Andrada Mining

ANNUAL REPORT 2024

Spodumene crystal from Lithium Ridge.

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SUMMARY

OPERATIONAL

60% year-on-year ("YoY") **increase** in ore processed to **915 599** tonnes (FY 2023: 573 818 tonnes)

54% YoY **increase** in tin concentrate production to **1 474** tonnes (FY 2023: 960 tonnes)

51% YoY **increase** in contained tin production to **885** tonnes (FY 2023: 587 tonnes)

Plant availability increased to **91%** (FY 2023: 87%)

Tin recovery maintained at **69%** (FY 2023: 69%)

FINANCIAL

Secured funding for construction of the tantalum production circuit and bulk sample processing facility

Secured funding for exploration campaigns on Lithium Ridge and Spodumene Hill

Average tin price in FY 2024 **US$25 593** (FY2023: 25 051)

Revenue increased by **83%** to **£17.9 million** (FY 2023 :£9.8 million)

Gross profit increased by **>100%** to **£1.7 million** (FY 2023 : loss of £0.7 million)

10% decrease in C1[1] operating **cost** to **US$17 870** (FY 2023: US$19 762)
7% decrease in C2[2] operating **cost** to **US$20 796** (FY2023: US$22 287)
AISC[3] at US$26 809 (FY 2023: US$24 939) was **within management guidance**

[1] *C1 refers to operating cash cost per unit of production, excluding selling expenses and sustaining capital expenditure associated with Uis Mine*
[2] *C2 refers to operating cash cost (C1) plus selling expenses including logistics, smelting and royalties*
[3] *All-in sustaining cost (AISC) incorporates all costs related to sustaining production, capital expenditure associated with developing and maintaining the Uis operation, and pre-stripping waste mining costs*

METALLURGY

Produced initial **saleable petalite bulk sample** at **4.16%** Li_2O

Produced laboratory-scale **spodumene concentrate** at **6.8%** Li_2O

PROJECTS

Constructed and commissioned the **bulk sample processing facility (lithium pilot plant)**

Constructed and commissioned the **tantalum circuit**

COMMERCIAL

Renewal of the **Thaisarco supply agreement** for tin concentrate

Renewal of the **AfriMet supply agreement** for tantalum concentrate

STRATEGIC

Launched a **strategic** process to secure a **partner for** the **lithium development strategy**

Upgraded the New York OTC listing from Pink Sheets to QB to gain exposure to investors in North America

WHO WE ARE

Andrada Mining Limited is listed on the AIM market of the London Stock Exchange, as well as on the OTCQB market in the United States. We have mining and exploration assets in Namibia, a top-tier investment jurisdiction in Africa. We have established value-accretive relationships with both debt and equity investors to achieve our major milestones. These include the construction of the bulk sample processing facility, the construction of the tantalum production circuit, an extensive exploration programme, metallurgical test work and the optimisation of the existing tin-tantalum production plant.

Our flagship Uis Mine is within the Uis mining licence situated approximately 230 km from the international port of Walvis Bay. The mine produced 1 474 tonnes of tin concentrate in FY 2024, a 54% YoY increase, with plant availability at 91%. We also achieved our first commercial production of tantalum and pilot production of lithium, establishing Andrada Mining as a key emerging player in the critical metals space. The focus on critical raw materials provides a broader mineral base for growth and optimises utilisation of the minerals in the licence areas.

OUR PURPOSE

We strive to produce critical raw materials from a large resource portfolio, to ensure a more sustainable future by improving lives and uplifting communities adjacent to our operations.

Leveraging our strong foundation in Namibia, a top-tier African jurisdiction, we are on a strategic path to becoming a leading African producer of critical metals including lithium, tin and tantalum. These metals are important enablers of the green energy transition, being essential for components of electric vehicles, solar panels and wind turbines.

OUR VALUES

We are committed to building a sustainable future for our stakeholders and for the environment. We believe that achieving this requires a strong foundation of core values that guide our decision-making and actions. Our values are set out on the next page.

OUR VALUES

Safety

We believe everyone deserves to work in a safe environment, and we are committed to continuous improvement in safety protocols and procedures.

Respect & Care

We foster a culture of inclusion and diversity by treating everyone with dignity and fairness. This respect extends to our partners and the communities in which we operate. We also care for the environment by implementing responsible practices to minimise our impact.

Integrity

We conduct our business with honesty and transparency. We are accountable to our stakeholders and behave in a manner that builds trust and confidence.

Accountability

We are committed to delivering on our promises and meeting the highest ethical standards.

Collaboration

We foster a collaborative environment where employees feel empowered to share ideas and work across teams.

Innovation

We embrace new technologies and approaches to ensure the long-term success of our Company and the responsible development of our resources.

OUR ASSETS

Andrada's assets are all fully permitted and located in the Erongo Region, a metallogenic jewel in northwest Namibia. The region is endowed with deposits containing base, critical and precious metals as well as nuclear fuels, and has high potential for new mineral discoveries. The Company owns two mining licences, namely Uis (ML 134) and Lithium Ridge (ML 133), and an exploration licence, Brandberg West (EPL 5445).

Uis Mine licence (ML 134)

The licence covers an area of approximately 19 700 hectares hosting numerous pegmatites with mineralisation including lithium, tin, tantalum and rubidium. Petalite is considered the dominant lithium mineral present in the pegmatites. To date, we have identified 180 pegmatites over 5% of the licence and confirmed a 138 million tonne resource for just two of these, namely the V1/V2 pegmatites. Andrada's medium-term target is to define a 200 million tonne resource from these pegmatites. The resource is estimated to be larger than several renowned global hard-rock assets.

Lithium Ridge licence (ML 133)

The licence covers an area of approximately 3 300 hectares located about 35 km from Uis Mine. It hosts pegmatites with mineralisation including lithium, tin and tantalum. Spodumene is considered the dominant lithium mineral present in these pegmatites. Our exploration programme has indicated extensive lithium and tantalum with continuous mineralisation along a 6 km strike. Reverse circulation drilling during the year indicated lithium oxide grades of up to 2.13% and mineralisation extending at depth.

Brandberg West licence (EPL 5445)

The Brandberg West exploration licence covers an area of approximately 35 000 hectares located about 110 km from Uis Mine. The licence is unique because it offers mineral diversification potential through tungsten and copper in addition to tin. The Brandberg West licence hosts a historical mine previously owned and operated by Gold Fields until its closure in 1980. The mine operation started in 1957 and peaked in 1978 at an annual production of 1 249 tonnes of tin and tungsten concentrate. The mine produced over 12 000 tonnes of tin and tungsten concentrate during its life.

Spodumene Hill licence (ML 129)

On 2 August 2024 , the ownership of this licence was transferred to the Small Miners of Uis ("SMU") in exchange for full ownership of the Uis and Lithium Ridge licences. The licence covers an area of approximately 4 900 hectares located less than 15 km from Uis. A drilling programme completed in July 2023 had significant intersections of 2.32% lithium oxide (Li_2O). The drilling results indicated zones of lithium enrichment at depth within the pegmatites, and spodumene was the only lithium ore mineral identified. The transfer of ML129 was important to consolidate the ownership of Uis and Lithium Ridge licences thereby providing Andrada with the ability to target and expedite development of these individual mining licences through full operational and strategic control. Spodumene Hill was no longer aligned with Andrada's current plans, but presented a valuable opportunity for the SMU to drive immediate development and economic growth in the Erongo region. The two remaining licences (Uis & Lithium Ridge) will enable Andrada to implement its lithium strategy by attracting partners with expertise in processing lithium for both the technical (glass – ceramics) and chemical (battery) industries through the production of petalite and spodumene concentrates respectively.

STRATEGIC FRAMEWORK


B30E
AD013
AD011

OUR STRATEGIC OBJECTIVES

Lithium to market

We will expedite our lithium development strategy to supply lithium concentrate to both the industrial and chemical markets globally.

Tin-tantalum expansion

We will expand our production of tin and tantalum concentrates to supply global markets.

Resource expansion

We will expand our resource base through extensive exploration programmes across all licences.

Portfolio growth

We will harness growth and diversification opportunities in complementary value-accretive minerals.

OBJECTIVE	PROGRESS IN FY 2024	FY 2025 ACTION PLAN
Lithium to market	• Constructed and commissioned the lithium pilot plant • Produced a saleable petalite bulk sample concentrate with 4.16% lithium oxide grade • Commercial production of petalite from pilot plant for potential off-takers' testwork	• To complete feasibility studies on the lithium production plan • Uis validation drilling to improve the resource classification for tin while also providing an initial indication of lithium and tantalum • To produce saleable petalite concentrate bulk samples for ongoing testing with potential off-takers
Tin-tantalum expansion	• Introduced the Stage II Continuous Improvement ("CI2") Programme • Constructed and commissioned the tantalum circuit • Renewal of the Thaisarco and AfriMet supply agreements	• Construct the pre-concentration circuit • Complete the CI2 Programme • Tin validation drilling over the northern and central pegmatite clusters at Uis
Resource expansion	• Uis Mine lithium resource upgraded to 138 million tonnes • Two high-grade lithium discoveries: » Spodumene Hill up to 2.32% Li_2O » Lithium Ridge up to 2.13% Li_2O • Initial drilling campaign at Brandberg West	• Uis validation drilling to increase the resource classification for tin while also providing an initial indication of lithium and tantalum • Resume Lithium Ridge exploration drilling • Continue Brandberg West exploration drilling
Portfolio growth	To explore potential growth opportunities through mergers and acquisitions in Africa.	

SUPPORT INITIATIVES

Andrada's strategic objectives are supported by four initiatives, as highlighted below.

Funding solutions

The Company's medium-term action plans are being funded by lenders, namely Orion Resource Partners, Development Bank of Namibia ("DBN"), Standard Bank and Bank Windhoek. The long-term solutions involve strategic partners and the lenders. Further details on the funding to date are in the CFO's Review on page 24.

Electricity supply

The regional connection from the national grid for bulk electricity supply reaches Uis, where the current demand of the residential areas plus Uis Mine is supplied from an existing feeder. The estimated demand for mining and processing ore, including supporting infrastructure, will increase incrementally over the next several years, from 2 MVA to approximately 6 MVA for Andrada's next level of growth. We have submitted an application to Namibia Power Corporation (NamPower – https://www.nampower.com.na/) to increase the supply on the current line to 5 MVA, which would supply most of the estimated demand over this period.

For the longer term requirements, Andrada is studying the integration of renewable energy and the expansion of the grid. Solar and battery installations can be scaled in a modular way for seamless expansion. We have requested and received several expressions of interest from renewable energy companies to construct and manage such an installation. The next step is to shortlist the companies that Andrada can partner with in the detailed design and implementation phases.

The estimated demand for electrical power for all anticipated future mining and ore processing projects under consideration, including supporting infrastructure, is approximately 40 MW, which will require an installed capacity of around 50 MVA.

Water supply

As with electricity consumption, Andrada's water consumption is largely correlated with its production profile in terms of ore feed to the processing plant. Our current processing operation at Uis Mine consists of crushers, screens, a dense medium separator, spirals and shaking tables. The first two machinery items involve dry processing, whereas the rest of the plant requires water. The water required equates to approximately 150 litres (0.15 m^3) per tonne of ore processed, which compares favourably to similar types of operations around the world.

Current operations are supplied by groundwater through a network of wells within a radius of about three kilometres from the processing plant. The Company plans to expand the number of wells and size of the well field. The abstraction rate is scientifically modelled by independent consultants through a groundwater model that considers test pump rates and precipitation data to ensure the long-term sustainability of the underground aquifers. The groundwater has high levels of salinity and is therefore unfit for human or livestock consumption. Therefore, our mining and processing operations do not compete with agriculture or the community for water use. This source is expected to be sufficient for our water requirements for the next few years or until the large-scale Uis expansion is completed. This expansion will require an external source in the form of desalinated water from a plant at the coast.

ESG integration

Andrada's goal is to embed sustainability into our culture to ensure that the business achieves sustainable development that is responsible and safe. The main ESG objectives are to:

- Develop and implement a roadmap and goals for Andrada's sustainability journey.
- Develop and implement department-specific sustainability roadmaps in line with Andrada's purpose and values.
- Establish and maintain Andrada's social licence to operate.

Our sustainability focus areas are:

- Occupational health and safety
- Water stewardship
- Climate change and greenhouse gases (GHGs)
- Biodiversity management
- Community relations and development
- Social licence to operate

Our governance focus areas include human rights, anti-bribery and corruption, document management and quality control.

The detailed narrative of Andrada's ESG approach is elaborated in the FY 2024 Sustainability Report, to be released in September 2024 and made available on the Company's website: https://andradamining.com/

The values and pillars that underpin Andrada's ESG strategy

PILLARS

- Innovation
- Partnerships
- Growth
- Responsibility
- Alignment and reporting

LEADERSHIP REPORTS

CHAIRMAN'S STATEMENT

> "We successfully produced our first consignment of tantalum at the end of FY 2024. This proved our ability to meet the AfriMet supply agreement and marked a key milestone in Andrada's goal of becoming a multi-mineral producer.

Andrada Mining transformed itself into a multi-mineral producer during FY 2024 ("the Year"). We achieved a remarkable double-digit increase in tin concentrate production and successfully produced our first commercial batch of tantalum, solidifying our position as a key player in the critical metals space.

While navigating challenging market conditions, we focused on building a sustainable future. We implemented a water recycling programme that reduced our environmental impact. We also maintained a 99% Namibian workforce, demonstrating our commitment to the local community. Andrada's vision is deeply intertwined with our identity as a proudly Namibian company with significant future growth and value potential.

OVERVIEW

What differentiates Andrada from its peers is the solid foundation created by our fully operational flagship Uis Mine. The Company managed to unlock additional value through exploration milestones at Lithium Ridge and Spodumene Hill.

By continuing to focus on validating the resource potential of our portfolio through phased exploration, we aim to drive and entrench long-term shareholder value creation. This development approach has enabled the production of tantalum and lithium concentrates, establishing additional revenue streams that will significantly mitigate single product price and demand volatility risks. Multi-mineral production at Uis Mine will also drive down overall costs to the benefit of the bottom line. The ability to increase revenue and cash flow while managing costs remains imperative to improving profitability.

KEY ACHIEVEMENTS

Increased tin production and commencement of tantalum production

We achieved over 50% annual volume increases in both tin concentrate and tin metal production. This was mainly due to the plant expansion implemented towards the end of the prior financial year. The expanded plant is now in stable production. Furthermore, we successfully produced our first consignment of tantalum at the end of FY 2024. This proved our ability to meet the AfriMet supply agreement and marked a key milestone in Andrada's goal of being a multi-mineral producer.

Established robust financial partnerships

During the year, we forged new global and local funding partnerships with the Development Bank of Namibia, Bank Windhoek, and Orion Resource Partners while nurturing existing relationships. These partnerships, together with support from our shareholders, enabled us to achieve our objectives of expanded production and supply of tin concentrate, tantalum commercial production, and lithium pilot production.

Looking forward, our aim is to achieve an annualised rate of 1 650 tonnes of contained tin. We are confident that the ring-fenced US$12.5m Orion tin royalty, combined with the Continuous Improvement Programme launched during the year at Uis Mine, will enable us to realise this objective. We value our shareholders' and funders' support as we continue to execute our strategy.

STRATEGIC PROCESS

During the year, we decided to accelerate the growth of our lithium offering through a strategic partnership process. Launched in May 2023, this process involves a rigorous review of multiple potential partnership opportunities with the objective of ensuring value accretion to shareholders. I am pleased with the thoroughness of the process and confident that it will secure the right partner – one that has specialised lithium expertise tailored to our unique project dynamics. Simultaneously, we continue to build our internal capabilities to deliver lithium to both the technical and chemical markets while expanding our tin and tantalum production. This comprehensive approach underscores our commitment to becoming a leading and sustainable African producer of critical metals.

Leading international organisations within the lithium value chain have visited the Company's assets in Namibia, conducted mineralogy testwork and implemented detailed due diligence, all demonstrating their interest in the potential of Andrada's assets. At the time of writing this report, discussions with interested parties are at an advanced stage, and we are encouraged by the keen interest that has been shown. A further update will be provided in due course as appropriate.

SUSTAINABILITY

Governance and sustainability best practices are integrated across our business model. Host communities are vital to our operations, and Andrada seeks to develop and maintain mutually beneficial relationships and trust with all key stakeholders through open and constructive engagement. Additionally, the Board has ensured we have a strong ESG Committee that advises on strategies to improve operational safety. We are committed to creating a safe working environment where our employees can thrive and contribute to the achievement of their goals as well as the Company's strategic objectives. Importantly, we continue to support and contribute to the regional and national economy through local procurement expenditure and royalty. In the year under review, I am pleased to report that Andrada spent just over N$505 million (US$27 million) through procurement from Namibian suppliers in FY 2024.

As Andrada operates in a water-constrained country, on-site water management is a key focus area. We strive to maximise reuse and recycling while preventing unnecessary water loss to the environment. We also support local water projects that drive community growth. In September 2024, we will release the Sustainability Report on the Company's practices, detailing the challenges and successes on our journey and the impact on all our stakeholders.

RISK MANAGEMENT

Commodity markets were challenging during the year, posing risks to the business. We have implemented a detailed enterprise risk management ("ERM") strategy to manage such risks. This includes a defined risk management framework for identifying, interrogating, monitoring and mitigating risks at every level. Implementing the ERM strategy has had a profound impact on our operations, resulting in Company-wide ownership of the strategy. Details on risk management are from page 28 of this report.

OUTLOOK

I thank the Board of Directors for their hard work during a challenging but successful year in which we reached significant milestones. I also thank Anthony Viljoen, our CEO, and his dedicated management team for steadfastly driving the strategy and positioning Andrada as an emerging producer of critical metals.

With a strong leadership team and solid business foundations in place, we look forward to similar success in FY 2025. Specifically, we will strengthen our production capabilities and bring our lithium offering to market as we advance towards initial production of petalite concentrate through the integration of the current plant.

Finally, I extend my gratitude to our staff and contractors, who continue to propel Andrada forward on our journey to becoming a leading supplier of critical metals to the global market.

GLEN PARSONS
CHAIRMAN
29 August 2024

CHIEF EXECUTIVE OFFICER'S STATEMENT

"The most important decision we made during the year was to embark on a strategic process to identify a partner with appropriate technical and financial capabilities to accelerate Andrada's lithium strategy.

The 2024 financial year was extremely productive on all fronts for Andrada, and I am proud to reflect on the progress made over the period.

LITHIUM DEVELOPMENT STRATEGY

Metallurgy

Bringing a lithium concentrate to market will be the first step to validating the lithium potential of the Erongo Region and unlocking the significant potential of the Company's large mineral resource. In May 2023, we announced the production of a high-purity bulk sample of petalite concentrate with 4.16% Li_2O or 85% petalite content. This further proved the economic potential of the pegmatites in our mineral licence areas around Uis.

In December, we announced production of high-grade (6.8% Li_2O) spodumene concentrate from the Lithium Ridge exploration drill chips. It is encouraging that the test work yielded battery-grade spodumene concentrate at attractive lithium recovery rates. We will proceed with the next phase of exploration drilling, metallurgical test work and mineralogical characterisation to boost geological and metallurgical confidence. The goal is to declare a maiden mineral resource estimate for Lithium Ridge. Potential off-take partners have indicated interest in our lithium products. This has opened us up to the next stage of the lithium value chain, including possible test work for conversion to battery-viable lithium hydroxide.

Strategic process

The most important decision we made during the year was to embark on a strategic process to identify a partner with appropriate technical and financial capabilities to accelerate Andrada's lithium strategy. In CY 2022, Andrada received several unsolicited approaches from international entities seeking to partner in accelerating the Company's lithium strategy. In May 2023, Andrada launched the strategic process to undertake a structured assessment of the unsolicited approaches. This process has provided us with a number of high quality opportunities involving some of the industry's most respected names. Since the launch of the process, leading international organisations in the lithium value chain have visited our assets in Namibia, conducted mineralogical test work, and implemented detailed due diligence.

While we are aware of shareholders' expectations to expedite the process, we are focused on securing the best possible partner and terms to create value for shareholders. At the time of this report, our business development team is working tirelessly to thoroughly consider all opportunities, and we look forward to announcing the outcome of the process in due course.

OPERATIONAL REVIEW

Safety performance

Safety remains paramount for Andrada. I am therefore proud to confirm that we continued to improve our safety record during the period. Three lost time injuries were recorded (FY 2023: 3), resulting in a lost time injury frequency rate ("LTIFR") of 2.26 (FY 2023: 3.04). The lower LTIFR was due to the higher number of exposure hours at 1 328 712 compared to 988 389 in the previous year. We recognise that we still have areas of improvement, such as for medical treatment injuries and high-potential incidents.

We saw an improvement in optimal plant equipment functionality which reduced the likelihood of malfunctions that could lead to safety incidents. This resulted in a safer working environment and enhanced employee health and well being. The Maintenance Wednesdays initiative ensured that our operations remained compliant with safety regulations and standards, thereby minimising the risk of violations and penalties. We further supported the safety drive through a range of complementary initiatives, including externally managed audits, over 1 200 hours of training, 8 200 toolbox talks and visible leadership engagements.

Tin production performance

Thanks to the diligence of the operations team and the FY 2023 expansion, the plant performed exceptionally well throughout the year. The volume of ore processed, and of tin concentrate and contained tin produced, increased by over 50%. The higher tonnage coupled with our optimisation initiatives also meant that all our unit costs were at the lower end of guidance, decreasing by as much as 14% in the fourth quarter due to the enhanced efficiencies. Annual ore processing now stands at approximately 1 million tonnes, and tin concentrate production at approximately 1 500 tonnes. This takes us a step closer to our goal of producing 2 600 tonnes of tin concentrate (1 600 tonnes of contained tin), in line with the Orion royalty agreement.

FUNDING SUPPORT

Aside from headline operational success, Andrada also enjoyed support from its key funding partners. In September 2023, we concluded the N$100m (c. US$5.5m) funding agreement ring-fenced for the CI2 Programme.

The CI2 Programme was established following the modular expansion of the crushing and tin concentration circuits in the third quarter of FY 2023. The expansion aimed at increasing production tonnage to reduce costs through economies of scale. Approximately 70% increased capacity was achieved. However, the enhanced plant performance revealed bottlenecks that had to be eliminated to ensure the increased output and higher production rates were sustainable. Therefore, the CI2 Programme aims to improve processing efficiencies to maximise the tin concentrate recovery rate, establish business sustainability through the enhancement of operational support infrastructure, and to reduce operating costs.

In November 2023, Orion Mine Finance provided a combined US$25m (incorporating share, convertible and warrant issue) funding package with US$12.5m allocated for accelerating the lithium and tantalum revenue streams.

EXPLORATION REVIEW

We received results of significant lithium mineralisation from the Lithium Ridge and Spodumene Hill drilling programmes throughout the year and commenced exploration drilling in the Brandberg West licence area. Work across all our mining assets and multiple metal profiles demonstrates that we are strategically unlocking our resource.

At the beginning of the 2023 calendar year, we announced the results of our V1/V2 pegmatite drilling programme at Uis. These results aligned with our existing geological model and brought our resource to approximately 138 Mt, moving us closer to our target of 200 Mt.

We received results from the Lithium Ridge drilling programme in September 2023, confirming that the 6 km of mineralisation at surface continues at depth, indicating intersections at higher lithium grades than those recorded at Uis. These results are commensurate with similar hard-rock resources globally.

Brandberg West, historically a prolific producer of tin and tungsten, shows strong indications of copper mineralisation. In October 2023, we began a 3 000 metre exploration drilling programme to determine the extent of the mineralisation in and around the historic mine. Brandberg West could potentially double the volume of tin concentrate currently produced at Uis, while adding tungsten to the growing list of critical metals produced by Andrada.

POST-PERIOD ACTIVITY

Tantalum supply

I am pleased to confirm that we have supplied tantalum concentrate to AfriMet, in line with the off-take agreement that was renewed in December 2023. The 12-month agreement will see AfriMet purchasing all the production from the tantalum circuit at Uis Mine on a quarterly basis. Pricing is linked to Argus Metals tantalum prices.

At the date of this report, we had supplied 15 tonnes and received provisional payment on the initial 5-tonne consignment. The second 10 tonne consignment was still at port awaiting shipping.

Tin expansion

We initiated the expansion plan to increase tin concentrate production at Uis Mine from 1 500 tpa to 2 600 tpa, in line with the Orion royalty agreement. The scope of the expansion entails improvements and additions to both the dry and wet processing sections of the plant. The dry section will be expanded through the installation of a crusher and XRT ore-sorters to constitute the pre-concentration circuit. The expected net effect of the ore-sorters is an increase of approximately 50% in the tin content feed to the wet processing plant.

Restructuring of Uis Tin Mining Company (PTY) Ltd ("UTMC")

On 26 June 2024, the Company executed a legally binding agreement to restructure UTMC, the operational Namibian entity that holds the Company's licences to ensure a more efficient corporate structure. The Company sought to increase its ownership interest in UTMC, from 85% to 100% through the acquisition of the 15% interest held by the Small Miners of Uis .The rationale of the restructuring was to consolidate the ownership of Uis and Lithium Ridge licences, to provide Andrada the ability to target and expedite the development of these individual mining licences through full operational and strategic control. Subsequently, on 2 August 2024 following the fulfilment of the precedent conditions, the restructure of the ownership of UTMC was completed resulting in Andrada taking full ownership of the Uis and Lithium Ridge licences in lieu of Spodumene Hill which is now fully owned by the SMU.

OUTLOOK

We look forward to concluding the strategic process. This will enable us to push ahead with our development plans on multiple fronts. We will expand our existing tin processing operations, develop our highly prospective lithium assets, and progress our exploration programmes.

There are several milestones Andrada is focusing on for the next few years, including construction of the pre-concentration circuit, completion of the CI2 Programme, completion of the feasibility studies, and implementation of the lithium integration circuit. Furthermore, we have several exploration programmes planned for FY 2025, designed to enhance understanding of the mineralisation on the Company's mining licences. The exploration team has completed the plans to advance the resources as follows:

Uis Mine

Resource validation drilling over the northern and central pegmatites clusters.

The objective is to enhance the current MRE classification of tin and to establish the mineral potential for lithium.

Lithium Ridge

A high-density drilling campaign at the historical TinTan mine area.

The objective is to develop a maiden MRE and enhance understanding of the lithium mineralisation within the high-priority pegmatites identified.

Brandberg West

Exploration drilling will continue to assess the licence's potential

With a focus on investigating the northern extension mineralisation. The Company will also evaluate mineralisation in the historical pit.

ANTHONY VILJOEN
CHIEF EXECUTIVE OFFICER
29 August 2024

CHIEF FINANCIAL OFFICER'S REVIEW

"Fundraising supported cash flows during the year as the Company constructed the lithium pilot plant and tantalum circuit and implemented the drilling campaigns as well as the CI2 Programme at Uis Mine.

Andrada recorded solid financial results while delivering on its key strategic objectives during FY 2024. The positive impact of the FY 2023 expansion project was fully reflected in the FY 2024 financial results.

PROFIT AND LOSS STATEMENT OVERVIEW

The Company's revenue increased to £17.9m (FY 2023: £9.8m) mainly due to a 51% increase in tin concentrate tonnage to 1 474 (FY 2023: 960 tonnes) combined with a marginal 2% increase in the effective average tin price to US$25.6k (FY 2023: US$25.1k). Andrada exported 56 shipments (FY 2023: 33) of tin concentrate to the Company's off-take partner, Thaisarco.

Therefore, the Company's gross profit significantly improved to £1.7m from a loss of £0.7m in FY 2023. However, administrative expenses increased to £9.9m (FY 2023: £7.5m). This was mainly due to expanded operations and higher headcount ahead of the increased tin production. Furthermore, the multiple workstreams and special skills needed to achieve the potential lithium production, continue to necessitate an increase in recruitment.

The Group's earnings before interest, tax, depreciation and amortisation ("EBITDA")* marginally improved to a loss of £4.8m (FY 2023: loss of £5.9m) due to the higher revenue. Net finance costs increased to £0.7m (FY 2023: £0.6m), mainly due to the increase in total finance expenses to £1.7m (FY 2023: £0.7m) resulting from interest on the convertible loan notes and transaction costs on the royalty debt that were not charged in the prior period. The loss before tax remained the same at £8.9m (FY 2023: £8.9m) however the loss for the for the year was higher at £8.9m (FY 2023: loss of £8.1 m) resulting in the basic loss per share of 0.54 pence (FY 2023: loss of 0.60 pence). The tax asset credit of approximately £0.9m in FY 2023 improved the relative loss position in the prior year.

The higher production volumes resulted in a reduction in C1 costs to US$17 870 per tonne of contained tin from US$19 762 in the comparative period. The all-in sustaining unit cost was 7% higher YoY at US$26 809 (FY 2023: US$24 939) because of a higher stripping ratio charge resulting from an escalated mining push-back. In open pit mining operations, it is necessary to incur stripping costs to remove overburden and other mine waste materials to enable access to the ore body. The Group has elected to capitalise the costs of accelerated waste stripping activities as these are necessary to allow improved access to the ore and, therefore, will result in future economic benefits. The costs of drilling, blasting and load and haul of waste material is capitalised until such time that the underlying ore is used in production. These costs are then expensed on a proportional basis.

The capitalised costs are included in the mining asset in property, plant and equipment and are expensed back into the statement of comprehensive income as depreciation. Costs incurred for regular waste removal that do not give rise to future economic benefits are considered costs of sales.

The C2 operating costs were 9% lower YoY at US$20 796 (FY 2023: US$22 287). The expansion of the Uis Mine plant coupled with the CI2 Programme is expected to reduce operational costs by 10%.

FINANCIAL POSITION STATEMENT OVERVIEW

Total assets increased by 39% to £66.2m, mainly through a £3.2m increase in intangible assets, £5.4m increase in PPE and a £6.3m increase in cash and cash equivalents. Increase in the PPE was due to the costs relating to the construction of the bulk sample processing facility. The facility was initially recognised as part of the mining asset under construction but was subsequently transferred to exploration and evaluation. The value of non-current assets increased to £42.7m (FY 2023: £34.0m), while current assets increased by approximately £10m to £23.5m, mainly due to a 22% increase in available cash to £14.5m (FY 2023: £8.2m) from debt proceeds. Financial liabilities and borrowings increased to £25.3m (FY 2023: £6.2m), mainly due to proceeds from Orion, DBN and shareholders, the latter through convertible loans. The US$12.5m Orion royalty is allocated to increasing tin production at Uis Mine. The royalty funding, coupled with the ongoing CI2 Programme, targets an increase in tonnage. All debt proceeds net of the tin royalty were utilised for the CI2 Programme, working capital, lithium pilot plant and tantalum circuit construction. The value of equity decreased to £32.1m (FY 2023: £35.7m), mainly due to higher accumulated losses and an increase of 81% in the foreign translation loss.

* *EBITDA refers to earnings before interest, taxation, depreciation and amortisation. Calculated by adding back the depreciation and amortisation charges of approximately £3.4 million to the operating loss of approximately £8.1m disclosed in the cashflow statement and P&L respectively.*

The inventory balance increased to £2.9m (FY 2023: £2.7m) due to higher run of mine ("ROM") stockpile and consumables. At year end, 112 tonnes (FY 2023: 157 tonnes) of tin concentrate was in stock, valued at £1.1m (FY 2023: £1.4m). Trade and other receivables were valued at £6.1m at year end (FY 2023: £2.6m), mainly due to pre-payments and deposits that were paid on equipment necessary for ongoing capital projects. The trade and other payables increased to £7.0m (FY 2023: £3.7m) due to accruals related to the expanded operations. All payables are settled within the agreed credit terms, and no interest has been charged by any supplier because of late payment of invoices during the year.

Total liabilities increased by £22.3m to £34.1m, mainly due to the increased borrowings. Further details on assets and liabilities can be found in the notes to the Annual Financial Statements from page 77 to 112.

CASH FLOW STATEMENT OVERVIEW

Fundraising proceeds supported cash flows during the year as the Company constructed the lithium pilot plant and tantalum circuit and implemented the drilling campaigns as well as the CI2 Programme at Uis Mine. The material changes YoY were on the financing activities resulting in a 32% increase in cash inflows.

FUNDING OVERVIEW

Convertible loan notes

In July 2023, Andrada raised £7.7m (c. US$10m) through the issue of 77 unsecured, convertible loan notes of £100 000 each to new and existing investors. The proceeds were utilised for the construction and commissioning of the lithium pilot plant and the tantalum circuit. In addition, the funds were channelled towards the exploration programme and a lithium feasibility study.

Orion Global Resource Fund

On 22 November 2023, Andrada concluded the transaction and received funds from Orion following the fulfilment of conditions precedent, including shareholder approval. The combined US$25m funding comprises a US$12.5m (c. £10.2m) unsecured tin royalty, a US$2.5m (c. £1.95m) equity subscription for 30 505 755 ordinary shares, and a US$10m (c. £8.2m) unsecured convertible loan note. In addition, the convertible loan accrues interest at 12% annually on a four year tenure to 18 July 2027. The conversion price is 9.45p, the same as the Convertible Loan Notes issued in July 2023.

Andrada has the option to convert the loan at any time after 18 July 2024 if the shares trade at 200% or more of the conversion price. In addition, Andrada issued OMF III (Mauritius) LTD 15.4 million warrants on 21 July 2024 which enable OMF Limited to acquire ordinary shares in Andrada at an exercise price of 9.45p at a ratio of 1:1. The US$12.5m royalty is allocated to increasing tin production at the Uis Mine, and coupled with the ongoing CI2 Programme, it will enable Andrada to achieve targeted tonnage.

The balance of US$12.5m net of costs was utilised to accelerate the lithium and tantalum revenue streams following the exploration drilling results. These workstreams included the expansion of the resource at Uis and exploration drilling across all licences. Furthermore, there were metallurgical testing campaigns at the pilot facility and on-site laboratory. Finally, Andrada initiated various studies to gauge the feasibility of additional revenue streams across the Company's portfolio.

Development Bank of Namibia

On 5 September 2023, Andrada concluded the DBN funding. The funding is ring-fenced for the implementation of the Uis Mine CI2 Programme. The terms are:

- Tenure of 10 years ranked as senior secured debt pari passu to the Standard Bank Namibia loan.
- No interest or capital repayments for the initial 12 months after execution.
- Interest will accrue at the Namibian prime lending rate plus 2.5% per annum.

By the end of the financial year, the balance still to be drawn was N$50m (£2.1m). These funds are being used to expedite the implementation of the CI2 Programme.

Tin hedge

In view of recent tin price volatility, and to minimise financial risk, the Company concluded a hedging instrument with Standard Bank Namibia Limited in respect of the first 20 tonnes of contained tin shipped every month from June 2024 to May 2025. The price under this agreement is fixed at US$33 000 per tonne.

A tin price rally started in April 2024 due to a combination of supply tightness resulting from decreased exports from Myanmar and Indonesia as well as declining inventory in China. Speculative interest also contributed to the rally, with experts cautioning against an excessively bullish view of future pricing. The LME tin spot price was US$25 450 on 2 January 2024, increasing to above US$30 000 on 10 April and peaking at US$35 275 on 22 April 2024. The average daily price from April 2024 to the date of writing was approximately US$32 700. The uncertainty in pricing informed the decision to enter into the hedging agreement. Based on contained tin production in FY 2024, the hedge covers approximately 30% of quarterly production.

POST-PERIOD ACTIVITY

Bank Windhoek

On 5 August 2024 , UTMC concluded the N$175m (c.£7.5m) funding agreements with Bank Windhoek Limited ("BWL"). The funding is constituted of a N$100m term loan on a 6 year tenure , with interest at the Namibian Prime Rate plus 1%. BWL will also refinance the Company's working capital facilities totalling N$50m (c.£2.1m). These facilities, which are for 12 months from the date of drawdown, will incur the prime rate minus 0.5%. These working capital facilities will be ranked as senior secured debt pari passu with other debt holders.

CONCLUSION: GOING CONCERN

The main estimates considered as part of management's going concern assessment are production profiles, tin, lithium and tantalum prices, exchange rates and committed capital. The production profile is based on the Group's current achieved production post the completion of the expansion project, as well as the additional production on successful completion of the continuous improvement capital project and ore sorter projects. In addition, the Group successfully raised £7.1m through the funding from Bank Windhoek, with the possibility of future funding through a strategic partner. This further supports the Group's liquidity requirements and its ability to meet its obligations in the ordinary course of business until February 2026. Based on the forecasts, additional funding will be required within the next 12 months for the purpose of envisaged capital and exploration projects without a strategic partner. As the Group is also entering a new market with reference to lithium sales, which are close to near-term production, the cash flow forecast has assumed the successful completion of the lithium pilot plant and the tantalum circuit to deliver the business strategy. Further details on the going concern are in the Annual Financial Statements on page 78.

HITEN OOKA
CHIEF FINANCIAL OFFICER
29 August 2024

DIRECTORS' REPORT

PRINCIPAL ACTIVITIES, BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The principal activity of the Group (Andrada and its subsidiaries) is mineral exploration and the development of mining and exploration projects in Namibia. Following the discovery of lithium and other minerals in the pegmatites from which tin has historically been mined, the Group enhanced its strategy to exploit the potential of a multi-metal revenue stream.

The polymetallic nature of the pegmatites has enabled the Group to renew the agreement to commercially supply tantalum to AfriMet. The supply is drawn from the tantalum circuit that was constructed as an extension to the existing plant at Uis Mine. To expedite the development of lithium production, the Directors commissioned a strategic process to identify a partner with appropriate skills and financial capacity to participate in producing lithium. Refer to the Leadership Reports on pages 14 to 27 for a review of the Group's progress and prospects.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group is subject to various risks, primarily those inherent to the mining and exploration industry. As an entrepreneurial business operating in commodities and emerging markets, there is clearly an elevated risk, but this is balanced by potentially greater rewards. The Board is mindful of and monitors both corporate and individual project risk. Andrada successfully implemented an enterprise risk management programme through workshops, and this was reviewed by executive management, the C-suite and the Audit and Risk Committee.

Outlined below are the principal risk factors that the Board believes may affect performance. The risks are not presented in any order of priority, and the list is not exhaustive. Further risks and uncertainties may exist that are currently unidentified or considered immaterial.

HIGH VOLATILITY OF METAL PRICES

Residual rating: High

Potential Impact

Tin, tantalum, and lithium prices are subject to high levels of volatility and are impacted by numerous exogenous factors beyond the Group's control.

Low tin, tantalum, or lithium prices coupled with decreased demand could affect the financial performance of the Group and its ability to fund future growth.

Mitigation

The Board and management constantly monitor the commodity markets in which the Group operates. Long-term financial planning is undertaken regularly.

A hedge agreement is in place that enables locking in of prices for future sales. This can provide price stability by allowing metals to be bought or sold at predetermined prices.

The Board approved the modular expansion of the Uis plant to increase tin output and lower unit costs. The resultant economies of scale support profitability in a volatile price market.

The Board supports the exploration and metallurgical test work for the extraction of lithium and tantalum at Uis. The additional metals enhance revenue, lower unit costs, and provide diversity within the metals industry.

FOREIGN EXCHANGE TRANSLATION LOSSES

Residual rating: Moderate

Potential Impact

Andrada's operations are in Namibia and South Africa, where the currencies are the Namibian Dollar ("NAD" or "N$") and Rand ("ZAR" or "R"), respectively.

The NAD is pegged to the ZAR, but tin metal sales are denominated in US Dollars ("USD" or "US$") and equity funding is based in UK Pound Sterling ("GBP" or "£").

The appreciation of the NAD and ZAR against the USD is a significant risk factor for the Group.

Mitigation

The Group reserves most of its funds in NAD and the balance in GBP and USD. Revenue is generated in USD and this allows management to limit the local currency volatility of the ZAR and NAD with its ongoing working capital management. Budgets for capital are also prepared on the basis of the funding obtained.

The Group ensures there is a sufficient balance between local currency and forex to service its obligation. A tin price hedge was contracted post the year end for a portion of the monthly sales volumes. This allows the Group to fix the amount of forex that needs to be converted.

UNCERTAINTY OF GEOLOGICAL MODELLING

Residual rating: Moderate

Potential Impact

Mineral exploration inherently has a high degree of uncertainty, which carries a significant risk.

Statistically, a large proportion of mineral deposit discoveries flounder, with few ultimately developing into producing mines.

The Group's operations may be disrupted by a variety of risks and hazards beyond the Group's control, including:

- Geological and geotechnical factors
- Equipment failures
- Extended interruptions due to inclement or hazardous weather conditions and other acts of God
- Low return on investment
- Budget and prioritisation of capital allocation

Mitigation

Exploration projects are managed by a skilled and competent team and regularly reviewed by executive management and reported to the Board of Directors.

Progress is measured against targets and expenditures. Expenditure is prioritised to align with the degree of prospectivity.

Exploration projects are reviewed after each programme is completed. The impact of new datasets is utilised to re-evaluate each target before the next programme commences.

External and independent experts such as Consulting Professionals and geotechnical, environmental and geohydrological consultants are contracted to ensure all potential risks of this nature are understood.

DEVELOPMENT PROJECTS FAILURE

Residual rating: Moderate

Potential Impact

Development projects often lack the history needed to base estimates of future cash operating costs.

For greenfield and brownfield projects, estimates of proven and probable reserves are mainly based on interpretation of geological data from drillhole assays, sampling techniques and feasibility studies.

The cash operating costs are then based on:

- Anticipated tonnage and grades of mined and processed ore
- The configuration of the ore body
- Expected throughput and recovery rates
- Comparable facility and equipment operating costs

Mitigation

Create cross-functional teams that include representatives from both operations and project management to ensure alignment from the outset.

Clearly define the roles and responsibilities of project managers, operations managers, and team members.

Implement scope freeze and develop and manage a change control system.

The Group has appointed an experienced team of geoscientists and engineers, complemented by experienced consultants in specialist areas.

The initial Uis pilot plant expansion has enhanced the Group's understanding of the requisite metallurgical and processing elements to succeed in this type of project. All resources and reserves need to be Joint Ore Reserve Committee (JORC, 2012) compliant and signed off by competent persons.

OPERATIONAL AND CAPITAL EXPENDITURE OVERRUNS AND WEAK COST COMPETITIVENESS

Residual rating: Moderate

Potential Impact

While best estimates are used in preparing capital project budgets, they are influenced by several external factors beyond the Group's control. This could result in expenditure overruns against the budget.

Weak cost competitiveness relates to internal and external factors that hinder the Group in optimising profitability.

Mitigation

Capital expenditure and project execution are subject to pre-defined governance and approval procedures, including feasibility studies before implementation.

Management and the Board regularly review progress and related expenditures throughout the tenure of the project. This includes updating working capital models and assessing potential impacts on future cash flow.

Cost competitiveness is achieved through economies of scale by expanding operational output to enhance unit cost dilution. The Group also closely manages procurement pricing and cost efficiencies.

The adoption of continuous improvement methodology enables the business to constantly track and reduce costs.

The introduction of tantalum and lithium revenue streams will further reduce unit costs.

EXPANSION OF ELECTRICITY AND WATER SUPPLY UNCERTAINTY

Residual rating: Moderate

Potential Impact

Expansion of electricity and water supply are essential for viable future developments in Namibia.

The current supply sources of both power and water are constrained to the point where the current Uis operation uses the maximum available sources.

Additional sources need to be developed to support the Company's growth.

Mitigation

Complete a forecast of power and water demand for Uis Mine for the expansion of ROM feed to the processing plant and the lithium concentrating circuit.

Collaborate with institutional agencies and possible independent suppliers of services.

Select future partners and conclude supply agreements.

INSUFFICIENT EXPANSION FINANCING

Residual rating: Moderate

Potential Impact

The successful extraction of tin, tantalum and eventually lithium will require significant capital investment. The Group's ability to secure the requisite funds will depend on the success of existing operations.

Prevailing market conditions may not be conducive to financing when required by the Group.

The Group may not succeed in securing the requisite funds, which might impact its ability to complete value-accretive capital projects.

Mitigation

The Group has a supportive shareholder base and proven significant investor interest for future funding requirements.

The Group secured funding through convertible notes to the value of £7.7m through existing and new shareholders. During the year we secured the following funding:

- DBN facility for N$100m (c. US$5.8m)
- Orion funding package for US$25m comprising a tin royalty, convertible note and equity

Post-period funding was secured from Bank Windhoek for N$175m in August 2024 to refinance Standard Bank. The Group has embarked on a strategic process to find a partner to accelerate lithium production, including the funding component.

LOSS OF KEY PERSONNEL

Residual rating: Moderate

Potential Impact

The success and operational performance of the Group depends on the unique skills, expertise and knowledge of management and qualified personnel.

Short-term Group profitability could be impacted if key personnel leave the business.

The establishment of new mines and re-establishment of old mines in Namibia increases competition for similar human resources. A competitive compensation regime encourages people mobility.

Inadequate amenities in the vicinity of the mine restrict Andrada's ability to attract and retain resources.

Mitigation

The Group has built a team of executives, scientists, engineers, and support personnel who are sufficiently experienced and versatile to provide interim support for operations during seasons of high employee turnover.

The Group has developed long-standing relationships with consulting firms in key specialist areas that can be contracted at short notice.

Remuneration arrangements are intended to be sufficiently competitive to attract, retain and motivate highly skilled employees to achieve the Group's objectives, given the increasing competition for qualified personnel in the market.

DELAYS IN THE ISSUANCE OR RENEWAL OF PERMITS, LICENCES AND CERTIFICATES

Residual rating: Moderate

Potential Impact

Delays in the processing, issuance or renewal of permits, licences and certificates needed for exploration and mining could impede the business in achieving its objectives. There are stringent regulations related to permitting.

Mitigation

The Group operates within the ambit of applicable rules and regulations.

The Group actively tracks the status of all licences and permits.

The Group ensures that renewals are submitted, and all reporting done according to requirements.

The laws of the countries we operate in allow for the continuation of operations while licences are being renewed. They also allow for a "correction period" should additional clarification be needed for granting or renewal of an application.

LOSS OF SOCIAL LICENCE TO OPERATE AND DETERIORATION IN STAKEHOLDER RELATIONS

Residual rating: Moderate

Potential Impact

Historical environmental incidents in the extractive industry in Namibia, including poor water management and tailings storage, negatively impacted the reputation of the mining industry.

Communities in the vicinity of mining operations tend to expect the mining companies to provide employment and procurement opportunities.

NGOs and the media tend to sensationalise conflicts of interest between mining companies and communities. This draws negative attention and impacts the Company's reputation.

Mitigation

Our ability to maintain regulatory compliance to protect the environment and the health and safety of host communities and workers remains the Group's top priority.

The Group seeks to build mutually beneficial partnerships with host governments and local communities based on shared long-term value. Simultaneously, we work to minimise the social and environmental impacts of the Group's activities.

The Board oversees the Group's environmental, safety, health, and corporate social responsibility programmes, policies and performance. The Board has an ESG Committee to focus on these matters.

Transparency around mining operations, environmental impacts, and community benefits.

ADVERSE CLIMATE CHANGE

Residual rating: Moderate

Potential Impact

Adverse climate change and regulatory actions to reduce its impact may affect our suppliers, customers, as well as the Group's business model.

Climate change may reduce the Group's growth and profitability by amplifying negative perceptions of the mining industry.

Mitigation

Andrada has started implementing the recommendations of the Task Force on Climate-related Financial Disclosures.

The Group regularly assesses exposure across a wide range of outcomes while monitoring government action around climate change.

The Board has an ESG Committee to focus on these matters.

THREAT, LOSS OR HARM DUE TO INADEQUATE CYBER SECURITY

Residual rating: High

Potential Impact

Cyber threats, including malicious attacks and unauthorised access, pose significant risks to our technical infrastructure, data, and overall operations, potentially resulting in financial losses, reputational damage, and disruption to our business.

Mitigation

The Board and management recognise the need to protect operational technology to reduce potential disruptions for the efficient running of the business.

Due to the dramatic increase in cybercrime globally, we implemented a software platform across the Group to safeguard vital information and infrastructure critical to our sustainability.

Additional software precautions were embedded at the onset of the COVID-19 pandemic to protect the business against attacks while our people connected and worked remotely.

RESULTS AND DIVIDEND

The Group's financial results reflect a loss of £8.9m. The Directors will not be recommending the declaration of a dividend.

SHARE CAPITAL AND FUNDING

Full details of the authorised and issued share capital, together with details of the movements in the Company's issued share capital during the year, are shown in Note 21. The Company has one class of ordinary shares which carry no right to fixed income. Each share carries the right to one vote at Company general meetings.

DIRECTORS

The Directors who served the Company during the year and to date are as follows:

Glen Parsons
Chairman/Independent Non-Executive Director

Gida Nakazibwe Sekandi
Independent Non-Executive Director

Laurence Robb
Independent Non-Executive Director

Michael Rawlinson
Independent Non-Executive Director

Terence Goodlace
Independent Non-Executive Director

Anthony Viljoen
Executive Director and Chief Executive Officer

Hiten Ooka
Executive Director and Chief Financial Officer

DIRECTORS' INTERESTS

The Directors' beneficial interests in the shares of the Company as at 29 February 2024 were:

	Ordinary shares of no-par value	Share options
Anthony Viljoen	**15 296 690**	**19 411 489**
Michael Rawlinson	**5 125 379**	**3 243 447**
Glen Parsons	**4 307 486**	**7 743 447**
Laurence Robb	**1 948 241**	**7 243 447**
Terence Goodlace	**–**	**7 243 447**
Gida Nakazibwe Sekandi	**–**	**843 447**
Hiten Ooka	**14 998**	**6 908 616**

DIRECTORS' INDEMNITY INSURANCE

The Group has maintained insurance throughout the year to protect its Directors and Officers from the consequences of actions brought against them in relation to their duties for the Group.

EMPLOYEE INVOLVEMENT POLICIES

The Group places considerable value on the awareness and involvement of its employees in the Group's exploration and development activities. Within the bounds of commercial confidentiality, information is disseminated to all levels of staff about matters that affect the progress of the Group and that are of interest and concern to them as employees.

CREDITORS PAYMENT POLICY AND PRACTICE

The Group's policy is to ensure that, in the absence of dispute, all suppliers are dealt with in accordance with its standard payment policy. This policy is to abide by the terms of payment agreed with suppliers when agreeing on the terms of each transaction. Suppliers are made aware of the terms of payment.

RELATED-PARTY TRANSACTIONS

Details of related-party transactions are given in the Remuneration Report on pages 48 to 60.

EVENTS AFTER REPORTING DATE

Events after reporting date are detailed in Note 26 of the consolidated financial statements.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR

The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Directors has confirmed that they have taken all steps they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

The Directors will place a resolution before the Annual General Meeting to reappoint BDO LLP as the Group's auditor for the 2025 financial year.

ELECTRONIC COMMUNICATIONS

The maintenance and integrity of the Group's website is the responsibility of corporate management and the Directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have been made to the financial statements since they were initially presented on the website. The Group's website is maintained in compliance with AIM Rule 26.

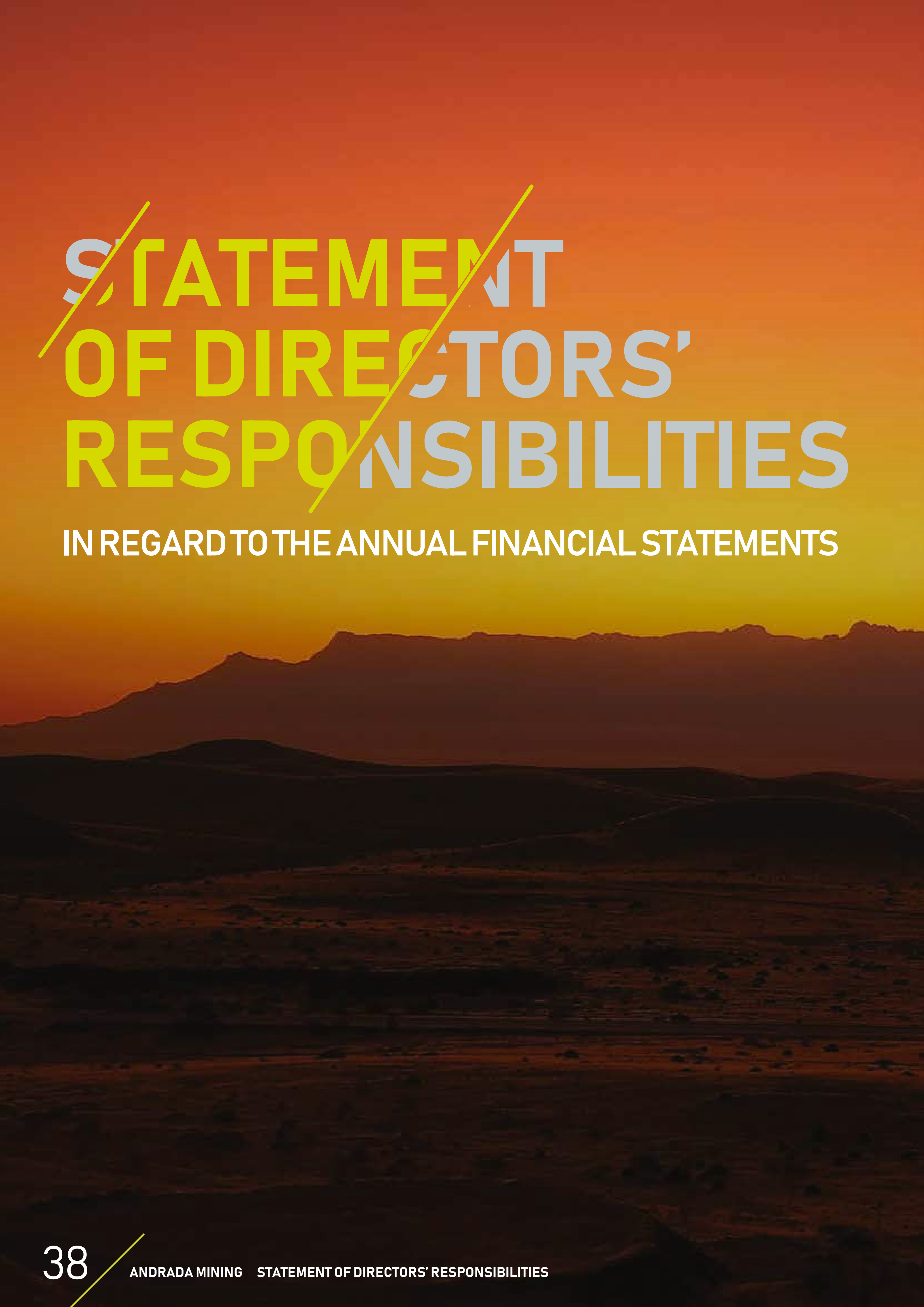
COMPANY SECRETARY

The Company Secretary is Nomakhosi Mukanya. The business address of the Company Secretary is:

Illovo Edge Office Park,
Building 3, Ground Floor
C/O Harries & Fricker Roads,
Illovo, Johannesburg
2196
South Africa

By order of the Board

GLEN PARSONS
Chairman
Independent, Non-executive Director
29 August 2024



STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN REGARD TO THE ANNUAL FINANCIAL STATEMENTS

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

Companies (Guernsey) Law, 2008 requires the Directors to prepare financial statements for each financial year. Under this law, the Directors are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards. Under the Companies (Guernsey) Law, 2008, the Directors must not approve the financial statements unless they are satisfied that the statements give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent.
- State whether they have been prepared in accordance with UK-adopted international accounting standards subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions. These records must, at any time, enable them to disclose the financial position of the Company with reasonable accuracy and to ensure that the financial statements comply with the requirements of the Companies (Guernsey) Law, 2008. The Directors are also responsible for safeguarding the assets of the Company. This includes taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

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

CORPORATE GOVERNANCE REPORT

As a listed company traded on the AIM market of the London Stock Exchange, we recognise the importance of sound corporate governance throughout our organisation.

As Chairman of Andrada Mining Limited, I am dedicated to leading our Board in upholding high standards of corporate governance, fostering a culture of integrity, accountability, and transparency. My role is pivotal in ensuring that we align our governance practices with our strategic objectives, ultimately supporting our long-term success.

We are committed to applying the QCA Corporate Governance Code, which we believe is essential for delivering value to our shareholders and stakeholders. Our governance framework includes a balanced Board with a mix of executive, and independent Directors, ensuring diverse perspectives and expertise. We delegate responsibilities to Board committees; Audit and Risk, Remuneration and Nomination, and Environmental, Social and Governance; while retaining overall accountability and promoting open dialogue. However, there are areas where our practices differ from the QCA Code. For instance, we did not conduct an external Board evaluation in the year under review.

In the past year, we have strengthened our governance arrangements by:

- Appointing Gida Nakazibwe Sekandi, an Independent Non-Executive Director and Hiten Ooka, an Executive Director, as Chief Financial Officer to enhance our expertise and diversity.
- Our ESG Committee which oversees our sustainability strategy has been instrumental in the publishing of our first Sustainability Report.
- Enhancing our risk management framework and implementing a new whistleblowing line to encourage the reporting of concerns.

We have also improved our shareholder engagement and reporting, holding regular discussions with major shareholders and enhancing our corporate website for better access to information. As we move forward, we will continue to refine our governance practices to ensure they are effective and aligned with our strategic goals. I am confident that our commitment to good governance will contribute to Andrada Mining's long-term success and create value for all stakeholders.

In what follows we outline how we apply each of the code's 10 key principles to our business.

GLEN PARSONS
Board Chairman
29 August 2024

PRINCIPLE 1

Establish a strategy and business model that promotes long-term value for shareholders.

Application

Andrada is listed on the AIM market of the London Stock Exchange. The Company's vision is to create a portfolio of world-class, conflict-free, multi-technology metal producing assets. Its flagship asset is the Uis Tin Mine in Namibia, formerly the world's largest hard-rock tin mine.

The Company has an experienced Board of Directors and highly skilled management team with a strategy to fast-track the expansion of Uis Mine production of tin concentrate and consolidate other quality tech-metal assets. We strive to capitalise on the solid supply and demand fundamentals of tech-metals by achieving production in the near term and further scaling up volumes by consolidating our tin assets in Africa.

The Board of Directors and management team integrate sustainable development principles into corporate strategies and decision-making processes. The Company endeavours to ensure that responsible health and safety, environmental, human rights and labour practices and policies are adopted by suppliers and contractors.

The Company is subject to a variety of risks, specifically those relating to the exploration and mining industry. We outline the principal risk factors facing the business and our mitigation of those risks in the Directors' Report.

PRINCIPLE 2

Seek to understand and meet shareholder needs and expectations.

Application

The Board is committed to maintaining effective communication by holding constructive dialogue with all its shareholders.

Management, led by the CEO, undertakes regular presentations and roadshows to investors as appropriate. This enables them to develop a balanced understanding of shareholders' issues and concerns, which they communicate to the Board.

The Company also keeps shareholders informed on its progress through public announcements, the Company's website and interviews on respected media platforms. All reports and press releases are published in the Investors section of the website.

PRINCIPLE 3

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

Application

The Board recognises that its prime responsibility is to promote the success of the Company for the benefit of its stakeholders. This success depends largely on the Company's relations with its stakeholders, both internal (employees and shareholders) and external (customers, suppliers, business partners and advisers).

We seek to work in collaboration with employees, community members and other stakeholders, with transparency and accountability. Open dialogue and engagement with community members at our sites is central to maintaining a successful relationship and ensuring long-term sustainability for all parties. The Company continually implements inclusive and supportive approaches with local communities to contribute to their economic and social well-being.

We endeavour to systematically examine the environmental impact of our operations and will adopt measures to mitigate this impact.

The goal is to minimise the negative environmental impacts of the processes involved in extracting tech-metals. At Uis, the non-chemical nature of ore beneficiation, combined with an ore that is largely free of harmful elements, contributes to a reduced level of environmental risk.

Nonetheless, the Company ensures compliance with its operational environmental management plan by continually monitoring dust, water and waste management.

The Company maintains a regular dialogue with key suppliers.

Managing human capital equitably and sustainably is central to the Company's project development strategy. We promote an inclusive work environment through our recruitment and remuneration policies and development initiatives. Within the bounds of commercial confidentiality, we communicate with all staff about matters that affect the progress of the Company and that interest and concern them as employees.

The Company has set up a share option scheme for employees, which gives them a stake in the Company's long-term success.

PRINCIPLE 4

Embed effective risk management, considering both opportunities and threats, throughout the organisation.

Application

As an entrepreneurial business operating in emerging markets, the Company is subject to an elevated risk balanced by potentially greater rewards. The Board is mindful of and monitors both corporate and project risks.

The Board ensures that a risk management framework is in place that identifies and addresses all risks relevant to the execution of the Company's strategy. Key risks are regularly reviewed by the Board and are disclosed in the Directors' Report.

The Audit and Risk Committee receives feedback from the external auditor on the state of the Company's internal controls.

PRINCIPLE 5

Maintain the Board as a well-functioning, balanced team led by the Chairman.

Application

The Board is made up of the Chairman, five Non-Executive Directors and two Executive Directors (CEO and CFO).

The roles of the Chairman and CEO are clearly separated. The CEO is responsible for the day-to-day operational management of the business and is supported by a Chief Financial Officer, Chief Strategy Officer, Chief Operations Officer, geologists, engineers, and executive management.

The Chairman is responsible for the leadership and effective working of the Board, the implementation of sound corporate governance, setting the Board agenda, and ensuring that Directors receive accurate, timely and clear information.

The Chairman and Non-Executive Directors (Glen Parsons, Terence Goodlace, Laurence Robb, Michael Rawlinson and Gida Nakazibwe Sekandi) are independent of management and free to exercise independent judgement. We acknowledge that the Non-Executive Directors have share options; however, these are not significant enough to affect their independence.

The Board meets at least every quarter or at any other time deemed necessary for the good management of the business. In addition, the Board is kept updated through monthly Board update sessions. Every Director has attended all Board meetings while being a Director of the Company.

PRINCIPLE 6

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

Application

The Company's Directors were selected and appointed to the Board because of the skills, knowledge and experience they offer, considering the stage of the Company and the strategy it is pursuing. The Board composition and biographical details of Board members can be found on the Board of Directors page of the Company website.

The Board is ultimately responsible for adherence to sound corporate governance practices. It has constituted three committees to enable it to properly discharge its duties and responsibilities and to effectively guide its decision-making process.

The Directors have access to training (online training or external training courses) to ensure their skills are up to date. The Board and its committees also seek external expertise and advice where required.

As part of the induction programme conducted by the Company's nominated adviser, Directors are briefed on regulations that are relevant to their role as directors of an AIM-quoted Company.

Frans van Daalen (Chief Strategy Officer) and Chris Smith (Chief Operations Officer) attend Board meetings by invitation to provide input from a financial and operational perspective.

PRINCIPLE 7

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.

Application

The performance of the Board, its committees and the individual Directors are evaluated to ensure that Board members have the necessary skills, experience and abilities to fulfil their responsibilities. The Board views this as an integral part of corporate governance and has decided to conduct a Board evaluation process in the ensuing year.

The goal of the evaluation process is to identify and address opportunities for improving the performance of the Board and to solicit honest, genuine and constructive feedback. The Chairman is responsible for ensuring the evaluation process is fit for purpose as well as for dealing with matters raised during the process.

Management of succession planning is a vital task and a key measure of the Board's effectiveness.

PRINCIPLE 8

Promote a corporate culture that is based on ethical values and behaviour.

Application

The Company has a strong ethical culture that is promoted by the Board and management team. The Company strives to conduct its business in an ethical, professional and responsible manner, treating all employees, customers, suppliers and partners with equal courtesy.

PRINCIPLE 9

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

Application

The Board approves the Company's strategy and ensures that necessary resources are in place for the Company to meet its objectives. While the Board has delegated the operational management of the Company to the CEO and other senior management, several specific matters are subject to approval by the Board. These include:

- Annual budget.
- Interim and Annual Financial Statements.
- Management structure and appointments.
- Mergers, acquisitions, and disposals.
- Capital raising.
- Joint ventures and investments.
- Corporate strategy.
- Projects of a capital nature.
- Major contracts.

The Non-Executive Directors have a particular responsibility to constructively challenge the strategy proposed by executive management, to scrutinise and challenge performance, to ensure appropriate remuneration, and to ensure succession planning is in place for senior members of management. The senior management team have access to the Non-Executive Directors.

The Chairman is responsible for leading the Board and ensuring its effectiveness. The Chairman, with the assistance of the CEO, sets the Board's agenda and ensures there is enough time for discussion of all agenda items, including strategic issues.

The roles of the Audit and Risk Committee and the Remuneration and Nomination Committee are set out further in this report. The governance structures will evolve in parallel with the Company's objectives, strategy and business model to reflect the development of the Company.

PRINCIPLE 10

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

Application

The Board is committed to effective communication and constructive dialogue with all its stakeholders. It provides them with access to information to enable them to arrive at informed decisions about the Company.

The Investors section of the Company's website provides all required regulatory information as well as information shareholders may find helpful. This includes:

- Information on Board members, advisers, and significant shareholdings.
- A historical list of the Company's announcements.
- Corporate governance information.
- Historical annual reports and notices of general meetings.
- Share price information and interactive charts to help shareholders analyse performance.

Results of shareholder Annual General Meetings and details of votes cast are publicly announced through the regulatory system. These are then displayed on the Company's website with suitable explanations of any actions undertaken because of significant votes for or against resolutions.

THE BOARD OF DIRECTORS

Board

At Andrada, we select our Directors based on their skills and ensure their experience matches the requirements of the Company and our strategy. Board members' details, including their professional background information, can be found in the corporate section of our website – https://andradamining.com/corporate/leadership/

The Board, through its committees, is the guardian of the Group's corporate governance practices and delegates the responsibility for instilling ethical practices and integrity to executive management. Members' conduct is regulated by a Board charter which defines the Board's authority and role as the governance structure with ultimate accountability and responsibility for the Group's conduct and performance.

The Board approves the Group's strategy and governance policies and provides oversight on their implementation. The Board delegates authority to the Executive Directors to manage the Group's operations according to the approved strategy and policies.

The Chairman is responsible for leading the Board and making sure it works efficiently, and the CEO manages the daily operations of the business. The Non-Executive Directors provide independent judgement, keeping the Board balanced, and are tasked with reviewing executive management performance.

Importantly, the Board ensures effective risk management by considering opportunities and threats throughout the Company. The Board regularly reviews key risks and makes sure there is a system in place for managing all relevant risks. Directors are equipped with up-to-date knowledge and provided with training to keep their skills updated. The Board is assisted by three committees that discharge their statutory responsibilities according to terms of reference and the Board charter.

The Board is comprised of:

Independent Non-Executive Chairman

- Glen Parsons (appointed 23 October 2017)

Independent Non-Executive Directors

- Laurence Robb (appointed 23 October 2017)
- Terence Goodlace (appointed 23 May 2018)
- Michael Rawlinson (appointed 20 December 2021)
- Gida Nakazibwe Sekandi (appointed 10 May 2023)

The Board has assessed the independence of all Non-Executive Directors and has concluded that they are considered independent, despite holding share options. While the QCA Code highlights share options as a potential compromise to independence, the Board believes that, due to the Company's nature and size, offering options is essential for attracting high-quality Board members. Furthermore, the Directors maintain that the scale of the individual share option awards is not substantial enough to impair the independence of the Directors.

Executive Directors

- Anthony Viljoen (appointed 23 October 2017)
- Hiten Ooka (appointed 10 May 2023)

Operational management in South Africa and Namibia is led by Anthony Viljoen, supported by a Chief Financial Officer (Hiten Ooka), Chief Strategy Officer (Frans van Daalen), Chief Operations Officer (Chris Smith), geologists, engineers, and executive management. Operational management is supported technically through various consultancy agreements. All press releases, including operational updates, are approved by the entire Board.

The Board met five times during the year. Board and committee membership and attendance for the year ended 29 February 2024 was as follows:

Non-Executive Directors	Board (5)	Audit & Risk (4)	Remuneration & Nomination (2)	Environmental, Social & Governance (3)
	NUMBER OF MEETINGS			
Glen Parsons	5*	4*	2	
Gida Nakazibwe Sekandi∞	5		2	2
Laurence Robb	5			2
Michael Rawlinson	5	4	2*	
Terence Goodlace^	5	1		3
Executive Directors				
Anthony Viljoen	5	4	2	3
Hiten Ooka∞	5	4	2	3

* *Chairman*
∞ *Appointed as member of the Board of Directors: 10 May 2023*
^ *Appointed as member of ARC, Remuneration Committee & ESG Committee: 27 July 2023*

Board committees

Board committees strengthen governance by assisting the Board in discharging its statutory responsibilities. All committees implemented their responsibilities during the year as set out in their terms of reference and are satisfied they fulfilled them during the year. The Chairmen of the committees report on their activities at each Board meeting that follows the committee meeting.

The Directors and committee members strive to attend all meetings held throughout the year. Their actual attendance is shown in the table above.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee meets at least twice a year and is composed exclusively of Non-Executive Directors: Glen Parsons (Chairman), Michael Rawlinson and Terence Goodlace, who was appointed to the committee on 27 July 2023. The CEO and CFO attend Audit and Risk Committee meetings by invitation. The committee is responsible for:

1. Reviewing the Annual Financial Statements and interim reports prior to approval.
2. Considering reports on internal financial controls, including reports from the auditor, and reporting auditor findings to the Board.
3. Considering the appointment of the auditor and their remuneration, including reviewing and monitoring their independence and objectivity.
4. Considering the effectiveness of the ERM programme to minimise the impact of downside risks on the Company.
5. Overseeing the implementation of an appropriate ethics and compliance programme and reviewing the utilisation of the whistleblowing hotline.

The Audit and Risk Committee is provided with the details of any proposed related-party transactions to consider and approve the terms of such transactions. The committee meets at least twice a year and met four times during the year.

Key focus areas in FY 2024

1. Considered the independence of the external auditors and their fee.
2. Reappointment of external auditors.
3. Implementation of a procurement procedure.
4. Implemented a policy on non-audit services.
5. Formalising the Enterprise Risk Management Programme.

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee comprises Michael Rawlinson (Chairman), Glen Parsons and Gida Nakazibwe Sekandi, who joined the committee on 27 July 2023. The Committee assists the Board in monitoring and reviewing any matters of significance affecting the composition of the Board and the executive team, including:

1. Maintaining a Board that has an appropriate mix of skills and experience to be an effective decision-making body.
2. Ensuring fair, responsible and transparent remuneration to recruit and retain the required skills to achieve business objectives in the short, medium and long term.

The Remuneration and Nomination Committee also assumes general responsibility for assisting the Board in respect of remuneration policies for the Company and to review and recommend remuneration strategies for the Company and proposals relating to compensation for the Company's Directors and employees. The committee meets at least twice a year and met three times this year.

Key focus areas in FY 2024

1. Nomination of two Directors, Gida Nakazibwe Sekandi and Hiten Ooka.
2. Implementation of the Remuneration Policy.
3. Drafting a balanced scorecard to measure performance.

A detailed Remuneration Report can be read on pages 48 to 60 of this report.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The Andrada ESG Committee meets quarterly and comprises Terence Goodlace (Chairman), Laurence Robb, Anthony Viljoen, and Gida Nakazibwe Sekandi, who joined the committee on 27 July 2023. The Head of Sustainability and other members of the executive team attend ESG Committee meetings by invitation. Other Board members also attend meetings by invitation.

The role of the ESG Committee is to assist the Board in fulfilling its oversight responsibilities, by reviewing and monitoring any matters relating to the management of workforce, community or environmental impacts in accordance with various ESG policies. The Committee also seeks to identify opportunities to strengthen the Company's licence to operate and to strengthen the sustainability and resilience of the communities and regions where it operates. Extensive details on the workstreams achieved under the guidance of the committee can be read in a separate FY 2024 Sustainability Report to be released in September 2024.

Key focus areas in FY 2024

1. Aligning our practices with global standards such as the IFC Performance Standards, and advancement towards Global Industry Standard on Tailings Management (GISTM) compliance.
2. Aligning with ICMM Mining Principles.
3. Finalisation of climate change scenarios.
4. Initiating a Biodiversity Action Plan, and the development of a biodiversity standard.

REMUNERATION AND NOMINATION COMMITTEE REPORT

PART 1: CHAIRMAN'S MESSAGE

"As we move forward, the Renumeration Committee remains focused on ensuring our remuneration framework supports Andrada's strategic direction, attracts and retains top talent, and aligns with shareholder interests.

Dear Shareholders,

I am pleased to present the Remuneration and Nomination Committee ("Remuneration Committee") Report for the financial year ended 29 February 2024. The report outlines our ongoing commitment to sound governance, transparent remuneration practices, and the alignment of executive compensation with Andrada Mining's strategic objectives.

Implementation of the new Remuneration Policy

At our Annual General Meeting of September 2023, shareholders approved our new Remuneration Policy, which introduces significant changes to our approach. I am pleased to report substantial progress in implementing this policy over the past year.

REWARD PHILOSOPHY AND LONG-TERM INCENTIVE PLAN

Our new policy is based on a reward philosophy that translates Andrada's purpose, strategic plan, values and objectives into a framework guiding our reward practices. This philosophy has been fully integrated into our decision-making processes. A key element of the new Remuneration Policy concerns our Long Term Incentive Plan (LTIP). In this we have replaced share options with treasury shares for employees at Grade 13 and above, with a mix of performance-based and retention-based shares. This change aims to be less dilutive while still aligning employee interests with those of our shareholders.

We have successfully rolled out this new LTIP structure, which is designed to:

- Align the Company's efforts with shareholder interests and expectations.
- Focus on delivering short-term objectives aligned with our overall strategy.
- Attract and retain competent people through market-competitive remuneration.
- Motivate, measure and reward individual and team performance.
- Be simple to understand and consistent in application.

EXECUTIVE DIRECTORS' REMUNERATION

For our CEO and CFO, we have implemented the three-component structure as outlined in the policy:

1. **Base salary:** Determined prior to the financial year, providing financial stability.
2. **Short-Term Incentive Plan ("STIP"):** A variable component based on performance against a balanced scorecard, with maximum allocations of 100% of salary for the CEO and 75% for the CFO.
3. **Long-Term Incentive Plan ("LTIP"):** Provisional shares subject to performance conditions, with allocations up to 100% of base salary for the CEO and 75% for the CFO.

This structure ensures a balance between guaranteed income, short-term performance incentives and long-term value creation.

NON-EXECUTIVE DIRECTORS' COMPENSATION

We have begun the transition towards a fully cash-based compensation model for Non-Executive Directors ("NEDs"), as approved in the policy. This change will be fully implemented from FY 2025. It aims to offer compensation that reflects Andrada's development stage while acknowledging the Directors' expertise and contributions.

Performance and remuneration overview

We achieved a score of 65% for the year on our balanced scorecard. While this reflects solid progress in many areas, we recognise there is room for improvement as we strive for excellence across all our operations.

Key remuneration decisions and initiatives

In line with our performance and commitment to fair and competitive remuneration, the committee approved several important initiatives:

Salary reviews and pay equity: We initiated a comprehensive salary review process with a particular focus on ensuring no pay gaps exist within the Company.

Tiered salary increases: We implemented a tiered approach to salary increases, providing higher increases to levels with lower disposable income ranges:

- C-suite: 3%
- Executive Committee: 4%
- Management Committee: 5%
- Skilled: 6%

1. **New share policy:** We began rolling out our new share policy, further aligning employee interests with those of our shareholders.
2. **Performance-linked incentives:** We continued to strengthen the link between performance and incentives, ensuring our reward structure drives behaviours that support our strategic goals.
3. **STIP structure:** We introduced a revised STIP structure with a two-tier bonus pay-out. The first tier is in line with the new financial year and the second tier is based on the financial position and strength of the Company.

Talent management and succession planning

This year, we placed significant emphasis on talent management and succession planning:

1. **In-depth people review:** We conducted a comprehensive review of our workforce, identifying key talents, potential risks, and development opportunities.
2. **Executive succession planning:** We focused on both emergency succession plans and long-term planning for the next lifecycle/growth phase of the Company.
3. **Retention strategy:** We performed an in-depth analysis of our workforce and developed key retention tools for our operations.
4. **Talent pool development:** We continued to strive to retain the best talent and build a pool of best in class professionals in Namibia as well as in our corporate team.

Remuneration Committee flexibility and discretion

In line with our policy, the Remuneration Committee maintained its ability to exercise flexibility and discretion in determining executive remuneration. I am pleased to report that the committee did not award any discretionary allocations during FY 2024, because our policy framework proved sufficiently robust in addressing all remuneration matters.

Looking ahead

As we move forward, the committee remains focused on ensuring our remuneration framework supports Andrada's strategic direction, attracts and retains top talent, and aligns with shareholder interests. We will regularly review and refine our approach to ensure it remains fit for purpose in a dynamic business environment.

We appreciate the ongoing support and trust of our shareholders as we strive to create sustainable value for all stakeholders. We welcome your feedback and look forward to your continued engagement on these important matters.

Sincerely,

MICHAEL RAWLINSON
Chairman of the Remuneration and Nomination Committee
29 August 2024

PART 2: REMUNERATION POLICY

Introduction

Following shareholder approval at our previous AGM, Andrada adopted a new remuneration policy that embodies our evolving organisational ethos and synergy between our core values and progressive compensation strategies. The new policy entails a revised STIP structure and a new LTIP structure that was successfully rolled out this year. An essential element of the policy is the replacement of share options awards with shares for employees at Grade 13 and above. In terms of awarding shares for retention, the LTIP excludes the CEO and CFO, who are also Executive Directors on the Board. Executive Directors are eligible to receive performance based LTIP awards, but they are excluded from the retention awards.

Components of the new Remuneration Policy

Base salary **Implemented**	· Range set from 80% of the 50th percentile ("P50") of the target market. · Peer groups for market data reviewed annually.
STIP **Implemented**	· Outcomes linked to Company and individual performance. · Paid annually in cash.
LTIP **Implemented**	· Share scheme based. · Applies to permanent employees at Global Grade 13 and above. · The intention is to get management to behave like owners through owning shares, thereby driving Company performance. · Long-term retention tool.
Production bonus **Implemented**	· Primarily for plant operational employees. · Awards linked to production targets. · Paid monthly in cash.
Benefits **Implemented for site employees only as per Namibian legislation. Corporate to be rolled out based on affordability.**	· Planned pipeline of employee benefits subject to Company growth and affordability. · Benefits to include life insurance, retirement funding and medical aid.
Employee share scheme **Yet to be implemented**	· Enables all employees below Grade 13 to share in the growth and success of Andrada.

The policy is underpinned by a reward framework comprising the following components, which are detailed in the table above:

- A market-competitive base salary.
- A Short-Term Incentive Plan based on performance of strategic and operational objectives.
- A Long-Term Incentive Plan for senior management.
- A planned pipeline of employee benefits subject to Company growth and affordability.

The following principles will guide the application of the reward framework and all related decisions:

Transparency: The Company will be transparent in applying this framework to the extent that is legally possible without compromising confidentiality.

Non-discrimination: All remuneration-related decisions will be unbiased and free of unfair discrimination.

Internal equity: Employees will be remunerated fairly and consistently according to their role and individual contribution to the Company. Where there is differentiation between employees performing similar work, the differentiation must be valid, rational, and justifiable.

Market competitiveness: The Company needs to maintain market-competitive reward practices to be able to attract and retain employees with the skills and capabilities needed to deliver desired performance.

Performance-based reward: Performance-linked reward will be structured in a manner that provides for differentiation between individual employee performance. As per best practice, the performance management system will recognise and differentiate between good, average, and poor performance.

Affordability: The Company is constrained in terms of its business plan and annual budgetary scope in setting limits regarding remuneration and reward-related benefits. The Company commits to implementing a planned pipeline of improved employee benefits once it reaches a steady financial position.

The main development in the new Remuneration Policy is the inclusion of the Employee Share Scheme, and the LTIP offered to employees at Grade 13. Under the prior policy, Andrada offered share options to the CEO, CFO and employees above Grade 10 (discretionary for anyone below Grade 10). However, under the new policy, we are implementing a standard LTIP structure with forward-looking three-year performance measures. This is in line with best practice and informed by the fact that Andrada has expanded significantly. The Company implemented the first LTIP award in FY 2024, as illustrated below.

Components of the LTIP structure

Form of award	• Retention* and performance shares
Vesting terms	• Vesting three calendar years after award date, subject to continuing employment and satisfaction of performance conditions.
Performance conditions (applicable for FY 2024 awards)	• All performance conditions are to be measured over three financial years, beginning from FY 2024. • The performance conditions for LTIPs were approved by the Remuneration Committee.
Holding period (post-vesting)	• An additional two-year holding period post-vesting imposed for Executive Directors.
Threshold for vesting	• To be determined in FY 2025.

* *Executive Directors were not awarded retention shares, but they were awarded performance shares*

Remuneration Committee flexibility, discretion and judgement

The Board recognises the importance of flexibility, discretion and judgement in determining an approach to Executive Directors' remuneration. Although the Company's comprehensive policy aims to address a wide range of scenarios, there will be instances when the Remuneration Committee must exercise its expertise to ensure equitable outcomes. No remuneration policy, regardless of its comprehensiveness, can predict every situation. Therefore, the Company values the ability of the committee to use its discretion, particularly when evolving business needs require adjustments to reward structures or short-term incentives.

The application of judgement and flexibility can extend to revising remuneration elements, whether upgrading or downgrading, and achieving the right equilibrium between fixed and performance-related components, as well as between immediate and deferred incentives. This flexibility empowers the committee to navigate changes and challenges within the business environment, even in the face of external pressures that might influence the Company's strategic path.

This adaptability allows the Company to encourage desired behaviour, stimulate performance, and drive long-term prosperity. The Remuneration Committee is dedicated to ongoing shareholder involvement during the policy's three-year term. Whenever deemed suitable, the committee will formally engage shareholders to endorse any revision to the policy before the conclusion of the three-year period.

Executive Directors' remuneration

The compensation structure for the CEO and CFO is designed to encompass three distinct components:

Base salary: Is determined prior to the commencement of the financial year. This component serves as a guaranteed portion of the CEO and CFO's compensation, providing financial stability and predictability. The salary is not subject to performance metrics and is established based on considerations such as market standards, industry norms, and the CEO and CFO's responsibilities within the Company.

STIP: Is a variable component of the CEO and CFO's short-term compensation, based on performance against a balanced scorecard determined by the Remuneration Committee at the outset of a financial year. The maximum allocation of the STIP component is 100% and 75% of the performance score for the CEO and the CFO respectively measured against their base salaries. For a detailed breakdown of the STIP metrics, refer to the Implementation Report below.

LTIP: The CEO and CFO have historically received share options and will be awarded provisional shares going forward, subject to performance conditions as stated in the policy. These shares will be granted up to an allocation equivalent to 100% of the CEO's and 75% of the CFO's base salaries. This component ensures that the CEO and CFO are directly invested in the Company's growth and performance, as the value of the shares is closely related to the Company's long-term share price performance.

This compensation structure is carefully designed to create a balanced approach that combines guaranteed salary, short-term performance incentives, and a strong focus on long-term value creation through shares. By incorporating these three components, we aim to ensure that the CEO and CFO's compensation reflects both Company performance and market standards.

Non-Executive Directors' compensation and remuneration

The Non-Executive Director ("NED") remuneration strategy strikes a balance in aligning NEDs' interests with long-term Company success while conserving cash flow. Historically, Andrada has applied a multi-faceted remuneration mix including share options for NEDs to address the Company's inability to match industry-related cash-based remuneration. The Company has amended this structure to a fully cash-based compensation model as from FY 2025.

The aim is to offer NEDs compensation that mirrors Andrada's development stage while still acknowledging their expertise and contributions. The Company will ensure that any adjustments to the NED remuneration structure continue to cultivate collaboration, ownership, and a collective dedication to driving Andrada's ongoing progression.

PART 3: IMPLEMENTATION REPORT

Remuneration Committee governance

This report fulfils the mandates laid out in the Financial Conduct Authority's Listing Rules and describes how the Board has upheld the tenets of sound governance.

Remuneration governance

To ensure unbiased decision-making, the Remuneration Committee consists entirely of Non-Executive Directors. The Company Secretary attends meetings as the committee's secretary. Other members of management, namely the CEO, CFO, COO and Head of Sustainability, may occasionally be invited to attend meetings at the Chairman's request. However, they are not present during discussions or decisions regarding their own remuneration.

The committee is responsible for the following:

- Establishing the policy and framework for remunerating Directors and determining the remuneration of the Chairman of the Board.
- When determining the remuneration for Executive Directors, the committee considers the business requirements, talent needs, competitive market practices, and principles of the QCA Remuneration Committee Guide and QCA Corporate Governance Code.
- When establishing remuneration policies for Executive Directors, the committee reviews and considers the remuneration of the wider workforce. This includes addressing pay gaps and disparities and considering the Company's broader approach to remuneration, particularly regarding gender and ethnic diversity.
- Determining whether the performance conditions for the STIP and LTIP have been achieved during each fiscal year and confirming the vesting of any awards.
- Assessing and reviewing the appropriate market positioning of remuneration for executive management to ensure fairness and equity.
- Ensuring a suitable combination of fixed and variable remuneration by applying the STIP and LTIP for executives in line with the Company's strategic objectives. The committee also establishes annual targets that incorporate a combination of financial, non-financial, and strategic performance conditions.
- Ensuring that remuneration policies and practices adhere to the principles of the AIM and QCA Code. This includes promoting clarity, simplicity, risk mitigation, predictability, proportionality, and alignment with the Company's culture.
- Selecting remuneration consultants and commissioning reports, surveys or other information necessary for the effective functioning of the committee.

The Remuneration Committee's role and responsibilities are outlined in approved terms of reference that were endorsed by the Board of Directors in FY 2022.

Refer to page 46 for committee membership and attendance.

Remuneration Committee activities during FY 2024

The committee implemented key activities as part of its responsibilities as follows:

- **Pay positioning review:** Assessed the current remuneration structure and ensured it aligns with the Company's objectives. Carefully evaluated the outcomes of incentive awards for both FY 2022 and FY 2023.
- **Market analysis:** Gathered and analysed market data to understand the amount of executive remuneration in relation to industry standards. Performed a comprehensive gap analysis to identify any discrepancies and determine appropriate adjustments.
- **Setting performance targets:** Established the FY 2024 STIP key performance indicators ("KPIs") for executive management. This involved defining bonus targets and outlining the conditions under which incentive awards would vest based on performance achievements. Also implemented a new, transparent and quantifiable STIP template for the CEO and other executives, eliminating subjectivity.
- **Future incentive awards:** Engaged executives and approved all target KPIs to be included in the FY 2024 incentive awards. This covered both the STIP and option awards.
- **Remuneration Policy implementation:** Implemented the new policy that was approved by shareholders at the AGM in September 2023.
- **Shareholder engagement:** Ongoing engagement with shareholders and proxy agencies to address any concerns, gather feedback, and ensure transparency and accountability.

Remuneration Policy application in FY 2024

FY 2024 PERFORMANCE CONTEXT

Andrada achieved an overall score of 65% on the objectives set out by the Remuneration Committee, aligned with the Company's strategic targets as set out by the Remuneration Committee. This score reflects a year of mixed performance across our key focus areas, indicating both significant achievements and areas for improvement.

Uis Mine continued to show strong operational performance, achieving 70% of its production targets. This underscores our team's resilience and commitment to operational excellence despite facing some challenges in a dynamic market environment. We maintained our focus on efficiency and cost management, allowing us to navigate industry-wide inflationary pressures effectively.

In the critical area of ESG, we are pleased to report a score of 71%, reflecting our ongoing dedication to environmental sustainability, social responsibility, and corporate governance. While there is room for improvement, this score demonstrates that our ESG initiatives are making tangible progress. We look forward to providing more details in our FY 2024 Sustainability Report, which will be published later this year.

Our strategic initiatives faced some headwinds this year, resulting in a score of 45%. While this score is lower than targeted, it reflects the complexity of commodity markets and often unpredictable nature of implementing long-term strategies. We have learned valuable lessons from these challenges and are already developing plans to address the areas where we fell short. A highlight of the year was our exploration efforts, which achieved a score of 95%. This exceptional performance underscores the potential for future growth and resource expansion, providing a strong foundation for our long-term success.

The remuneration structure continued to be based on the balanced scorecard approach, ensuring a holistic consideration of the Company's overall performance, internal dynamics, external factors, and the principle of fairness across all stakeholders. Our overall performance score of 65% reflects both our achievements and the areas where we need to focus our efforts going forward.

This year also saw significant progress in our internal initiatives. We successfully initiated the first phase roll-out of our new share policy and implemented a tiered salary increase approach, demonstrating our commitment to fair and equitable remuneration. Our comprehensive workforce review and focus on development planning further highlight the investment in our people and the future of our organisation.

EXECUTIVE DIRECTORS REMUNERATION FOR FY 2024

The Remuneration Committee assessed the Company's performance in determining the CEO & CFO's remuneration. The committee established that the CEO and CFO's performance to determine the bonus would be matched to the group balanced scorecard performance score of 65% of their base salary. Consequently, the CEO's annual bonus was determined to be 100% of the group score at £106 094 (65% of his salary) and the CFO was awarded 49% of his salary at £63 237 because 75% (£97 171) of his salary is linked to the group score of 65%.

FY 2024 GROUP BALANCED SCORECARD

Category	Category weighting	KPA	KPA weighting	Criteria/Targets	SCORE
ESG	30%	H&S	50%	To reduce LTIFR to 20% below 2023 as minimum target, base target of 1 and stretch target of 0.5.	21%
				Zero fatalities.	
		Environmental	5%	No level three (3) environmental or above incidents. 70% of all environmental incidents to be closed out.	
		Human Resources	5%	Zero strike action	
		Social	5%	80% of all social grievances and whistleblower cases to be closed out.	
		Governance	5%	All permits in place and renewed in time.	
		Projects	30%	Implementation of the climate change action plan.	
				Implementation of the biodiversity action plan.	
				Implementation of the mine closure plan for expansion and integrated within operations.	
				Implementation of IsoMetrix in time and budget.	
Production	20%	Production and cost	50%	Achieve agreed production as stated in the budget.	14%
			50%	Operating cost at $18,128 and AISC at $26,233.	
Strategic initiative	35%	Capital projects	40%	Scope, schedule and cost according to approved project charter.	16%
		Business Development and IR	60%	Produce and market saleable lithium to market.	
				Commissioning and production of saleable tantalum to diversify commodity streams.	
				Implementation of business development strategy on securing a strategic technical and funding partner for the lithium integration plant expansion.	
				Completion of the Orion & DBN funding.	
				OTCQB listing and implementation of promotional work with investors.	
				Metallurgical test work program advancement.	
Resource Growth	15%	Uis Mine (southern cluster)	20%	Resource definition: Increase tin mineral resource classification for the southern cluster.	14%
				7 500 m drilling.	
		Spodumene Hill	15%	1 100 m drilling.	
				Mineral investigation: Establish pegmatite grades at depth.	
		Lithium Ridge	25%	**Mapping and sampling:** Infill mapping of pegmatites along 6 km strike.	
				Mineral investigation: 700 m of channel sampling to investigate mineralization in pegmatites.	
				1 800 m drilling.	
				Determine pegmatite grades at depth.	
		Other exploration	5%	**Target development:** Initial exploration of identified targets.	
		Brandberg West	20%	2 000 m drilling.	
				Mineral investigation: Determine average grade of quartz vein intersections.	
		Projects	15%	Scope, schedule and cost according to approved project charter.	
					65%

29 February 2024 (£)	Share option charge	Shares to be issued in relation to Director fees/ salary	Board fees/ salary	Bonus payment & accruals	Other fees	TOTAL
Non-Executive Directors						
Glen Parsons (Chairman)	20 293	–	55 000	–	–	75 293
Gida Nakazibwe Sekandi[1]	3 502	–	31 210	–	–	34 712
Laurence Robb	20 293	18 000	16 587	–	24 000[3]	78 880
Michael Rawlinson	20 293	–	45 000	–	–	65 293
Terence Goodlace	20 293	–	45 834	–	–	66 127
Executive Directors						
Anthony Viljoen (CEO)	53 652[4]	–	162 456	125 091	–	341 199
Hiten Ooka (CFO)	42 338[4]	–	129 562	63 237	–	235 137
Other key management personnel						
Frans van Daalen (Chief Strategy Officer)[2]	42 338	–	143 957	66 485	–	252 780
Christoffel Smith (Chief Operations Officer)[2]	35 202	–	129 562	63 401	–	228 165
TOTAL	258 204	18 000	759 168	318 214	24 000	1 377 586

1 *Appointed NED on 10 May 2023*
2 *Appointed COO and CSO on 1 January 2023*
3 *Exploration consulting fees. Laurence Robb is a seasoned geology professor at Oxford University with considerable knowledge of pegmatite mineralogy. He provides valuable input to the exploration strategy across all assets.*
4 *Share options vest on 1 May 2026 for a period of seven years. The Executive Directors have a holding period after vesting to 1 May 2028 before exercising subject to additional conditions being satisfied as determined by the Remuneration Committee.*

28 February 2023 (£)	Share option charge	Shares to be issued in relation to Director fees/ salary	Director fees/salary including bonus payment	Other fees	TOTAL
Non-Executive Directors					
Glen Parsons (Chairman)	36 032	–	55 000	–	91 032
Terence Goodlace	36 032	–	44 778	–	80 810
Laurence Robb	36 032	18 000	17 000	24 000	95 032
Michael Rawlinson	36 032	21 000	24 000	–	81 032
Executive Directors					
Anthony Viljoen (CEO)	90 081	–	360 780	–	450 861
Hiten Ooka (CFO)[5]	72 065	–	198 042		270 107
Other key management personnel					
Frans van Daalen (Chief Strategy Officer)	72 065	–	265 894	–	337 959
TOTAL	378 339	39 000	965 494	24 000	1 406 833

5 *Appointed Executive Director on 10 May 2023*

Proposed CEO remuneration for FY 2025

ENGAGEMENT OF INDEPENDENT REMUNERATION ADVISERS

Salary benchmarking, surveys and grading

Andrada, through the Remuneration Committee, seeks and considers advice from independent remuneration advisers where appropriate. Remuneration advisors, Willis Towers Watson, are engaged by and report directly to the Human Resources department. The Company contracted an organisation to advise on remuneration structuring and appropriate reward structures. The organisation conducted a thorough review of AIM executive salary reports to inform the CEO's remuneration.

Based on the review feedback, the CEO's proposed base salary for FY 2025, excluding incentives, is £162 456 and the CFO's proposed base salary is £129 561. The Remuneration Committee has not determined the LTIP awards for FY 2025 due to the prevailing challenging markets and cash flow requirements of the business. The committee will review the Company's performance before the end of FY 2025 to determine the optimal awards. The LTIP awards will be issued in accordance to the Remuneration Policy that was approved by the shareholders at the AGM held in September 2023 and detailed on page 51 of this report. The performance matrix will be based on a total business and shareholder matrix.

Going forward, Andrada remains committed to its strategic objectives and to creating long-term value for all stakeholders. The varied performance across the key areas provides clear direction for areas of focus, and we are confident in our ability to address challenges and capitalise on our strengths. Finally, we will be introducing individual KPIs for the EXCO in FY 2025 that align to the Group balanced scorecard and demonstrate each person's expected contribution.

STIP BREAKDOWN FOR FY2025 AWARDS

Category	Weighting	KPA	Weighting	KPI
ESG	30%		100%	Implement strategic plans to maintain social licence to operate and align to International best practise.
Production	30%	Production & cost	50%	Concentrate Production
			50%	Cost and Budget Management
Strategic	30%	Tin production expansion	20%	XRT ore sorting expansion - Execution to Construction
				Continuous Improvement II - Execution to Commissioning
		Establish lithium production and offtake	40%	2.5 Mtpa ROM Petalite Expansion Scoping Study
				40 ktpa Petalite Expansion – Gap Analysis and Scoping Study
				40 ktpa Petalite Expansion - Definitive Feasibility Study for DMS Portion of Expansion
				Lithium Pilot Plant - NIR Ore Sorting Installation
				Lithium pilot plant - production rate of 600 tpa of technical grade petalite concentrate (best achieved rate to date is 160 tpa of petalite concentrate)
				Lithium mineralogical model for V1V2
				Commercial sale of petalite concentrate from pilot plant
		Bulk infrastructure	10%	Confirm Sustainable Sources of Water to Support Tin Expansion and 40 ktpa Petalite Expansion
				Secure Expanded Power Supply for Tin Expansion and supply expansion plan for 40 ktpa Petalite Expansion
		Value add and growth	30%	Execution of business development strategy on finding a strategic technology and funding partner for the Li Integration plant expansion (ML134 and/or ML133)
				Secure Supplementary financing to support development programme. (Includes Bank Windhoek Refinance)
				Non-budgeted dealmaking (SMU, Brandberg West, etc.)
Resource growth	10%	Exploration	100%	Northern & Central cluster drilling
				Brandberg West drilling
				Lithium Ridge drilling: programme development

Independent auditor's report to the members of Andrada Mining Limited

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 29 February 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law 2008.

We have audited the financial statements of Andrada Mining Limited (the 'Parent Company') and its subsidiaries (together the 'Group') for the year ended 29 February 2024 which comprise the consolidated statement of comprehensive income, the consolidated statements of financial position, the consolidated statement of changes in equity, the consolidated statement of cash flows and notes to the consolidated financial statements, including a summary material accounting policy information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group 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.

Material uncertainty related to going concern

We draw attention to the Going concern section in Note 2 to the financial statements, which indicates that the Group is reliant on additional funding which is not guaranteed. As stated in note 2, these events or conditions, along with other matters as set out in the Going concern section in Note 2 to the financial statements, 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.

Given the material uncertainty noted above and our risk assessment we considered going concern to be a key audit matter.

Our evaluation of the Directors' assessment of the Group's ability to continue to adopt the going concern basis of accounting and our audit procedures in response to the key audit matter included the following:

- We discussed with the Directors their assessment of the potential risks and uncertainties, forecast commodity prices and production and the availability of financing that are relevant to the Group's business model and operations to assess the going concern assumption. We formed our own assessment of risks and uncertainties based on our understanding of the business and mining sector and considered these in performing sensitivities.
- We assessed the latest board approved budgets and cash flow forecasts for the Group to February 2026. We challenged the Directors' assumptions in respect of the production profiles, forecast tin, lithium and tantalum prices, operating costs and committed capital. In doing so, we considered factors such as the Group's operational performance, recent cost profile and market analyst commentary regarding forecast commodity prices.
- We recalculated the forecast covenant compliance calculations to assess arithmetical accuracy and assessed the consistency of such calculations with the ratios stated in the relevant lender agreements.

- We discussed the Group's strategy to access the funds required, with the Directors to assess the timing of cash flows. We read the draft agreements and term sheets from potential investors in connection with the planned project financing. We checked the post year end funding received by the Group by tracing it to the bank statements.
- We considered and assessed the adequacy of the disclosures relating to the Directors' assessment of the going concern basis of preparation within the notes to the financial statements against the requirements of the financial reporting framework, our understanding of the business and the Directors' going concern assessment.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Overview

Coverage	100% (FY 2023: 99%) of Group revenue 93% (FY 2023: 90%) of Group total assets

Key audit matters		**FY 2024**	**FY 2023**
	Carrying value of mining assets	✓	✓
	Going concern	✓	✓
	Valuation and accounting for the convertible loan notes and revenue royalty arrangement	✓	✗
Materiality	Group financial statements as a whole £620,000 (FY 2023: £470,000) based on 1% of total assets (FY 2023: 1% of total assets)		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

In approaching the Group audit, we considered how the Group is organised and managed.

Andrada Mining Limited is a company registered in Guernsey and listed on AIM in the United Kingdom, the Namibian Stock Exchange ('NSX') in Namibia and has qualified to trade on the OTCQB (also called 'The Venture Market') in the United States. from 5 June 2023. The Group's principal operations are located in Namibia.

Our Group audit scope focused on the Group's producing and exploration assets to gain sufficient coverage over the Group's total assets, total revenue and loss before tax while considering the audit risks identified. As a result, we determined the Parent Company and two subsidiary entities, AfriTin Mining (Namibia) Pty Limited and Uis Tin Mining Company Pty Limited which operate the Uis Mine, to be significant components of the Group and were subject to full scope audits. The audits of each of the significant components were principally performed in the United Kingdom, Namibia and South Africa. All the audits were conducted by either the group audit team or BDO network member firms. The remaining components of the Group were considered non-significant, and these components were principally subject to analytical review procedures, together with specified audit procedures over exploration and evaluation related assets. This work was conducted by BDO network member firms. We performed a detailed review of the work performed by the component auditors under ISA (UK) 600.

Our involvement with component auditors

For the work performed by component auditors, we determined the level of involvement needed in order to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the Group financial statements as a whole. Our involvement with component auditors included the following:

- We held planning meetings with the component auditors and local management.
- Detailed Group reporting instructions were sent to the component auditors, which included the principal areas to be covered by the audits (including areas that were considered to be key audit matters as detailed below) and set out the information to be reported to the Group audit team. The Group audit team was actively involved in the direction of the audits performed by the component auditors for Group reporting purposes, along with the consideration of findings and determination of conclusions drawn.
- The Group audit team was actively involved in the direction of the audits performed by the component auditor for Group reporting purposes, along with the consideration of findings and determination of conclusions drawn. We performed our own additional procedures in respect of the significant and elevated risk areas that represented key audit matters in addition to the procedures performed by the component auditor.
- We received and reviewed Group reporting submissions and performed a review of the component auditors' files. Our review was performed remotely using our online audit software.
- We held clearance meetings remotely with the component auditors and local management to discuss significant audit and accounting issues and judgements.

Key audit matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the material uncertainty related to going concern section above, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of mining assets (See Note 2: Critical accounting estimates and judgements and Note 12 Property, Plant and Equipment). As disclosed in Note 2 Critical accounting estimates and judgements, management have reviewed the Uis Mine for indicators of impairment and have considered among other factors, the operations to date at Uis Mine including production from the lithium pilot plant and tantalum circuit, forecast commodity prices, production profile, inflation rate, post-tax real discount rate and market capitalisation of the Group. As set out in Note 2, Management have identified the reduction in the tin price as an indicator of impairment. In undertaking the impairment review, management have also reviewed the underlying Life of Mine ("LoM") valuation model for Uis. The LoM valuation model is on a fair value less cost to develop basis and includes assessments of different scenarios associated with capital improvements and expansion opportunities. The impairment testing performed by management did not result in an impairment. The assessment of the recoverable value of the Uis mining assets requires significant judgement and estimates to be made by management – in particular regarding the inputs applied in the models including future tin, tantalum and lithium prices, ore production and reserves, operating and development costs and discount rates. The estimation of future tin price is subject to uncertainty considering the volatility of market. The carrying value of the Uis mining assets is therefore considered a key audit matter given the level of judgement and estimation involved.	We reviewed and challenged management's impairment indicator assessment and testing performed on the underlying LoM valuation model for the Uis mining assets which was carried out in accordance with relevant accounting standards. Our audit procedures in this regard included: · Reviewing the Competent Person's Report to support the mineral reserve and performed an assessment of the independence and competence of management's expert. · Critically reviewing LoM forecast by making enquiries of operational management, evaluating it against our understanding of the operations and historic performance, and evaluating the consistency of available reserves with the Competent Person's Report. · Obtaining management's LoM valuation model to confirm that sufficient headroom existed over the asset carrying value as part of our assessment of potential impairment indicators. · Checking the mathematical accuracy of management's LoM valuation model. · Challenging the significant inputs and assumptions used in the management's LoM valuation model and whether these were indicative of potential bias. This included comparing forecast commodity prices to a range of third-party independent market outlook reports and historical actual data, comparing the forecast production to third party feasibility and resource studies. We compared forecasted costs against the expected production profiles in the mine plans and recent historical performance. · Recalculating the discount rate and utilising BDO valuation experts to assist us in assessing management's discount rate by recalculating it in reference to external data. · Review of management's sensitivity analysis and performance of our own sensitivity analysis over individual key inputs including tin prices, discount rate and plant recovery. **Key observation:** Based on the procedures performed, we found that the key judgements and estimates applied by management in their LoM valuation model to be within an acceptable range and found their conclusion that there was no impairment as of 29 February 2024 to be reasonable.

Key audit matter

Valuation and accounting for the convertible loan notes and revenue royalty arrangement

(See note 2 and 17 for details relating to this key audit matter)

As disclosed in Note 17 Other financial liabilities, in November 2023, the Group finalised a financing contract for its mine expansion with Orion Mining Finance III LTD ("Orion"), for a USD25m package consisting of:

- convertible loan notes that have been issued by Andrada Mining Limited to Orion to the value of USD10m;
- an equity investment of USD2.5m in Andrada Mining Limited; and
- Revenue royalty arrangement of USD12.5m with Uis Tin Mining Company (Pty) Ltd.

Management involved an expert to assist with the accounting implications of the arrangement.

Revenue Royalty arrangement: As disclosed in Note 2 Critical accounting estimates and judgements, the Group's obligations under the revenue royalty arrangement is accounted for as a financial liability at fair value through profit or loss.

The revenue royalty arrangement is a financial instrument for which the accounting and valuation can be complex, with key estimates and judgements such as applying the correct accounting policy, determining the appropriate discount rate, and forecasting production volumes and commodity prices.

Convertible loan note: As disclosed in Note 2 Material accounting policy information, the loan notes are classified as a hybrid financial liability, consisting of the loan note as the host and an embedded derivative measured separately. The convertible loan note is a financial instrument for which the accounting can be complex, with key estimates and judgements such as credit spread and volatility.

Due to these complexities and the key estimates and judgements required, we therefore considered the valuation and accounting for revenue royalty arrangement and convertible loan note to be a key audit matter.

How the scope of our audit addressed the key audit matter

Our specific audit testing regarding this included the following:

- We reviewed the terms of the revenue royalty arrangement and convertible loan notes agreements to understand the accounting implications.
- We evaluated the competence, independence and objectivity of the management expert who compiled the report with respect to the accounting and valuation of the revenue royalty arrangement and convertible loan notes.

Revenue Royalty Arrangement:

- We obtained Management's assessment on the accounting treatment and with the assistance of our valuation experts, we assessed Management's conclusion that the revenue royalty arrangement should be recognised as a financial liability and accounted for at fair value through profit or loss, against the requirements of the relevant accounting standard.
- We recalculated the fair value of the revenue royalty arrangement to confirm the accuracy of inputs considered in the model and evaluated the suitability of Management's valuation methodology used to value the royalty by involving our valuation experts.
- We evaluated the revenue royalty arrangement model and checked the reasonableness of forecasted production volumes based on reserve report obtained during the audit and our understanding of the mining industry.
- We compared the discount rates used by management to rates provided by our valuation experts.
- We benchmarked forecast commodity prices to current price curves, empirical data and market analysis.
- We also performed data integrity and arithmetical checks on the model.

Convertible loan note:

- We read and assessed the work of management's expert on the convertible loan notes with respect to the requirements of applicable accounting standards which were used to assess whether it should be recognised as a hybrid financial liability, consisting of the loan note as the host and an embedded derivative measured separately.

  We confirmed the inputs used and checked the calculation of the convertible loan notes and derivative liability by involving our valuation experts, to evaluate the volatility and credit spread associated with the convertible loan notes and derivative liability.

  We have assessed the changes and performed a sensitivity analysis of the credit spread between the issue date and the reporting date to identify any material change.

- We checked the calculation of the implied credit spread of the royalty to par as at the issue date. We further checked if the credit spread used in arriving at the fair value of the royalty at the issue date matches the fair value at the transaction date.

Key observation:

Based on the procedures performed, we found key estimates and judgements made by Management to not be unreasonable.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	FY 2024	FY 2023
Materiality	£620,000	£470,000
Basis for determining materiality	1% of total assets	1% of total assets
Rationale for the benchmark applied	We consider total assets to be the most significant determinant of the Group's financial performance used by members given the nature of Group. The Group has invested significant sums on its production and non-production mining assets and these are considered to be the key value driver for the Group as its assets are an indicator of future value to shareholders.	
Performance materiality	£465,000	£352,000
Basis for determining performance materiality	75% of the above materiality level	75% of the above materiality level
Rationale for the percentage applied for performance materiality	We considered several factors, including the expected total value of known and likely misstatements, and management's attitude towards proposed adjustments and our knowledge of the Group's internal controls.	

Component materiality

For the purposes of our Group audit opinion, we set materiality for each significant component of the Group based on a percentage of between 18% and 71% (FY 2023: 21% and 66%) of Group materiality dependent on the size and our assessment of the risk of material misstatement of that component. Component materiality ranged from £110,000 to £465,000 (FY 2023: £97,000 to £310,000). In the audit of each component, we further applied performance materiality levels of 75% (FY 2023: 75%) of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £31,000 (FY 2023: £23,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

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

We have nothing to report in this regard.

Other Companies (Guernsey) Law, 2008 reporting

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Company; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Group'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 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and
- Discussion with management, the Audit Committee and the Component auditors

We considered the significant laws and regulations to be the UK adopted international accounting standards, the Companies (Guernsey) Law, 2008, the listing rules of AIM, NSX and OTCQB, the various Mining Regulations in Namibia, the terms and conditions included in the Group's exploration, the evaluation licenses and the mining licences.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be Environmental and health and safety legislation, Anti-bribery legislation, Electronic Communications and Transactions Act, 2002, Environment Conservation Act, 1989, Compensation for Occupation Injuries and Disease Act, 1993, Labour Relations Act, 1995, Skills Development Act, 1998, Environment Protection Act, 2002, Companies Act 28 of 2004 (Namibia), Occupational Health and Safety Act 85 of 1993, Labour Act 11 of 2007 (Namibia), Employment legislation (local South African employment legislation), Minerals Act 33 of 1992 (amended in 2008).

Our procedures in respect of the above included:

- Review of RNS announcements and minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of management's correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Holding discussions with Management and the Audit Committee to consider any known or suspected instances of non-compliance with laws and regulations, or fraud;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - » Detecting and responding to the risks of fraud; and
  - » Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be revenue recognition and management override of controls. Significant judgements related going concern and management was regarding the following key accounting estimates and judgements:

- Impairment review of Uis mine
- Fair valuation of year end receivables balance
- Capitalisation of waste stripping costs
- Going concern
- Rehabilitation provision
- Ore stockpile and tin concentrate
- Cost capitalisation
- Carrying value of exploration and evaluation assets
- Gross royalty arrangement – Forecasted commodity price, risk-free rate and projected production inputs
- Convertible Loan Notes (CLN) – volatility and credit spread

Our procedures in respect of the above included:

- Addressing the fraud risk in relation to revenue recognition tracing revenue transactions to supporting documentation, including testing that revenue was recorded in the correct period by testing revenue transactions in the period proceeding and preceding year end;
- Addressing the risk of fraud through management override of internal controls, by testing the appropriateness of journal entries made throughout the year by applying specific criteria to select journals which may be indicative of possible irregularities or fraud;
- Holding meeting with forensic specialists to understand industry specific susceptible areas;
- Assessing the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur by making enquiries of the Directors and the Audit Committee during the planning and execution phases of our audit to understand where they considered there to be susceptibility to fraud, considering the risk of management override of controls and relevant controls established to address risks identified to prevent or detect fraud;

- Agreeing the financial statement disclosures to underlying supporting documentation;
- Making enquiries with management and those charged with governance regarding any known or suspected instances of fraud;
- Reviewing of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Selecting journals by applying specific criteria to detect possible irregularities and fraud and agreed them to the supporting documents to test the appropriateness of journal entries;
- Performing a detailed review of the group's year end adjusting entries an investigating any that appear unusual as to nature or amount and agreeing to supporting documentation;
- Making enquiries of Directors as to whether there was any correspondence from regulators in so far as the correspondence related to the financial statements;
- Assessing the judgements made in respect of going concern (see section on Material uncertainty relating to going concern above) and note 2 to the financial statements; and
- Assessing whether the judgements made in accounting estimates were indicative of a potential bias (refer to key audit matters above and note 2 to the financial statements).

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the result of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP
Chartered Accountants
London, UK
29 August 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 29 February 2024

	Notes	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Revenue	4	17 967 889	9 827 474
Cost of Sales	5	(16 247 748)	(10 509 418)
Gross profit/(loss)		1 720 141	(681 944)
Administrative expenses	6	(9 959 549)	(7 451 352)
Idle plant costs		–	(258 177)
Other income		97 415	52 196
Operating loss		(8 141 993)	(8 339 277)
Finance income	8	955 940	39 054
Finance expenses	8	(1 684 506)	(669 824)
Loss before tax		(8 870 559)	(8 970 047)
Income tax expense	9	–	866 203
Loss for the year		(8 870 559)	(8 103 844)
Other comprehensive loss			
Items that will or may be reclassified to profit or loss:			
Exchange differences on translation of share-based payment reserve		(410)	(441)
Exchange differences on translation of foreign operations		(3 074 742)	(2 298 674)
Exchange differences on non-controlling interest		24 785	19 395
Total comprehensive loss for the year		(11 920 926)	(10 383 564)
Loss for the year attributable to:			
Owners of the parent		(8 438 465)	(7 753 819)
Non-controlling interests	24	(432 094)	(350 025)
		(8 870 559)	(8 103 844)
Total comprehensive loss for the year attributable to:			
Owners of the parent		(11 513 617)	(10 052 933)
Non-controlling interests		(407 309)	(330 631)
		(11 920 926)	(10 383 564)
Loss per ordinary share			
Basic loss per share (in pence)	10	(0.54)	(0.60)

The notes on pages 77 to 112 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 29 February 2024

	Notes	29 February 2024 £	28 February 2023 £
Assets			
Non-current assets			
Intangible assets	11	**10 519 937**	7 279 593
Property, plant and equipment	12	**32 170 329**	26 723 218
Total non-current assets		**42 690 266**	34 002 811
Current assets			
Inventories	13	**2 948 618**	2 667 193
Trade and other receivables	14	**6 050 465**	2 592 770
Cash and cash equivalents	15	**14 505 800**	8 205 705
Total current assets		**23 504 883**	13 465 668
Total assets		**66 195 149**	47 468 479
Equity and liabilities			
Equity			
Share capital	21	**59 247 558**	56 883 908
Accumulated deficit		**(26 623 617)**	(18 334 115)
Warrant reserve		**482 199**	50 307
Share-based payment reserve		**1 831 764**	1 049 663
Convertible Loan Note Reserve		**4 579 427**	–
Foreign currency translation reserve		**(6 907 976)**	(3 833 234)
Equity attributable to the owners of the parent		**32 609 355**	35 816 529
Non-controlling interests	24	**(554 739)**	(147 430)
Total equity		**32 054 616**	35 669 099
Non-current liabilities			
Environmental rehabilitation provision	19	**1 152 121**	965 578
Borrowings	16	**9 888 216**	3 287 121
Other financial liabilities	17	**10 386 425**	–
Lease liability	20	**478 523**	707 355
Total non-current liabilities		**21 905 285**	4 960 054
Current liabilities			
Trade and other payables	18	**6 972 743**	3 655 126
Borrowings	16	**4 061 447**	2 915 917
Other financial liabilities	17	**966 519**	–
Lease liability	20	**234 539**	268 283
Total current liabilities		**12 235 248**	6 839 326
Total equity and liabilities		**66 195 149**	47 468 479

The notes on pages 77 to 112 form an integral part of these financial statements.

The financial statements were authorised and approved for issue by the Board of Directors on 29 August 2024.

Glen Parsons
Board Chairman and
Non-Executive Director

29 August 2024

Hiten Ooka
Chief Financial Officer and
Executive Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 29 February 2024

	Share capital £	Convertible loan note reserve £	Accumulated deficit £
Total equity at 28 February 2022	38 655 078	–	(10 739 321)
Loss for the year	–	–	(7 753 819)
Other comprehensive income/loss	–	–	–
Transactions with owners:			
Issue of shares	19 801 083	–	–
Share issue costs	(1 962 253)	–	–
Share-based payments	–	–	–
Warrants exercised in the year	390 000	–	159 025
Warrants modified in the year	–	–	–
Total equity at 28 February 2023	56 883 908	–	(18 334 115)
Loss for the year	**–**	**–**	**(8 438 465)**
Other comprehensive income/loss	**–**	**–**	**–**
Transactions with owners:			
Issue of shares	**2 097 000**	**–**	**–**
Share issue costs	**(99 300)**	**–**	**–**
Share-based payments	**–**	**–**	**–**
Issue of convertible loan notes	**–**	**4 835 481**	**–**
Convertible loan note issue costs	**–**	**(256 054)**	**–**
Issue of warrants	**–**	**–**	**–**
Share options raised in the year	**–**	**–**	**–**
Share options exercised in the year	**365 950**	**–**	**148 963**
Total equity at 29 February 2024	**59 247 558**	**4 579 427**	**26 623 617**

The notes on pages 77 to 112 form an integral part of these financial statements.

Warrant reserve £	Share-based payment reserve £	Foreign currency translation reserve £	Total £	Non-controlling interests £	Total equity £
192 632	704 828	(1 534 560)	27 278 657	183 200	27 461 857
–	–	–	(7 753 819)	(350 025)	(8 103 844)
–	(441)	(2 298 674)	(2 299 115)	19 395	(2 279 720)
–	–	–	19 801 083	–	19 801 083
–	–	–	(1 962 253)	–	(1 962 253)
–	345 276	–	345 276	–	345 276
(159 025)	–	–	390 000	–	390 000
16 700	–	–	16 700	–	16 700
50 307	1 049 663	(3 833 234)	35 816 529	(147 430)	35 669 099
–	**–**	**–**	**(8 438 465)**	**(432 094)**	**(8 870 559)**
–	**(410)**	**(3 074 742)**	**(3 075 152)**	**24 785**	**(3 050 367)**
–	**(60 500)**	**–**	**2 036 500**	**–**	**2 036 500**
–	**–**	**–**	**(99 300)**	**–**	**(99 300)**
–	**18 000**	**–**	**18 000**	**–**	**18 000**
–	**–**	**–**	**4 835 481**	**–**	**4 835 481**
–	**–**	**–**	**(256 054)**	**–**	**(256 054)**
431 892	**–**	**–**	**431 892**	**–**	**431 892**
–	**973 974**	**–**	**973 974**	**–**	**973 974**
–	**(148 963)**	**–**	**365 950**	**–**	**365 950**
482 199	**1 831 764**	**(6 907 976)**	**32 609 355**	**(554 739)**	**32 054 616**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 29 February 2024

	Notes	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Cash flows from operating activities			
Loss before taxation		**(8 870 559)**	(8 970 047)
Adjustments for:			
Fair value adjustment to customer contract	4	**(58 941)**	261 689
Depreciation of property, plant and equipment	12	**3 363 011**	2 377 349
Amortisation of intangible assets	11	**16 370**	10 290
Share-based payments		**710 523**	345 276
Equity-settled transactions		**–**	16 700
Finance income		**(955 939)**	(39 054)
Finance expenses		**1 684 506**	669 824
Changes in working capital:			
Decrease/(increase) in receivables	14	**(1 322 157)**	869 458
Increase in inventory	13	**(530 596)**	(1 471 706)
Increase in payables	18	**2 226 900**	997 469
Net cash used in operating activities		**(3 736 882)**	(4 932 752)
Cash flows from investing activities			
Purchase of intangible assets		**(3 348 698)**	(2 580 267)
Purchase of property, plant and equipment		**(11 782 638)**	(10 677 505)
Finance income		**211 974**	–
Net cash used in investing activities		**(14 919 362)**	(13 257 772)
Cash flows from financing activities			
Finance income		**–**	39 054
Finance expenses	8	**(890 945)**	(499 621)
Lease payments	20	**(375 660)**	(363 959)
Warrant Reserve		**143 296**	
Net proceeds from issue of shares		**2 303 150**	18 228 830
Proceeds from issue of July convertible loan notes (equity)		**4 868 023**	–
Proceeds from issue of July convertible loan notes (debt)	16	**2 446 977**	–
Proceeds from issue of November convertible loan notes (debt)	16	**5 359 794**	–
Proceeds from issue of November convertible loan notes (derivative liability)	17	**2 155 674**	–
Proceeds from November royalty debt	17	**9 522 780**	–
Proceeds from bank borrowings	16	**2 127 221**	1 729 454
Repayment of bank borrowings	16	**(2 438 797)**	(89 014)
Net cash generated from financing activities		**25 221 513**	19 044 744
Net increase in cash and cash equivalents		**6 565 269**	854 220
Cash and cash equivalents at the beginning of the year		**8 205 705**	7 365 379
Foreign exchange differences		**(265 174)**	(13 894)
Cash and cash equivalents at the end of the year	15	**14 505 800**	8 205 705

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 29 February 2024

1. CORPORATE INFORMATION AND PRINCIPAL ACTIVITIES

Andrada Mining Limited ("Andrada") was incorporated and domiciled in Guernsey on 1 September 2017 and admitted to the AIM market in London on 9 November 2017. The Company's registered office is PO Box 282, Oak House, Hirzel Street, St Peter Port, Guernsey GY1 3RH, and it operates from Illovo Edge Office Park, Ground Floor, Building 3, Corner Harries and Fricker Road, Illovo, Johannesburg, 2116, South Africa.

These financial statements are for the year ended 29 February 2024 and the comparative figures are for the year ended 28 February 2023.

The Andrada Group comprises Andrada Mining Limited, and its subsidiaries as noted below.

Andrada Mining Limited ("AML") is an investment holding company and holds 100% of Guernsey subsidiary, Greenhills Resources Limited ("GRL").

GRL is an investment holding company that holds investments in resource-based tin and tantalum exploration companies in Namibia, South Africa and Rwanda. The Namibian subsidiary is Andrada Mining (Namibia) Pty Limited ("Andrada Namibia"), in which GRL holds 100% equity interest. The South African subsidiaries are Mokopane Tin Company Pty Limited ("Mokopane") and Pamish Investments 71 Pty Limited ("Pamish 71"), in which GRL holds 100% equity interest. The Rwandan subsidiary is Uis Tin Mining Rwanda Limited ("UTMR"), in which GRL holds 100% equity interest.

Andrada Namibia owns an 85% equity interest in Uis Tin Mining Company Pty Limited ("UTMC"). The minority shareholder in UTMC is The Small Miners of Uis who own 15%.

Mokopane owns a 74% equity interest in Renetype Pty Limited ("Renetype") and a 50% equity interest in Jaxson 641 Pty Limited ("Jaxson").

The minority shareholders in Renetype are African Women Enterprises Investments Pty Limited and Cannosia Trading 62 CC who own 10% and 16% respectively.

The minority shareholder in Jaxson is Lerama Resources Pty Limited who owns a 50% interest in Jaxson. Pamish 71 owns a 74% interest in Zaaiplaats Mining Pty Limited ("Zaaiplaats"). The minority shareholder in Zaaiplaats is Tamiforce Pty Limited who owns 26%.

AML holds 100% of Tantalum Investment Pty Limited, a company holding Namibian exploration licences EPL5445 and EPL5670 for the exploration of tin, tantalum and associated minerals.

As at 29 February 2024, the Andrada Group comprised:

Company	Equity holding and voting rights	Country of incorporation	Nature of activities
Andrada Mining Limited	N/A	Guernsey	Ultimate holding company
Greenhills Resources Limited[1]	100%	Guernsey	Holding company
Andrada Mining Pty Limited[1]	100%	South Africa	Group support services
Tantalum Investment Pty Limited[1]	100%	Namibia	Tin & tantalum exploration
Andrada Mining (Namibia) Pty Limited[2]	100%	Namibia	Tin, tantalum & lithium operations
Uis Tin Mining Company Pty Limited[3]	85%	Namibia	Tin, tantalum & lithium operations
Mokopane Tin Company Pty Limited[2]	100%	South Africa	Holding company
Renetype Pty Limited[4]	74%	South Africa	Tin exploration
Jaxson 641 Pty Limited[4]	50%	South Africa	Tin exploration
Pamish Investments 71 Pty Limited[2]	100%	South Africa	Holding company
Zaaiplaats Mining Pty Limited[5]	74%	South Africa	Property owning
Uis Tin Mining Rwanda Limited[2]	100%	Rwanda	Tin & tantalum exploration

[1] *Held directly by Andrada Mining Limited*
[2] *Held by Greenhills Resources Limited*
[3] *Held by Andrada Mining (Namibia) Pty Limited*
[4] *Held by Mokopane Tin Company Pty Limited*
[5] *Held by Pamish Investments 71 Pty Limited*

These financial statements are presented in Pound Sterling (£) because that is the currency in which the Group has raised funding on the AIM market in the United Kingdom. Furthermore, Pound Sterling (£) is the functional currency of the ultimate holding company, Andrada Mining Limited.

The Group's key subsidiaries, Andrada Namibia and UTMC, use the Namibian Dollar (N$) as their functional currency. The year-end spot rate used to translate all Namibian Dollar balances was £1 = N$24.33 and the average rate for the financial year was £1 = N$23.50.

2. MATERIAL ACCOUNTING POLICIES

Basis of accounting

The consolidated financial statements have been prepared in accordance with UK Adopted International Accounting Standards. The consolidated financial statements also comply with the AIM Rules for Companies, NSX Listing Requirements and the Companies (Guernsey) Law, 2008 and show a true and fair view.

The material accounting policies applied in preparing these consolidated financial statements are set out below. These policies have been consistently applied throughout the period. The consolidated financial statements have been prepared under the historical cost convention except as where stated.

Going concern

The Group closely monitors and manages its liquidity risk and day-to-day working capital requirements. Cash forecasts are regularly produced, considering the global logistical challenges around sales to ensure that there is sufficient cash within the Group to meet its obligations. The Group runs sensitivities for different scenarios, including but not limited to changes in commodity prices and exchange rates. The Group also routinely monitors the covenants associated with the borrowing facilities and proactively engages with Standard Bank, the lender, where there is any risk. Although the lender granted the Group a waiver on all covenants on the 29 February 2024 measurement date, based on the year-to-date production profile and latest forecast, the Group will be able to meet its covenant obligations for the testing period to February 2025. For the purpose of assessing going concern, the Directors have prepared forecasts to February 2026.

The main estimates considered as part of the Directors' going concern assessment are production profiles, tin, lithium and tantalum prices, exchange rates and committed capital. The production profile is based on the Group's current achieved production post the completion of the expansion project, as well as the additional production on the successful completion of the continuous improvement capital project and ore sorter projects. In addition, the Group successfully raised £7.1m through the funding of Bank Windhoek, with the possibility of future funding through a strategic partner. This further supports the liquidity requirements of the Group and its ability to meet its obligations in the ordinary course of business until February 2026. The Group also retains the ability to flex its ongoing exploration and metallurgical capital expenditures in line with cash availability as well as macro-economic circumstances.

Based on the forecasts, additional funding will be required within the next 12 months for the purpose of envisaged capital and exploration projects without a strategic partner. As the Group is also entering a new market with reference to lithium sales, which are close to near-term production, the cash flow forecast has assumed the successful completion of the lithium pilot plant and the tantalum circuit in order to deliver the business strategy. The need for further funding would be required for additional exploration and capital projects as well as studies related to the feasibility of the future growth phases. The Group believes it has several options available to it, including but not limited to, use of the overdraft facility, restructuring of the debt, additional debt or equity, cost reduction strategies as well as potential offtake arrangements. The Directors are already at an advanced stage of securing additional funding through the bank mentioned above as well as other finance for the next 12 months. However, this is yet to be finalised as at the date of approval of the financial statements. Thus, the Group is reliant on additional funding which is not guaranteed. This indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the ordinary course of business.

As a result of their review, and despite the aforementioned material uncertainty, the Directors have confidence in the Group's forecasts and that additional funding will be forthcoming. Accordingly, the Directors continue to adopt the going concern basis in preparing the consolidated financial statements.

The financial statements do not include any adjustments that would result if the Group were unable to continue as a going concern.

Basis of consolidation

SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains/losses on transactions between Group companies are eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

NON-CONTROLLING INTERESTS

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that present ownership interests entitling their holders to a proportionate share of the net assets upon liquidation are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management steering committee that makes strategic decisions.

The Group previously reported a Namibian and a South African operating segment. In the 2021 financial year, the Group made the decision to impair the full value of the South African mining licences as it chose to focus on developing its Namibian assets and it did not intend to incur any further expenditure on its South African licences. The Group now has a single operating segment consisting of the Namibian operations. During the financial year, the Namibian operations earned £17 922 216 revenue from the sale of tin concentrate to the Group's customer, Thailand Smelting and Refining Company ("Thaisarco"). The Namibian operating segment has a non-current asset balance of £34 582 425 (consisting of property, plant and equipment of £27 055 343 and intangible assets of £7 527 083). The Group will continue to monitor their operating segments and provide the necessary disclosure going forward.

Foreign currencies

FUNCTIONAL AND PRESENTATION CURRENCY

The individual financial statements of each Group company are prepared in the currency of the primary economic environment in which that company operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in Pound Sterling, which is the functional currency of the Group, and the presentation currency for the consolidated financial statements.

TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation date where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Revenue recognition

IFRS 15 "Revenue from Contracts with Customers" establishes a comprehensive framework for determining whether, how much, and when revenue is recognised. The core principle is that an entity recognises revenue to depict the transfer of promised goods and services to the customer of an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The Group generates revenue from its primary activity, the sale of tin concentrate, and it continued to generate immaterial revenue from the sale of sand.

The Group produces and sells tin concentrate from its Uis Tin Mine in Namibia. Once concentrate has been produced at the Uis plant, it is sampled, bagged and loaded into containers for transportation to the port in Walvis Bay for shipment.

The Group currently has an offtake agreement with its customer, Thailand Smelting and Refining Company ("Thaisarco"), which was signed on 1 August 2019. This contract was renewed on 1 December 2023 for a further 3 years. As per the contract, Thaisarco pays the Group on the basis of actual tin content in the concentrate per Thaisarco's analysis, at the London Metal Exchange price less treatment charges, unit deductions and impurity charges.

The Group can elect for the sale of each shipment to occur under the following terms:

Previous contract applicable from 1 March 2023 to 30 November 2023:

OPTION 1: STANDARD PROVISIONAL PAYMENT

Thaisarco shall pay 90% provisional payment on the basis of actual tin content as per their own analysis. Payment is to be made within 10 working days after the arrival of concentrate at Thaisarco's works. Title shall pass to Thaisarco when the concentrate arrives at the Songkhla Port in Thailand.

OPTION 2: PROVISIONAL PAYMENT OPTION AGAINST ORIGINAL BILL OF LADING

Thaisarco shall pay 90% provisional payment on the basis of provisional tin content per UTMC's analysis. The provisional payment shall be done against presentation of a provisional invoice and an original bill of lading. Title shall pass to Thaisarco when UTMC receives the 90% provisional payment.

OPTION 3: PROVISIONAL PAYMENT OPTION AGAINST WAREHOUSE HOLDING CERTIFICATE

Thaisarco shall pay 70% provisional payment on the basis of provisional tin content per UTMC's analysis. The provisional payment shall be done against presentation of a provisional invoice and an original warehouse holding certificate. Thaisarco shall pay an additional 20% provisional payment upon presentation of the original bill of lading. Title shall pass to Thaisarco when UTMC receives the 70% provisional payment.

Updated contract applicable from 1 December 2023 to 29 February 2024:

OPTION 1: STANDARD PROVISIONAL PAYMENT

Thaisarco shall pay 90% provisional payment on the basis of actual tin content as per their own analysis. Payment is to be made within 10 working days after the arrival of concentrate at Thaisarco's works. Title shall pass to Thaisarco when the concentrate arrives at the Songkhla Port in Thailand.

OPTION 2: PROVISIONAL PAYMENT OPTION AGAINST WAREHOUSE HOLDING CERTIFICATE

Thaisarco shall pay 80% provisional payment on the basis of provisional tin content per UTMC's analysis. The provisional payment shall be done against presentation of a provisional invoice and an original warehouse holding certificate. Thaisarco shall pay an additional 10% provisional payment upon presentation of the sea waybill. Title shall pass to Thaisarco when UTMC receives the 80% provisional payment.

OPTION 3: PROVISIONAL PAYMENT OPTION AGAINST SEA WAYBILL

Thaisarco shall pay 90% provisional payment on the basis of provisional tin content per UTMC's analysis. The provisional payment shall be done against presentation of a provisional invoice and a sea waybill. Title shall pass to Thaisarco when UTMC receives the 90% provisional payment.

During the financial year, the Group concluded sales under Option 3 of the previous contract and Option 2 of the updated contract.

Revenue is recognised at a point in time when title and control of the goods has transferred to the customer, which is when the concentrate arrives at Songkhla Port in Thailand under Option 1 or when provisional payment is received by UTMC under Option 2 and Option 3. There is limited judgement needed to identify the point at which control passes: once physical delivery of the products to the agreed location has occurred, the Group no longer has physical possession of the products. At this point, the Group will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

Pricing for the provisional payment is determined by the published tin price on the date that title and control passes. Pricing for the final payment shall be declared within 20 market days after arrival at Thaisarco's works. The lower of the four LME cash official bid and offer prices and the LME 3-months official bid and offer prices on the agreed date is used in these calculations.

Variable consideration relating to final assay results is constrained in estimating revenue unless it is highly probable that there will not be a future reversal in the amount of revenue recognised when the final assay has been determined.

Revenue from the sale of sand is recognised at the point in time when control of the goods has transferred to the customer, which is when the sand leaves the Group's premises. At this point, the Group will have a present right to payment and retains none of the significant risks and rewards of the goods in question.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax charge is based on taxable profit for the period. The Group's liability for current tax is calculated by 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 amount 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 recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply to the year when the asset is realised, or the liability is settled based upon rates enacted and substantively enacted at the reporting date. Deferred tax is charged or credited to profit or loss, except when it relates to items credited or charged to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Exploration and evaluation assets

All costs associated with mineral exploration and evaluation are capitalised as intangible exploration and evaluation assets and subsequently measured at cost. These include the costs of: acquiring prospecting licences; mineral production licences and annual licence fees; rights to explore; topographical, geological, geochemical and geophysical studies; and exploratory drilling, trenching, sampling and other activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource.

If an exploration project is successful, the related expenditures will be transferred at cost to property, plant and equipment and depreciated over the estimated life of the commercial ore reserves on a unit of production basis (with this charge being taken through profit or loss). Where capitalised costs relate to both development projects and exploration projects, the Group reclassifies a portion of the costs which are considered attributable to near-term production based on a percentage of the ore resource expected to be mined in the relevant phase. Where a project does not lead to the discovery of commercially viable quantities of mineral resources and is relinquished, abandoned, or is considered to be of no further commercial value to the Group, the related costs are recognised in the income statement.

The recoverability of deferred exploration costs is dependent upon the discovery of economically viable ore reserves, the ability of the Group to obtain necessary financing to complete the development of ore reserves and future profitable production or proceeds from the extraction or disposal thereof.

In 2023, the Group completed the construction of its on-site pilot plant that enables the mine to expedite bulk pilot test work and increase pilot production of lithium concentrate. Both the pilot plant and day to day running costs have been accounted for in accordance with IFRS 6.

Impairment of exploration and evaluation assets

Intangible exploration and evaluation assets are reviewed regularly for indicators of impairment following the guidance in IFRS 6 "Exploration for and Evaluation of Mineral Resources" and tested for impairment where such indicators exist.

In accordance with IFRS 6, the Group considers the following facts and circumstances in their assessment of whether the Group's exploration assets may be impaired:

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

If any such facts or circumstances are noted, the Group, as a next step, performs an impairment test in accordance with the provisions of IAS 36 "Impairment of Assets". In such circumstances, the aggregate carrying value of the mining exploration and evaluation assets is compared to the expected recoverable amount of the cash-generating unit. The recoverable amount is the higher of value in use and the fair value less costs to sell.

Share capital and reserves

i) WARRANT RESERVE

The warrants issued by the Group are recorded at fair value on initial recognition net of transaction costs. The fair value of warrants granted is recognised as an expense or as share issue costs based on their nature, with a corresponding increase in equity. The fair value of the warrants granted is measured using the Black Scholes valuation model, taking into account the terms and conditions under which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of warrants that vest.

ii) SHARE-BASED PAYMENT RESERVE

Where equity-settled share options are awarded to Directors or employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statement of comprehensive income over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with the fair value of goods and services received.

iii) STIP AND LTIP EQUITY SCHEMES

The Group operates an STIP scheme which runs a calendar year basis, with employees receiving either cash or shares subsequent to year end based on their performance during the year. An option pricing model is used to measure the Group's liability at each reporting date, taking into account the terms and conditions on which the bonus is awarded and the extent to which employees have rendered their service. Movement in the liability (other than cash payments) are recognised in the consolidated statement of comprehensive income.

The LTIP scheme is a share based scheme that applies to permanent employees at Global 13 and above. The intention of the scheme is to get management to behave like owners through owning shares, driving Company performance. The Group is still in the process of implementing the scheme.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful economic life. The applicable rates are:

- The mining assets are depreciated using the units of production method from the point that commercial production was achieved. This reflects the production activity in the period as a proportion of the total mining reserve. Where the units of production method is used, the assets are depreciated based on a rate determined by the tonnes of ore processed divided by the estimate of the mineral reserve.
- Short-lived assets which are used in the mining and processing plant are depreciated over a period of between one and ten years.
- Right-of-use assets are depreciated over the period of the lease contract.
- Computer equipment is depreciated over three years.
- Furniture is depreciated over five years.
- Vehicles are depreciated over four years.
- Mobile equipment is depreciated over ten years.
- Buildings are depreciated over twenty years.

Land and mining assets under construction are not depreciated.

The estimated useful lives, residual values and depreciation methods are reviewed at each year end and adjusted if necessary.

Gains or losses on disposal are included in profit or loss.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Mining asset – stripping

In open pit mining operations, it is necessary to incur costs to remove overburden and other mine waste materials in order to access the ore body ("stripping costs").

During the development of a mine, stripping costs are capitalised and included in the carrying amount of the related mining property. During the production phase of a mine, stripping costs will be recognised as an asset only if the following conditions are met:

- it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
- the entity can identify the component of the ore body (mining phases) for which access has been improved; and
- the costs relating to the stripping activity associated with that component can be measured reliably.

Stripping costs incurred and capitalised during the development and production phase are depreciated using the unit-of-production method over the reserves and, in some cases, a portion of resources of the area that directly benefit from the specific stripping activity. Costs incurred for regular waste removal that do not give rise to future economic benefits are considered as costs of sales.

Right-of-use asset

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset, for a period of time, in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset. The asset may be specified explicitly or implicitly and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has the right when it has the decision-making rights that are most relevant to changing how and for what purposes the asset is used. In rare cases where the decision about how and for what purposes the assets is used is predetermined, the Group has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purposes it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.

The right-of-use asset is initially measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is annually assessed for impairment and will be adjusted for certain re-measurements of the lease liability.

Impairment of property, plant and equipment

At each statement of financial position date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where there has been a change in economic conditions that indicate a possible impairment in a cash-generating unit, the recoverability of the net book value relating to that unit is assessed by comparison with the estimated discounted future cash flows based on management's expectations of future commodity prices and future costs.

The recoverable amount is determined on the fair value less cost to develop basis. In assessing the recoverable amount, the expected future post-tax cash flows from the asset are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Life of Mine ("LoM") plan is the approved management plan at the reporting date for ore extraction and its associated capital expenditure. The capital expenditure included in the impairment model does not include capital expenditure to enhance the asset performance outside of the existing LoM plan. The ore tonnes included in the LoM plan are those as per the Reserve Statement, which management considers economically viable.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease to the extent that it reverses gains previously recognised in other comprehensive income.

Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the income statement, net of any depreciation that would have been charged since the impairment.

Inventories

Inventory consists of tin concentrate on hand, the run of mine stockpile, and consumable items.

The tin concentrate is carried at the lower of cost or net realisable value. The cost of the concentrate includes direct materials, direct labour, depreciation, and overhead costs relating to processing and engineering activities. Net realisable value is the estimated selling price net of any estimated selling costs in the ordinary course of business.

The run of mine stockpile is carried at the lower of cost or net realisable value. The cost of the stockpile includes direct materials, direct labour, depreciation and overhead costs relating to mining activities. Net realisable value is the estimated selling price net of necessary processing costs and any estimated selling costs in the ordinary course of business, including both government and Orion royalties.

Consumables are valued at the lower of cost (determined on the weighted average basis) and net realisable value. Cost comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Replacement cost is used as the best available measure of net realisable value.

Financial instruments

Financial instruments are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The Group has the following financial assets:

- Trade and other receivables
- Cash and cash equivalents

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

Financial assets are classified as at amortised cost only if the asset is held to collect the contractual cash flows and the contractual terms of the asset give rise to cash flows that are solely payments of principal and interest. At subsequent reporting dates, financial assets at amortised cost are measured at amortised cost less any impairment losses.

For assets measured at fair value, gains and losses will be recorded in profit or loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss, defined as the difference between the contractual cash flows and the cash flows that are expected to be received, associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the simplified approach permitted by IFRS 9 "Financial Instruments" is applied, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Losses are recognised in the income statement. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the income statement.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before 29 February 2024 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of our customer to settle the receivables balance.

Financial liabilities

Financial liabilities include trade and other payables, borrowings and other financial liabilities classified into one of the following categories:

- Fair value through profit or loss ("FVTPL"): The liabilities are carried in the statement of financial position at fair value with changes in fair value recognised in the income statement. The Group currently has no financial liabilities carried at fair value through profit or loss.
- Financial liabilities carried at amortised cost.

Borrowings and other financial liabilities are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreement.

FINANCIAL LIABILITIES AT FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is: (i) a contingent consideration that may be paid by an acquirer as part of a business combination; (ii) held for trading; or (iii) designated as at FVTPL. Financial liabilities at FVTPL are stated at fair value, with any gains and losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the fair value adjustment line item in the statement of comprehensive income.

FINANCIAL LIABILITIES AT AMORTISED COST

After initial recognition at fair value, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate ("EIR") method. Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs.

BORROWINGS

Interest-bearing debt is initially recorded at fair value less transaction costs, and is subsequently measured at amortised cost, calculated using the effective interest rate method.

Borrowing costs are expensed as incurred except where they relate to the financing of construction or development of qualifying assets in which case they are capitalised up to the date when the qualifying asset is ready for its intended use.

COMPOUND DEBT

Upon issuance, the fair value of the compound financial instrument is established. The liability component is assessed at the fair value of a comparable liability that lacks an equity conversion feature. The equity component is calculated as the remaining amount after subtracting the fair value of the liability component from the total fair value of the instrument. Any transaction costs are distributed between the liability and equity components based on their respective fair values. The liability component is subsequently evaluated at amortised cost using the effective interest method. The equity component remains unchanged after initial recognition.

HYBRID DEBT

The proceeds received on the issue of the Group's convertible debt are allocated to their debt and derivative liability components. The amount initially attributable to debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include as option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the debt. The remainder of the proceeds is allocated to the conversion option and recognised as a derivative liability.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party, and either:
  - » the Group has transferred substantially all the risks and rewards of the asset; or
  - » the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires, or it is cancelled.

Any gain or loss on derecognition is taken to the profit or loss.

Rehabilitation provision

The net present value of estimated future rehabilitation costs is provided for in the financial statements and capitalised within property, plant and equipment on initial recognition. Rehabilitation will generally occur on or after closure of a mine.

Initial recognition is at the time that the construction or disturbance occurs, and thereafter as and when additional construction or disturbances take place. The estimates are reviewed annually to take into account the effects of inflation and changes in the estimated cost of the rehabilitation works and are discounted using rates that reflect the time value of money. Annual increases in the provision due to the unwinding of the discount are recognised in the statement of comprehensive income as a finance cost. The present value of additional disturbances and changes in the estimate of the rehabilitation liability are recorded to mining assets against an increase/decrease in the rehabilitation provision.

The rehabilitation asset is amortised over the life of the mine once commercial production commences using the straight-line method. Rehabilitation projects undertaken, included in the estimates, are charged to the provision as incurred. Environmental liabilities, other than rehabilitation costs, which relate to liabilities arising from specific events, are expensed when they are known, probable and may be reasonably estimated.

Critical accounting estimates and judgements

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Information about significant areas of estimation uncertainty considered by management in preparing the financial statements is provided below.

Estimates and judgements are continually evaluated. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and in future years if the revision affects both current and future years.

i) GOING CONCERN AND LIQUIDITY

Significant estimates were required in forecasting cash flows used in the assessment of going concern including tin and tantalum prices, the levels of production, operating costs, and capital expenditure requirements. For further details, refer to going concern considerations laid out earlier in Note 2.

ii) DECOMMISSIONING AND REHABILITATION OBLIGATIONS

Estimating the future costs of environmental and rehabilitation obligations is complex and requires management to make estimates and judgements, as most of the obligations will be fulfilled in the future and contracts and laws are often not clear regarding what is required. The resulting provisions (see Note 19) are further influenced by changing technologies, and by political, environmental, safety, business, and statutory considerations.

The Group's rehabilitation provision is based on the net present value of management's best estimates of future rehabilitation costs. Judgement is required in establishing the disturbance and associated rehabilitation costs at period end, timing of costs, discount rates, and inflation. In forming estimates of the cost of rehabilitation which are risk adjusted, the Group assessed the Environmental Management Plan and reports provided by internal and external experts. Actual costs incurred in future periods could differ materially from the estimates, and changes to environmental laws and regulations, life of mine estimates, inflation rates, and discount rates could affect the carrying amount of the provision.

The carrying amount of the rehabilitation obligations for the Group at 29 February 2024 was £1 152 121 (FY 2023: £965 578). In determining the amount attributable to the rehabilitation liability, management used a discount rate of 12.3% (FY 2023: 13%), an inflation rate of 4.8% (FY 2023: 5.3%) and an estimated mining period of 12.56 years (FY 2023: 13.4 years), being the Phase 1 expansion life of mine.

The decrease in the mining period is as a result of the increased mining volumes post the Phase 1 Expansion. A 1% increase or decrease in the inflation rate used would result in a £130 831 difference in the liability. A 2% increase or decrease in the discount rate used would result in a £207 909 difference in the liability.

iii) IMPAIRMENT INDICATOR ASSESSMENT FOR EXPLORATION AND EVALUATION ASSETS

Determining whether an exploration and evaluation asset is impaired requires an assessment of whether there are any indicators of impairment, including specific impairment indicators prescribed in IFRS 6 "Exploration for and Evaluation of Mineral Resources". If there is any indication of potential impairment, an impairment test is required based on value in use of the asset. The valuation of intangible exploration assets is dependent upon the discovery of economically recoverable deposits which, in turn, is dependent on future tin prices, future capital expenditures, environmental and regulatory restrictions, and the successful renewal of licences.

The Directors have concluded that there are no indications of impairment in respect of the carrying value of Namibian intangible assets at 29 February 2024 based on planned future development of the Namibian projects, and current and forecast tin prices. Exploration and evaluation assets are disclosed fully in Note 11.

iv) IMPAIRMENT ASSESSMENT FOR PROPERTY, PLANT AND EQUIPMENT

Management have reviewed the Uis mine for indicators of impairment and have considered, among other factors, the operations to date at the Uis Tin Mine, forecast commodity prices, production profile, inflation rate, post-tax discount rate and market capitalisation of the Group. Management identified the reduction in the tin price as an indicator of impairment. In undertaking the impairment review, management have also reviewed the underlying LoM valuation model for Uis. The LoM valuation model is on a fair value less cost to develop basis and includes assessments of different scenarios associated with capital improvements and expansion opportunities. The impairment testing performed by management did not result in an impairment.

The forecasts require estimates regarding forecast tin, tantalum and lithium prices, ore resources, production, operating and capital costs. Under the base case forecast scenario, management used a forecast tin price of $30 000, tantalum price of $175 000, lithium price of $1 120, discount rate of 11.75% post tax real rate and inflation rate of 6% The forecast indicates sufficient headroom as at 29 February 2024.

The complex judgement in determining the recoverable amount of mining assets is an estimation of the future tin price. The estimation of future tin price is subject to uncertainty considering the volatility of market. Management has therefore compared the forecast tin price with the economic consensus estimates. Furthermore, a sensitivity analysis was performed by lowering the forecast tin prices by 5% which also indicated sufficient headroom as at 29 February 2024.

As an additional test, management performed certain sensitivity calculations. These included raising the discount rate to 13.1% post tax real rate, lowering plant recovery by 5% and increasing operating costs by 5%. In each of these circumstances, the forecast indicated sufficient headroom as at 29 February 2024.

v) DEPRECIATION

Judgement is applied in making assumptions about the depreciation charge for mining assets when using the unit-of-production method in estimating the ore tonnes held in reserves. The relevant reserves are those included in the current approved LoM plan which relates to the Phase 1 expansion. Judgement is also applied when assessing the estimated useful life of individual assets and residual values. The assumptions are reviewed at least annually by management and the judgement is based on consideration of the LoM plan, as well as the nature of the assets. The reserve assumptions included in the LoM plan are evaluated by management.

vi) CAPITALISATION AND DEPRECIATION OF WASTE STRIPPING

The Group has elected to capitalise the costs of waste stripping activities as these are necessary to allow improved access to the ore and, therefore, will result in future economic benefits. The costs of drilling, blasting and load and haul of waste material is capitalised until such time that the underlying ore is used in production. These costs are then expensed on a proportional basis. The capitalised costs are included in the mining asset in property, plant and equipment and are expensed back into the statement of comprehensive income as depreciation. Capitalisation of waste stripping requires the Group to make judgements and estimates in determining the amounts to be capitalised. These judgements and estimates include, amongst others, the expected life of mine stripping ratio for each separate open pit, the determination of what defines separate pits, and the expected volumes to be extracted from each component of a pit for which the stripping asset is depreciated.

vii) DETERMINATION OF ORE RESERVES

The estimation of ore reserves primarily impacts the depreciation charge of evaluated mining assets, which are depreciated based on the quantity of ore reserves. Reserve volumes are also used in calculating whether an impairment charge should be recorded where an impairment indicator exists.

The Group estimates its ore reserves and mineral resources based on information, compiled by appropriately qualified persons, relating to geological and technical data on the size, depth, shape, and grade of the ore body and related to suitable production techniques and recovery rates.

The estimate of recoverable reserves is based on factors such as tin prices, future capital requirements and production costs, along with geological assumptions and judgements made in estimating the size and grade of the ore body.

There are numerous uncertainties inherent in estimating ore reserves and mineral resources. Consequently, assumptions that are valid at the time of estimation may change significantly if or when new information becomes available.

viii) VALUATION OF INVENTORIES

Judgement is applied in making assumptions about the value of inventories and inventory stockpiles, including tin prices, plant recoveries and processing costs, to determine the extent to which the Group values inventory and inventory stockpiles. The Group uses forecast tin prices to determine the net realisable value of the ROM stockpile and the tin concentrate inventory on hand at year end. Inventory stockpiles are measured using actual mining and processing costs.

ix) DETERMINING THE FAIR VALUE OF ROYALTY DEBT

The Group entered into a royalty agreement during the financial year. The measurement of the royalty obligation factored in numerous key inputs and the use of a technical expert. These inputs include the forecast of the tin production and price over a period of 30 years, the risk-free rate and the credit spread. The tin price forecast was based on estimates provided by the Group as of November 2023. The risk-free rate was based on the United States Constant Maturity Treasury rates commensurate with the terms as of the valuation date, as reported on the Federal Reserve website. The Group used a credit spread of 10.58% computed by backsolving the convertible notes to par and further adjusted down 3.5% to account for the lower risk factor as a result of the ongoing operations at the Uis Tin Mining Company (operating subsidiary). The operating subsidiary attracts a lower risk factor due to it being closely aligned to the underlying Tin mining operation and its performance since commissioned, relative to the holding company, which is implicitly subordinated. The royalty obligation is measured at fair value through profit and loss.

3. ADOPTION OF NEW AND REVISED STANDARDS

The following amendments standards and interpretations were adopted by the group from 1 March 2023:

- Amendments to IAS 12 – International Tax Reform – Pillar Two Model Rules
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16 Leases
- Classification of liabilities as Current or Non-Current and Non-current Liabilities with Covenants – Amendments to IAS 1 Presentation of Financial Statements
- Amendments to IAS 7 – Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements
- Amendments to IAS 12 Income Taxes – Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 1 – Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements – Disclosure of Accounting Policies

These amended standards and interpretations have not had a significant impact on the consolidated financial statements.

Accounting standards and interpretations not yet applied

The following standards, interpretations and amendments are effective for the period beginning 1 March 2024:

- Lack of Exchangeability – Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates
- Amendments to the Classification and Measurement of Financial Instruments – Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures
- Annual improvements to IFRS 1 (first time adoption of International Financial Reporting Standards), IFRS 7 financial instruments: disclosures and its accompanying guidance on implementing IFRS 7), IFRS 9 (financial instruments), IFRS 10 (consolidated financial statements) and IAS 7 (statement of cash flows).
- Amendments to IAS 1 – Classification of liabilities as Current or Non-current and Non-current liabilities with Covenants.

The updated standards, interpretations and amendments may have a significant impact on the consolidated financial statements in the future as the Group holds financial instruments recognised under IFRS 9 and IFRS 7.

4. REVENUE

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Revenue from the sale of tin	**17 863 275**	10 024 487
Revenue from the sale of sand	**45 673**	64 676
Total revenue from customers	**17 908 948**	10 089 163
Revenue – change in fair value of customer contract	**58 941**	(261 689)
Total revenue	**17 967 889**	9 827 473

The revenue from the sale of tin and sand is recognised at the point in time at which control transfers.

Other revenue relates to the change in the fair value of amounts receivable under the offtake agreement between the date of initial recognition and the period end resulting from forecast market prices at the estimated final pricing date. Refer to Note 2 for further details.

5. COST OF SALES

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Costs of production	**14 178 153**	9 334 142
Smelter charges	**1 328 387**	757 459
Logistics costs	**154 932**	106 626
Government royalties	**484 976**	311 191
Orion royalties	**101 300**	–
	16 247 748	10 509 418

6. ADMINISTRATIVE EXPENSES

The profit/(loss) for the year has been arrived at after charging/(crediting):

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Staff costs	**4 261 360**	3 025 406
Depreciation of property, plant & equipment	**452 769**	366 190
Professional fees	**1 972 100**	1 201 984
Travelling expenses	**459 919**	350 884
Uis administration expenses	**1 259 206**	916 238
Auditor's remuneration	**240 000**	190 000
Foreign exchange losses	**260 061**	375 931
IT costs	**356 396**	285 408
Listing costs	**530 677**	696 621
Other costs	**167 061**	42 690
	9 959 549	7 451 352

Other costs are mainly comprised of corporate overheads necessary to run the South African head office.

7. STAFF COSTS

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Staff costs capitalised under property, plant and equipment	**814 709**	1 044 009
Staff costs capitalised under intangible assets	**416 871**	413 939
Staff costs recognised as administrative expenses	**3 543 336**	2 680 130
Staff costs included in cost of sales	**2 008 142**	1 796 229
Share-based payment charge capitalised under property, plant and equipment	**213 042**	–
Share-based payment charge capitalised under intangible assets	**68 410**	–
Share-based payment charge recognised as administrative expenses	**710 523**	345 276
	7 775 033	6 279 583

Key management personnel have been identified as the Board of Directors, Frans van Daalen (Chief Strategy Officer of the Group), Hiten Ooka (Chief Financial Officer of the Group) and Chris Smith (Chief Operating Officer of the Group). Details of key management remuneration are shown in Note 26.

The average number of staff during the period was 283 (FY 2023: 219) with an average total cost per employee for the year of £24 015 (FY 2023: £23 102). Emoluments of £341 199 including £53 652 of share options and shares to be issued (FY 2023: £305 270 including £90 081 of share options and shares to be issued) were paid in respect of the highest-paid Director during the year.

8. FINANCE INCOME & EXPENSE

Recognised in the statement of comprehensive income

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Finance expense		
Interest on lease liability	**98 923**	156 118
Interest on environmental rehabilitation provision	**118 694**	14 085
Interest on bank facilities	**275 807**	338 812
Interest on convertible loan note	**488 383**	–
Transaction costs on royalty debt	**456 062**	–
Fair value loss on royalty debt	**87 561**	–
Other interest	**159 076**	160 809
Total finance expense	**1 684 506**	669 824
Finance income		
Fair value gain on derivative liability – held at fair value through profit or loss	**743 965**	–
Interest on bank deposit	**211 975**	39 054
Total finance income	**955 940**	39 054
The above financial income and expense include the following in respect of assets/(liabilities) not at fair value through profit or loss:		
Total interest income on financial assets	**211 975**	39 054
Total interest expense on financial liabilities	**1 021 976**	655 739

9. TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Factors affecting tax for the year:		
The tax assessed for the year at the Guernsey company standard rate of 0%, as explained below:		
Loss before taxation	**(8 870 559)**	(8 970 048)
Loss before taxation multiplied by the Guernsey company standard rate of 0%	**–**	–
Effects of:		
Differences in tax rates (overseas jurisdictions)	**(2 125 662)**	(1 791 238)
Tax losses carried forward	**2 125 662**	1 791 238
Derecognition of previously recognised deductible temporary difference	**–**	866 203
Tax for the year	**–**	866 203

Accumulated losses in the subsidiary undertakings for which there is an unrecognised deferred tax asset are £13 903 618 (FY 2023: £8 100 173).

A deferred tax asset of £592 166 (FY 2023: £1 694 362) was not recognised in the Namibian entities. Due to the sizeable assessed losses that have accumulated in these entities, management has decided not to raise the deferred tax asset in the 2024 financial year as the timing of future taxable profits is not certain at this stage.

10. LOSS PER SHARE

The calculation of a basic loss per share of 0.54 pence (FY 2023: loss per share of 0.60 pence), is calculated using the total loss for the period attributable to the owners of the Company of £8 438 465 (FY 2023: £7 753 819) and the weighted average number of shares in issue during the period of 1 551 422 631 (FY 2023: 1 291 331 804).

Due to the loss for the period, the diluted loss per share is the same as the basic loss per share. The number of potentially dilutive ordinary shares, in respect of share options, warrants and shares to be issued as at 29 February 2024 is 165 625 801 (FY 2023: 77 636 918). These potentially dilutive ordinary shares may have a dilutive effect on future earnings per share.

11. INTANGIBLE ASSETS

Cost	Exploration and evaluation assets £	Computer software £	Total £
As at 28 February 2022	5 055 729	120 172	5 175 901
Additions for the year – other expenditure	2 580 267	–	2 580 267
Exchange differences	(431 234)	(7 858)	(439 092)
As at 28 February 2023	7 204 762	112 314	7 317 076
Additions for the year – other expenditure	**3 742 889**	**33 864**	**3 776 753**
Exchange differences	**(512 959)**	**(7 636)**	**(520 595)**
As at 29 February 2024	**10 434 692**	**138 542**	**10 573 234**

Accumulated depreciation	Exploration and evaluation assets £	Computer software £	Total £
As at 28 February 2022	–	28 119	28 119
Charge for the period	–	10 290	10 290
Exchange differences	–	(926)	(926)
As at 28 February 2023	–	37 483	37 483
Charge for the period	**–**	**16 370**	**16 370**
Exchange differences	**–**	**(556)**	**(556)**
As at 29 February 2024	**–**	**53 297**	**53 297**

Net book value	Exploration and evaluation assets £	Computer software £	Total £
As at 29 February 2024	**10 434 692**	**85 245**	**10 519 937**
As at 28 February 2023	7 204 762	74 831	7 279 593
As at 28 February 2022	5 055 729	92 053	5 147 782

Additions to exploration and evaluation assets represents costs incurred on active exploration projects, day to day costs of running the lithium pilot plant, staff costs and share based payments charges (refer to Note 7 for additional details on staff costs and share based payments charges).

Each year, management performs a review of intangibles to identify potential impairment triggers in line with IFRS 6. For the year ending 2024 and 2023, no such triggers were identified for exploration and evaluation assets.

The Directors have concluded that there are no indicators of impairment in respect of the carrying value of the Namibian exploration and evaluation assets at 29 February 2024 based on planned future development of the projects and current and forecast tin prices.

12. PROPERTY, PLANT AND EQUIPMENT

	Land	Mining asset under construction	Mining asset	Mining asset – stripping	Decom-missioning asset
Cost					
As at 28 February 2022	12 312	3 583 853	15 609 768	1 332 128	268 704
Additions for the year	–	7 264 184	984 390	1 531 721	750 363
Disposals for the year	–	–	(309 259)	–	–
Transfer between categories of assets	–	(9 532 184)	9 532 184	–	–
Foreign exchange differences	(1 051)	(74 979)	(2 154 393)	(251 622)	(90 495)
As at 28 February 2023	11 261	1 240 874	23 662 690	2 612 227	928 572
Additions for the period	**–**	**3 953 298**	**2 776 006**	**4 240 985**	**161 029**
Disposals for the period	**–**	**–**	**–**	**–**	**–**
Transfer between categories of assets	**–**	**(4 539 480)**	**655 489**	**–**	**–**
Foreign exchange differences	**(977)**	**71 397**	**(2 192 451)**	**(370 759)**	**(85 943)**
As at 29 February 2024	**10 284**	**726 089**	**24 901 734**	**6 482 453**	**1 003 658**
Accumulated depreciation					
As at 28 February 2022	–	–	1 859 775	488 004	9 435
Charge for the year	–	–	964 857	967 435	15 542
Foreign exchange differences	–	–	(225 323)	(128 759)	(2 205)
As at 28 February 2023	–	–	2 599 309	1 326 680	22 772
Charge for the year	**–**	**–**	**1 728 156**	**1 242 349**	**65 302**
Foreign exchange differences	**–**	**–**	**(260 671)**	**(157 158)**	**(4 191)**
As at 29 February 2024	**–**	**–**	**4 066 794**	**2 411 871**	**83 883**
Net book value					
As at 29 February 2024	**10 284**	**726 089**	**20 834 940**	**4 070 582**	**919 775**
As at 28 February 2023	11 261	1 240 874	21 063 381	1 285 548	905 800
As at 28 February 2022	12 312	3 583 853	13 749 993	844 124	259 269

Additions to the mining asset under construction consisted of the costs to complete the tantalum circuit which was commissioned during the year and transferred to the mining asset.

Additions to the mining asset consist of costs incurred as part of the continuous improvement project as well as capitalised labour and travel costs.

Interest capitalised against the mining asset is as follows:

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Standard Bank	**409 127**	440 054
Development Bank of Namibia	**222 012**	–
Total	**631 139**	440 054

Interest on the Standard Bank loan is calculated at the 3-month JIBAR plus a margin of 4.5% and interest on the Development Bank of Namibia loan is calculated at the Namibian prime rate plus a margin of 2.5%.

Right-of-use asset	Computer equipment	Furniture	Vehicles	Mobile equipment (crane)	Buildings	Exploration and evaluation	Total
655 530	197 472	179 330	65 851	175 780	–	–	22 080 728
1 121 536	112 496	99 371	294 699	303 356	284 733	–	12 746 849
(61 435)	–	–	–	–	–	–	(370 694)
–	–	–	–	–	–	–	–
(156 934)	(26 928)	(24 209)	(32 154)	(42 317)	(25 635)	–	(2 880 717)
1 558 697	283 040	254 492	328 396	436 819	259 098	–	31 576 167
92 459	**99 972**	**138 420**	**84 986**	**–**	**–**	**–**	**11 547 155**
(278 342)	**–**	**–**	**–**	**–**	**–**	**–**	**(278 342)**
–	**–**	**–**	**–**	**–**	**–**	**3 883 991**	**–**
(124 651)	**(27 866)**	**(26 708)**	**(31 346)**	**(37 858)**	**(22 455)**	**(131 864)**	**(2 981 481)**
1 248 163	**355 146**	**366 204**	**382 036**	**398 961**	**236 643**	**3 752 127**	**39 863 499**
332 624	117 605	65 091	54 878	3 224	–	–	2 930 636
254 667	50 928	43 556	35 297	35 930	9 137	–	2 377 349
(62 451)	(14 656)	(9 447)	(7 862)	(3 511)	(823)	–	(455 037)
524 840	153 877	99 200	82 313	35 643	8 314	–	4 852 948
78 175	**75 243**	**67 438**	**60 713**	**33 387**	**12 248**	**–**	**3 363 011**
(59 438)	**(15 922)**	**(10 856)**	**(9 195)**	**(4 223)**	**(1 136)**	**–**	**(522 790)**
543 577	**213 198**	**155 782**	**133 831**	**64 807**	**19 426**	**–**	**7 693 169**
704 586	**141 948**	**210 422**	**248 205**	**334 154**	**217 216**	**3 752 127**	**32 170 329**
1 033 857	129 163	155 292	246 083	401 176	250 783	–	26 723 218
322 906	79 867	114 239	10 973	172 556	–	–	19 150 092

Additions to explorations and evaluation assets represents costs incurred to construct the lithium pilot plant which is treated as a tangible asset. The lithium pilot plant is accounted for in accordance with IFRS 6.

The Group has elected to capitalise the costs of waste stripping activities as these are necessary to allow improved access to the ore and, therefore, will result in future economic benefits. The costs of drilling, blasting and load and haul of waste material is capitalised until such time that the underlying ore is used in production.

Please refer to Note 20 for further information on the right-of-use asset.

The total depreciation charge for the current financial year was split between administrative expenses and cost of sales. £452 769 (FY 2023: £336 190) was included in administrative expenses, while the balance of £2 910 242 (FY 2023: £2 071 856) was included in cost of sales as it was a cost that was incurred for mining and processing purposes.

13. INVENTORIES

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Tin concentrate on hand	**1 119 710**	1 364 286
Run of mine stockpile	**954 059**	589 725
Consumables	**874 849**	713 182
	2 948 618	2 667 193

14. TRADE AND OTHER RECEIVABLES

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Trade receivables	**192 829**	27 678
Trade receivables at fair value through profit or loss	**485 235**	126 125
Other receivables	**3 519 565**	1 369 867
VAT receivables	**1 852 836**	1 069 100
	6 050 465	2 592 770

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value due to their short-term nature. No allowance for any expected credit losses against any of the trade receivables is provided due to a history without default or non-payment from any of the Group's customers.

Trade receivables at fair value through profit or loss relates to the change in the fair value of trade receivables under the offtake agreement between the date of initial recognition and the period end resulting from forecast market prices at the estimated final pricing date.

Other receivables primarily consist of prepayments that the Group has made and deposits that have been paid on items of equipment that are necessary for the various capital projects currently underway. The total trade and other receivables denominated in South African Rand amount to £315 981 (FY 2023: £164 427), denominated in Namibian Dollars amount to £5 175 445 (FY 2023: £2 221 827) and denominated in US Dollars amount to £485 235 (FY 2023: £126 125).

15. CASH AND CASH EQUIVALENTS

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Cash on hand and in bank	**14 505 800**	8 205 705

Cash and cash equivalents (which are presented as a single class of assets on the face of the Statement of Financial Position) comprise cash at bank. The Directors consider that the carrying amount of cash and cash equivalents approximates their fair value. The total cash and cash equivalents denominated in South African Rand amount to £1 332 418 (FY 2023 £110 625), the total cash and cash equivalents denominated in Namibian Dollars amount to £8 603 646 (FY 2023: £2 526 962) and the total cash and cash equivalents denominated in US Dollars amount to £4 146 398 (FY 2023: £3 808 714).

16. BORROWINGS

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Standard Bank term loan facility	**2 559 845**	4 083 503
Standard Bank VAT facility	**307 206**	336 357
Standard Bank working capital facility	**–**	1 298 805
Standard Bank vehicle asset financing facility	**517 982**	484 373
Development Bank of Namibia term loan facility	**2 269 475**	–
Convertible loan note debt component	**8 295 155**	-
	13 949 663	6 203 038
Up to 3 months	**2 824 695**	560 908
Between 3 and 12 months	**1 236 752**	2 355 009
Between 1 and 2 years	**1 218 474**	1 226 338
Between 2 and 5 years	**8 669 742**	2 060 783
	13 949 663	6 203 038

On 18 November 2021, a term loan facility of N$90 000 000 (c. £3 699 000), a VAT facility of N$8 000 000 (c. £329 000) and a working capital facility of N$35 000 000 (c. £1 439 000) was entered into between the Group's subsidiary, Uis Tin Mining Company (Pty) Ltd and Standard Bank Namibia. During 2022, a vehicle asset financing facility to the value of N$15 000 000 (c. £617 000) was provided.

The maturity date of the term loan facility is November 2026 and the capital balance of the loan together with accrued interest will be repaid in quarterly instalments over the next 5 years. Interest is charged on the outstanding capital balance of the loan at a rate of 3-month JIBAR plus a margin of 4.5%.

Standard Bank was informed of a covenant breach on the term loan facility before year-end, however, the bank only issued a covenant waiver post the reporting date. As a result of the covenant breach, the non-current portion of the Standard Bank term loan facility was transferred to current liabilities.

The VAT facility is secured by assessed/audited VAT returns (refunds) which have not been paid by Namibia Inland Revenue. Standard Bank Namibia provides a facility amounting to the unpaid refund. Any drawdowns against this facility are repaid to the bank upon the receipt of cash from Namibia Inland Revenue.

The VAT facility and the working capital facility have no fixed monthly maturity date but are both renewed on an annual basis. Interest accrues on these facilities at the Namibian prime rate less 1%.

Standard Bank Namibia have provided a N$5 956 100 (c. £245 000) guarantee to the Namibia Power Corporation PTY Limited in relation to a deposit for the supply of electrical power. As a result of the guarantee provided by Standard Bank, no cash was paid over for the deposit.

On 21 July 2023, the Group issued 77 unsecured convertible loan of £100 000 each to new and existing investors. The notes have a term of 3 years, bears interest at a rate of 12% per annum and can be redeemed at the option of the Group or convertible into ordinary shares at a fixed price of 9.45 by mutual agreement between the Group and the note holders. As per IAS 32 and IFRS 9, the fair value of the proceeds of the notes consisted of a liability and an equity component, Refer to the Statement of Changes in Equity for the equity portion of this instruments.

On 5 September 2023, the Development Bank of Namibia ("DBN") served notice confirming that all conditions had been fulfilled or waived and that financial close had occurred. Accordingly, the Group received the 1st drawdown of N$50 million (c. £2 055 000) of a total N$100 million (c. £4 110 000). These Funds are being used to expedite the implementation of the Uis Mine Stage II Continuous Improvement Programme.

On 22 November 2023, a US$25 000 000 (c. £19.750 000) funding packing was concluded with Orion Resource Partners. This includes US$2 500 000 (c. £1 975 000) equity, a US$10 000 000 (c. £7 900 000) Convertible Loan Note and a US$12.5m (c. £9 875 000) unsecured tin royalty. The equity and loan note will be used to accelerate Andrada's overall strategy of achieving commercial production of its lithium, tin and tantalum revenue streams. The royalty funds will be used for the sole purpose of increasing Andrada's tin production as it ramps up its capital programmes over the next 2 years.

Reconciliation of net cash flow to movement in borrowings

	£
Balance as at 28 February 2022	5 120 141
Incoming cash flows	1 729 454
Proceeds from Vehicle Asset Financing Facility	532 296
Proceeds from working capital facility	1 197 158
Outgoing cash flows	(184 917)
Repayment of capital balance of term loan	(89 014)
Interest paid on the term loan	(95 903)
Non-cash flows	(461 640)
Interest accrued on term loan	125 832
Foreign exchange differences	(587 472)
Balance as at 28 February 2023	6 203 038
Incoming cash flows	**9 933 992**
Proceeds from DBN facility	**2 127 221**
Proceeds from July convertible loan notes	**2 446 977**
Proceeds from November convertible loan notes	**5 359 794**
Outgoing cash flows	**(2 438 797)**
Repayment of capital balance of term loan	**(1 102 611)**
Interest paid on the term loan	**(108 255)**
Repayment of working capital facility	**(1 227 931)**
Non-cash flows	**251 430**
Foreign exchange differences	**(529 672)**
Interest accrued on DBN facility	**214 475**
Additions to vehicle asset financing	**78 244**
Interest on July convertible loan notes	**108 455**
Interest on November convertible loan notes	**379 928**
Balance as at 29 February 2024	**13 949 663**

17. OTHER FINANCIAL LIABILITIES

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Held at fair value through profit and loss		
Derivative liability	**1 411 709**	–
Royalty debt	**9 941 235**	–
	11 352 944	–

On 22 November 2023, the Group entered into an agreement with Orion Resource Partners (royalty holder) whereby the holder purchased a gross revenue royalty for US$12 500 000 from the Group. In exchange for the gross revenue royalty, the Group is required to make quarterly royalty payments to the holder based on the tin mined and sold by the group. At initial recognition, the royalty transaction was measured at fair value of US$12 560 000 (c. £9 853 674). In determining the fair value, management used a credit spread rate of 10.58% and a risk-free rate of 5.54%. At year end, the fair value of the royalty transaction was fair valued at £9 941 235.

The transaction also included the issue of one hundred (100) unsecured convertible loan notes of $100 000 each. The loan notes are redeemable in 4 years from the issue date. Written consent from the note holders is required in the event that the loan notes are redeemed prior the maturity date. The interest accrues quarterly at 12% per annum. The noteholders may at any time before the redemption date convert the loan notes into Andrada ordinary shares in tranches of a minimum of US$100 000 at a conversion price of 9.45 pence per share. At initial recognition date, a derivative liability was recognised at a fair value of £2 155 674. The derivative liability was subsequently measured to £1 411 709. In determining the fair value of the derivative, management used a credit spread of 16.12%.

Reconciliation of closing balance	Derivative liability £	Royalty debt £	Total £
Balance as at 28 February 2023	–	–	–
Additions	2 155 674	9 853 674	12 009 348
Repayments	–	–	–
Fair value adjustment	(743 965)	87 561	(656 404)
Balance as at 29 February 2024	**1 411 709**	**9 941 235**	**11 352 944**

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
The split between current and non-current is as follows:		
Non-current liabilities	10 386 425	–
Current liabilities	966 519	–
Total	**11 352 944**	**–**

Sensitivity analysis

Assuming that all the variables remain the same in the royalty debt calculation, a 1% decrease in the credit spread would result in the value of the royalty debt increasing by $923 183 and a 1% increase in the credit spread would result in a decrease of US$821 509. For the convertible loan note, if the Group applies a 10% volatility haircut, the value of the derivative liability would decrease by £276 171 (from £1 411 709 to £1 135 538). This would also result in the credit spread decreasing from 16.12% to 14.07%.

IFRS 13 sets out a fair value hierarchy under which the inputs to valuation techniques used to measure fair value are categorised into three levels. The three levels of the hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Royalty debt

The royalty debt is recorded at fair value through profit and loss. The inputs include the following:

- Tin production forecast was provided by management.
- Tin price forecast was based on consensus estimates as of November 2023. The forecast was provided by management.
- Risk-free rate based on the United States Constant Maturity Treasury rates commensurate with the term as of the Valuation Date, as reported on the Federal Reserve website.
- Implied credit spread was based on the Sterling Overnight Index Average.

Based on the above sources of the inputs, the royalty debt is a level 2.

Derivative liability

The derivative liability is recorded at fair value through profit and loss. The inputs include the following:

- The dividend yield was provided by management.
- The expected volatility was based on the historical equity volatility of the Group as of the valuation date.
- The stock price as of the valuation date was obtained from Capital IQ. The exchange rate was derived as an average of 4 years Bid Ask GBP USD spot Curve.

Based on the above-mentioned sources of inputs, the derivative liability is a level 2.

Reconciliation of net cash flow to movement in other financial liabilities	**£**
Balance as at 28 February 2023	–
Incoming cash flows	**11 678 454**
Proceeds from royalty debt	**9 522 780**
Proceeds from issue of derivative liability	**2 155 674**
Non-cash flows	**(325 510)**
Fair value loss on royalty debt	**87 561**
Foreign exchange adjustment on royalty debt	**330 894**
Fair value gain on derivative liability	**(743 965)**
Balance as at 29 February 2024	**11 352 944**

18. TRADE AND OTHER PAYABLES

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Trade payables	**2 518 885**	1 624 816
Other payables	**1 875 733**	202 127
Accruals	**2 578 125**	1 828 183
	6 972 743	3 655 126

Trade payables principally comprise of amounts outstanding for trade purchases and ongoing costs. The increase in this balance is due to expanded operations at the Uis mine. Other payables principally comprise of amounts outstanding for the purchase of capital items required for expansion and exploration projects. The increase in this balance is due to increased spending on the pilot plant and other open capital projects. The Group has financial risk management policies in place to ensure that payables are paid within the pre-arranged credit terms. No interest has been charged by any suppliers as a result of late payment of invoices during the year. The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

The total trade and other payables denominated in South African Rand amount to £1 167 534 (FY 2023: £1 147 054) and £5 506 391 (FY 2023: £2 154 031) is denominated in Namibian Dollars.

19. ENVIRONMENTAL REHABILITATION PROVISION

	£
Balance as at 28 February 2022	295 151
Increase in provision	750 363
Interest expense	14 085
Foreign exchange differences	(94 021)
Balance as at 28 February 2023	965 578
Increase in provision	**161 029**
Interest expense	**118 694**
Foreign exchange differences	**(93 180)**
Balance as at 29 February 2024	**1 152 121**

Provision for future environmental rehabilitation and decommissioning costs are made on a progressive basis. Estimates are based on costs that are regularly reviewed and adjusted appropriately for new circumstances. The environmental rehabilitation liability is based on disturbances and the required rehabilitation as at 29 February 2024.

The rehabilitation provision represents the present value of decommissioning costs relating to the dismantling and sale of mechanical equipment and steel structures related to the Phase 1 Plant, the Tantalum Circuit, the Bulk Samples Processing Facility and the demolishing of civil platforms and reshaping of earthworks. A provision for this requires estimates and assumptions to be made around the relevant regulatory framework, the magnitude of the possible disturbance and the timing, extent and costs of the required closure and rehabilitation activities. In calculating the appropriate provision, cost estimates of the future potential cash outflows based on current studies of the expected rehabilitation activities and timing thereof are prepared. These forecasts are then discounted to their present value using a risk-free rate specific to the liability. In determining the amount attributable to the rehabilitation liability, management used a discount rate of 12.3%, an inflation rate of 4.8% and an estimated mining period of 12.6 years. Actual rehabilitation and decommissioning costs will ultimately depend upon future market prices for the necessary rehabilitation works and timing of when the mine ceases operation.

20. LEASE LIABILITY

The Company assessed all rental agreements and concluded that the following rentals fall within the scope of IFRS 16 "Leases" and therefore a lease liability has been raised:

	Office building £	Workshop £	Housing £	Mobile units £	Vehicles £	Total £
Balance at 28 February 2022	170 821	35 572	108 328	45 082	–	359 803
Additions	534 606	43 507	153 388	–	208 892	940 393
Disposals	(22 035)	–	–	–	–	(22 035)
Interest expense	55 378	15 612	62 198	1 906	21 024	156 118
Lease payments	(159 096)	(59 332)	(51 685)	(37 147)	(56 699)	(363 959)
Foreign exchange differences	(51 391)	(3 018)	(24 004)	(676)	(15 593)	(94 682)
Balance at 28 February 2023	528 283	32 341	248 225	9 165	157 624	975 638
Additions	**–**	**45 029**	**47 430**	**–**	**–**	**92 459**
Interest expense	**55 239**	**2 029**	**27 589**	**104**	**13 962**	**98 923**
Lease payments	**(173 037)**	**(47 118)**	**(99 980)**	**(8 769)**	**(46 756)**	**(375 660)**
Foreign exchange differences	**(41 786)**	**(2 800)**	**(20 664)**	**(500)**	**(12 548)**	**(78 298)**
Balance at 29 February 2024	**368 699**	**29 481**	**202 600**	**–**	**112 282**	**713 062**

The following is the split between the current and the non-current portion of the liability:

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Non-current liability	**478 523**	707 355
Current liability	**234 539**	268 283
	713 062	975 638

Determining the incremental borrowing rate to measure lease liabilities

The interest rate implicit in leases is not available, therefore the Group uses the relevant incremental borrowing rate (IBR) to measure its lease liabilities. The IBR is estimated to be the interest rate that the Group would pay to borrow:

- over a similar term;
- with similar security;
- the amount necessary to obtain an asset of a similar value to the right-of-use asset; and
- in a similar economic environment.

The IBR, therefore, is considered to be the best estimate of the incremental rate and requires management's judgement as there are no observable rates available.

Reconciliation of net cash flow to movement in leases

	£
Balance as at 28 February 2022	359 803
Outgoing cash flows	(363 959)
Lease payments	(363 959)
Non-cash flows	979 794
Additions	940 393
Disposals	(22 035)
Interest expense	156 118
Foreign exchange differences	(94 682)
Balance as at 28 February 2023	975 638
Outgoing cash flows	**(375 660)**
Lease payments	**(375 660)**
Non-cash flows	**113 084**
Additions	**92 459**
Interest expense	**98 923**
Foreign exchange differences	**(78 298)**
Balance as at 29 February 2024	**713 062**

21. SHARE CAPITAL

	Number of ordinary shares of no par value issued and fully paid	Share capital £
Balance at 28 February 2022	1 121 841 684	38 655 078
Capital raise – 16 September 2022	222 701 660	11 135 083
Capital raise – 10 October 2022	173 320 000	8 666 000
Share issue costs	–	(1 962 253)
Warrants exercised – 25 January 2023	20 000 000	390 000
Balance as at 28 February 2023	1 537 863 344	56 883 908
Shares issued in lieu of Directors' fees – 11 May 2023	**1 092 189**	**60 500**
Exercising of employee share options – 29 September 2023	**3 473 684**	**117 237**
Exercising of employee share options – 3 October 2023	**7 315 786**	**248 713**
Share issued to Orion – 22 November 2023	**30 505 755**	**2 036 500**
Share issue costs	**–**	**(99 300)**
Balance at 29 February 2024	**1 580 250 758**	**59 247 558**

Authorised: 1 658 895 987 ordinary shares of no par value

Allotted, issued and fully paid: 1 580 250 758 ordinary shares of no par value

On 16 September 2022, the Group completed an equity fundraising by way of a placing and direct subscription of 222 701 660 ordinary shares of no par value in the Group at a price of 5 pence per share. A further 173 320 000 660 ordinary shares of no par value in the Group at a price of 5 pence per share were issued on 10 October 2022 as part of the same capital raise.

On 25 January 2023, warrant holders exercised 20 000 000 warrants at an exercise price of 1.95.

On 11 May 2023, the Group issued 1 092 189 ordinary shares to Directors in lieu of their fees for the financial years ended February 2022 and 2023. This is in accordance with the terms of their contracts.

On 29 September 2023, the Company received notice from share option holders to exercise 1 736 842 share options at an exercise price of 3 pence, 868 421 share options at an exercise price of 3.5 pence, and 868 421 share options at an exercise price of 4 pence.

On 3 October 2023, the Company received notice from share option holders to exercise 3 407 894 share options at an exercise price of 3 pence, 1 953 946 share options at an exercise price of 3.5 pence, and 1 953 946 share options at an exercise price of 4 pence.

On 22 November 2023, the Group issued Orion Resource Partners with 30 505 755 ordinary shares, at a price of 6.39p. This equity issue was a part of the US$25 million funding transaction that took place with Orion Resource Partners.

22. WARRANTS

The following warrants were granted during the year ended 29 February 2024:

Date of grant	21 July 2023	2 November 2023
Number granted	15 400 000	16 043 638
Contractual life	2 years	2 years
Estimated fair value (pence)	1.874	0.700

The estimated fair values were calculated by applying the Black Scholes pricing model. The model inputs were:

Date of grant	21 July 2023	2 November 2023
Share price at grant date (pence)	7.7	5.5
Exercise price (pence)	9.45	9.45
Expected life	2 years	2 years
Expected volatility	49.5%	49.5%
Expected dividends	Nil	Nil
Risk-free interest rate	4.6	4.7

The warrants in issue during the year are as follows:

Outstanding at 28 February 2022	**22 613 334**
Exercisable at 28 February 2022	**22 613 334**
Granted during the year	–
Expired during the year	–
Exercised during the year	(20 000 000)
Outstanding at 28 February 2023	**2 613 334**
Exercisable at 28 February 2023	**2 613 334**
Granted during the year	31 443 638
Expired during the year	–
Exercised during the year	–
Outstanding at 29 February 2024	**34 056 972**
Exercisable at 29 February 2024	**34 056 972**

On 21 July 2023, 15 400 000 warrants were issued as part of the convertible loan note transaction. Each note holder received 2 warrants for every £1 subscribed for. Each warrant enables the holder to subscribe for one ordinary share at a subscription price of 9.45p. The warrants are exercisable at any time from the date of issue for a period of two years.

On 22 November 2023, 16 043 638 warrants were issued as part of the Orion financing transaction. Orion received 2 warrants for every £1 subscribed for. Each warrant enables the holder to subscribe for one ordinary share at a subscription price of 9.45p. The warrants are exercisable at any time from the date of issue for a period of two years.

23. SHARE-BASED PAYMENT RESERVE

Director share options

The following Director share options were granted during the year ended 28 February 2023:

Date of grant	8 April 2022	8 April 2022	8 April 2022
Number granted	7 800 000	3 900 000	3 900 000
Vesting period	1 year	2 years	3 years
Contractual life	4 years	4 years	4 years
Estimated fair value per option (pence)	1.9130	2.6510	3.2010

The estimated fair values were calculated by applying the Black Scholes pricing model. The model inputs were:

Date of grant	8 April 2022	8 April 2022	8 April 2022
Share price at grant date (pence)	9.35	9.35	9.35
Exercise price (pence)	9.80	10.30	10.80
Date of first exercise	8 April 2023	8 April 2024	8 April 2025
Expiry Date	8 April 2027	8 April 2027	8 April 2027
Expected volatility	53%	53%	53%
Expected dividends	Nil	Nil	Nil
Risk-free interest rate	3.70%	3.70%	3.70%

The following Director share options were granted during the period ended 29 February 2024:

Date of grant	1 May 2023	1 May 2023	1 May 2023
Number granted	2 342 908	2 342 908	2 342 908
Vesting period	3 years	3 years	3 years
Contractual life	10 years	10 years	10 years
Estimated fair value per option (pence)	1.7290	1.4820	1.2800

The estimated fair values were calculated by applying the Black Scholes pricing model. The model inputs were:

Date of grant	1 May 2023	1 May 2023	1 May 2023
Share price at grant date (pence)	5.12	5.12	5.12
Exercise price (pence)	7.00	8.00	9.00
Date of first exercise	1 May 2026	1 May 2026	1 May 2026
Expiry Date	1 May 2033	1 May 2033	1 May 2033
Expected volatility	49.5%	49.5%	49.5%
Expected dividends	Nil	Nil	Nil
Risk-free interest rate	3.93%	3.93%	3.93%

The Director share options in issue during the year are as follows:

Outstanding at 28 February 2022	**25 850 000**
Exercisable at 28 February 2022	**23 850 000**
Granted during the year	15 600 000
Forfeited during the year	–
Exercised during the year	–
Expired during the year	–
Outstanding at 28 February 2023	**41 450 000**
Exercisable at 28 February 2023	**23 850 000**
Granted during the year	7 028 724
Forfeited during the year	–
Exercised during the year	–
Expired during the year	–
Outstanding at 29 February 2024	**48 478 724**
Exercisable at 29 February 2024	**33 650 000**

The Director share options outstanding at the year end have an average exercise price of £0.069, with a weighted average remaining contractual life of 2.46. The Director must remain as a Director of the Company for the share options to vest. In the event that a Director ceases to be a Director during the vesting period, the Board reserves the right to determine whether the share options will be terminated or not. There are no market-based vesting conditions on the share options.

Employee share options

The following employee share options were granted during the period ended 28 February 2023:

Date of grant	8 April 2022	8 April 2022	8 April 2022
Number granted	19 355 000	9 677 500	9 677 500
Vesting period	1 year	2 years	3 years
Contractual life	4 years	4 years	4 years
Estimated fair value per option (pence)	1.9130	2.6510	3.2010

The estimated fair values were calculated by applying the Black Scholes pricing model. The model inputs were:

Date of grant	8 April 2022	8 April 2022	8 April 2022
Share price at grant date (pence)	9.35	9.35	9.35
Exercise price (pence)	9.80	10.30	10.80
Date of first exercise	8 April 2023	8 April 2024	8 April 2025
Expiry date	8 April 2027	8 April 2027	8 April 2027
Expected volatility	53%	53%	53%
Expected dividends	Nil	Nil	Nil
Risk-free interest rate	3.70%	3.70%	3.70%

The following employee share options were granted during the period ended 29 February 2024:

Date of grant	1 May 2023	1 May 2023	1 May 2023
Number granted	9 419 227	9 419 227	9 419 227
Vesting period	3 years	3 years	3 years
Contractual life	10 years	10 years	10 years
Estimated fair value per option (pence)	1.7290	1.4820	1.2800

The estimated fair values were calculated by applying the Black Scholes pricing model. The model inputs were:

Date of grant	1 May 2023	1 May 2023	1 May 2023
Share price at grant date (pence)	5.12	5.12	5.12
Exercise price (pence)	7.00	8.00	9.00
Date of first exercise	1 May 2026	1 May 2026	1 May 2026
Expiry date	1 May 2033	1 May 2033	1 May 2033
Expected volatility	49.5%	49.5%	49.5%
Expected dividends	Nil	Nil	Nil
Risk-free interest rate	3.93%	3.93%	3.93%

The employee share options in issue during the year are as follows:

Outstanding at 28 February 2022	**27 371 229**
Exercisable at 28 February 2022	**27 371 229**
Granted during the year	4 800 000
Forfeited during the year	–
Exercised during the year	–
Expired during the year	–
Outstanding at 28 February 2023	**32 171 229**
Exercisable at 28 February 2023	**27 371 229**
Granted during the year	62 167 681
Forfeited during the year	–
Exercised during the year	(10 789 470)
Expired during the year	–
Outstanding at 29 February 2024	**83 549 440**
Exercisable at 29 February 2024	**35 936 753**

The employee share options outstanding at the year end have an average exercise price of £0.081, with a weighted average remaining contractual life of 4.62 years.

The employee must remain in employment with the Company for the share options to vest. There are no market-based vesting conditions on the share options.

24. NON-CONTROLLING INTERESTS

Non-controlling interest that is material in the Group relates to the Small Miners of Uis ("SMU") who own 15% of UTMC. SMU is a non-profit association incorporated in Namibia. The entity was set up by the Ministry of Mines and Energy to act on behalf of small-scale miners across Namibia.

Other includes the following minority interests which are not material:

- Cannosia Trading 62 CC which own 16% of Renetype
- African Women Enterprise Investments (Pty) Ltd which own 10% of Renetype
- Lerama Resources (Pty) Ltd which own 50% of Jaxson
- Tamiforce (Pty) Ltd which own 26% of Zaaiplaats

As at 29 February 2024	UTMC	Other	Total
Amount attributable to all shareholders:			
Loss after tax	(2 857 667)	(12 793)	(2 870 460)
Non-current assets	16 470 044	10 286	16 480 330
Current assets	14 796 928	–	14 796 928
Total assets	31 266 973	10 286	31 277 258
Non-current liabilities	17 770 728	–	17 770 728
Current liabilities	17 331 259	65 713	17 396 972
Total liabilities	35 101 987	65 713	35 167 700
Net liabilities	(3 835 014)	(55 427)	(3 890 442)
Amount attributable to non-controlling interest:			
Loss after tax	(428 650)	(3 444)	(432 094)
Net liabilities	(542 405)	(12 334)	(554 739)

As at 28 February 2023	UTMC	Other	Total
Amount attributable to all shareholders:			
Loss after tax	(2 321 500)	(6 147)	(2 327 647)
Non-current assets	10 508 167	11 262	10 519 429
Current assets	5 116 388	–	5 116 388
Total assets	15 947 534	11 262	15 635 817
Non-current liabilities	7 956 192	–	7 956 192
Current liabilities	8 839 733	58 417	8 898 150
Total liabilities	16 795 925	58 417	16 854 342
Net liabilities	(1 171 370)	(47 155)	(1 218 525)
Amount attributable to non-controlling interest:			
Loss after tax	(348 224)	(1 801)	(350 025)
Net liabilities	(173 406)	(13 557)	(186 963)

25. FINANCIAL INSTRUMENTS

The Group is exposed to the risks that arise from its use of financial instruments. This note describes the objectives, policies and processes of the Group 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.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising returns to shareholders. In order to maintain or adjust the capital structure, the Group may issue new shares or arrange debt financing.

The capital structure of the Group consists of cash and cash equivalents and equity, comprising issued capital, borrowings and retained losses. The Group is not subject to any externally imposed capital requirements.

Significant accounting policies

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the bases for recognition of income and expenses for each class of financial asset, financial liability, and equity instrument, are disclosed in Note 2.

Principal financial instruments

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

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Borrowings
- Other financial liabilities
- Lease liability

Categories of financial instruments

The Group holds the following financial assets:

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Measured at amortised cost:		
Trade and other receivables	**3 712 394**	1 397 545
Cash and cash equivalents	**14 505 800**	8 205 705
Measured at fair value through profit or loss:		
Trade and other receivables	**485 235**	126 125
Total financial assets	**18 703 429**	9 729 375

Under its customer sale arrangement, the Group receives a provisional payment upon satisfaction of its performance obligations based on the spot price at that date. This occurs prior to the final price determination, with the Group then subsequently receiving or paying the difference between the final price and quantity and the provisional payment. As a result of the pricing structure, the instrument is classified at fair value through profit or loss and measured at fair value with resulting changes in fair value recorded as other revenue.

Trade receivables at fair value through profit or loss fail the criteria for being measured at amortised cost owing to the variability resulting from final pricing adjustments. Financial instruments measured at fair value are presented by level within which the fair value measurement is categorised. The levels of fair value measurement are determined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group's contract receivable at 29 February 2024 is recorded at fair value through profit or loss and fair valued based on the estimated forward prices that will apply under the terms of the sales contracts on the product reaching the port of destination. The trade receivables fair value reflects amounts receivable from the customer adjusted for forward prices expected to be realised.

The forward price is based on the expected LME 3-month tin price on the date of finalisation. Given the short period to final pricing, the time value of money is not considered to be significant.

Fair value of this trade receivable at fair value through profit or loss is categorised at Level 1. During the year there were no transfers between levels of fair value hierarchy.

The Group holds the following financial liabilities:

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Measured at amortised cost:		
Trade and other payables	**6 972 744**	3 655 126
Borrowings	**13 949 663**	6 203 038
Lease liability	**713 062**	975 638
Measured at fair value through profit or loss:		
Other financial liabilities	**11 352 944**	–
Total financial liabilities	**32 988 413**	10 833 802

Maturity analysis of the contractual undiscounted cash flows:

As at 29 February 2024	**Up to 3 months**	**Between 3 and 12 months**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**	**Total**
Trade and other payables	**6 972 744**	**–**	**–**	**–**		**6 972 744**
Borrowings and other financial liabilities	**1 126 574**	**4 445 123**	**6 280 427**	**9 603 673**	**43 112 278**	**64 568 075**
Lease liability	**78 626**	**226 136**	**287 472**	**253 459**	**–**	**845 693**
	8 177 944	**4 671 259**	**6 567 899**	**9 857 132**	**43 112 278**	**72 386 512**

As at 28 February 2023	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable & accrued liabilities	3 655 126	–	–	–		3 655 126
Borrowings	1 676 219	1 165 704	1 662 683	2 002 069	–	6 506 675
Lease liability	86 256	235 677	299 590	594 106	–	1 215 629
Other financial liabilities	–	–	–	–	–	–
	5 417 601	1 401 381	1 962 273	2 596 175	–	11 377 430

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Board receives reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

CREDIT RISK

The Group's principal financial assets are bank balances and trade and other receivables.

Credit risk arises principally from the Group's cash and trade and other receivables balances. Credit risk is the risk that the counterparty fails to repay its obligation to the Group in respect of amounts owed. The Group gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk.

The concentration of the Group's credit risk is considered by counterparty, geography and by currency. The Group has split its cash reserves across multiple banks in an effort to mitigate credit risk. The Pound Sterling, US Dollar and Rand accounts are held with a bank in South Africa which has a rating of Baa1 (Moody's) and the Namibian Dollar account is held with a bank in Namibia with a rating of B1 (Moody's). The banks chosen remain stable and do not present any further risks.

The concentration of credit risk was as follows:

Currency	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Sterling	**487 924**	1 759 404
USD	**4 631 633**	3 808 714
South African Rand	**1 648 399**	110 625
Namibian Dollars	**13 779 095**	2 526 962
	20 547 051	8 205 705

Credit risk relating to trade receivables has also been considered. Credit verification procedures are undertaken for all customers with whom we trade on credit. This includes an assessment of the credit quality of the customer, considering its financial position, past experience and other factors. The trade account receivables comprise a limited customer base. Ongoing credit evaluation of the financial position of customers is performed and compliance with credit limits by customers is regularly monitored by management. Please refer to Note 14 for the concentration of credit risk relating to trade receivables.

At 29 February 2024, the Group held no collateral as security against any financial asset. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. The Group applies IFRS 9 to measure expected credit losses for receivables and these are regularly monitored and assessed. No expected credit losses have been recognised on financial assets during the year. Management considers the above measures to be sufficient to control the credit risk exposure.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they are all due. Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board manages liquidity risk by regularly reviewing the Group's gearing levels, cash flow projections and associated headroom and ensuring that excess banking facilities are available for future use.

An analysis of the Group's liquidity analysis based on undiscounted cash flows is as follows:

As at 29 February 2024 (£ '000)	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable & accrued liabilities	6 972 744	–	–	–		6 972 744
Borrowings	976 315	3 457 368	4 089 056	4 639 282	3 397 149	16 559 170
Lease liability	78 626	226 136	287 472	253 459	–	845 693
Other financial liabilities	150 259	987 754	2 191 371	4 964 391	39 715 130	48 008 905
	8 177 944	4 671 258	6 567 899	9 857 132	43 112 279	72 386 512

As at 28 February 2023	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Accounts payable & accrued liabilities	3 655 126	–	–	–	–	3 655 126
Borrowings	1 676 219	1 165 704	1 662 683	2 002 069	–	6 506 675
Lease liability	86 256	235 677	299 590	594 106	–	1 215 629
Other financial liabilities	–	–	–	–		–
	5 417 601	1 401 381	1 962 273	2 596 175	–	11 377 430*

The Group maintains good relationships with its banks and its cash requirements are anticipated via the budgetary process. At 29 February 2024, the Group had £14 505 800 (FY 2023: £8 205 705) of cash reserves.

* *Prior year has been restated to correctly disclose the undiscounted cash flows for borrowings and lease liabilities.*

MARKET RISK

The Group's activities expose it primarily to the financial risk of changes in foreign currency exchange rates, interest rates and the commodity prices.

INTEREST RATE RISK

The Group has interest bearing assets in the form of cash and cash equivalents. The Group does not earn significant interest on the cash balances.

The Group is exposed to interest rate risk as entities in the Group borrow funds at both fixed and variable interest rates.

- Fixed-rate instruments: £8 295 155 (FY 2023: £0)
- Variable-rate instruments: £5 654 509 (FY 2023: £6 203 038)

Sensitivity Analysis

A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

- Increase of 100 basis points: £139 497 impact on finance costs (FY 2023: £62 030)
- Decrease of 100 basis points: £139 497 impact on finance costs (FY 2023: £62 030)

FOREIGN EXCHANGE RISK

The Group has foreign currency denominated assets and liabilities and is therefore exposed to exchange rate fluctuations. The carrying amounts of the Group's foreign currency denominated monetary assets and liabilities, all in Pound Sterling, are shown below.

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Cash and cash equivalents	**14 082 465**	6 446 301
Other receivables	**4 123 825**	1 443 280
Trade and other payables	**(6 673 925)**	(3 301 085)
Borrowings	**(13 949 663)**	(6 203 038)
Other financial liabilities	**(11 352 944)**	–
	(13 770 242)	(1 614 542)

The Group operates on an international basis therefore, foreign exchange risk exposures arise from transactions denominated in foreign currencies. The Group is exposed to foreign currency risk on fluctuations related to financial instruments that are denominated in British Pounds, US Dollars, South African Rand and Namibian Dollars. The Group does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The following table details the Group's sensitivity to a 10% increase and decrease in the Pound Sterling against the Rand and the Namibian Dollar. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign currency rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at year end for a 10% change in foreign currency rates.

29 February 2024	Rand denominated monetary items £	Rand currency impact Strengthening £	Rand currency impact Weakening £
Assets	1 366 770	1 503 447	1 230 093
Liabilities	(1 167 534)	(1 284 287)	(1 050 781)
	199 236	219 160	179 312

	Namibian Dollar denominated monetary items £	Namibian Dollar currency impact Strengthening £	Namibian Dollar currency impact Weakening £
Assets	12 207 887	13 428 676	10 987 098
Liabilities	(21 102 135)	(23 212 348)	(18 991 921)
	(8 894 248)	(9 783 672)	(8 004 823)

	US Dollar denominated monetary items £	US Dollar currency impact Strengthening £	US Dollar currency impact Weakening £
Assets	4 613 633	5 094 797	4 168 470
Liabilities	(7 553 915)	(8 309 306)	(6 798 523)
	(2 940 282)	(3 214 509)	(2 630 053)

28 February 2023	Rand denominated monetary items £	Rand currency impact Strengthening £	Rand currency impact Weakening £
Assets	137 109	150 820	123 398
Liabilities	(1 147 054)	(1 261 760)	(1 032 349)
	(1 009 945)	(1 110 940)	(908 951)

	Namibian Dollar denominated monetary items £	Namibian Dollar currency impact Strengthening £	Namibian Dollar currency impact Weakening £
Assets	3 943 758	4 338 133	3 549 382
Liabilities	(8 357 069)	(9 192 776)	(7 521 362)
	(4 413 311)	(4 854 643)	(3 971 980)

	US Dollar denominated monetary items £	US Dollar currency impact Strengthening £	US Dollar currency impact Weakening £
Assets	3 934 839	4 328 323	3 541 555
Liabilities	–	–	–
	3 934 839	4 328 323	3 541 555*

* *The prior year figures have been restated to be consistent with the current year as prior year disclosure was missing.*

26. EVENTS AFTER REPORTING DATE

Restructuring of Uis Tin Mining Company (Pty) Ltd (UTMC)

On 26 June 2024, the Company executed a legally binding agreement to restructure UTMC, the operational Namibian entity that holds the Company's licences (ML133, ML134 and ML129) (the "Licences"), to ensure a more efficient corporate structure, subject to certain conditions. The Company sought to increase its ownership interest in UTMC, from 85% to 100% through the acquisition of the 15% interest currently held by the Small Miners of Uis ("SMU"). The SMU is a not-for-gain (Section 21 of the Namibian Companies Act 2004) organisation established by the Minister of Mines and Energy of Namibia to support the economic development of Namibians in historical mining areas. UTMC was a joint venture between SMU and Andrada's wholly owned subsidiary Andrada Mining (Namibia) (Pty) Ltd ("Andrada Namibia") to ensure the economic development of the Licences. The rationale of the restructuring was to consolidate the ownership of Uis and Lithium Ridge licences, to provide Andrada the ability to target and expedite the development of these individual mining licences through full operational and strategic control. As part of the transaction, Andrada Namibia would dispose of its 85% interest in Licence ML129 to SMU. Whilst Licence ML129 (known as Spodumene Hill) no longer aligned with Andrada's current plans, it presented a valuable opportunity for the SMU to drive immediate development and economic growth in the Erongo region.

The SMU approved as part of the transaction, the transfer of a 5% ownership interest in UTMC, from its original 15% ownership interest in UTMC, to Sinco Investments Five (Pty) Limited ("Sinco"), to fulfil its mandate to further empower Namibians and enable access to the mining industry. Andrada Namibia had the option to acquire this 5% interest in UTMC from Sinco, as Sinco had expressed a preference to hold Andrada listed shares. Sinco is a locally owned and managed investment company focussed on developing mining and construction projects within Namibia. It works with partners across the mining value chain to advance Namibian interests.

Subsequently, on 2 August 2024 following the fulfilment of the precedent conditions, the restructure of the ownership of UTMC was completed with the issue of ATM shares. The SMU were issued 13 651 560 ordinary shares for the value of NAD12 million (c£515k) for the 10% ownership acquired by the Company and would also receive NAD18 million (c£770k) in total cash payment to be paid by Andrada Namibia by way of 240 monthly payments of NAD75 000. In addition, Andrada was granted an option over the 5% shares that had been transferred to Sinco. Andrada immediately exercised its option to acquire the remaining 5% of UTMC held by Sinco thereby taking full ownership of the Company's Lithium Ridge and Uis mining licences (ML133 and ML134). The exercise consideration payable was the issue by Andrada of Ordinary Shares in the Company for a total value of NAD24 million (c£1 029 000). Accordingly, Sinco was issued 31 148 782 ordinary shares resulting in total of 44 800 342 shares issued in pursuit of Andrada's empowerment commitment in Namibia.

Funding from Bank Windhoek

On the 6th of August 2024, the Group was granted conditional financing of N$175 000 000 (£7 100 000). The loan term is 6 years with interest accruing at the Namibian Prime lending rate of 11.5%, plus 1% per annum. The loan is ranked a senior secured debt, pari passu with other senior secured debt holders.

Hedging of tin price

On the 15th of May 2024, the Group entered into a commodity swap transaction with Standard Bank Namibia Limited where 20 tonnes of tin have been fixed at $33 000 per tonne. The transaction is effective from 15 May 2024 until 31 May 2025.

27. RELATED-PARTY TRANSACTIONS

Balances and transactions between the Group and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. The remuneration of the key management personnel of the Group, which includes the Directors, and the senior management (C-suite) is set out below and in the remuneration implementation report on page 56.

29 February 2024 (£)	Share option charge	Shares to be issued in relation to Director fees/salary	Board fees/ salary	Bonus payment & accruals	Other fees	Total
Non-Executive Directors						
Glen Parsons (Chairman)	20 293	–	55 000	–	–	75 293
Gida Nakazibwe Sekandi[1]	3 502	–	31 210	–	–	34 712
Laurence Robb	20 293	18 000	16 587	–	24 000[3]	78 880
Michael Rawlinson	20 293	–	45 000	–	–	65 293
Terence Goodlace	20 293	–	45 834	–	–	66 127
Executive Director						
Anthony Viljoen (CEO)	53 652[4]	–	162 456	125 091	–	341 199
Hiten Ooka (CFO)	42 338[4]	–	129 562	63 237	–	235 137
Other key management personnel						
Frans van Daalen (Chief Strategy Officer)[2]	42 338	–	143 957	66 485	–	252 780
Christoffel Smith (Chief Operations Officer)[2]	35 202	–	129 562	63 401	–	228 165
Total	258 204	18 000	759 168	318 214	24 000	1 377 586

1 *Appointed NED on 10 May 2023.*
2 *Appointed COO & CSO on 1 January 2023.*
3 *Exploration consulting fees. Laurence Robb is a seasoned geology professor at Oxford University with vast knowledge of pegmatite mineralogy. He has valuable input to the exploration strategy across all assets.*
4 *Share options vest on 1 May 2026 for a period of seven years. The Executive Directors have a holding period after vesting to 1 May 2028 before exercising subject to additional conditions being satisfied as determined by the Remuneration Committee.*

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28 February 2023 (£)	Share option charge	Shares to be issued in relation to Director fees/salary	Director fees/ salary including bonus payment	Other fees	Total
Non-Executive Directors					
Glen Parsons (Chairman)	36 032		55 000		91 032
Terence Goodlace	36 032		44 778		80 810
Laurence Robb	36 032	18 000	17 000	24 000	95 032
Michael Rawlinson	36 032	21 000	24 000		81 032
Executive Director					
Anthony Viljoen (CEO)	90 081		360 780		450 861
Hiten Ooka (CFO)[5]	72 065		198 042		270 107
Other key management personnel					
Frans van Daalen (Chief Strategy Officer)	72 065		265 894		337 959
Total	**378 339**	**39 000**	**965 494**	**24 000**	**1 406 833**

[5] *Appointed Executive Director on 10 May 2023.*

28. CAPITAL COMMITMENTS

Significant capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	Year ended 29 February 2024 £	Year ended 28 February 2023 £
Exploration and evaluation projects	**584 681**	1 246 195
Property, plant and equipment	**2 163 018**	954 192
	2 747 699	2 200 387

The full balance of these commitments will be due within the next 12 months.

29. RESERVES WITHIN EQUITY

Share capital

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

Convertible loan note reserve

The convertible loan note reserve represents proceeds on issue of convertible loan notes relating to equity component plus accrued interest on the convertible loan notes. These notes were settled in full during the financial year.

Warrant reserve

The warrant reserve represents the cumulative charge to date in respect of unexercised share warrants at the reporting date.

Share-based payment reserve

The share-based payment reserve represents the cumulative charge to date in respect on unexercised share options at the reporting date as well as fees/salaries owed to Directors/employees to be settled through the issuing of shares.

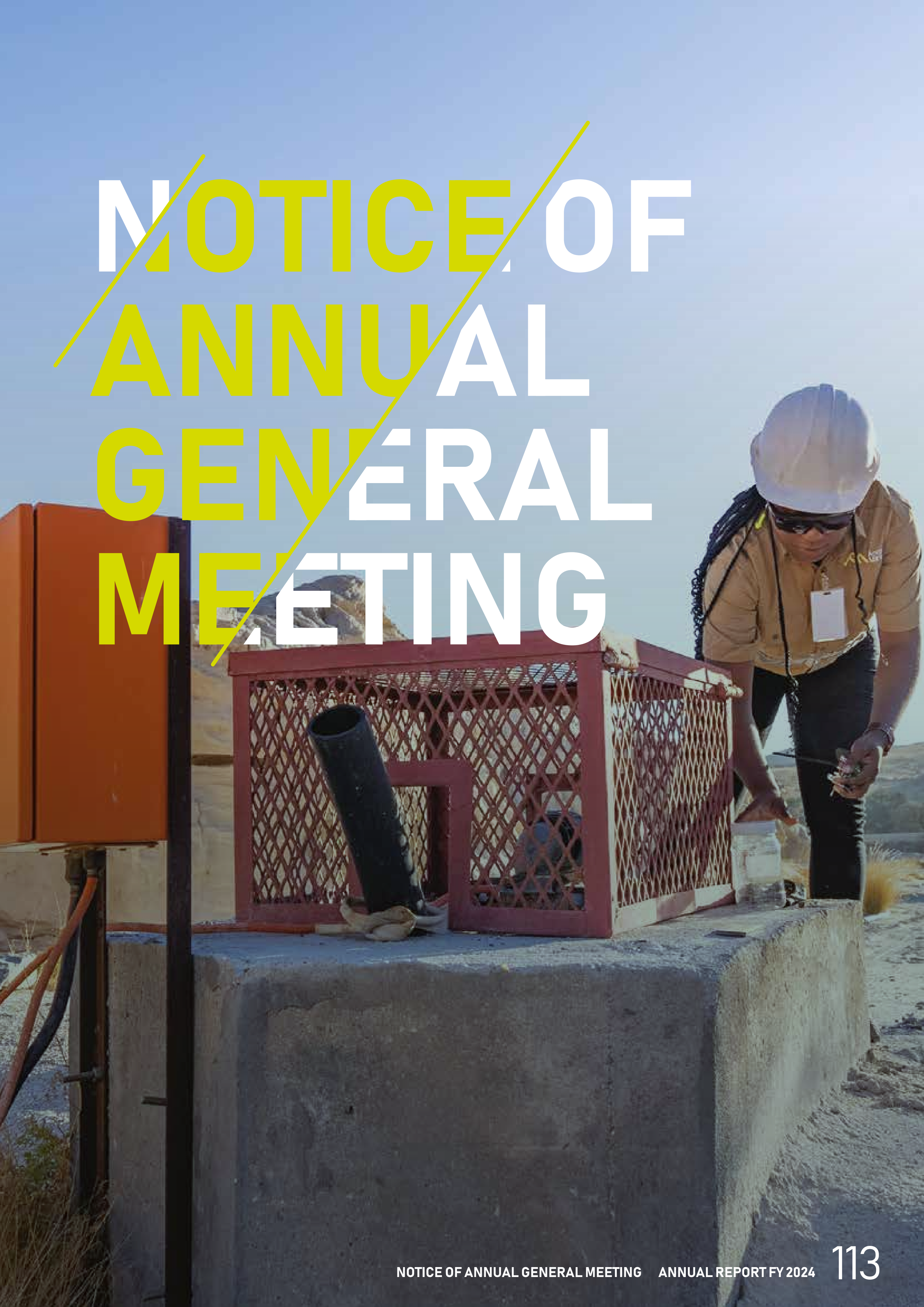
Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign exchange differences arising from the translation of entities with a functional currency other than Pound Sterling.

Retained earnings/accumulated deficit

The retained earnings/accumulated deficit represent the cumulative profit and loss net of distribution to owners.

NOTICE OF ANNUAL GENERAL MEETING



NOTICE OF ANNUAL GENERAL MEETING

Andrada Mining Limited

(Incorporated in Guernsey under registered number 63974)

Registered office:

PO Box 282, Oak House, Hirzel Street, St Peter Port, Guernsey GY1 3RH

29 August 2024

THIS DOCUMENT AND THE ACCOMPANYING FORM OF PROXY ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial advisor who specialises in advising on shares or other securities and who is, in the case of UK shareholders, authorised under the Financial Services and Markets Act 2000.

If you have sold or transferred your shares in Andrada Mining Limited, please forward this document at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold or transferred part of your registered holding of shares, please consult the stockbroker, bank or other agent through whom the sale or transfer was effected.

NOTICE OF MEETING

Notice of an Annual General Meeting of Andrada Mining Limited to be held at 11:00 a.m. on 30 September 2024 at PO Box 282, Oak House, Hirzel Street, St Peter Port, Guernsey GY1 3RH. Members of the Company are requested to return the enclosed Form of Proxy which, to be valid, must be completed and returned in accordance with the instructions printed thereon so as to be received as soon as possible by the Company's Registrars, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, but in any event so as to be received by the Company Secretary at the registered office in accordance with the provisions of the Company's Articles of Incorporation not less than 48 hours (excluding any non-business days) before the time appointed for the Annual General Meeting. Completion and return of a Form of Proxy will not preclude a member of the Company from attending and voting in person at the Annual General Meeting should they so wish.

PROXY

A Form of Proxy for use by shareholders is enclosed. To register your vote electronically via the Link Investor Centre app, or log on to our registrar's website at https://investorcentre.linkgroup.co.uk/Login/Login and follow the instructions on screen. To be valid your proxy must be registered not later than 48 hours (excluding non-working days) before the time fixed for the Meeting. Do not show these details to anyone unless you wish them to give proxy instructions on your behalf.

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to http://www.proxymity.io.

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf (further information can be found in the notes to the notice of meeting).

To register a vote electronically, Link Investor Centre is a free app for smartphone and tablet provided by Link Group (the Company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code on the next page. Alternatively, you may access the Link Investor Centre via a web browser at: https://investorcentre.linkgroup.co.uk/Login/Login

Download on the App Store

GET IT ON Google Play

If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar.

For further information regarding Proxymity, please go to http://www.proxymity.io. Your proxy must be lodged by 11:00 on 26 September 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Do not show these details to anyone unless you wish them to give proxy instructions on your behalf.

Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

ORDINARY RESOLUTIONS

1. To receive and adopt the Annual Financial Statements of the Company and the Directors' report and the report of the Auditor for the year ended 29 February 2024.

2. That Terence Goodlace shall be re-elected as a Director of the Company, having retired by rotation pursuant to Article 24.9 of the Articles of Incorporation of the Company (the "Articles") and offered himself for re-election.

3. That Laurence Robb shall be re-elected as a Director of the Company, having retired by rotation pursuant to Article 24.9 of the Articles and offered himself for re-election.

4. That Messrs BDO LLP be reappointed as Auditors to the Company.

5. That the Directors be authorised to approve the remuneration of the Company's Auditors.

6. The Company be generally and unconditionally authorised to make on market acquisitions of Ordinary Shares on such terms and in such manner as the Directors determine, provided that:

   a. the maximum aggregate number of Ordinary shares which may be purchased is 165 348 761 Ordinary Shares;

   b. the minimum price (excluding expenses) which may be paid for each Ordinary Share is GBP0.01;

   c. the maximum price (excluding expenses) which may be paid for any Ordinary Share does not exceed 110 per cent of the average closing price of such shares for the 5 business days of AIM prior to the date of purchase; and

   d. this authority shall expire at the conclusion of the next Annual General Meeting of the Company unless such authority is renewed prior to that time (except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of such authority, in which case such purchase may be concluded wholly or partly after such expiry).

7. In substitution for any and all previous authorisations, the Directors of the Company be and are hereby authorised to exercise all powers of the Company to issue equity securities (as defined in Article 5.1 of the Articles) in respect of up to 545 650 910 shares (representing approximately 33% of the issued share capital of the Company as at 28 August 2024) in the capital of the Company in accordance with Article 4.2 of the Articles, such authority to expire, unless previously renewed, revoked or varied by the Company by ordinary resolution, at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on the date falling 15 months from the date of the passing of this Resolution, but in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be issued or granted after the authority given to the Directors of the Company pursuant to this Resolution ends, and the Directors of the Company may issue or grant equity securities under any such offer or agreement as if the authority given to the Directors of the Company pursuant to this Resolution had not ended. This Resolution is in substitution for all unexercised authorities previously granted to the Directors of the Company to issue or grant equity securities.

EXTRAORDINARY RESOLUTIONS

8. That the Directors be and are hereby authorised to exercise all powers of the Company to grant rights to subscribe for shares to Directors or employees of the Company in accordance with Article 4.2 of the Articles as part of the previously adopted Directors and employees share option schemes (together the "Options"), and to issue shares pursuant to the exercise of such Options, as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issue and provided that the authority hereby conferred, unless previously renewed, revoked or varied by the Company by extraordinary resolution, shall expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on the date falling 15 months from the date of the passing of this Resolution (unless previously renewed, revoked or varied by the Company by extraordinary resolution), save that the Company may before such expiry make an offer or agreement which would or might require Options to be granted after such expiry and the Directors may issue or grant the Options in pursuance of

such an offer or agreement, and issue shares pursuant to the exercise of Options, as if the authority conferred by the above resolution had not expired.

9. **Disapplication of pre-emption rights (general)**

THAT, subject to the passing of resolution 7 and in place of all existing powers to the extent unused, the Directors be authorised to issue equity securities as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issue provided that such authority shall be limited to:

a. the issuance of equity securities in connection with an offer of equity securities by way of a fully pre-emptive offer:

i. to the holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings; and

ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange;

b. the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraph (a) of this resolution) to any person up to a maximum of 165 348 761 shares being approximately 10% of the issued share capital of the Company (excluding treasury shares); and

c. the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraphs (a) or (b) of this resolution) to any person up to an aggregate nominal amount equal to 20% of any issuance of equity securities or sale of treasury shares from time to time under paragraph (b), such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre- Emption Group in 2022.

The power granted by this resolution will expire on the date which is 15 months after the date on which this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

10. **Disapplication of pre-emption rights (acquisition or capital investment)**

THAT, subject to the passing of resolution 7, the Directors be authorised, in addition to any authority granted under resolution 9, to issue equity securities and/or sell Ordinary Shares held by the Company as treasury shares for cash as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issuance or sale, provided such authority shall be:

a. limited to the issuance of equity securities or sale of treasury shares up to a maximum of 165 348 761 shares, to be used only for the purpose of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group in 2022; and

b. limited to the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraph (a) above) to any person up to an aggregate nominal amount equal to 20% of any issuance of equity securities or sale of treasury shares from time to time under paragraph (a) above, such authority to be used for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group in 2022.

The power granted by this resolution will expire on the date which is 15 months after the date on which this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

By order of the Board

GLEN PARSONS
Chairman of the Board
29 August 2024

ANDRADA MINING LIMITED

(Incorporated in Guernsey under registered number 63974)

(The "**Company**")

ANNUAL GENERAL MEETING FORM OF PROXY

For use at the Annual General Meeting of the Company to be held at 11:00 a.m. on 30 September 2024 at PO Box 282, Oak House, Hirzel Street, St Peter Port, Guernsey GY1 3RH (the "Annual General Meeting").

I/WE ______________________________

BLOCK LETTERS

OF ______________________________

ADDRESS

being (a) member(s) of the Company hereby appoint the Chairman of the Annual General Meeting (See Note 1)

OR ______________________________

as my/our proxy and to attend, speak, and vote for me/us on my/our behalf at the Annual General Meeting and at any adjournment thereof. My/our proxy is to vote as indicated below in respect of each of the resolutions set out in the Notice of Annual General Meeting (see Note 3). On any other business that may properly come before the Annual General Meeting (including any motion to amend a resolution or to adjourn the Annual General Meeting), the proxy will act at his/her discretion.

Please indicate by placing an "X" in this box if this proxy appointment is one of multiple appointments being made (see Note 2).

		FOR	AGAINST	WITHHELD
	ORDINARY RESOLUTIONS			
1.	To receive and adopt the Annual Financial Statements of the Company and the Directors' report and the report of the Auditors for the year ended 29 February 2024.			
2.	That Terence Goodlace shall be re-elected as a Director of the Company having retired by rotation under Article 24.9 of the Articles of Incorporation of the Company (the "Articles") and offered himself for re-election.			
3.	That Laurence Robb shall be re-elected as a Director of the Company having retired by rotation under Article 24.9 of the Articles of Incorporation of the Company (the "Articles") and offered himself for re-election.			
4.	That Messrs BDO LLP be reappointed as Auditors to the Company.			
5.	That the Directors be authorised to approve the remuneration of the Company's Auditors.			
6.	The Company be generally and unconditionally authorised to make on market acquisitions of Ordinary Shares on such terms and in such manner as the Directors determine, provided that: a. the maximum aggregate number of Ordinary Shares which may be purchased is 165 348 761 Ordinary Shares; b. the minimum price (excluding expenses) which may be paid for each Ordinary Share is GBP0.01; c. the maximum price (excluding expenses) which may be paid for any Ordinary Share does not exceed 110 per cent of the average closing price of such shares for the 5 business days of AIM prior to the date of purchase; and d. this authority shall expire at the conclusion of the next Annual General Meeting of the Company unless such authority is renewed prior to that time (except in relation to the purchase of Ordinary Shares the contract for which was concluded before the expiry of such authority, in which case such purchase may be concluded wholly or partly after such expiry).			

	FOR	AGAINST	WITHHELD
7. In substitution for any and all previous authorisations, the Directors of the Company be and are hereby authorised to exercise all powers of the Company to issue equity securities (as defined in Article 5.1 of the Articles) in respect of up to 545 650 910 shares (representing approximately 33% of the issued share capital of the Company as at 28 August 2024) in the capital of the Company under Article 4.2 of the Articles, such authority to expire, unless previously renewed, revoked or varied by the Company by ordinary resolution, at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on the date falling 15 months from the date of the passing of this Resolution, but in each case, during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be issued or granted after the authority given to the Directors of the Company pursuant to this Resolution ends and the Directors of the Company may issue or grant equity securities under any such offer or agreement as if the authority given to the Directors of the Company pursuant to this Resolution had not ended. This Resolution is in substitution for all unexercised authorities previously granted to the Directors of the Company to issue or grant equity securities.			
EXTRAORDINARY RESOLUTIONS			
8. That the Directors be and are hereby authorised to exercise all powers of the Company to grant rights to subscribe for shares to Directors or employees of the Company in accordance with Article 4.2 of the Articles as part of the previously adopted Directors and employees share option schemes (together the "Options"), and to issue shares pursuant to the exercise of such Options, as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issue or grant, and provided that the authority hereby conferred, unless previously renewed, revoked or varied by the Company by extraordinary resolution, shall expire at the end of the next Annual General Meeting of the Company or, if earlier, at the close of business on the date falling 15 months from the date of the passing of this Resolution (unless previously renewed, revoked or varied by the Company by extraordinary resolution), save that the Company may before such expiry make an offer or agreement which would or might require Options to be granted after such expiry and the Directors may issue or grant the Options in pursuance of such an offer or agreement, and issue shares pursuant to the exercise of Options, as if the authority conferred by the above resolution had not expired.			
9. **Disapplication of pre-emption rights (general)** THAT, subject to the passing of resolution 7 and in place of all existing powers to the extent unused, the Directors be authorised to issue equity securities as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issue provided that such authority shall be limited to: a. the issuance of equity securities in connection with an offer of equity securities by way of a fully pre-emptive offer: i. to the holders of Ordinary Shares in proportion (as nearly as may be practicable) to their respective holdings; and ii. to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates, legal or practical problems in or under the laws of any territory or the requirements of any regulatory body or stock exchange; b. the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraph (a) of this resolution) to any person up to a maximum of 165 348 761 shares being approximately 10% of the issued share capital of the Company (excluding treasury shares); and			

	FOR	AGAINST	WITHHELD
c. the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraphs (a) or (b) of this resolution) to any person up to an aggregate nominal amount equal to 20% of any issuance of equity securities or sale of treasury shares from time to time under paragraph (b), such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group in 2022. The power granted by this resolution will expire on the date which is 15 months after the date on which this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.			
10. **Disapplication of pre-emption rights (acquisition or capital investment)** THAT, subject to the passing of resolution 7, the Directors be authorised, in addition to any authority granted under resolution 9, to issue equity securities and/or sell Ordinary Shares held by the Company as treasury shares for cash as if the pre-emption rights contained in Article 5.2 of the Articles did not apply to such issuance or sale, provided such authority shall be: a. limited to the issuance of equity securities or sale of treasury shares up to a maximum of 165 348 761 shares, to be used only for the purpose of financing (or refinancing, if the authority is to be used within 12 months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group in 2022; and b. limited to the issuance of equity securities or sale of treasury shares (otherwise than pursuant to paragraph (a) above) to any person up to an aggregate nominal amount equal to 20% of any issuance of equity securities or sale of treasury shares from time to time under paragraph (a) above, such authority to be used only for the purposes of making a follow-on offer which the Directors determine to be of a kind contemplated by paragraph 3 of Part 2B of the Statement of Principles on Disapplying Pre-Emption Rights published by the Pre-Emption Group in 2022. The power granted by this resolution will expire on the date which is 15 months after the date on which this resolution is passed or, if earlier, the conclusion of the Company's next Annual General Meeting (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be issued after such expiry and the Directors may issue equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.			

DATED: ______________________________

SIGNED OR SEALED ______________________________
(see Note 4)

Notes

1. If a member wishes to appoint as a proxy a person other than the Chairman of the Annual General Meeting, the name of the other person should be inserted in block capitals in the space provided. A proxy need not be a member of the Company but must attend the Annual General Meeting in person. Any alteration or deletion must be signed or initialled.
2. A member may appoint more than one proxy in relation to a meeting, provided that the proxy is appointed to exercise the rights attached to a different share or shares held by him. To appoint more than one proxy, please contact the Company's Registrars, Link Group, PXS, Central Square, 29 Wellington Street, Leeds, LS1 4DL for (an) additional form(s) or you may photocopy this form. Please indicate next to the proxy holder's name the number of shares in relation to which they are authorised to act as your proxy (a proxy appointment that fails to do so may be treated as invalid by the Company). Please also indicate by placing an X in the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and returned in the same envelope together.
3. A member should indicate by marking the box headed either FOR, AGAINST or WITHHELD with an 'X' to show how he wishes his vote to be cast in respect of each of the resolutions set out in the Notice of Annual General Meeting. Unless so instructed, the proxy will exercise his discretion as to whether to vote or abstain as he thinks fit. The Vote Withheld option is provided to enable a member to instruct the proxy not to vote on any resolution, however, it should be noted that a vote withheld in this way is not a "vote" in law and will not be counted in the calculation of the proportion of votes FOR and AGAINST a resolution.
4. In the case of a corporation, this Form of Proxy should be given under its seal or signed on its behalf by an attorney or duly authorised officer. In the case of joint holders, the Form of Proxy may be signed by one or more of the holders, but if more than one form is submitted in respect of the same joint holding, the Form of Proxy signed by that one of them whose name stands first on the register of members in respect of the joint holding shall be accepted to the exclusion of the others.
5. Use of this Form of Proxy does not preclude a member from attending the Annual General Meeting and voting in person.
6. To be valid, this Form of Proxy must be lodged together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, at the Company's Registrars, Link Group, PXS1, Central Square, 29 Wellington Street, Leeds, LS1 4DL, not less than 48 hours before the Annual General Meeting or any adjournment thereof or, in the case of a poll taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for taking the poll and, in the case of a poll not taken during the Annual General Meeting but taken not more than 48 hours after it is demanded, at the time at which the poll was demanded (failing which the proxy notice will not be treated as valid unless the Board in its sole discretion determines otherwise) in each case excluding any days which are a Saturday, Sunday or public holiday in Guernsey.
7. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
8. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in Note 3 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
9. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).

10. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).

11. To register a vote electronically, Link Investor Centre is a free app for smartphone and tablet provided by Link Group (the company's registrar) It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Link Investor Centre via a web browser at:
https://investorcentre.linkgroup.co.uk/Login/Login

12. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 11:00 on 26 September 2024 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

13. Where more than one proxy notice is delivered, deposited, or received in respect of the same shares, that delivered, deposited or received latest shall prevail. If it is not clear which was delivered, deposited, or received latest, none shall be valid.

14. To allow the effective constitution of the Annual General Meeting, the Chairman may appoint a substitute to act as a proxy in his/her place for any member provided that, where the relevant member has not given directions as to how to vote on any resolution, such substitute proxy shall vote in the same way as the Chairman.

15. If you need help with voting online, or require a paper proxy form, please contact our Registrar, Link Group by email at shareholderenquiries@linkgroup.co.uk, or you may call Link on 0371 664 0391. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. We are open between 09:00 - 17:30, Monday to Friday excluding public holidays in England and Wales.

16. Any electronic address provided either in this Notice or in any related documents (including the Form of Proxy) may not be used to communicate with the Company for any purposes other than those expressly stated.

NOTES

NOTES

NOTES

REGISTERED OFFICE
PO Box 282
Oak House
Hirzel Street, St Peter Port
Guernsey GY1 3RH

REPRESENTATIVE OFFICE
South Africa
Illovo Edge Office Park
Building 3, Ground Floor
Corner Harries and Fricker Road
Illovo, South Africa

REPRESENTATIVE OFFICE
Namibia
Shop 48, Second Floor
Old Power Station Complex
Armstrong Street
Windhoek, Namibia

NOMINATED ADVISOR & BROKER
Zeus Capital Limited
3rd Floor Royal House
28 Sovereign Street
Leeds
LS1 4BJ
United Kingdom

INDEPENDENT AUDITORS
BDO LLP
55 Baker Street
W1U 7EU London
United Kingdom

LEGAL COUNSEL UNITED KINGDOM
Gowling WLG
4 More London Riverside
SE1 2AU London
United Kingdom

CORPORATE ADVISOR AND JOINT BROKER
Hannam & Partners
2 Park Street, Mayfair
W1K 2HX London
United Kingdom

JOINT BROKER
Berenberg
60 Threadneedle Street
London
EC2R 8HP
United Kingdom

INVESTOR RELATIONS
Tavistock
1 Cornhill, Langbourn
EC3V 3NR London
United Kingdom

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Mining

andradamining.com

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x.com/Andrada_Mining

www.youtube.com/@andradamining