Company Registration No. 07791328

Rockfire Resources plc

Annual Report 2022

ROCKFIRE RESOURCES PLC

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Throughout this Annual Report, “Rockfire”, “Rockfire Resources” or “the Company” means Rockfire Resources plc and “the Group” means the Company and its subsidiaries.

ROCKFIRE RESOURCES PLC

COMPANY INFORMATION

Directors	Gordon Hart David Price Ian Staunton Patrick Elliott Nicholas Walley
Secretary	Graeme Hogan
Company registration number	07791328
Registered office	201 Temple Chambers 3-7 Temple Avenue London EC4Y 0DT
Nominated advisor and broker	Allenby Capital Limited 5 St Helen's Place London EC3A 6AB
Solicitors	Thursfields LLP 9-10 The Tything Worcester WR1 1HD Fladgate LLP 16 Great Queen Street London WC2B 5DG
Independent auditor	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD
Registrar	Share Registrars Limited The Courtyard 17 West Street Farnham, Surrey GU9 7DR

CHAIRMAN'S STATEMENT

Rockfire has had a remarkable year of outstanding achievement. The Company has, in a very short space of time, delivered a JORC gold resource, a JORC silver resource, a JORC copper resource and now a JORC zinc/lead resource into its portfolio. This has resulted in creating diverse material value across the Company's project base.

Rockfire is in an enviable position of having accumulated JORC resources of:

- 130,000 ounces of gold and 800,000 ounces of silver at Plateau;
- 120,000 tonnes of copper equivalent at Copperhead (comprising 80,000 tonnes of copper, 9,000 tonnes of molybdenum and 1.1 million ounces of silver); and
- 250,000 tonnes of zinc equivalent at Molaoi in Greece (comprising 210,000 tonnes of zinc, 39,000 tonnes of lead, and 3.5 million ounces of silver).

2022 saw the Company focus its financial and human resources on the Molaoi zinc/lead/silver deposit in Greece. This decision was made owing to the very high grades attained at Molaoi in historical drilling. In addition to this, Molaoi benefits from vast amounts of historical exploration expenditure, which resulted in the drilling of 173 diamond holes, two rounds of metallurgical test work, a financial and technical feasibility study as well as the development of a portal and decline to the orebody. Molaoi represents a very advanced project and Rockfire is aiming to achieve underground production within the next 3 years.

As we strive to complete our confirmatory and in-fill drilling during the next 12-month period, our team is preparing for environmental and feasibility studies which we hope to commence towards the end of the next financial period.

I would like to congratulate our excellent teams in Greece and Australia who have worked tirelessly during the year to complete so many milestones. These include:

- Winning the tender for Molaoi
- Achieving a Maiden JORC resource at Copperhead (64 MT @ 0.19 % CuEq (120,000 tonnes of CuEq.)
- Reanalysing the old drill core at Molaoi
- Discovering germanium at Molaoi
- Achieving a Maiden JORC at Molaoi (2.3 MT @ 11 % ZnEq. for 250,000 tonnes of ZnEq.)
- Hosting a technical site visit by the Company's nominated advisor and broker, Allenby Capital
- Completing the submission of an Environmental Study
- Applying for, and being accepted into ERMA (European Raw Materials Alliance)
- Identifying all landowners and completing initial consultations at Molaoi
- Commencing our field-based exploration activity at Molaoi
- Achieving excellent recoveries of zinc (89%) and lead (74%) from metallurgical tests
- Achieving commercially saleable grades of zinc (57% Zn), silver (856 g/t Ag), lead (63.6% Pb) germanium (117 g/t Ge), copper (2.62% Cu) and gold (0.52 g/t Au) at Molaoi
- Completing the lease of a 10Ha parcel of land on top of the Molaoi resource
- Successfully changing the sole trading Hellenic Minerals IKE to a publicly unlisted Hellenic Minerals SA company structure after the acquisition by Rockfire
- Providing 4 x defibrillators to each of the public schools in Molaoi as part of the Company's Health, Safety and Environment plan
- Smooth and on-time commencement of diamond drilling at Molaoi
- Location and excavation of the old portal site
- Locating and sampling very high zinc, lead and silver grades from old shafts and outcrop
- Successfully encountering massive sulphides in the first geotechnical drill hole at Molaoi at the predicted position
- Signing a lease over a parcel of land suitable for core processing/site office/equipment storage

I proudly present to you, the Annual Report for Rockfire Resources for the financial year ended 31 December 2022 and look forward to a very successful 2023 for all our shareholders.

Administration

The Company returned to in-person and hybrid meetings, including board meetings and presentations to investors during the year. The Company held its Annual General Meeting as a hybrid virtual/gathered meeting. Owing to geographical diversity, all board meetings throughout the year were held remotely, with directors meeting at least once a month (and often more regularly) throughout the year.

CHAIRMAN'S STATEMENT

Financial review

The consolidated statement of comprehensive income for the year shows a loss of £614,329 (2021: loss £907,783).

Rockfire is very proud that it was able to restrict its raising of exploration funds to only one fundraise during the calendar year and still achieve so much exploration success.

On 17 October 2022, the Company announced that it had successfully completed a subscription of new ordinary shares in the Company, raising gross proceeds of £375,000. This subscription was through the Company's sole broker, Allenby Capital Limited, and comprised 240,000,000 new ordinary shares of 0.1 pence each in the Company being placed with an institutional investor, at an issue price of 0.125 pence per share.

In addition, certain Rockfire employees including several Directors subscribed for an aggregate of 60,000,000 new ordinary shares at the same issue price. In total, 300,000,000 new ordinary shares were issued pursuant to the subscription.

The total issue represented approximately 20.87 per cent. of the enlarged issued share capital of the Company at the time.

On 1 June 2023, the Company announced that it had successfully raised £880,000, before expenses, through Paloma Precious DMCC subscribing for 400,000,000 new ordinary shares of 0.1 pence each at a price of 0.22 pence per share, representing approximately 21.7 per cent. of the issued share capital of the Company as enlarged by the subscription.

Exploration review

Molaoi, Greece

Rockfire's exploration activities for 2022 started very positively with an announcement on 8 March that it had won an Open International Tender for the exploration and exploitation rights to the high-grade Molaoi zinc deposit in Greece. Winning the tender provided Rockfire with 100% ownership of a 30-year licence to explore and mine the Molaoi deposit, located in the Peloponnese region of Greece. Molaoi is an outstanding high-grade zinc deposit, and Greece offers a low-risk jurisdiction with a modern mining legislation and an active and progressive mining industry making it an attractive destination for the Company.

Successfully verifying the high grades reported by previous explorers provided a big step towards de-risking the project and provided enormous encouragement for the team to move forward rapidly with resource expansion plans.

The Molaoi project took an unexpected but very positive turn when it was announced to the market on 10 May 2022 that re-analysis of the historical drill core had discovered the presence of one of the world's critical metals, germanium. Critical metals are metals deemed vital for world economies to continue to provide technology. The supply of germanium is largely at risk due to geological scarcity. The European Union Environmental Agency includes germanium in the top 20 raw materials which have been identified by the European Commission as being critical metals owing to risk of supply shortages.

The team successfully delivered a maiden inferred mineral resource estimate for Molaoi in May 2022. The mineral resource surpassed all expectations and demonstrated the quality and potential of the project. The inaugural JORC resource estimation for Molaoi delivered an inferred mineral resource of 2.3 million tonnes @ 11 % ZnEq. for 250,000 tonnes of ZnEq. Using a 4% low-grade cut, individual elemental grades are 9.4 % Zn, 1.7 % Pb and 47 g/t Ag. This resulted in 210,000 tonnes of zinc, 39,000 tonnes of lead and 3.5 million ounces of silver being included in the maiden resource.

Importantly, only 1,400 m of a potential strike extent of 7 km has been included in the resource and the resource remains open at depth and along strike. In addition to this, multiple parallel mineralised lodes are not included in the resource and are yet to be fully tested. The presence of parallel lodes may add materially to the resource in future estimates.

Results of metallurgical tests commissioned by Rockfire report excellent recoveries of zinc (89%) and lead (74%). Commercially saleable grades of zinc (57% Zn), silver (856 g/t Ag), lead (63.6% Pb), germanium (117 g/t Ge), copper (2.62% Cu) and gold (0.52 g/t Au) are readily achieved at Molaoi.

Rockfire was delighted to announce in November 2022 that geotechnical drilling was underway in Greece. An initial 4 holes (for a total of 840m) are planned to be drilled within the main mineral resource of 2.3Mt @ 11% zinc equivalent. These initial 4 geotechnical holes are expected to be followed by more holes to gather geotechnical information throughout the 1.5km of the resource and beyond. The average depth of drilling is 210m with the deepest hole planned to reach 270m below surface.

Both massive and semi-massive sulphides were encountered in Rockfire's first drill hole at a depth and position predicted from historical drill data. Between 1979 and 1988, 173 diamond drill holes were drilled at Molaoi, as well as metallurgical tests, a feasibility study and the development of a portal and decline to the orebody. The Company's exploration and exploitation permit allows Rockfire to capitalise on this excellent work by the Greek Government to help monetise the project in a timely manner.

Management considers Molaoi to be an outstanding base metal project, which we hope will grow to a globally significant scale. The quality of the grades and quantity over the first 1,400 m strike extent is testimony to the potential size of Molaoi, particularly if our planned exploration along strike proves to be successful.

Lighthouse, Queensland

The Lighthouse tenement includes the Plateau gold deposit, where an Inferred JORC resource has been drilled by Rockfire of 3.9 million tonnes @ 1.1 g/t Au and 6.4 g/t Ag (0.5g/t cut-off), for 131,302 ounces of gold and 800,000 ounces of silver. The tenement also comprises the Cardigan Dam, Split Rock and Double Event prospects.

The Company completed soil and rock sampling during the year. A total of 557 soil samples were collected from four sites within the Lighthouse tenement and results of this work returned strongly elevated gold results. Rockfire’s management believes that the soil anomaly may present a target, based on high-grade gold-in-rock samples as well. Ongoing mapping and rock sampling at Plateau identified multiple new targets close to the drilled JORC gold resource. Seventeen (17) rock samples were collected, with results including 10.7 g/t Au, 3.2 g/t Au and 2.3 g/t Au.

The new targets combined could add material ounces to the already-defined gold resources.

Copperhead, Queensland

At the start of the reporting period, Rockfire had recently completed a diamond drilling programme and an update to the market was provided on 20 January 2022. This update included assay results for the third diamond drill hole (BCH003), which returned 370 m @ 0.20 % CuEq. from 57 m. Hole BCH003 significantly expanded copper mineralisation by 100 m directly east of hole BCH001 and 200 m north of hole BCH002, resulting in another significant increase in the footprint of the drilled copper-bearing area.

Based on drilling 5 deep diamond holes at Copperhead, Rockfire announced a maiden inferred JORC mineral resource of 64 million tonnes @ 0.19% CuEq. for 120,000 tonnes of copper equivalent on 21 March 2022.

The mineral resource remains open to the north, east, west and at depth, leaving scope for significant, further resource increases. With continued exploration success and expansion of the resource, Copperhead demonstrates potential to form a low-cost, bulk-tonnage, open cut mining scenario.

Copper Dome

A three-dimensional interpretation of an airborne helicopter-supported magnetic survey had been commissioned at the end of the previous reporting period to determine the characteristics of the magnetic response at depth. This 3D interpretation highlighted two large, strongly magnetic bodies lying approximately 500m below the surface. These bodies were both characterised by long intervals of low-grade copper and gold immediately above them, which had been discovered in historical RC drilling.

Copper Dome remains a highly prospective porphyry copper/gold target for Rockfire but no further work was completed during the 2022 calendar year.

Material events and reviews since the end of 2022

Lighthouse, Queensland

Rockfire announced on 20 January 2023 that the Company has entered into a new joint venture ("JV") at the Plateau gold deposit in Queensland, Australia. The purpose of the JV will be to test regional targets, as well as the discovery of higher-grade gold, close to Rockfire's JORC resource.

- Rockfire has entered into a binding heads of agreement with Sunshine Gold Limited ("Sunshine") to advance the Plateau gold deposit. Sunshine is listed on the Australian Stock Exchange (ASX:SHN)

- The JV includes the Lighthouse tenement (EPM25617) and the adjoining Kookaburra tenement (EPM26705) (together the "Tenements")

- The JV will result in Sunshine sole-funding exploration at Plateau for the next 3 years, with funding being engaged on direct exploration activity

- Rockfire intends to focus its financial, logistical and human resources on the Molaoi zinc deposit in Greece, which hosts an Inferred, high-grade JORC resource of 2.3 million tonnes @ 9.4% zinc, 1.7% lead and 47g/t silver for 250,000 tonnes of zinc equivalent. The critical mineral, Germanium has also been discovered, associated with zinc

- The Plateau gold deposit has a quoted Inferred JORC resource of 3.9 million tonnes @ 1.1g/t gold and 6.4g/t silver, using a 0.5g/t Au cut off

- Sunshine will target potential for additional ounces in the top 100m from surface, where the JORC resource is quoted as Indicated and Inferred 1.4 million tonnes @ 1.2g/t Au and 8.8g/t Ag, (using a 0.5g/t Au cut off), for a total of 53,336 ounces of gold

- Regional targets within the Lighthouse tenement, including Double Event, Cardigan Dam, Bluff Creek, Bullseye, Rollston River, Warrawee, Lower Lighthouse and Horse Creek will also be a focus for Sunshine to delineate near-surface resources at each of these regional prospects

- Rockfire has the option to retain 25% ownership of the Plateau gold project by participating in 25% expenditure in on-going exploration, or the Company may elect to convert its right over a 25% share of the Tenements to a 1.5% net smelter royalty. With this structure, any discovery success by Sunshine will directly benefit shareholders of Rockfire

The establishment of this joint venture is a positive step for the Plateau project and for Rockfire generally. The JV enables our team to focus its efforts on the Molaoi project in Greece and allows for the advancement of Plateau at the same time. The joint venture structure is designed so that Sunshine will sole-fund exploration costs on the project with minimum allowance for administration costs.

Sunshine is an excellent JV partner with a proven track record of thorough and sustained drilling. The Sunshine team is experienced and dedicated to discovery and Rockfire's management believes that Plateau is in good hands with Sunshine as a quality partner.

- The JV includes the Lighthouse project exploration permit EPM25617 and the adjoining Kookaburra exploration permit EPM26705 in Queensland
- As at 30 June 2022, the Company's last announced financial statements, the Tenements accounted for £1,569,459 of the Company's intangible assets. As all expenditure on the Tenements is capitalised, there were no losses or profits attributed to the Tenements
- During the sole funding period, Sunshine must keep the Tenements in good order and meet all statutory reporting, rehabilitation, and expenditure obligations
- On the occurrence of each milestone set out in the table below, Sunshine will acquire the corresponding participating Interest in the Tenements

Until the point that Sunshine reaches the stage 1 milestone, Sunshine will have no participating interest in the Tenements.

Stage	**Milestone**	**Total participating interest earned by Sunshine at end of stage**	**Time frame**
1	Sunshine has sole funded AUD $600,000 in expenditure	40%	Maximum of 1 Year from **execution date**
2	Sunshine has sole funded a further AUD $600,000 in expenditure	51%	Maximum of 2 years from **execution date**
3	Sunshine has sole funded a further AUD $1,000,000 in expenditure	75%	Maximum of 3 years from **execution date**

The expenditure requirement for each stage 1, 2 and 3 is independent of the other stages and not cumulative.

CHAIRMAN'S STATEMENT

At the conclusion of stage 3, Rockfire has 60 days from receipt of all data and reports and proposed program and budget, by written notice to elect to either contribute its 25% share of on-going exploration and development expenditure or convert its 25% share to a 1.5% net smelter royalty.

The terms of the net smelter royalty are to be based on the standard Energy & Resources Law Association (formerly AMPLA Ltd) template.

Molaoi, Greece

On 23 January 2023, Rockfire announced that results from the Company's geotechnical drilling programme at the Molaoi zinc deposit in Greece include multiple, high-grade intersections which demonstrates the quality of the Molaoi deposit. Confirmation of multiple lodes provides an opportunity to significantly increase tonnage and will potentially have a considerable positive impact on the future economics of the project.

MO_GTK_001 was drilled halfway between historical drill holes to provide sufficient sample for geotechnical test work. Historical drilling encountered several possible parallel lodes and MO_GTK_001 confirms that Molaoi comprises multiple lodes and perhaps as many as four stacked, high-grade lodes.

<u>Main Lode</u>

13.4% ZnEq. over 7.18m width, from 130.62m (11.3% Zn, 1.4% Pb and 50g/t Ag).

<u>Second Lode</u>

15.6% ZnEq. over 0.17m width, from 142.60m (14.3% Zn, 0.5% Pb and 41.80g/t Ag)

<u>Third Lode</u>

10.7% ZnEq. over 1.73m width, from 144.90m (8.3% Zn, 1.3% Pb and 62g/t Ag)

<u>Fourth Lode</u>

19.5% ZnEq. over 2.24 m width, from 161.10m (16.6% Zn, 3.1% Pb and 36g/t Ag)

Overall the main, second and third lodes comprise a broad mineralised zone with an intersection of 7.5% ZnEq. over 16m width from 130.62m (6.2% Zn, 0.8% Pb and 31 g/t Ag).

The highest individual samples are 20.5% Zn and 93.4g/t Ag over 1.25m (from 132.15m depth) and 4.1% Pb over 1.0m (from 161.10m).

Core samples from the mineralised lodes will contribute towards a compilation sample to commence crushing and grinding work index studies.

Assay results of this magnitude and width provide management with ever-increasing confidence that we can proceed rapidly towards a resource upgrade and commence feasibility studies before the end of the 2023 calendar year.

Share subscription

As mentioned above, on 1 June 2023, the Company announced that it had raised £880,000, before expenses, through a subscription of 400,000,000 new ordinary shares.

We wish to thank all our shareholders for their continuing support as we build further value in our projects. With gold, silver, copper, molybdenum, zinc and lead JORC resources, Rockfire is in an enviable position to capitalise on this time of increasing commodity demand and rising prices.

Gordon Hart
Chairman
6 June 2023

ROCKFIRE RESOURCES PLC

DIRECTORS' BIOGRAPHIES

Gordon Hart, Chairman

Gordon has over 35 years of experience in the equity capital and financial advisory markets. He spent 12 years from 2004 to 2016 as Managing Director of Venture Group Equities Pty. Ltd, where he advised on transactions involving over US$300 million of funding. He is a graduate of the Australian Institute of Company Directors and has a Graduate Diploma in Corporate Governance. Gordon brings a wealth of corporate knowledge, equities and finance expertise and emerging company experience to Rockfire.

David Price, Chief Executive Officer and Managing Director

David is an experienced geologist and senior executive with over 30 years of experience in the global mining industry and over 20 years' experience in securing funding for exploration projects. David is a Fellow of the Australasian Institute of Mining and Metallurgy (FAusIMM) and is a Competent Person for Mineral Exploration under the guidelines of the JORC Code.

During his career, David has been involved with many resource projects. He was Country Manager for Danae Resources during the drill-out and Pre-Approval Study of the Sappes gold project in Greece. He was the Senior Consulting Geologist during the drill-out of Australia's second-largest lithium resource at Earl Grey in Australia.

David has previously held senior roles in both listed and private resource companies, including CEO of Golden Tiger Mining Limited, CEO of Convergent Minerals Limited and Managing Director of Millennium Mining Limited.

Ian Staunton, Non-executive Director

Ian has worked in the City of London for more than 40 years in a range of role, including Audit Partner, Corporate Finance Partner and Equity Partner in various accounting firms. He is a retired Fellow of the Institute of Chartered Accountants in England and Wales and has a Diploma in Corporate Finance. Having worked as Equity Partner and Head of Capital Markets for Chantrey Vellacott DFK LLP and a Senior Equity Partner for Moore Stephens during the last 25 years, Ian provides Rockfire with a strong level of accounting and audit experience. Such high-level accounting, audit and compliance capability fulfils Rockfire's ambition to broaden its corporate skill base and to bring unparalleled experience and expertise from London onto the board. Ian is the Chairman of the Audit Committee.

Patrick Elliott, Non-executive Director

Pat is an experienced resources and industrial company director. In a career spanning over 45 years, he has held senior executive positions with Consolidated Gold Fields (Australia) Limited and Morgan Grenfell Australia Limited. Pat has an MBA in Mineral Economics from Macquarie University and a B Comm from the University of New South Wales. He has extensive management experience in various fields, including manufacturing, mineral exploration, and oil and gas exploration. Pat is currently Executive Chairman of Cap-XX Limited and Chairman of Argonaut Resources NL (an ASX-listed copper explorer). He is also a Non-Executive Director of Tamboran Resources Limited and Kirrama Resources Limited (an unlisted explorer and developer of chromite and manganese projects in Madagascar).

Nicholas Walley, Non-executive Director

Nicholas has a business background spanning multiple industries, including agriculture, property, construction, plant hire, food and beverage packaging, leisure and charitable work. He has critical skills in logistics, infrastructure, organisational management and sales.

STRATEGIC REPORT

Molaoi Zinc Project, Greece

Rockfire's exploration activities for 2022 started very positively with an announcement on 8 March 2022 that it had won an Open International Tender for the exploration and exploitation rights to the high-grade Molaoi zinc deposit in Greece. Winning the tender provided Rockfire with 100% ownership of a 30-year licence to explore and mine the Molaoi project, located in the Peloponnese region of Greece. Molaoi is an outstanding high-grade zinc deposit, and Greece offers a low-risk jurisdiction with a modern mining legislation and an active and progressive mining industry making it an attractive destination for the Company.

The Greek State drilled 173 cored diamond holes between 1979 and 1988, largely concentrated in a strike length of 1.5 km long. Multiple, stacked, zinc-bearing layers have been mapped over a total strike length of 7 km, providing enormous upside for additional expansion of zinc mineralisation. Some of the outstanding results from historical drilling at Molaoi include:

- 10.4 m @ 10.63 % Zn, 1.45% Pb, & 62 g/t Ag (AN011, from 79 m)
- 15.0 m @ 11.94 % Zn, 1.96% Pb, & 66 g/t Ag (AN017, from 136 m)
- 7.0 m @ 14.96 % Zn, 2.13% Pb, & 63 g/t Ag (AN028, from 187 m)
- 7.0 m @ 19.17 % Zn, 2.89% Pb, & 76 g/t Ag (B010, from 43 m)
- 9.9 m @ 18.06 % Zn, 2.87% Pb, & 91 g/t Ag (B011, from 184 m)
- 2.8 m @ 26.51 % Zn, 1.87% Pb, & 80 g/t Ag (BG013, from 57 m)

Zinc mineralisation starts at surface and has been extensively drilled down to approximately 220 m, where 5.15 m @ 10.8% Zn, 3.8% Pb, & 37g/t Ag was encountered. Mineralisation remains open at depth.

On 11 April 2022, the Company announced that the historical drill core had been located, photographed, and sampled as part of the Company's technical due diligence of the Molaoi deposit. The core has been stored under cover by the Greek Government and the original sampling intervals have been kept wrapped in plastic. This meant that we have been able to sample the precise interval as that selected in the 1980's. A total of 51 samples of the old core were taken to verify a spread of original assays ranging from 0.9% Zn to a maximum of 36.75% Zn. The samples collected for re-assay were specifically selected to represent a spatial spread to include the entire 1.5 km distance, where most of the historical drilling occurred.

The results of the core re-analysis were announced on 3 May 2022 and demonstrated that the core has successfully verified the high grades reported by previous explorers, with zinc, lead and silver values closely replicating historical analysis. This verification provided a big step towards de-risking the project and provided enormous encouragement for the team to move forward rapidly with resource expansion plans.

The highest individual assay returned was 0.5 m @ 34.1 % Zn, 12.9 % Pb and 474 g/t Ag. Not all the core was sampled and this individual sample is within a broader zone which was not resampled but grades 3 m @ 13.0 % Zn, 4.6 % Pb and 159.8 g/t Ag feature in historical analysis.

The verification process formed part of Rockfire's technical Quality Assurance/Quality Control (QA/QC) which is an important aspect of achieving an inaugural JORC resource estimate. Verification assays of this magnitude and accuracy confirm the significance of the Molaoi project and contribute to overall de-risking of the project.

The Molaoi project took an unexpected but very positive turn when it was announced to the market on 10 May 2022 that re-analysis of the historical drill core had discovered the presence of one of the world's critical metals, germanium, at Molaoi.

Critical metals are metals deemed vital for world economies to continue to provide technology. The supply of germanium is largely at risk due to geological scarcity. The European Union Environmental Agency includes germanium in the top 20 raw materials which have been identified by the European Commission as being critical metals, owing to risk of supply shortages.

The weighted average grade of the 51 samples collected during the re-analysis of core is 51 grams per tonne (g/t) Ge, with a peak value of 197 g/t Ge. 41% of samples returned germanium values above 50 g/t Ge.

Germanium is used in the manufacture of everyday technology including mobile phones, electronics, solar cells, camera lenses, satellites, computer screens, as well as steering and parking sensors for vehicles. Germanium is also used in numerous military applications including weapons-sighters (scopes) and infrared night vision.

A maiden inferred mineral resource estimate for Molaoi was announced on 23 May 2022. The mineral resource surpassed all expectations and demonstrated the quality and potential of the project. The resource is reported in accordance with the Joint Ore Reserve Committee ("JORC") Australasian Code (2012) for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

The inaugural JORC resource estimation for Molaoi delivered an inferred mineral resource of 2.3 million tonnes @ 11 % ZnEq. for 250,000 tonnes of ZnEq. Using a 4% low-grade cut, individual elemental grades are 9.4 % Zn, 1.7 % Pb and 47 g/t Ag. This results in 210,000 tonnes of zinc, 39,000 tonnes of lead, and 3.5 million ounces of silver being included in the maiden resource. Only 1,400 m of a potential strike extent of 7 km has been included in the resource and the resource remains open at depth and along strike. In addition to this, multiple, parallel mineralised lodes are not included in the resource, and are yet to be fully tested. The presence of parallel lodes may add materially to the resource in future estimates.

Metallurgical flotation test work completed in 1984 resulted in 96% zinc recovery, 92% lead recovery and 91% silver recovery into a bulk concentrate. These recovery factors were applied to the mineral resource to calculate the resulting zinc equivalent tonnes and grade.

The top 40 m from surface were excluded from the mineral resource as Rockfire is planning underground mining only to minimise social and environmental impacts. Germanium was not included in the maiden resource estimate owing to limited quantitative analysis.

Management considers Molaoi to be an outstanding base metal project, which we hope will grow to a globally significant scale. The quality of the grades and quantity over the first 1,400 m strike extent is testimony to the potential size of Molaoi, particularly if our planned exploration along strike proves to be successful.

Geological mapping and rock sampling throughout the Molaoi licence commenced on 17 August 2022, with an announcement on the same day detailing the initial work. Diamond drilling was being planned to target the expansion of the maiden JORC resource.

A Greek exploration geologist and a local mining engineer were appointed in late July 2022 to conduct exploration activities and prepare for drilling. A lease was signed for the Company to lease a core yard and field operations office, both located on the exploration licence and close to the planned drilling at Molaoi. Further, as part of the grant of the tender to Rockfire, a lease of a 10-acre (4.06 Ha) parcel of surface land at Molaoi was granted to the Company. The private lease transferred to Rockfire includes the portal and decline to the historical underground mine, developed during the late 1980s.

On 25 August 2022, Rockfire announced that preliminary metallurgical tests from Molaoi have returned excellent recoveries and concentrate grades for zinc, silver, lead and germanium. Copper and gold have also reported to the concentrates, adding high potential value to the future economics of the project. The metallurgical recoveries and grades attained in this round of tests significantly reduce process recovery and marketing risk. Metallurgical test work is being supervised by the Company’s metallurgical consultants, BHM Process Consultants Pty. Ltd. ("BHM") in Perth, Western Australia, using core drilled by the Greek Government.

Results of the metallurgical tests report excellent recoveries of zinc (89%) and lead (74%). Commercially saleable grades of zinc (57% Zn), silver (856 g/t Ag), lead (63.6% Pb), germanium (117 g/t Ge), copper (2.62% Cu) and gold (0.52 g/t Au) are readily achieved at Molaoi. Two flotation circuit tests were conducted, with zinc/germanium (Concentrate 1) and lead/silver/copper/gold (Concentrate 2).

First-pass metallurgical recovery of zinc is 89%, with this figure likely to increase with more detailed tests. The performance of the zinc system is reported by BHM as "excellent", with a product grade of 57% Zn concentrate achieved in a single pass through a 3-stage flotation circuit. This is well above the desired product grade of 50% Zn contained for a saleable concentrate.

Germanium reports to the zinc concentrate with a commercially competitive grade of 117 g/t Ge and is expected to be recovered as part of the zinc concentrate. This is expected to be a valuable credit in the concentrate.

First-pass metallurgical recovery of lead is 74%, with this figure also expected to increase with more detailed test work. The lead circuit recovery is at a greatly over-concentrated value of 63.6% Pb concentrate achieved in a single pass through a 3-stage circuit configuration. This also far exceeds the market requirement of 40% - 50% Pb contained for a saleable concentrate.

Silver recovery is 85.6% from the rougher tails, with 15.2% of the silver reporting through to the lead concentrate at a grade of 856 g/t Ag, whilst copper and gold both reported to the lead concentrate with grades of 2.62% Cu and 0.52 g/t Au.

BHM expects that these recovery figures may be conservative as there is much metallurgical development and many optimisation tests still to occur on the project. More definitive testing will be initiated using core obtained from diamond drill core planned for later in the year. This work will include crushing, milling and abrasion work indices.

The Company announced on 2 November 2022 that the concrete entrance to the old underground portal and decline has now been exposed by excavation. Discussions held with people closely associated with the mining activity in the 1980s indicate that the mine was constructed with the use of steel and timber support beams. It's therefore possible that the decline remains open and clear beyond the portal. The decline was constructed using a 3.5m x 3.0m profile and varies in slope angle between an initial slope of 1:12 and steepening to a 1:7 rate of decline lower in the decline.

Access agreements were signed in preparation for our initial drill programme which is planned to consist of 4 geotechnical holes. These holes are designed to gather information on ground conditions to feed into underground mine design. These initial holes will also provide material for crushing and grinding work indexes and uniaxial compressive strength (“UCS”) tests to measure the ability of the rock to withstand stress once mining commences.

Rockfire was delighted to announce on 21 November 2022, that geotechnical drilling was underway in Greece. An initial 4 holes (for a total of 840m) are planned to be drilled within the main mineral resource of 2.3Mt @ 11% zinc equivalent. These initial 4 geotechnical holes are expected to be followed by more holes to gather geotechnical information throughout the 1.5km of the resource and beyond. The average depth of drilling is 210m d, with the deepest hole planned to reach 270m below surface.

As part of the process to reach commercial extraction, the geotechnical tests for which this core will be used form a critical stepping-stone on the path to feasibility. The first holes are designed to provide the following analytical and geotechnical outcomes:

- Confirmatory analysis to ensure correlation with previous assay results;
- To gather geotechnical orientation and structural data to refine the interpretation of the orebody at Molaoi;
- To obtain core for UCS tests. These tests inform our mining engineers of rock strengths when loads are applied/reduced in an actual mining scenario; and
- To obtain sufficient core for crushing and grinding work indices. These tests determine the energy (and therefore cost) of crushing and grinding the ore to a powder and will form a key component of a feasibility study into the economics of the project.

High-grade results of rock samples taken from historic mullock (waste) dumps and surface outcrops were announced to the market on 28 November 2022. Zinc up to 25% Zn, lead up to 16.8% Pb and silver up to 498g/t Ag were returned in rocks from waste dumps and outcrop around old mine workings.

The highest results obtained are from the "Kalamaki" prospect, where the JORC resource of 2.3Mt @ 9.4% Zn, 1.7% Pb and 47g/t Ag is located. 9.3% Zn has been found in old workings at the "Fournos" prospect, approximately 1.5km north of the JORC mineral resource. Previous drilling by the Greek Government has encountered 3m @ 8.4% Zn in diamond drill core at Fournos.

Zinc at 15.8% Zn has been found in old workings at the "Mesovouni" prospect, approximately 1.0km northwest of the JORC resource. Previous drilling by the Greek Government had encountered 3m @ 6.7% Zn in diamond drill core at Mesovouni. Similarly, 8.7% Zn, 5.2% Pb and 161g/t Ag has been found in outcrop to the north of the "Gkagkania" prospect, approximately 1.5km northwest of the JORC resource. Previous drilling by the Greek Government had encountered 7m @ 10.2% Zn in diamond drill core at Gkagkania.

Being from the spoils (waste) around the opening of old workings, it is testimony to the high grades of zinc, lead and silver encountered during historical mining. Several high-grade results were obtained from outcrops with no historical mining. This emphasises the quality of targets to the north and northwest of the main resource area.

On 12 December 2022, the market was informed that massive sulphides had been encountered in drilling at the predicted depth and position.

Both massive and semi-massive sulphides were encountered in Rockfire's first drill hole at a depth and position predicted from historical drill data. Between 1979 and 1988, 173 diamond drill holes were drilled at Molaoi, as well as metallurgical tests, a feasibility study and the development of a portal and decline to the orebody. The Company's exploration and exploitation permit allows Rockfire to capitalise on this excellent work by the Greek Government to help monetise the project in a timely manner.

Rockfire's first hole at Molaoi (MO_GTK_001) lies between historical drill holes and will serve to provide core for geotechnical test work to feed into a feasibility study. Massive sulphides occur between 130m and 134m, with semi-massive and disseminated sulphides continuing for a further 11m, down to 145m. More disseminated sulphides have also been encountered at 160m depth, which may represent a parallel lode beneath the main lode.

It is expected that sufficient mineralised core will be obtained to commence crushing and grinding work index studies. These studies determine the energy (and therefore cost) required to crush and grind the mineralised rock. The results from these studies are parameters required for technical and financial feasibility studies, which Rockfire plans to commence as soon as possible.

Lighthouse, Queensland Australia

The Lighthouse tenement includes the Plateau gold deposit, where an Inferred JORC resource has been drilled by Rockfire of 3.9 million tonnes @ 1.1 g/t Au and 6.4 g/t Ag (0.5g/t cut-off), for 131,302 ounces of gold and 800,000 ounces of silver. The tenement also comprises the Cardigan Dam, Split Rock and Double Event prospects.

On 11 April 2022, the Company announced that 557 soil samples had been collected from four sites within the Lighthouse tenement and results of this work were released to the market on 21 June 2022. Soil sampling returned strongly elevated gold results which outline a readily accessed and untested target at least 200 m long. The target is outside the area included in the JORC resource. Gold-in-soil values as high as 0.67g/t were encountered, as well as 2.3g/t silver. The soil anomaly is open along strike and extends beyond the limit of the sampling grid. Rockfire's management believes that the soil anomaly may present a target based on high-grade gold-in-rock samples as well.

Ongoing mapping and rock sampling at Plateau identified multiple new targets close to the drilled JORC gold resource and an announcement on 2 August 2022 confirmed that numerous faults have been identified. These faults are believed to carry fluids rich in gold and are interpreted as structural controls on gold mineralisation, including the Central Breccia and Eastern Breccia resources at Plateau. A new structural interpretation was completed which highlighted areas where dilation and rotation of the rocks has occurred. This provides open space within the rocks for heated and mineralised fluids to percolate through and deposit gold, silver and other metals.

Seventeen (17) rock samples collected during June 2022 outline two of the new exploration targets with results including 10.7 g/t Au, 3.2 g/t Au and 2.3 g/t Au. Twenty-nine percent (29%) of the rock samples returned results above 0.5 g/t Au, with more than 80% of results being above 0.1 g/t Au.

Rockfire continued to target additional near-surface, open-cut gold at Plateau. Soil sampling, rock sampling, geological mapping and geophysics confirm the presence of additional gold targets close to the edges of an intruded breccia (shattered rock), where the previously drilled 131,302 ounces of gold resource is positioned.

The new targets combined could add material ounces to the already-defined gold resources. With five new targets showing similar surface grades and dimensions to those in the two resource areas, it is realistic to target multiples of the resources already drilled.

Copperhead Porphyry Project, Queensland Australia

At the start of the reporting period, Rockfire had recently completed a diamond drilling programme and an update to the market was provided on 20 January 2022. This update included assay results for the third diamond drill hole (BCH003), which returned 370 m @ 0.20 % CuEq. from 57 m. Copper veins were observed throughout the entire 429 m long drill hole. The drill hole finished in copper-bearing veins.

Within this broad zone a higher-grade interval of 50 m @ 0.35 % CuEq. occurs from 259 m downhole depth and a more intensely veined interval of 22 m @ 0.41 % CuEq. has been intersected from 271 m downhole depth. Hole BCH003 significantly expanded copper mineralisation by 100 m directly east of hole BCH001 (501m @ 0.14% CuEq.), and 200 m north of hole BCH002 (357m @ 0,11% CuEq.), resulting in another significant increase in the footprint of the drilled copper-bearing area.

Hole BCH003 is, to date, the highest-grade hole drilled at Copperhead and long intervals including 62m @ 0.3% CuEq. is most encouraging. The grade variability is typical of large porphyry copper systems but importantly, the footprint of copper mineralisation is expanding with each hole. This third hole significantly expands the volume, and therefore tonnage, of the deposit.

Based on drilling 5 deep diamond holes at Copperhead, Rockfire announced a maiden inferred JORC mineral resource of 64 million tonnes @ 0.19% CuEq. for 120,000 tonnes of copper equivalent on 21 March 2022.

Mineral Resource Statement (effective date 14th March 2022)											
Cut-off (Grade Cu Eq %)	**Resource Category**	**Tonnage (Mt)**	**Grade**				**Contained Metal**				
			Cu Eq %	**Cu %**	**Mo %**	**Ag (g/t)**	**Cu Eq (Kt)**	**Cu (Kt)**	**Mo (Kt)**	**Ag (M oz)**
0.13	Inferred	64	0.19	0.12	0.015	0.55	120	80	9.4	1.1

The mineral resource remains open to the north, east, west and at depth leaving scope for significant further resource increases. The extent and tenor of mineralisation at Copperhead have yet to be fully tested. Copper mineralisation starts at surface and continues for at least 400 m vertically below surface. With continued exploration success and expansion of the resource, Copperhead demonstrates potential to form a low-cost, bulk-tonnage, open-cut mining scenario.

Copper Dome

On 11 April 2022, it was announced that a landowner access and compensation agreement had been signed with the landowner at the Copper Dome porphyry project in Queensland.

A three-dimensional interpretation of an airborne helicopter-supported magnetic survey had been commissioned at the end of the previous reporting period to determine the characteristics of the magnetic response at depth. This 3D interpretation highlighted two large, strongly magnetic bodies lying approximately 500m below the surface. These bodies were both characterised by long intervals of low-grade copper and gold immediately above them which had been discovered in historical RC drilling.

Copper Dome remains a highly prospective porphyry copper/gold target for Rockfire, but no further work was completed during the 2022 calendar year.

KEY PERFORMANCE INDICATORS (KPI's)

The Board monitors KPI's, which it considers appropriate for a group at Rockfire's stage of development.

Financial KPI's

During the year, the Board monitored the following KPI's:

- Cash flow and working capital;
- Short-term and long-term cash flow models, which include variance analysis from original budgets.

RISK MANAGEMENT

The Board regularly reviews the risks to which the Group is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible.

The principal risks and uncertainties facing the Group at this stage in its development are

Exploration risk

The Group's business has been primarily mineral exploration and evaluation which are speculative activities and, whilst the Directors are satisfied that good progress is being made, there is no certainty that the Group will be successful in the definition of economic mineral deposits, or that it will proceed to the development of any of its projects or otherwise realise their value.

The Group aims to mitigate this risk when evaluating new business opportunities by targeting areas of potential where there is at least some successful historical drilling or geological data available.

STRATEGIC REPORT

Resource risk

All mineral projects have risk associated with defined grade and continuity. Mineral reserves and resources are calculated by the Group in accordance with accepted industry standards and codes but are always subject to uncertainties in the underlying assumptions which include geological projection and commodity price assumptions.

The Group reports mineral resources and reserves in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code'). The JORC Code is a professional code of practice that sets minimum standards for public reporting of mineral exploration results, mineral resources and ore reserves. Further information on the JORC Code can be found at www.jorc.org.

Environmental, landowner and native title risk

Exploration and development of a project can be adversely affected by environmental legislation and the unforeseen results of environmental studies carried out during evaluation of a project. Once a project is in production, unforeseen events can give rise to environmental liabilities.

Access and compensation agreements are required to be negotiated between the Company and the landowner at each project. Queensland legislation provides an agreement template which may be modified by the Company and the landowner. The Company cannot guarantee landowners will provide access, regardless of existing laws in place to ensure such access is negotiated on fair terms.

Where native title exists, the Company obtains the necessary approvals for access and working programmes according to legislation and the Company's environmental, social and governance ("ESG") programme.

The Group is currently in the exploration stage. Any disturbance to the environment during this phase is minimal and is rehabilitated in accordance with the prevailing regulations of the countries in which we operate.

Financing and liquidity risk

The Group has an ongoing requirement to fund its activities through the equity markets and in the future to obtain finance for project development. There is no certainty such funds will be available when needed. To date, Rockfire has managed to raise funds primarily through equity placements despite the very difficult markets that currently exist for raising funding in the junior mining industry.

Political risk

All countries carry political risk that can lead to interruption of activity. Politically stable countries can have enhanced environmental and social permitting risks, risks of strikes and changes to taxation whereas less developed countries can have in addition, risks associated with changes to the legal framework, civil unrest and government expropriation of assets.

Bribery risk

The Group has adopted an anti-corruption policy and whistle blowing policy under the Bribery Act 2010. Notwithstanding this, the Group may be held liable for offences under that Act committed by its employees or subcontractors, whether or not the Group or the Directors had knowledge of the committing of such offences.

Insurance coverage

The Group maintains a suite of insurance coverage that is appropriate for the Group and Company. This is arranged via a specialist mining insurance broker and coverage includes public and products liability, corporate and professional, travel, property and medical coverage and assistance while Group employees and consultants are travelling on Group business. This is reviewed at least annually and adapted as the Group's scale and nature of activities changes.

Internal controls and risk management

The Directors are responsible for the Group's system of internal financial control. Although no system of internal financial control can provide absolute assurance against material misstatement or loss, the Group's system is designed to provide reasonable assurance that problems are identified on a timely basis and dealt with appropriately.

STRATEGIC REPORT

In carrying out their responsibilities, the Directors have put in place a framework of controls to ensure as far as possible that ongoing financial performance is monitored in a timely manner, that corrective action is taken and that risk is identified as early as practically possible. The Directors review the effectiveness of internal financial control at least annually.

The Board continuously monitors and upgrades its internal control procedures and risk management mechanisms and assesses both for effectiveness during the annual review. This process enables the Board to determine if the risk exposure has changed during the year. In order to assist the risk management function, the Company has a risk management policy, which is reviewed annually. The Executive Directors report regularly to the Board on the management of material business risks.

The Board, subject to delegated authority, reviews capital investment, property sales and purchases, borrowing facilities, guarantees and insurance arrangements.

CORPORATE SOCIAL RESPONSIBILITY

The Board takes account of the significance of social, environmental and ethical matters affecting the business of the Group. At this stage in the Group's development the Board has not adopted a specific policy on corporate social responsibility as it has a limited pool of stakeholders other than its shareholders. Rather, the Board seeks to protect the interests of Rockfire's stakeholders through individual policies and through ethical and transparent actions.

SHAREHOLDERS

The Directors are always prepared, where practicable, to enter into dialogue with shareholders to promote a mutual understanding of objectives and outcomes. The Annual General Meeting provides the Board with an opportunity to informally meet and communicate directly with investors.

ENVIRONMENT

The Board recognises that the Group's principal activity, mineral exploration, has the potential to impact on the local environment. To date, activities at the various projects have been limited to surveying and drilling activities and the Group does comply with local regulatory requirements with regard to environmental compliance and rehabilitation. The impact on the environment of the Group's activities has the potential to increase should our projects move into a development or production phase. This is currently assessed through baseline environmental studies that are being undertaken and identifying resources needed to manage environmental compliance in the future.

Given the Group's size and scale it is not considered practical or cost effective to collect and report data on carbon emissions.

EMPLOYEES

The Group engages its employees to understand all aspects of the Group's business and seeks to remunerate its employees fairly, being flexible where practicable. The Group gives full and fair consideration to applications for employment received regardless of age, gender, colour, ethnicity, disability, nationality, religious beliefs, transgender status or sexual orientation. The Group takes account of employees' interests when making decisions and welcomes suggestions from employees aimed at improving the Group's performance.

The Group now operates in Queensland, Australia and Greece, where it recruits locally as many of its employees and contractors as practicable..

SUPPLIERS AND CONTRACTORS

The Group recognises that the goodwill of its contractors, consultants and suppliers is important to its business success and seeks to build and maintain this goodwill through fair dealings. The Group has a prompt payment policy and seeks to settle all agreed liabilities within the terms agreed with suppliers. The Company encourages best practice from suppliers and contractors with regards to environmental issues.

STRATEGIC REPORT

HEALTH AND SAFETY

The Board recognises that it has a responsibility to provide strategic leadership and direction in the development of the Group's health and safety strategy in order to protect all of its stakeholders. The Group does not have a formal health and safety policy at this time. This is re-evaluated as and when the Group's nature and scale of activities change.

ENGAGEMENT WITH STAKEHOLDERS

The Board of Rockfire is proud of the high standard of corporate governance it has established and maintains. The Board makes a conscious effort to understand the interests and expectations of the Company's stakeholders, and to reflect these in the choices it makes in its effort to create long-term sustainable success for our business.

Engagement with our shareholders and wider stakeholder groups, including employees, landowners, suppliers, contractors and government agencies, plays a central role throughout Rockfire's business. The Board is aware that each stakeholder group requires a specific and unique engagement approach in order to create and maintain effective, sustainable and mutually beneficial relationships.

The Board's understanding of various stakeholder interests is factored into programme planning, boardroom discussions, strategy and budgets to assess potential long-term impacts of our business on each group, and how we might best address stakeholder expectations from our business.

Throughout this Annual Report, we provide examples of how we:

- Take into account the likely consequences of long-term decisions;
- Foster relationships with stakeholders;
- Understand our impact on our local communities and the environment; and
- Demonstrate the importance of behaving responsibly.

This engagement with stakeholders section forms our section 172 statement and should be read in conjunction with other information included in this Annual Report. Section 172 of the Companies Act 2006 requires the Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in section 172.

The Directors continue to observe, plan for, and communicate the interests of the Company's stakeholders, including the impact of its exploration activities on local communities and the environment. Acting in good faith and fairly between members, the Directors consider what is most likely to promote the success of the Company for its members in the long term.

The Board regularly reviews its principal stakeholders and how it engages with each. Stakeholder expectations are brought into the boardroom throughout the annual cycle through information provided by management and by direct engagement with stakeholders themselves. The priority of each stakeholder group may increase or decrease, depending on the degree of impact any decision may have on any particular stakeholder group. The Board therefore seeks to consider the impact and priorities of each stakeholder group during its discussions and as part of its decision making.

The table below sets out the key stakeholder groups, their interests and how Rockfire has engaged with them over the reporting period. However, given the importance of stakeholder focus, long-term strategy and reputation, these themes are also discussed throughout this Annual Report.

Stakeholder	Their interests	How we engage
Our investors	• Comprehensive review of financial performance of the business • Business sustainability • High standard of governance • Success of the business • Ethical behaviour • Director experience • Awareness of long-term strategy and direction	• Annual Report • Company website • Shareholder circulars • Podcasts and interviews • Corporate information including Company announcements and presentations • AGM results • Conference presentations

Stakeholder	Their interests	How we engage
	• Project prospectivity • Improving market perception of the business	• Stock exchange announcements • Press releases • Appointment of a public relations advisor • Frequent communication through briefings with management • Shareholder communication policy, which is renewed annually • Specific shareholder liaison officer on the Board (Chief Executive Officer) • Social media • One- to- one meetings with large existing or potential new shareholders
Regulatory bodies	• Compliance with regulations • Worker pay and conditions • Health and safety • Brand reputation • Waste and environment • Insurance • Environmental protection	• Company website • Stock Exchange announcements • Annual Report • Regular contact with QCA, share registrar, LSE and Companies House • Compliance updates at Board meetings • Risk management policy, updated annually • Compliance with local regulatory requirements and industry standard principles for environmental and social risk management • Appointment of a nominated advisor in accordance with the AIM Rules • Appointment of a competent person in accordance with the AIM Rules • Adhere to Australian and Greek laws and regulations • Adoption of best practice policies recommended by the World Bank and The International Council on Mining and Metals
Community	• Sustainability • Human rights • Community outreach	• Philanthropy. Drilling of a water bore is offered to the landowner during each drill programme • Corporate responsibility is overseen by a dedicated exploration manager • Employment of local contractors wherever possible • Prompt rehabilitation of drill sites • Providing opportunity for local businesses to cater for our exploration programs • Local landowners are paid promptly • Landowner access and compensation agreements • Active communication with landowners and communities where field work is taking place • Adhere to Greek and Australian Government guidelines for approaching landowner and native title holder discussion
Environment	• Energy usage • Recycling • Waste management	• All operational waste is completely removed from site and taken to a waste and/or recycling facility

Stakeholder	Their interests	How we engage
		• Detailed field operation guidelines to minimise any negative environmental impact of exploration activities • Obtaining environmental permits for exploration works in Greece and Australia, granted by the relevant Government • Ensuring operational protocols are in place and monitoring the adherence to these protocols
Suppliers	• Terms and conditions of contract • Procurement opportunities • Workers' rights • Supplier engagement • Sustainability • Long-term partnerships • Fair trading and payment terms	• All supplies are sourced locally where possible • Our suppliers and contractors have received repeat business from Rockfire, which is testimony to the fine working relationship established • Supplier performance is continually monitored by a dedicated exploration manager • All field programs, including supplier quotes are authorised by the Executive Directors prior to implementation • Local suppliers are paid promptly • Contact and feedback to suppliers is regular and personal via a dedicated exploration manager
Contractors	• Terms and conditions of contract • Health and safety • Human rights and modern slavery • Working conditions • Diversity and inclusion	• All contractors are sourced locally where possible • Contractors are trained in senior first aid, paid for by Rockfire • On-the-job training is provided • Local contractors are paid promptly • Rockfire pays contractors standard industry rates, which are well in excess of minimum average wages • Communication with contractors is frequent through a dedicated exploration manager • Induction for health and safety is mandatory for contractors visiting site • Daily safety meetings have been implemented during all field operations • Rockfire has a whistle-blower policy and procedure in place to ensure compliance, safety and governance • Code of conduct providing a framework for ethical decision making • Contact and feedback to contractors is regular and personal via a dedicated exploration manager • Anti-corruption and bribery policy

On behalf of the Board

David Price, Chief Executive Officer
6 June 2023

DIRECTORS' REPORT

Principal activities

The principal activities of the Group are currently exploration for gold and copper resources in Queensland, Australia and zinc, lead, silver and germanium resources in Greece. The Group's strategy is to explore for and, where the Directors believe that it is commercially feasible, develop deposits of precious and base metals. The Company strategy includes considering opportunities for project sale or joint venture at a point when any of the Group's projects becomes appropriately advanced enough to consider such options.

The Group currently holds five exploration permits for minerals (EPMs) in Queensland, Australia and one exploration/exploitation licence in Greece.

Financial overview

The loss for the year is in line with the Directors' expectations. With funding being raised in October 2022 and June 2023, the Directors are confident that they will be able to secure additional funding when required to do so. The Directors are also of the view that the investment sentiment in the resource sector is improving, to the extent that the exploration success the Company has achieved to date should enable it to raise sufficient additional exploration funding to continue its exploration programmes.

Further details of the Group's business, including its targets and strategies is given in the Chairman's Statement and the Strategic Report.

Major events after the reporting period

For information regarding events after the reporting date, see note 19 to the financial statements.

Dividends

The Directors are unable to recommend the payment of a dividend for the year ended 31 December 2022 (2021: £nil).

Going concern

The current investment environment in the United Kingdom and elsewhere in the World has made seeking equity funds for small cap exploration companies challenging. The Board is therefore encouraged that in October 2022, the Company raised gross proceeds of £375,000 through a subscription of 300,000,000 new ordinary shares of 0.1p each and in early June 2023, the Company raised gross proceeds of £880,000 from the issue of 400,000,000 new ordinary shares of 0.1p each. This will enable the Group to meet existing liabilities plus enable further exploration, especially at its Molaoi project in Greece.

The Board believes the Group will continue to generate sufficient working capital to meet its future operational and exploration requirements and to continue to advance them and will continue to have the ongoing support of its shareholders, as required, for the foreseeable future.

Directors

The Directors in office during the year are listed below. The interests of the Directors in the shares of the Company, and share options were as follows:

	As at 31 December 2022 Ordinary shares	As at 31 December 2021 Ordinary shares	As at 31 December 2022 Options	As at 31 December 2021 Options
Gordon Hart	18,423,530	8,823,530	10,000,000	10,000,000
Patrick Elliott	40,042,765	12,469,823	6,000,000	6,000,000
Ian Staunton	-	-	6,000,000	6,000,000
Nicholas Walley	75,200,000	59,000,000	6,000,000	6,000,000
David Price	46,350,000	13,850,000	10,000,000	10,000,000

DIRECTORS' REPORT

Significant shareholdings

As at 4 May 2023, the Company was aware of the following holdings of 3% or more of the issued share capital of the Company:

	Ordinary shares	% of the Company's issued share capital
Nicholas Walley	75,200,000	5.21%
Michael Somerset-Leeke	49,101,126	3.40%
Patrick Elliott	47,350,991	3.28%
David Price	46,350,000	3.21%

Directors' remuneration

Full details of Directors' emoluments are set out in note 5 to the financial statements.

Environmental policy

The Group's projects are subject to the relevant Australian and Greek laws and regulations relating to environmental matters.

The Group's strategy is to explore for and, where the relevant studies indicate that it is economically viable to do so, to develop mineral deposits. It is the Group's intention to conduct its exploration and investigation activities in a professional and responsible manner, for the benefit of the Company's shareholders, its employees and the national and local communities within which it operates.

The Group aims at all times to conduct its operations in an environmentally responsible manner and in accordance with relevant legislation. The Group aims to adopt best practice policies as recommended by the World Bank, the International Council on Mining & Metals ("ICMM") and others where the Group deems local legislation to be inadequate in terms of environmental protection. The Group has in place a detailed field operations guidelines manual which covers in considerable detail the measures to be taken by field personnel to minimise any negative environmental impact of current exploration activities on the environment.

The Group also recognises the enormous potential of its activities for positive impact on the communities in which it operates and strives to optimise these positive impacts as far as possible.

Directors' indemnities

The Group has directors' and officers' indemnity insurance to cover its Directors and officers against the costs of defending themselves in legal proceedings taken against them in that capacity and in respect of any damages resulting from those proceedings.

Political contributions

No political contributions have been made.

Auditor

A resolution proposing that PKF Littlejohn LLP be re-appointed will be put to the forthcoming Annual General Meeting.

Statement of disclosure to auditor

The Directors who held office at the date of approval of this Annual Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each Director has taken all steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DIRECTORS' REPORT

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group and Company financial statements in accordance with UK-adopted international accounting standards and as regards the Company financial statements, as applied in accordance with the requirements of the Companies Act 2006.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group and Company for that period.

In preparing the Group and Company 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 they comply with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Group's Annual Report will be published on the Group's website and in this regard the Directors accept responsibility for the maintenance and integrity of the website.

Annual General Meeting and recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and the Group as a whole and its unanimous recommendation is that shareholders support these proposals as the Directors intend to do in respect of their own holdings. Further details regarding the location and timing of the Company's forthcoming Annual General Meeting will be provided shortly.

We welcome you to continue to take the journey with us as we build Rockfire through exploration success and quality asset acquisition.

On behalf of the Board

David Price, Chief Executive Officer
6 June 2023

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

As Chairman of Rockfire, it is my responsibility to ensure that Rockfire has both sound corporate governance and an effective Board. I do that by ensuring that the Company and the Board are acting in the best interests of shareholders, and by making sure that the Board discharges its responsibilities. This includes creating the right Board dynamic and ensuring that all important matters, in particular strategic decisions, receive adequate time and attention at Board meetings.

My responsibilities include leading the Board effectively, overseeing the Group's corporate governance model, communicating with shareholders and ensuring that good information flows freely between the Executive and Non-executive Directors in a timely manner.

To the extent applicable, and to the extent able (given the current size and structure of the Company and the Board), the Company has adopted the Quoted Companies Alliance Corporate Governance Code (the Code). Details of how the Company complies with the Code are set out below, together with the principles contained in the Code.

In light of the Company's size and nature, the Board considers that the current Board is a cost effective and practical method of directing and managing the Company. As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of additional corporate governance policies and structures will be reviewed. Further disclosures under the Code are included on the Company's website.

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

Rockfire is an AIM-quoted mineral explorer with projects located in northern Queensland, Australia and the Peloponnese region of Greece. The Company's strategy is to identify mineral deposits which can be developed into mines to create value and income for shareholders.

Throughout 2022, the Board has delivered on its strategy to achieve growth of the Group, with highly successful exploration results at Molaoi in Greece and at the Plateau gold deposit and Copperhead project, in Queensland, Australia.

The Company continues to seek other resource projects.

Principle 2 - Seek to understand and meet shareholder needs and expectations

NEEDS OF SHAREHOLDERS

The principal need of a shareholder is to achieve a return on their investment

EXPECTATIONS OF SHAREHOLDERS

A shareholder can reasonably expect the Company and Management to;

- deliver on its obligations and commitments to Principal 1.
- ensure its management and directors act with integrity and professionalism in running the company
- direct the expenditure of monies on appropriate exploration methods and to ensure expenditure is justified and accountable
- provide enough flow of information on exploration progress to allow the shareholder to make informed decisions on their investment
- publish clear and concise announcements, with minimal technical complexity
- have open access to the Board or CEO to provide clarification

We seek to engage with our shareholders through updates to the market via regulatory news flow ('RNS'), on matters of a material substance and regulatory nature. Whilst being mindful of the requirements of the AIM Rules and Market Abuse Regulations the Board may engage with Shareholders directly from time to time in relation to questions that they may have and other matters.

The Company's AGM will also provide an opportunity for shareholders to ask questions during the formal business of the meeting and informally following the meeting.

The Board shall ensure that the voting decisions of shareholders at the AGM are reviewed and monitored and that approvals sought at the Company's AGM will be in line with the recommended corporate guidelines of the QCA Code.

Shareholder enquiries should be emailed to: info@rockfireresources.com.

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

Consider wider stakeholder and social responsibilities and their implications for long term success.

ENGAGEMENT

The Board believes that engaging with stakeholders strengthens relationships and helps make better business decisions to deliver on commitments. The Board is regularly updated on wider stakeholder engagement feedback to stay abreast of stakeholder insights into the issues that matter most to them, and to enable the Board to understand and consider these issues in decision-making. Aside from Shareholders, suppliers and customers, our workforce is one of the most important stakeholder groups and the Board therefore closely monitors their feedback to ensure alignment of interests

WORKFORCE

The Board has established a safe and healthy work environment, which complies with the relevant Occupational Health and Safety laws. It has tried to ensure that the workforce is provided with enough training to develop the appropriate skills and knowledge to complete the tasks requested of them.

The Company shall;

- adhere to the relevant laws, rules and regulations within the jurisdictions in which it operates
- ensure technical reporting obligations are submitted on time
- complete environmental management reports for the government
- comply with site-clearing and rehabilitation guidelines and expectations on a "best practice" approach

TRADITIONAL LANDOWNERS

The Company shall respect traditional lands, customs and culture on all land with registered traditional ownership. Heritage clearance, as required by law shall be sought and honoured. Where appropriate, traditional landowners shall be consulted with and included in any opportunities for employment on an equal basis.

LANDOWNERS & PASTORALISTS

The Company shall respect and acknowledge the rights of landowners and leaseholders. The Company shall work with the landowner in an ethical manner and where possible, shall offer opportunity to the landowner to participate in the work program.

CONTRACTORS & SUPPLIERS

- For the sake of Occupational Health & Safety, all contractors and sub-contractors shall be treated in the same manner as employees.
- Independent contractors will be required to provide their own PPE (personal protective equipment) whilst working on any of the Company sites

- All Contractors shall be subject to a Site Induction on their first visit to any of the sites being explored by the Company.

- All independent contractors will be required to carry their own Public Liability and Workers Compensation Insurances.

- To ensure a safe and productive work environment, the appropriate Occupational Health & Safety requirements, induction procedures and safety precautions shall be established by the Company.

The Company has designated an appropriately experienced and qualified representative to act as a “Liaison Officer” between contractors and the Company.

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

The risks facing the Company are detailed in the risk management section of the Strategic Report. The Board seeks to mitigate such risks so far as it is able to do, but certain important risks cannot be controlled by the Board.

In setting and implementing the Company’s strategies, the Board, having identified the risks, seeks to limit the extent of the Company’s exposure to them having regard to both its risk tolerance and risk appetite.

Principle 5 - Maintain the board as a well-functioning, balanced team led by the chair

Ian Staunton is considered to be independent. Nicholas Walley and Patrick Elliott, as significant shareholders, are not considered to be independent.

The Company is aware that having an Executive Chairman is not in line with the recommendations made by the QCA. The role of Executive Chairman has been primarily to ensure that best practice policies and procedures are implemented through identifying and appointing the appropriate Directors, ensuring the Board is run in an effective manner, and assisting the Chief Executive Officer with legacy matters. There is a clear split of responsibilities between the Executive Chairman and the Chief Executive Officer. The Board believes that the skillsets of the Chairman and the non-independent Non-executive Directors are appropriate and beneficial for all shareholders and stakeholders.

All Directors are expected to devote the necessary time commitments required by their position and are expected to attend all Board meetings. The Board convenes outside these meetings on an ad hoc basis as and when it deems necessary.

The Chief Executive Officer works full time for the Company. The Executive Chairman is expected to devote sufficient time as to fulfil the needs of the Company, The Non-executive Directors are expected to dedicate up to 3 days per month to the Company’s affairs. The Board is satisfied that each of the Directors is able to allocate sufficient time to the Company to discharge their responsibilities effectively.

The number of meetings of the Board and attendance for the year ended 31 December 2022 are set out below:

	Meetings held	**Meetings attended**
Gordon Hart	14	14
Patrick Elliott	14	9
Ian Staunton	14	12
Nicholas Walley	14	14
David Price	14	14

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

The Board comprises the Executive Chairman, Gordon Hart; the Chief Executive Officer, David Price; and three Non-executive Directors, Ian Staunton, Patrick Elliott and Nicholas Walley. Further details on the Board can be found on the Director biographies section of the 2022 Annual Report, which details the relevant experience, skills and personal qualities and capabilities that each director brings to the board.

The Board is therefore satisfied that it has a suitable balance between independence on the one hand, and direct managerial and operational knowledge of the Company on the other, which ensures that no individual or group may dominate the Board's decisions. The Board is also satisfied that the Board has sufficient knowledge of the Group and its operations to enable it to discharge its duties and responsibilities effectively. All Directors use their independent judgement to challenge all matters, whether strategic or operational.

The Directors endeavour to ensure that their knowledge of best practices and regulatory developments is up to date by technical reading and attending relevant seminars and conferences as considered necessary. All Directors receive regular updates on legal and governance issues. Nicholas Walley has been attending various QCA seminars on remuneration. David Price has attended various technical seminars. Gordon Hart has attended numerous webinars and conferences held by the Australian Institute of Company Directors. All Directors are encouraged to attend presentations, conferences and webinars which improve their skill base.

Rockfire has a Company Secretary whose role is to work closely with the Chairman to maintain high standards of corporate governance, ensuring that the necessary information is supplied to the Directors on a timely basis and that the Company complies with all applicable rules, regulations and obligations governing its operation.

The Board has regular contact with its advisors to ensure that it is aware of changes to generally accepted corporate governance procedures and requirements and that the Group remains compliant with applicable rules and regulations. The Company's nominated advisor supports the Board's development, specifically providing guidance on corporate governance and other regulatory matters, as required.

Each Director can take independent professional advice in the furtherance of his duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary.

Neither the Board nor its committees have sought external advice on a significant matter during this period.

Principle 7 - Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Given the current stage of the Company's development the Directors believe that the Board operates efficiently and cost effectively and that the cost of an internal or external review process is not justified. Nevertheless, it is intended that the Board will be strengthened in due course to reflect the Group's progress with exploration and growth.

No board performance evaluation has taken place in the year for the reason described above.

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

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Group as a whole and that this will impact the performance of the Group. The Board is aware that the tone and culture set by the Board will greatly impact all aspects of the Group and the way that employees and other stakeholders behave. The Corporate Governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders, and that shareholders have the opportunity to express their views in a manner that encourages open dialogue with the Board. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives.

A large part of the Company's activities is centred upon an open and respectful dialogue with employees, contractors, clients and other stakeholders. The Board places great importance on this aspect of corporate life and seeks to ensure that transparency and openness are evident in all that the Company does. The Directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge.

The Board has adopted a code of conduct which provides a framework for ethical decision-making and actions across the Group. The code of conduct reiterates the Group's commitment to integrity and fair dealing in its business affairs and its duty of care to all employees, contractors and stakeholders.

Each Board member's adherence to the Group's code of conduct is assessed annually. Employees are assessed on their performance and their adherence to the code of conduct through their annual performance review.

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

BOARD PROGRAMME

The Board is responsible for approving the Company strategy and policies, for safeguarding the assets of the Company, and is the ultimate decision-making body of the Company in all matters except those that are reserved for specific shareholder approval.

The Board sets direction for the Company through a formal schedule of matters reserved for its decision.

The Board meets at least four times each year in accordance with its scheduled meeting calendar and maintains regular dialogue between Board members.

Prior to the start of each financial year, a schedule of dates for that year's Board meetings is compiled. This may be supplemented by additional meetings as and when required.

The Board and its Committees receive appropriate and timely information prior to each meeting, with a formal agenda being produced for each meeting, and Board and Committee papers distributed several days before meetings take place.

Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Company's executive management team.

ROLES & RESPONSIBILITIES

There is a clear division of responsibility at the head of the Company.

The Chairman is responsible for:

· running the business of the Board;

· setting the agenda for Board meetings;

· ensuring appropriate strategic focus and direction;

· facilitating effective contribution from all Directors; and

· promoting constructive and respectful relations between the Board and management.

The CHIEF EXECUTIVE OFFICER is responsible for:

· proposing the strategic focus to the Board;

· implementing strategy once it has been approved by the Board;

· overseeing the management of the Company through the executive management team; and

· where proposed transactions, commitments or arrangements exceed the thresholds set by the Board to refer the matter to the Board for its consideration, review and approval.

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

The Audit Committee's primary function is to assist the Board in fulfilling its responsibilities by reviewing the:

- Quality and integrity of financial reporting.

- Systems of internal control which management and the Board have established to safeguard the Group's financial and physical assets and facilitate compliance with relevant statutory and regulatory requirements.

- Processes for business risk identification, quantification and mitigation.

- Effectiveness and independence of the external audit process.

- Quality and relevance of financial and non-financial information provided to management and the Board on which decisions will be based.

The Audit Committee acts as the Board's committee to oversee risk.

The Remuneration Committee acts as the Board's committee to oversee employment and remuneration contracts for management and directors.

The roles of the Audit and Remuneration Committees are available on the website at www.rockfireresources.com

All matters that have a material impact upon the Company or any of its subsidiaries will be referred to the Board. However, below is a schedule of matters reserved specifically for the decision of the Board or a duly authorized committee thereof. The Board has the authority to obtain outside legal or other independent advice at the expense of the Company.

Financial matters

- Approval of full year (preliminary) and half year results announcements.

- Adoption of significant change in accounting policies or practices.

- Approval of all circulars and prospectus to shareholders.

- Changes relating to the capital structure of the company.

- Approval of increases in share capital of any Group Company.

- The approval of all guarantees given by the Company.

- Ratify the use of Rockfire Resources plc company seal.

Corporate matters

- Convening general meetings of the Company.

- Recommending to shareholders the approval of alterations to the Memorandum and Articles of Association of the company.

- Making any take-over offer for another company or other companies within the City Code on Takeovers and Mergers and considering a response to any such approaches to the Company.

· Annual report and accounts

To issue the Annual Report and Accounts of the company having approved the following:

- Strategic Report.

- Directors Report.

- Remuneration, Audit and Nomination Committee Reports

- Accounts and notes to the accounts.

Appointments and structure

- Appointment and removal of the Chairman.
- Appointment, removal and re-election of the Directors.
- Appointment and removal of the Company Secretary.
- Reviewing succession planning for the Board and senior management of the Group.
- Carry out a formal and rigorous review of its own performance and that of its committees and individual directors on an annual basis.

Budgets, contracts and business development

- Approval of strategic plans of the company.
- Approval of the annual budget of the company.
- Approval of significant changes in treasury and foreign currency policy of the company.
- Approval of material contracts.
- Significant changes to the company's activities to include, acquisitions or divestments or entry into a new foreign jurisdiction or exit from an existing one.

· Internal controls

To receive reports directly from the Chief Executive Officer on the Group's internal control systems and to consider amongst others:

- Changes in the nature and extent of significant risks to the business.
- The key risks and how these are evaluated and managed.

To review annually the effectiveness of the company's internal control systems and consider:

- For identified weaknesses, the actions being taken and the timeliness of rectification.
- The effectiveness and output of the management's review process.
- Incidence of major control weaknesses, their cause and potential impact on the business.
- To report to shareholders on the review of the internal control systems.

Board committees

- Approving terms of reference for Board Committees and agreeing division of responsibility between Chairman and Chief executive Officer.
- Recommendation to shareholders to appoint or remove the Company's auditors including approval of their fees.
- Appointment or removal of the Company's principal advisors.

- Approval of major changes in employee share and incentive schemes.
- Approval of the Group's Health and Safety Policy.
- Approval of the Group's Environmental Policy.
- Monitoring of the Directors and Officers Liability Insurance.
- Agreeing fee levels for Non-Executive Directors.

As the Group grows and develops the Board will periodically review its corporate governance framework to ensure it remains appropriate for the size, complexity and risk profile of the Group

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

The Board attaches great importance to providing shareholders with clear and transparent information on the Company's activities, strategy and financial position.

The Company communicates with shareholders through the Annual Report, full-year and half-year announcements, the Annual General Meeting and one-to-one meetings with large existing or potential new shareholders.

The Company announces significant developments which are disseminated via various outlets including the London Stock Exchange's Regulatory News Service (RNS).

The audit committee is chaired by Ian Staunton and includes Patrick Elliott and Gordon Hart, and their biographies can be found on page 7. The role of the committee is to consider and approve the interim results, and with the auditors to consider the annual report and matters raised by the auditors based on their audit. So far as possible recommendations by the auditors are immediately implemented. To date, audit committee matters have been discussed in full Board meetings. As such no formal audit committee reports have been required.

The remuneration committee is chaired by Nicholas Walley and includes Patrick Elliott, and their biographies can be found on page 7. The remuneration committee meets on an ad hoc basis, when required. Fees payable to the Non-executive Directors are determined by the Executive Directors.

Additional information supplied by the remuneration committee has been disseminated across this Annual Report, rather than included as a separate committee report.

Gordon Hart, Chairman
6 June 2023

INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Rockfire Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise 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 Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that the group will require further funds to be raised over the next 12 months in order for the group to meet its exploration expenditure commitments and to undertake the budgeted exploration activities. As stated in note 3, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. 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 group's and parent company's ability to continue to adopt the going concern basis of accounting included a review of the cash flow forecasts prepared by management, a review of management's assessment of going concern and post year end information impacting going concern.

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

Materiality	Basis for materiality
Group* £102,000 *(2021: £97,000)	*2% of gross assets*
Company* £75,000 *(2021: £75,000)	*Combination of 2% of gross assets and 5% of loss before tax*

We consider gross assets to be the most significant determinant of the group's financial position and performance used by shareholders, with the key financial statement balances being intangible exploration and evaluation assets and cash and cash equivalents. The going concern of the group is dependent on its ability to fund operations going forward, as well as on the valuation of its assets, which represent the underlying value of the group. The basis for calculating materiality was unchanged from the prior year. The benchmark for the parent company differs from the group in order to achieve sufficient coverage of expenditure in our testing.

Whilst materiality for the group financial statements as a whole was set at £102,000, materiality for the parent company was £75,000 and for significant components was set at a range between £71,000 and £63,350 (2021: £75,000 and £58,000). Performance materiality at 70% was set at £71,400 for the group, £52,500 for the parent company and for the significant components at a range between 49,700 and £44,350 (2021: £67,900, £52,500 and £40,600 respectively). We applied the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements.

We agreed with the audit committee that we would report to the committee all audit differences identified during the course of our audit in excess of £5,100 (2021: £4,850) for the group and £3,750 (2021: £3,750) for the parent company.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas requiring the directors to make subjective judgements, for example in respect of assessing the recoverability of exploration, evaluation and development expenditure, the valuation of share-based payments, the carrying value and recoverability of investments in subsidiaries at parent company level, 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 significant operating components which, for the year ended 31 December 2022, were located in the United Kingdom, Australia and Greece. The audit of significant components was performed in London solely by PKF Littlejohn LLP using a team with experience of auditing mineral exploration and publicly listed entities.

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 matters described in the Material uncertainty related to 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
Carrying value and appropriate capitalisation of Intangible Assets (refer Note 9) (GROUP)	
The group carrying value of intangible assets in relation to capitalised exploration costs for its Australian and Greek projects is material. There is a risk that these assets have been incorrectly capitalised in accordance with the requirements of IFRS 6 and that there are indicators of impairment as at 31 December 2022. Particularly for early stage exploration projects, where the calculation of recoverable amount via value in use calculations is not possible, management's assessment of impairment under IFRS 6 requires significant estimation and judgement.	Our work in this area included: • Confirmation that the group has good title to the applicable exploration licences, and has fulfilled any specific conditions therein particularly having regard to minimum expenditure requirements; • Review and substantive testing of capitalised costs, including the fair value arising on the asset acquisition in the year, and consideration of appropriateness for capitalisation under IFRS 6; • Assessment of progress at the individual projects during the year and post year-end; • Consideration of management's impairment reviews in light of impairment indicators identified in accordance with IFRS 6, including corroboration and challenge thereof; and

	• Evaluating the disclosures included within the financial statements.
Recoverability of investments and intragroup balances (refer Notes 11 and 12) (COMPANY)	
Investments in subsidiaries and intragroup loans are significant assets in the parent company's financial statements. Their recoverability is directly linked to the recoverability of intangible assets in those entities, and hence may not be fully recoverable.	Our work in this area included: • Confirmation of ownership of the investments; • Review of management's calculations of expected credit losses on the intragroup balances to ensure the rationale and accounting treatment is in accordance with IFRS 9; • Consideration of recoverability of investments and intragroup loans by reference to underlying net asset values and exploration projects; and • Evaluating the disclosures included within the financial statements.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

INDEPENDENT AUDITOR'S REPORT

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

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of our cumulative audit knowledge and experience of the industry. We ensured that the audit team collectively had the appropriate experience with auditing entities within this industry, facing similar audit and business risks, and of a similar size.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
    - AIM Rules;
    - UK employment law; and
    - Local tax laws and regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Making enquiries of management;
    - A review of Board minutes;
    - A review of legal ledger accounts; and
    - A review of RNS announcements.
- 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.

INDEPENDENT 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.

David Thompson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
6 June 2023

15 Westferry Circus
Canary Wharf
London E14 4HD

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Interest income		1	-
Impairment of intangible assets		-	(12,334)
Administrative expenses		(753,213)	(732,619)
Operating loss	6	**(753,212)**	**(744,953)**
Loss before taxation		**(753,212)**	**(744,953)**
Taxation	7	-	-
Loss for the year attributable to shareholders of the Company		**(753,212)**	**(744,953)**
Items that may be reclassified subsequently to profit or loss:			
Foreign exchange translation movement		138,883	(162,830)
Total comprehensive loss attributable to shareholders of the Company		**(614,329)**	**(907,783)**
Loss per share attributable to shareholders of the Company			
Basic and diluted	8	(0.06)p	(0.08)p

The notes on pages 41 to 58 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		£	**£**
Assets			
Non-current assets			
Intangible assets	9	4,451,118	3,447,739
Property, plant and equipment	10	38,323	20,189
Other receivables	12	85,872	-
		4,575,313	**3,467,928**
Current assets			
Cash and cash equivalents		420,255	1,473,599
Trade and other receivables	12	106,171	124,261
		526,426	**1,597,860**
Total assets		**5,101,739**	**5,065,788**
Equity and liabilities			
Equity attributable to shareholders of the Company			
Share capital	13	7,435,409	7,078,136
Share premium	14	18,233,976	18,180,659
Other reserves	14	2,295,035	2,295,035
Merger relief reserve	14	190,000	-
Foreign exchange reserve	14	(51,123)	(190,006)
Retained deficit		(23,161,632)	(22,408,420)
Total equity		**4,941,665**	**4,955,404**
Current liabilities			
Trade and other payables	16	160,074	110,384
Total liabilities		**160,074**	**110,384**
Total equity and liabilities		**5,101,739**	**5,065,788**

The notes on pages 41 to 58 form part of these financial statements.

ROCKFIRE RESOURCES PLC

COMPANY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2022
Company Registration No. 07791328

	Note	2022 £	2021 £
Assets			
Non-current assets			
Intangible assets	9	-	13,380
Property, plant & equipment	10	109	690
Investments	11	1,030,640	648,000
Total non-current assets		**1,030,749**	**662,070**
Current assets			
Cash and cash equivalents		37,005	1,420,801
Trade and other receivables	12	4,605,819	3,573,333
Total current assets		**4,642,824**	**4,994,134**
Total assets		**5,673,573**	**5,656,204**
Equity			
Equity attributable to owners of the parent:			
Share capital	13	7,435,409	7,078,136
Share premium	14	18,233,976	18,180,659
Other reserves	14	1,801,872	1,801,872
Merger relief reserve	14	190,000	-
Accumulated losses	14	(22,077,982)	(21,489,448)
Total equity		**5,583,275**	**5,571,219**
LIABILITIES			
Current liabilities			
Trade and other payables	16	90,299	84,985
Total liabilities		**90,299**	**84,985**
Total equity and liabilities		**5,673,574**	**5,656,204**

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own income statement. The Company's total comprehensive loss for the year was £588,534 (2021: loss of £717,442).

The financial statements were approved and authorised for issue by the Board on 6 June 2023 and signed on its behalf by:

David Price, Chief Executive Officer

The notes on pages 41 to 58 form part of these financial statements.

ROCKFIRE RESOURCES PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022
Company Registration No. 07791328

	Share capital	Share premium	Other reserves	Merger relief reserves	Foreign exchange reserve	Retained deficit	Total equity
	£	£	£	£	£	£	£
As at 1 January 2021	**6,828,085**	**16,658,354**	**2,295,035**	**-**	**(27,176)**	**(21,779,516)**	**3,974,782**
Loss for the financial year	-	-	-	-	-	(744,953)	(744,953)
Foreign exchange translation movement	-	-	-	-	(162,830)	-	(162,830)
Total comprehensive loss	**-**	**-**	**-**	**-**	**(162,830)**	**(744,953)**	**(907,783)**
Shares issued during the year	250,051	1,630,995	-	-	-	-	1,881,046
Share issuance costs	-	(108,690)	-	-	-	-	(108,690)
Share-based expense	-	-	-	-	-	116,049	116,049
Total transactions with shareholders	250,051	1,522,305	-	-	-	116,049	1,888,405
At 31 December 2021	**7,078,136**	**18,180,659**	**2,295,035**	**-**	**(190,006)**	**(22,408,420)**	**4,955,404**
As at 1 January 2022	**7,078,136**	**18,180,659**	**2,295,035**	**-**	**(190,006)**	**(22,408,420)**	**4,955,404**
Loss for the financial year	-	-	-	-	-	(753,212)	(753,212)
Foreign exchange translation movement	-	-	-	-	138,883	-	138,883
Total comprehensive loss	**-**	**-**	**-**	**-**	**138,883**	**(753,212)**	**(614,329)**
Shares issued during the year	307,273	95,727	-	-	-	-	403,000
Share issuance costs	-	(42,410)	-	-	-	-	(42,410)
Acquisition of subsidiary	50,000	-	-	190,000	-	-	240,000
Total transactions with shareholders	357,273	53,317	-	190,000	-	-	600,590
At 31 December 2022	**7,435,409**	**18,233,976**	**2,295,035**	**190,000**	**(51,123)**	**(23,161,632)**	**4,941,665**

The notes on pages 41 to 58 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium	Other reserves	Merger relief reserves	Retained deficit	Total equity
	£	£	£	£	£	£
At 1 January 2021	**6,828,085**	**16,658,354**	**1,801,872**	**-**	**(20,888,055)**	**4,400,256**
Loss for the financial year	-	-	-	-	(717,442)	(717,442)
Total comprehensive loss	**-**	**-**	**-**	**-**	**(717,442)**	**(717,442)**
Issue of share capital	250,051	1,630,995	-	-	-	1,881,046
Share issuance costs	-	(108,690)	-	-	-	(108,690)
Share-based payments	-	-	-	-	116,049	116,049
Total transactions with shareholders	250,051	1,522,305	-	-	116,049	1,888,405
At 31 December 2021	**7,078,136**	**18,180,659**	**1,801,872**	**-**	**(21,489,448)**	**5,571,219**
Loss for the financial year	-	-	-	-	(588,534)	(588,534)
Total comprehensive loss	**-**	**-**	**-**	**-**	**(588,534)**	**(588,534)**
						-
Issue of share capital	307,273	95,727	-	-	-	403,000
Share issuance costs	-	(42,410)	-	-	-	(42,410)
Acquisition of subsidiary	50,000	-	-	190,000	-	240,000
Total transactions with shareholders	357,273	53,317	-	190,000	-	600,590
At 31 December 2022	**7,435,409**	**18,233,976**	**1,801,872**	**190,000**	**(22,077,982)**	**5,583,275**

The notes on pages 41 to 58 form part of these financial statements.

ROCKFIRE RESOURCES PLC

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Cash flow from operating activities		
Loss for the year before tax	(753,212)	(744,953)
Impairment of intangible assets	-	12,334
Depreciation	8,677	7,052
Expenses settled in shares	28,000	31,041
Share-based expense	-	116,049
Finance cost	1,477	-
Foreign exchange differences	(105,327)	(47,912)
Decrease / (Increase) in trade and other receivables	20,617	(61,748)
Decrease in trade and other payables	(96,804)	(9,148)
Net cash outflow from operating activities	**(896,572)**	**(697,285)**
Cash flow from investing activities		
Exploration expenditure	(459,292)	(918,667)
Payment of long term deposit	(85,872)	-
Cash acquired with subsidiary	82,282	-
Acquisition of property, plant and equipment	(25,003)	(2,690)
Net cash used in investing activities	**(487,885)**	**(921,357)**
Cash flow from financing activities		
Proceeds from issuance of ordinary shares	375,000	1,850,005
Share issuance costs	(42,410)	(108,690)
Interest paid	(1,477)	-
Net cash generated from financing activities	**331,113**	**1,741,315**
Net (decrease) / increase in cash and cash equivalents	(1,053,344)	122,673
Cash and cash equivalents at the beginning of the year	1,473,599	1,350,926
Cash and cash equivalents at the end of the year	**420,255**	**1,473,599**

The notes on pages 41 to 58 form part of these financial statements.

ROCKFIRE RESOURCES PLC

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£	£
Cash flow from operating activities		
Loss for the year before tax	(588,534)	(717,442)
Expenses settled in shares	28,000	31,041
Depreciation	580	460
Share-based expense	-	116,049
Expected credit losses	86,022	168,482
Decrease in trade and other receivables	35,485	957,221
Increase in trade and other payables	5,313	34,400
Net cash outflow from operating activities	**(433,134)**	**590,211**
Cash Flow from investing activities		
Exploration expenditure	-	(13,380)
Acquisition of property, plant and equipment	-	(1,149)
Investment in subsidiary	(142,639)	-
Net cash used in investing activities	**(142,639)**	**(14,529)**
Cash flow from financing activities		
Related party loans	(1,140,613)	(2,132,370)
Proceeds from issuance of ordinary shares	375,000	1,850,005
Share issuance costs	(42,410)	(108,690)
Net cash generated from financing activities	**(808,023)**	**(391,055)**
Net increase in cash and cash equivalents	(1,383,796)	184,627
Cash and cash equivalents at the beginning of the year	1,420,801	1,236,174
Cash and cash equivalents at the end of the year	**37,005**	**1,420,801**

The notes on pages 41 to 58 form part of these financial statements.
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Reporting entity

Rockfire Resources plc is a public limited company, quoted on AIM and incorporated in England and Wales.

2 Adoption of new and revised standards

(i) New and amended standards, and interpretations issued and effective for the financial year beginning 1 January 2022

The following new standards, amendments and interpretations are effective for the first time in these financial statements. However, none has had a material impact on the financial statements:

Standard	Effective date
Amendments to IFRS 3: Business Combinations – Reference to the Conceptual Framework;	1 January 2022
Amendment to IAS 16: Property, Plant and Equipment	1 January 2022
Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
Annual Improvements to IFRS Standards 2018-2020 Cycle	1 January 2022

(ii) New standards, amendments and interpretations in issued but not yet effective

At the date of approval of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective: (and in some cases not yet adopted by the UK):

Standard	Effective date
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	1 January 2023
Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates;	1 January 2023
Deferred Tax relating to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12);	1 January 2023
Amendment to IFRS 16 Leases: Lease Liability in a sale & leaseback*.	1 January 2023

* Subject to UK endorsement

The Directors do not expect that the adoption of these standards will have a material impact on the financial statements of the Group or Company in future periods.

3 Basis of preparation and significant accounting policies

a) Basis of preparation

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

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's and Company's accounting policies.

b) Basis of consolidation

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

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

Generally, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Intra-group balances and any unrealised gains or losses or income or expenses arising from intra-group transactions are eliminated in preparing the Group financial statements.

c) Functional and presentation currency

These consolidated financial statements are presented in GB pounds sterling (GBP), which is the Company's functional currency.

d) Going concern

The Company has prepared a cash flow forecast to 30 June 2024 which supports the Directors' expectation that the Group has adequate resources to continue in operational existence for a period of not less than 12 months from the date of signing these financial statements. This cash flow forecast assumes that the exploration programmes, including minimum expenditure commitments, will only continue with additional equity funding secured by the Group. This additional funding is not guaranteed, however, to date the Group has been successful in securing funding when required. On 17 October 2022, the Company announced that it had successfully completed a placing of new ordinary shares in the Company, raising gross proceeds of £375,000, which comprised 240,000,000 new ordinary shares of 0.1 pence each in the Company being placed with an institutional investor at an issue price of 0.125 pence per share. In addition, certain Rockfire employees, including several Directors subscribed for an aggregate of 60,000,000 new ordinary shares at the same issue price. In total, 300,000,000 new ordinary shares were issued pursuant to the placing. On 1 June 2023, the Company announced that it had raised £880,000, before expenses, through a placing of 400,000,000 new ordinary shares of 0.1pence each at a price of 0.22 pence per share. As such, the financial statements have been prepared assuming the Group and Company will continue as a going concern.

The Directors believe the Group will generate sufficient working capital and cash flows to continue in operational existence and will have the ongoing support of its shareholders, if required, for the foreseeable future.

e) Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair value.

f) Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

- Motor vehicles – 20% straight line
- Office equipment – 25% straight line
- Building improvements – 10% straight line

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

g) Intangible assets – exploration costs

Exploration costs comprise costs associated with the acquisition of mineral rights and mineral exploration and are capitalised as intangible assets pending the feasibility of the project. They also include certain administrative costs that are allocated to the extent that those costs can be related directly to exploration activities.

If an exploration project is deemed successful based on feasibility studies, the related expenditure is transferred to development and production assets and amortised over the estimated useful life of the ore reserves on a unit of production basis. Where a project is abandoned or considered to be no longer economically viable, the related costs are written off to profit or loss.

To date, the Group has not progressed to the development and production stage in any area of operation.

h) Impairment of non-financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent from those of other assets or groups of assets. Where the carrying value of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

Exploration projects at an early stage of development are assessed under the following areas, in accordance with the criteria contained within IFRS 6, for circumstances that may indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development.

Impairment losses of continuing operations are recognised in profit or loss in those expense categories consistent with the function of the impaired asset. For impaired assets, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group makes a revised estimate of recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

i) Financial instruments

Financial assets

Classification

The Group classifies its financial assets at amortised cost. Financial assets do not comprise prepayments. Management determines the classification of its financial assets at initial recognition. The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the business model for managing them. In order for a financial asset to be classified and measured at amortised cost it needs to give rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Amortised cost

The Group's financial assets held at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g., trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest method, less provision for impairment.

Impairment of financial assets

An impairment provision is recognised when there is objective evidence of a default event (e.g., significant financial difficulties on the part of the counterparty or default or significant delay in payment) such that the Group may be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired asset.

Impairment provisions for trade receivables and other receivables are recognised based on the simplified approach within IFRS 9 using lifetime expected credit losses (ECLs). During this process the probability of non-payment of receivables is assessed. This probability is then multiplied by the amount of expected loss arising from the default to determine the ECL.

Financial liabilities

The Group classifies its financial liabilities in the category of financial liabilities at amortised cost. All financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provision of the instrument. Trade and other payables and borrowings are included in this category.

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are de-recognised from the balance sheet when the obligation specified in the contract is discharged, is cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other operating income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Trade and other payables

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

j) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefit will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessment of the time value of money and where appropriate, the risks specific to the liability.

k) Current and deferred tax

Tax represents the sum of current and deferred tax.

Tax payable or receivable is based on taxable profit or loss for the year. Taxable profit or loss differs from accounting profit or loss as reported in the consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are never taxable or deductible. Current tax is measured using tax rates that have been enacted or substantively enacted by the reporting date.

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

l) Pensions

Pension costs charged in the financial statements represent the contributions payable by the Group during the year into defined contribution pension schemes.

m) Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the financial statements, the results and financial position of each entity are expressed in GBP.

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 on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are included in the statement of comprehensive income for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in GBP using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as other comprehensive income and are transferred to the Group's translation reserve.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign currency gains and losses arising from such items are considered to form part of a net investment in the foreign operation and are recognised in other comprehensive income and presented in the exchange reserve in equity.

n) Investments

Investments held as non-current assets comprise investments in subsidiary undertakings and are stated at cost less any provision for impairment.

o) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

p) Share-based payments

The Group makes equity-settled share-based payments to certain Directors and employees. Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted.

The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of instruments that will eventually vest with a corresponding adjustment to equity. Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-vesting and market vesting conditions are taken into account when estimating the fair value of the option at grant date. Service and non-market vesting conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

q) Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the actual results. 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. Certain amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, but actual results may differ from the amounts included in the financial statements. The Board has considered the critical accounting estimates and assumptions used in the financial statements and concluded that the areas of judgement that have the most significant effect on the amounts recognised in the financial statements are as set out below.

Recoverability of deferred exploration costs

All costs directly attributable to exploration are capitalised on a project basis, pending a decision on the economic feasibility of the project. The capitalisation of such costs gives rise to an intangible asset in the consolidated and parent company statements of financial position. Exploration costs are capitalised where it is considered likely that the amount will be recovered by future exploitation, sale or alternatively where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This requires management to make estimates and assumptions as to the future events and circumstances, especially in relation to whether an economically viable extraction operation can be established. Such estimates are subject to change and should it become apparent that recovery of the expenditure is unlikely, the relevant amount is written off in the statement of comprehensive income.

Receivables from Group undertakings

The Company makes assumptions when implementing the forward-looking ECL model. This model is used to assess intercompany loans for impairment.

Estimates are made regarding the credit risk and the underlying probability of default in each of the credit loss scenarios. The scenarios identified by the Company are production, divestment, fire-sale and failure. The Directors make judgements on the expected likelihood and outcome of each of the scenarios, and these expected values are applied to the loan balances.

4 Segmental reporting

During the year, the Group had one business segment which was exploration for gold and copper resources. Accordingly, no segmental analysis is appropriate.

5 Staff costs

Number of employees

The monthly average number of employees (excluding Directors) of the Group during the year was:

	2022 No.	2021 No.
Professional	2	2

Employment costs (excluding directors)	2022 £	2021 £
Wages and salaries	126,531	106,422
Post-employment benefits	8,687	10,363
Total	135,218	116,785

Directors' emoluments

2022

	Short-term benefits £	Post-employment benefits £	Total £
David Price	162,547	16,662	179,209
Gordon Hart	88,699	9,092	97,791
Ian Staunton	31,576	-	31,576
Patrick Elliott	29,540	-	29,540
Nicholas Walley	31,576	-	31,576
Total	343,938	25,754	369,692

2021

	Short-term benefits £	Post-employment benefits £	Total £
David Price	150,000	14,639	164,639
Gordon Hart	79,992	7,985	87,977
Ian Staunton	30,000	-	30,000
Patrick Elliott	28,000	-	28,000
Nicholas Walley	30,731	-	30,731
Total	318,723	22,624	341,347

The key management personnel of the Group are considered to be the Directors.

6 Operating loss

Operating loss is stated after charging:

	2022 £	2021 £
Fees payable to the Group auditor for the audit of the Group and Company financial statements	27,960	24,750
Fees payable to the Group auditor for the taxation services	2,000	1,850
Impairment of intangible assets	-	12,334

7 Taxation

	2022 £	2021 £
Factors affecting tax charge for the year		
Loss on ordinary activities before taxation	(753,212)	(744,953)
Loss on ordinary activities at the UK standard rate of 19% (2021: 19%)	(143,110)	(141,541)
Effects of:		
UK carried forward losses	95,432	82,253
Non-deductible expenses	45	24,491
Losses of overseas subsidiaries carried forward	47,633	34,797
Current tax charge	-	-

The Group has estimated UK tax losses of approximately £5,671,000 (2021: £5,061,000), and losses of overseas subsidiaries approximately £1,153,000 (2021: £863,000) available to carry forward against future trading profits. The Group has not recognised a deferred tax asset on any losses carried forward due to the uncertainty of future profits.

8 Earnings per share

	2022 £	2021 £
Loss for the purpose of basic and diluted loss per share	(753,212)	(744,953)
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	1,166,576,254	974,997,979
Loss per share – basic and diluted (pence)	(0.06)	(0.08)

Basic EPS is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year. Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company, being loss making in both this year and the comparative period would mean that any exercise would be anti-dilutive.

9 Intangible assets

Group	Exploration costs £
At 1 January 2021	2,655,196
Additions	918,667
Impairment	(12,334)
Foreign exchange differences	(113,790)
At 31 December 2021	**3,447,739**
At 1 January 2022	3,447,739
Additions	459,292
Acquisition	394,530
Foreign exchange differences	149,557
At 31 December 2022	**4,451,118**

As at 31 December 2022, the Group had future commitments of £6,910,544 (2021: £9,342,018) in relation to exploration projects:

	Rent	Minimum spend
	£	£
1 year	7,397	609,993
Later than 1 year but no more than 5 years	486,186	5,806,968
Total	493,583	6,416,961

Company	Exploration costs £
At 1 January 2021	13,380
Additions	-
At 31 December 2021	**13,380**
At 1 January 2022	13,380
Transferred to subsidiary	(13,380)
At 31 December 2022	**-**

10 Property, plant and equipment

Group	Motor vehicles	Office equipment	Building improvements	Total
	£	£	£	£
Cost				
At 1 January 2021	30,445	3,165	-	33,610
Additions	-	2,690	-	2,690
Foreign exchange differences	(1,468)	(178)	-	(1,646)
At 31 December 2021	**28,977**	**5,677**	**-**	**34,654**
At 1 January 2022	28,977	5,677	-	34,654
Additions	20,773	3,165	1,065	25,003
Foreign exchange differences	2,247	347	44	2,638
At 31 December 2022	**51,997**	**9,189**	**1,109**	**62,295**
Depreciation				
At 1 January 2021	7,097	807	-	7,904
Charge for the year	-	2,619	-	2,619
Depreciation capitalised	4,433	-	-	4,433
Foreign exchange differences	(417)	(74)	-	(491)
At 31 December 2021	**11,113**	**3,352**	**-**	**14,465**
At 1 January 2022	11,113	3,352	-	14,465
Charge for the year	534	4,507	-	5,041
Depreciation capitalised	3,637	-	-	3,637
Foreign exchange differences	563	266	-	829
At 31 December 2022	**15,847**	**8,125**	**-**	**23,972**
Net book value				
At 31 December 2021	17,864	2,325	-	20,189
At 31 December 2022	**36,150**	**1,064**	**1,109**	**38,323**

10 Property, plant and equipment (continued)

Company	**Office equipment** £	**Total** £
Cost		
At 1 January 2021	-	-
Additions	1,150	1,150
At 31 December 2021	1,150	1,150
At 1 January 2022	1,150	1,150
Additions	-	-
At 31 December 2022	1,150	1,150
Depreciation		
At 1 January 2021	-	-
Charge for the year	460	460
At 31 December 2021	460	460
At 1 January 2022	460	460
Charge for the year	581	581
At 31 December 2022	1,041	1,041
Net book value		
At 31 December 2021	690	690
At 31 December 2022	109	109

11 Investments

Company	**2022** £	**2021** £
At beginning and end of the year	648,000	648,000
Additions in respect of acquisitions	362,147	-
Additional issue of share capital	20,493	-
Total	1,030,640	648,000

On 8 March 2022, Rockfire announced the winning of an Open International Tender for a 30-year licence to explore and mine the high-grade Molaoi Zn/Pb/Ag deposit, located in the Hellenic Republic of Greece. Rockfire participated in the tender under a Memorandum of Understanding with a local Greek company, Hellenic Minerals IKE, now Hellenic Minerals SA ("Hellenic"), the applicant in the tender.

On 16 May 2022, the Company acquired 100% of the issued share capital in Hellenic. Consideration was paid by the Company issuing 50,000,000 new ordinary shares to the vendors of Hellenic at an issue price of 0.01p and potential deferred consideration of £400,000 in respect of obtaining a JORC-compliant mineral resource exceeding four hundred thousand tonnes of zinc equivalent value. The vendors of Hellenic retain a 2% gross production royalty on saleable product from all metals extracted from the Molaoi project. The Company has the option to acquire the gross production royalty for a cash consideration of £1,000,000 at any time. The following table summarises the net liabilities acquired, and assumed at the acquisition date:

	Fair value
Trade and other receivables	17,070
Cash and cash equivalents	82,282
Trade and other payables	(131,735)
Net liabilities acquired	**(32,383)**
Consideration	362,147
Fair value attributable to exploration assets	**394,530**

11 Investments (continued)

Additional share capital investment of €24,000 was agreed by the Board on 8 August 2022, in respect of the conversion of Hellenic to an SA company, to meet the statutory requirements of capital invested per Greek company law.

The Group's subsidiary undertakings at 31 December 2022, were as follows:

Entity name	Proportion held	Class of shareholding	Nature of business	Country of incorporation	Registered office
Papua Mining Limited	100%	Ordinary	Dormant	British Virgin Islands	c/o AA Corporate Management 13, Boulevard Princesse Charlotte, Monte Carlo, Monaco, MC98000
BGM Investments Pty Limited	100%	Ordinary	Exploration	Australia	c/o WSC Group Accountants, 11/800-812 Old Illawarra Road, Menai, NSW 2234, Australia
Hellenic Minerals SA	100%	Ordinary	Exploration	Greece	Philellinon No 9, Alexandroupoli, 68131, Greece.

12 Trade and other receivables

Current	**2022**	**2021**
Group	**£**	**£**
Other receivables	106,171	124,261

	2022	**2021**
Company	**£**	**£**
Amounts owed by Group undertakings	4,561,444	3,493,473
Other receivables	44,375	79,860
Total	4,605,819	3,573,333

Receivables due from Group undertakings are net of cumulative ECLs of £704,890 (2021: £618,868). Other receivables comprise prepayments.

Non - Current	**2022**	**2021**
Group	**£**	**£**
Other receivables	85,872	-

The other receivables balance of £85,872 (2021: £Nil) relates to deposits held in respect of a guarantee given to the Greek Government which expires in 2028.

13 Share capital

Group and Company

Issued share capital	2022 No.	2021 No.
Deferred shares of £0.099 each	51,215,534	51,215,534
Ordinary shares of £0.001 each	1,439,739,067	1,082,466,125

Ordinary Shares

	2022 Number	2021 Number
Allotted, called up and fully paid		
At 1 January	1,082,466,125	832,415,592
Issued for cash	300,000,000	246,429,200
Issued in lieu of fees	7,272,942	3,621,333
Issued in asset acquisition	50,000,000	-
At 31 December	1,439,739,067	1,082,466,125

Share Capital

	2022 £	2021 £
Allotted, called up and fully paid		
At 1 January	7,078,136	6,828,086
Issued for cash[1]	300,000	246,429
Issued in lieu of fees	7,273	3,621
Issued in asset acquisition	50,000	-
At 31 December	7,435,409	7,078,136

[1]In the year ended 31 December 2022 includes issue costs of £42,410 (2021: £108,690).

The nominal value of the issued share capital includes a cumulative foreign exchange difference of £925,332 which crystallised in 2017 when the Group's functional and presentational currency was changed from US$ to GBP.

14 Reserves

Share premium

The share premium account represents amounts subscribed for share capital in excess of nominal value, net of directly attributable issue costs.

Foreign exchange reserve

Cumulative gains and losses on translating the net assets of overseas operations to the presentation currency.

Merger relief reserve

The balance on the merger relief reserve represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued as consideration on the acquisition of Hellenic.

Other reserves

Represents the reserve arising from a share for share exchange as part of a group reorganisation in 2011.

15 Share options and warrants

Share options

	2022		2021	
	Options No.	Weighted average exercise price £	Options No.	Weighted average exercise price £
Outstanding at 1 January	54,000,000	0.02	18,000,000	0.02
Granted during the year	-	-	36,000,000	0.02
Lapsed during the year	-	-	-	-
Outstanding at 31 December	54,000,000	0.02	54,000,000	0.02
Exercisable at 31 December	54,000,000	0.02	54,000,000	0.02

The weighted average life of the outstanding and exercisable options was 366 days (2021 :2 years and 163 days).

Share options held by Directors were as follows:

	2022 No.	2021 No.
David Price	10,000,000	10,000,000
Gordon Hart	10,000,000	10,000,000
Ian Staunton	6,000,000	6,000,000
Patrick Elliot	6,000,000	6,000,000
Nicholas Walley	6,000,000	6,000,000

Warrants

	2022		2021	
	Warrants No.	Weighted average exercise price £	Warrants No.	Weighted average exercise price £
Outstanding at 1 January	30,899,999	0.010	30,899,999	0.010
Lapsed during the year	30,899,999	0.010	-	-
Outstanding and exercisable at 31 December	-	-	30,899,999	0.010

The weighted average life of the outstanding and exercisable warrants at 31 December 2021 was 279 days.

16 Trade and other payables

	2022	2021
Group	**£**	**£**
Trade payables	80,587	47,006
Other payables	22,278	17,128
Accruals	57,209	46,250
Total	160,074	110,384

	2022	2021
Company	**£**	**£**
Trade payables	46,667	46,242
Other payables	20	3,086
Accruals	43,612	35,657
Total	90,299	84,985

17 Financial instruments

In common with other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The significant accounting policies regarding financial instruments are disclosed in note 3.

The Group does not have any derivative products or any long-term borrowings. The Group is not exposed to interest-bearing indebtedness. The exploration activities of the Group are financed by the proceeds of share issues.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

	2022	2021
Group	**£**	**£**
Financial assets		
Cash and cash equivalents	506,127	1,473,599
Trade and other receivables	-	-
Total	506,127	1,473,599
Financial liabilities		
Trade payables	80,587	47,007
Other payables	22,278	62,650
Total	102,865	109,657
Company		
Financial assets		
Cash and cash equivalents	37,005	1,420,801
Trade and other receivables	4,605,819	4,112,412
Total	4,642,824	5,533,213
Financial liabilities		
Trade payables	46,667	46,242
Other payables	43,632	38,743
Total	90,299	84,985

The Directors consider that the fair value of the above financial instruments is equal to the carrying values.

General objectives, policies and processes

The Directors have overall responsibility for the determination of the Group's risk management objectives and policies. The Board regularly reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Directors is to set policies that reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

17 Financial instruments (continued)

	2022	2021
Group	**£**	**£**
Financial assets		
Cash and cash equivalents	506,127	1,473,599
Trade and other receivables	106,171	-
Total	612,298	1,473,599

Company		
Financial assets		
Cash and cash equivalents	37,005	1,420,801
Trade and other receivables	4,605,819	4,112,412
Total	4,642,824	5,533,213

Liquidity risk

Liquidity risk relates to the ability of the Group to meet future obligations and financial liabilities. To date the Group has relied upon shareholder funding of its activities. Future exploration and development activities is dependent upon the Group's ability to obtain further financing through equity financing or other means.

The following table shows the Group's financial liabilities:

	2022	2021
Group	**£**	**£**
Financial liabilities		
Trade payables	80,587	47,006
Other payables	22,278	62,650
Total	102,865	109,656
Company		
Financial liabilities		
Trade payables	46,667	46,242
Other payables	43,632	38,743
Total	90,299	84,985

The financial statements have been prepared on a going concern basis and note 3(d) provides further information in this regard.

Foreign currency risk

Foreign currency risk refers to the risk that the value of a financial commitment, recognised asset or liability will fluctuate due to changes in foreign currency rates.

The Group operates in Australia and Greece. As such the Group is exposed to transaction foreign exchange risk. The mix of currencies and terms of trade with its suppliers are such that the Directors believe that the Group's exposure is minimal and consequently they have not, to date, specifically sought to hedge that exposure. Most of the Group's funds are in GBP with only sufficient funds held overseas to meet local costs. The Group and Company's net exposure to foreign currency risk at the reporting date is as follows:

	Group		**Company**	
Net foreign currency financial (liabilities)/assets	**Year ended 31 December 2022**	**Year ended 31 December 2021**	**Year ended 31 December 2022**	**Year ended 31 December 2021**
	£	£	£	£
EURO	83,781	-	-	-
AUD	376,655	69,075	-	(2,728)
	460,436	**69,075**	**-**	**(2,728)**

17 Financial instruments (continued)

Sensitivity analysis

The following table details the impact of changes in foreign exchange rates on financial assets and liabilities at the balance sheet date, illustrating the (decrease)/increase in Group operating result caused by a 10 per cent strengthening of GBP compared to the year-end spot rate. The analysis assumes that all other variables remain constant.

	Profit or loss		**Equity**	
Net foreign currency financial (liabilities)/assets	***Year ended 31 December 2022***	***Year ended 31 December 2021***	***Year ended 31 December 2022***	***Year ended 31 December 2021***
	£	***£***	***£***	***£***
Euros	(8,378)	-	(8,378)	-
AUD	(37,666)	(6,907)	(37,666)	(6,907)
	(46,044)	**(6,907)**	**(46,044)**	**(6,907)**

Commodity price risk

Commodity price risk is the risk that the Group's future earnings will be adversely impacted by changes in the market prices of commodities. The Group is not currently exposed to commodity price risk, but future revenues will be determined by reference to market commodity prices.

Capital management

The Group's objectives when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to ensure sufficient resources are available to meet day to day operating requirements. The Group defines capital as 'equity' and 'cash' as shown in the consolidated statement of financial position. As at 31 December 2022 the Group held equity and cash balances of £4,941,665 and £506,127 (2021: £4,955,405 and £1,473,599), respectively. The Board takes full responsibility for managing the Group's capital and does so through Board meetings and reviews of financial information.

The Group's policy is to invest its cash in deposits with high credit worthy financial institutions with short term maturity.

18 Related party transactions

During the year, the Company advanced funds to BGM Investments Pty Ltd totalling £570,641 (2021: £1,109,832). The loan is repayable in GBP on demand and as at 31 December 2022, £3,981,077 (2021: £3,493,473) was outstanding. A cumulative expected credit loss provision of £704,890 (2021: £618,869) has been recognised at the year-end in respect of the loan.

During the year, the Company advanced funds to Hellenic totalling £563,635 and transferred exploration costs of £13,380. The loan is repayable in GBP on demand and as at 31 December 2022, £580,344 was outstanding.

On 16 May 2022, the Company issued 50,000,000 new ordinary shares to the vendors of Hellenic Minerals as settlement of Tranche 1 of the acquisition agreement for the Molaoi project in Greece. David Price (or his related party nominees) was issued 25,000,000 of these new ordinary shares in the Company as per an historic agreement with the vendors as previously reported. Further details of the acquisition are set out in note 11.

19 Subsequent events

On 9 January 2023, the Company issued 4,475,758 new ordinary shares to Patrick Elliott in settlement of Director's fees.

On 20 January 2023, the Company announced that it has entered into a joint venture arrangement with Sunshine Gold Limited on the Lighthouse and Kookaburra tenements in Queensland, Australia. Details of the arrangement are set out in the Chairman's Statement.

19 Subsequent events (continued)

On 1 June 2023, the Company announced that it had raised £880,000, before expenses, through a subscription of 400,000,000 new ordinary shares of 0.1pence each at a price of 0.22 pence per share.