for recharges accrued in 2022 for historic costs incurred in the course of work performed on behalf of the Group. There are no amounts accrued at year end.

Alba Mineral Resources plc

Notes to the Financial Statements for the year ended 30 November 2023

24. RELATED PARTY TRANSACTIONS (continued)

Aetos Consulting Limited, a company which George Frangeskides, a director of the Company, jointly controls, charged the Group fees for consultancy services of £36,000 (2022: £36,000). Of these fees, £19,200 represents work carried out specifically on the advancement of the Group's project portfolio and has therefore been capitalised.

As at the year-end £59,000 (2022: £53,000) was owed to Aetos Consulting Limited and £36,000 (as noted above) was accrued for invoices expected. There are no terms and conditions associated with the outstanding balance.

Woodridge Associates, a trading name of Michael Nott, a director of the Company, charged the Group fees of £6,000 for consultancy services during the year including £1,500 accrued at 30 November 2022.

Ixia Advisers, a company controlled by Elizabeth Henson, a director of the Company, charged the Group fees of £6,000 for consultancy services during the year.

25. EVENTS AFTER THE REPORTING PERIOD

Corporate

On 11 December 2023 the Company announced a review of director and management share options, resulting in various options and warrants being cancelled and new options and warrants being granted.

On 27 March 2024 Alba announced that it had raised £380,000 before costs in a placing.

On 24 April 2024 Alba announced that it had acquired an option over the Andover West Lithium Project in Western Australia.

Clogau Gold Project

Since 30 November 2023 there have been various announcements regarding the Clogau Gold Project, with the key matters summarised below:

In December 2023 the Group announced that variations to water abstraction and discharge licences had been granted.

In January 2024 the Group announced dewatering to Level 4 of the Clogau-St Davids mine plus necessary safety and access works.

In March 2024 the Group announced results from the initial sampling of Level 4, including gold produced by smelt, and plans to bulk sample in two locations.

In April 2024 the Group released the first part of the results from the aeromagnetic surveys carried out across the three licences in Wales.

GreenRoc Mining plc

In the period from December 2023 to date, GreenRoc announced:

- successful results from electrochemical battery test work;
- the grant of an extension to the Amitsoq licence area; and
- the surrender of the Melville Bay licence; and
- a highly positive PFS for the proposed Amitsoq anode plant, with an after-tax NPV8 of US\$545M

Horse Hill Oil Project

In December 2023 an extension to the time allowed for the proposed farm-in was announced.

26. ULTIMATE CONTROLLING PARTY

The Directors consider there is no ultimate controlling party.