Company Registration No 13158079 (England and Wales)

METALS ONE PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

CONTENTS

Directors	Jonathan Owen – Chief Executive Officer Daniel Maling – Chief Financial Officer Alastair Clayton –Non-executive Chairman Sara Minchin – Non-executive Director Thomas Levin – Non-executive Director Craig Moulton - Non-executive Director Winton Willesee - Non-executive Director	
Company Secretary	Orana Corporate LLP	
Company number	13158079	
Registered office	Eccleston Yards 25 Eccleston Place, London England SW1W 9NF	
Principal place of business / Operations	Heddon House 149-151 Regent Street London W1B 4JD	
Independent Auditors	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf, London E14 4HD	
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Dear Shareholder,

I am pleased to present the first annual financial report of Metals One since its admission to the London Stock Exchange Alternative Investment Market (AIM).

The twelve-months ended 31 December 2023 were an incredibly busy period for the Company as it completed its AIM Initial Public Offering (IPO) and concurrent acquisitions of European strategic minerals projects.

On 31 July 2023, the Company completed both the acquisition Metals One Finland, formerly FinnAust Mining Northern OY which holds 100% interest in the Paltamo and Rautavaara Nickel-Zinc-Copper-Cobalt ("Ni-Zn-Cu-Co") projects in the Kainuu Black Schist Belt in eastern Finland acquired from AIM-listed Bluejay Mining Plc (AIM: JAY), and the acquisition of Scandinavian Resource Holdings, which holds 80% of the shares in Narvik Nikkel AS which in turn holds 100% of the Råna Project in Northern Norway through a Joint Venture ("JV") with Kingsrose Mining Ltd (ASX: KRM) ("Kingsrose"). On the same date, the Company also completed its listing on the AIM market of the London Stock Exchange, having raised £2.2 million for working capital for its projects.

Finland – Black Schist Project
Inferred Mineral Resource of 28.1 Mt Ni-Zn-Cu-Co

The Project in Finland comprises three exploration permits and four reservations, together with three pending exploration permit applications and one pending reservation application. The project is located across the Kainuu (Paltamo) and Northern Savonia (Rautavaara) regions of eastern Finland, and is adjacent to one of Europe's largest nickel miner, Terrafame. The primary project development model Metals One is pursuing at the Black Schist Project is for Terrafame -style shale-hosted Ni-Zn-Cu-Co resources.

The Black Schist Project contains an existing JORC Inferred Resource (at the R1 target) of 28.1 Mt at a grade of 0.19% Ni (53,800t), 0.10% Cu (27,900t), 0.01% Co (3,400t) and 0.38% Zn (180,000t), and a JORC Exploration Target (at the P5 target) of 16-24 Mt. The Company's strategy for the project is to show a clear path to the economic extraction of its assets. This includes a longer-term ambition of potentially defining a 200 Mt resource, the scale of which could underpin a significant supply of strategic minerals to the European market at what Metals One expects to be a low cost of production and low carbon intensity.

On 25 July 2023 the Company entered into an agreement during the year in relation to its Black Schist Project, pursuant to which AIM-listed Gunsynd Plc (AIM: GUN) agreed to acquire up to 25% of the projects for a staged investment of up to £1 million. On 16 November 2023 the Company announced that it had received the first stage payment of £250,000 from Gunsynd and accordingly Gunsynd was issued with 6.25% of the voting share capital of Metals One Finland (a subsidiary of the Company which holds the Black-Schist Project). Post-period end, Metals One announced on 20 May 2024 an £895,000 Placing to advance the Black Schist Project and, simultaneously, its decision to terminate the Gunsynd farm-in. As part of the termination agreement, Metals One has been granted a three-year option to re-acquire the 6.25% of Metals One Finland currently held by Gunsynd.

The Company commenced a drilling programme at the Black Schist Project in November 2023 and completed 1,548m of diamond drilling across eight holes at the R1 Hook target. This target is a highly prospective extension to the R1 target in the Rauta 9-11 Resource bearing licence area at the Black Schist Project. Diamond drilling was designed to confirm the structure and potential for Terrafame-style Ni-Cu-Co-Zn mineralisation. Pleasingly, initial visual and portable (X-ray Fluorescence(""pXR")") assessments of the core indicated potential intersections of this style of black shale hosted mineralisation.

Metals One reported drilling assay results from the drilling programme post period end. Significant intersections of mineralised black schists were identified in all eight drillholes, whilst drilling also demonstrated geological continuity with the Company's existing Resource at R1 which could support future resource expansion. Significantly, Hole RAU0002 intercepted 14.7m of mineralised black schists from 50m (0.18% Ni, 0.01% Cu, 0.01% Co, 0.57% Zn) and Hole RAU0003 intercepted 11m of mineralised black schists from 199.5m (0.22% Ni, 0.01% Cu, 0.01% Co, 0.55% Zn).

The results confirmed a synformal structure, indicating significant potential to the east and prompting the Company to extend the current permit area in that direction.

Post-period end, Metals One's work programme has centred on its P5 JORC Exploration Target in the Paltamo area of the project. Underpinned by positive assay results and using the funds raised in May 2024, Metals One intends to progress its resource upgrade programme, targeting an anticipated increase in resource from the current 28.1 Mt of Terrafame -type mineralisation. The Company is on track to share its interpretation and updated resource in the coming weeks and expects the updated resource to underpin a Scoping Study in the second half of 2024 which would represent a key milestone in the Company's transition from exploration and discovery to project development.

Norway – SRH Råna Project
Brownfield exploration of Råna Intrusion – fully carried

The Company's assets in Norway consist of an indirect 80% interest in the Råna Project (Ni-Cu-Co), via its Joint Venture Narvik Nikkel AS, located on the southern shores of the Ofotfjord and situated approximately 20 km to the southwest of the port town of Narvik. The Råna Project consists of contiguous exploration permits with a total area of 18.14 km^2 that cover the northern and northwestern parts of the Råna mafic to ultramafic Intrusion ("Råna Intrusion"). The project has proven potential for massive sulphide Ni-Cu-Co mineralisation.

The Company's interest in the Råna Project is owned through a JV with Kingsrose, who are operator of the project and have a right to earn up to 75% over eight years through staged expenditure of up to A$15 million. We announced in early February 2024 that Kingsrose had received all analytical results from the 2023 core drilling programme, where a total of 4,318m were drilled across 12 holes.

The identification of new zones of nickel sulphide mineralisation at our SRH Råna Project further demonstrates the scale potential of the largely underexplored Råna intrusion. In addition to the discovery of mineralised bodies at the Rånbogen and Malmhaugen prospects, the drill programme identified multiple high-priority targets, including areas of outcropping massive sulphide nickel mineralisation associated with conductive geophysical anomalies extending to depth. The operator is aiming to drill these key targets as part of its 2024 exploration programme alongside further geophysical surveying across the broader intrusion. They continue to test the true potential of the Råna intrusion to host one, if not more, nickel-copper-cobalt-PGM deposits of economic tenor.

Conclusion

Metals One has listed with interests in strategic minerals projects including substantial exploration carry exposure through farm-ins at a critical time for the development of domestic sources of the strategic minerals required to support the digital and green transitions in Europe. With European projects, experienced partners, and funded work programmes in place, our projects are well positioned for rapid advancement as we seek to establish sustainably mined sources of strategic minerals, including copper and nickel, in Europe, close to the centre of demand.

With very encouraging results from our projects in Norway and Finland, we are well positioned for our continuing project development and to grow value for shareholders. We look forward to updating shareholders and stakeholders on further news as we continue our work programmes.

I would like to thank the team at Metals One and its advisers for their hard work leading up to the IPO and project acquisitions, and also our shareholders for their continued support of the Company's strategy. I believe our strategy to focus on strategic minerals at this time and in the right jurisdiction will pay off.

Alastair Clayton
Chairman
28 June 2024

Fair review of the business

The Company was incorporated on 26 January 2021 with a view to undertake acquisitions of a target company or business within the battery metals space.

In July 2023, the Company completed a successful IPO on London's AIM market raising gross proceeds of £2.2 million through the issuance of 44,000,000 ordinary shares at a placing price of 5 pence per share. The successful IPO allowed Metals One to secure essential funding for its planned brownfield projects in Norway (Rana) and Finland (Black-Schist).

In November 2023, Metals One commenced a drilling programme at the Black Schist Project, completing 1,548m of diamond drilling across eight holes at the R1 Hook target. The drilling results confirmed the potential for Terrafame-style mineralisation, with significant intersections of mineralised black schists.

The Group through its JV manager, Kingsrose, have completed a 4,318m drilling program across 12 holes, identifying new zones of nickel sulphide mineralisation and multiple high-priority targets within the Råna intrusion.

Overall, Metals One is actively advancing its strategic minerals projects in Finland and Norway through exploration and development activities, while also strategically partnering with experienced operators like Kingsrose to leverage their expertise and funding.

Principal risks and uncertainties

There are several risks associated with newly listed entities focused in the natural resources sector. The Board regularly reviews the risks to which the Group is exposed and endeavours to minimise them as far as possible. The following summary, which is not exhaustive, outlines some of the risks and uncertainties facing the Group:

Commercialisation of projects and revenue generation

Generally, the business of exploration, development and exploitation of minerals and mining involves a high degree of risk. Whilst the Directors believe the Group has identified potentially economically recoverable volumes of minerals at the projects, there can be no certainty this will be the case or that any minerals produced will be of the desired quality.

This is because at present there is insufficient data to verify that the projects contain a concentration or occurrence of minerals in such mineralised system, grade (or quality), and quantity that there are reasonable prospects for eventual economic extraction. Therefore, there is no certainty as to the size or quality of the ore body at the projects. Although the Group plans to fund further development of the projects, there is no certainty that this will be successful or that the Group will be able to locate sufficient Nickel and/or Copper deposits that can be economically extracted.

Price fluctuations in the value of the underlying commodity

The Group's potential future revenues are likely to be derived primarily from the sale of Nickel. Consequently, the Group's potential future earnings will likely be closely related to the price of Nickel. The Group has mitigated this risk by diversifying into different ore types such as Copper and Zinc.

In December 2023 the price of nickel fell from its high of $27,000 per tonne to a low of $15,000 per tonne due to market oversupply, particularly from Indonesian suppliers. Nickel futures have recently risen to around $17,800 per tonne mark, their highest in four months, pushed by growing expectations of interest rate cuts by the major central banks. The Group predicts the price will further rebound in 2024 due to continued demand for the materials in particular for the manufacture of batteries.

The Group has further reduced commodity price risk by investment in high-quality low-cost assets which will give the Group greater flexibility and resilience against price fluctuations as the overall cost of production will remain low.

Environmental risk

The Group's projects are expected to have an impact on the environment, particularly in cases of advanced exploration or as mine development proceeds, production sites and plants. Its activities are or will be subject to in-country national and regional laws and regulations regarding environmental hazards.

The Group has obtained environment clearance for the first phase of its project's in terms of the regulations in place. The Group continuously engages in measures related to environmental improvements and will begin to develop a rehabilitation plan in the next year.

Key staff risk

Due to the small size of the Group the loss of key officers or employees could adversely impact the Groups operations. The Group has mitigated this risk factor by engaging with various third-party service providers who are able to increase resources if required.

Capital and funding risk

The Group may need additional capital for meeting its working capital needs and for creating additional capacities. There can be potential risks in raising equity and debt capital for the development of its projects.

In May 2024 the Group raised gross proceeds of £895,000 through a placing and subscription of 89,500,000 new ordinary shares of 1p each in the capital of the Company at a price of 1p per share to support the development of the Black Schist Project.

Key performance indicators

The key performance indicators of the Group are set out below:

	For the year ended 31 December 2023	**For the year ended 31 December 2022**
Cash and cash equivalents	751,095	39,875
Carrying value of Exploration and Evaluation asset	5,706,986	-
Net loss	(1,754,562)	(253,666)

The key performance indicators of the Company are set out below:

	For the year ended 31 December 2023	**For the year ended 31 December 2022**
Cash and cash equivalents	558,328	39,875
Net loss	(1,413,412)	(253,666)

Gender analysis

A split of our employees and directors by gender during the year is shown below:

	Male	**Female**
Directors	6	1
Employees	1	-

Corporate social responsibility

We aim to conduct our business with honesty, integrity, openness, while respecting human rights and the interests of our shareholders and employees. We aim to provide timely, regular, and reliable information on the business to all our shareholders and conduct our operations to the highest standards.

Task Force on Climate-Related Disclosure (TCFD)

The Group began exploration work, for the first time in 2023 and expects to develop its sustainability plans over a five year period, commensurate with the size of its operations. Climate change was not considered a principal risk or uncertainty for the year ended 31 December 2023.

Greenhouse Gas (GHG) Emissions

Current UK based annual energy usage and associated annual GHG emissions are reported pursuant to the Companies and Limited Liability Partnerships Regulations 2018 that came into force 1 April 2019. Energy use and associated GHG emissions are reported as defined by the operational control approach. The minimum mandatory requirements set out in the 2018 Regulations requires reporting of UK based energy use and emissions. The Group has a small carbon footprint in the UK as most of the directors' work from home or in shared office space. As a result, the energy usage in the UK is below 40,000KWH and therefore Greenhouse gas emissions, energy consumption and energy efficiency disclosures have not been provided in the Annual Report.

Section 172 Statement

Section 172 (1) of the Companies Act obliges the Directors to promote the success of the Group for the benefit of the Group's members as a whole. This section specifies that the Directors must act in good faith when promoting the success of the Group and in doing so, have regard (amongst other things) to:

Consider the likely consequences of any decision in the long term

The Group has had a formative year to 31 December 2023, with its successful IPO and commencement of exploration works at its Råna and Black-Schist projects.

The completion of the first phase of the drilling programme at Black-Schist and ongoing exploration at the Rana site via its JV with Kingsrose Mining demonstrates that the Group is continuing to create value for shareholders.

Consider the interests of the Group's employees

Currently the Group has only eight employees, being the seven directors and one employee in Finland.

The Directors recognise the role of the Group's employees in contributing to its overall success and the importance of the Group's ability to incentivise and motivate its employees. Therefore, the Directors believe that certain directors, employees and consultants should be given the opportunity to participate and take a financial interest in the success of the Group.

As a result, the Group has established an employee benefit trust called the Metals One Employee Benefit Trust ("EBT") to implement the use of the Long-Term Incentive Plan (LTIP). The EBT will be a discretionary trust for the benefit of directors, employees and consultants of the Group and its subsidiaries

Foster the Group's business relationship with suppliers, customers and others

In order to progress the programmes, the Group is reliant on the support of its key suppliers (suppliers of earthmoving and excavation equipment, drilling contractors, suppliers of local equipment and materials, food and provisions and security). It is therefore a key part of the Group's strategy to develop these relationships to ensure the Group maintains a strong and secure relationship with these suppliers.

Consider the impact of the Group's operations on the community and environment

The Directors believe that a long-term sustainable business model is essential for discharging the Board's responsibility to promote the success of the Group, its employees, shareholders and other stakeholders of the business. In considering the Group's strategic plans for the future, the Directors proactively consider the potential impact of their decisions on all the Group's stakeholders, striving to reach a net positive impact for the local communities it operates in, as well as finding the right balance for the projects' economic, social and environmental sustainability'.

The Group intends to implement a formal environmental, social, and governance (ESG) strategy and committee in due course, which will monitor the implementation of ESG practices to ensure the Group conducts its business with a view of long-term sustainability for all of its stakeholders.

The Group fully endorses the aims of the Modern Slavery Act 2015 and takes a zero-tolerance approach to slavery and human trafficking within the Group and supply chain. The Group mitigates the risk of modern slavery by operating in low risk jurisdictions and due-diligence on new suppliers that are engaged.

Maintain a reputation for high standards of business conduct

The Group has established a number of policies and procedures and continues to develop these as it grows. Where possible, given the infancy and current size of Group, it looks to follow the QCA rules on corporate governance as disclosed in the Corporate Governance Statement which is included in this set of report and accounts.

Consider the need to act fairly as between members of the Group.

The Directors hold circa 9.47% of the shares of the Group with the remainder held by a range of individuals and companies. The Group extended the expiry date of various warrants in the year and subsequent to year end, to ensure all shareholders were treated equitably.

Conclusion

The Directors believe that to the best of their knowledge and abilities, they have acted in the way they consider prudent to promote the success of the Group for the benefit of its members, in the true spirit of the provisions of Section 172 (1) of the Companies Act 2006.

On behalf of the board

Alastair Clayton
Chairman
28 June 2024

The Directors are all considered to be key management personnel.

Alastair Raoul Clayton - Non-Executive Chairman - Mr Clayton has over 25 years' experience in the mining and exploration industry, identifying, financing and developing mineral, energy and materials processing projects in Australia, Europe and Africa. He is a qualified geologist, having obtained a BSc (Hons) Geology from the University of Western Australia, and holds a Graduate Diploma in Finance and Economics from the Securities Institute of Australia. Mr Clayton, who is based in London, has considerable experience with both AIM and ASX listed companies, notably as a Director of then ASX100 component Extract Resources Ltd, representing Kalahari Minerals PLC, in the c.£1.25B takeover by CGNPC to secure the Husab Uranium project in 2012 and previously as an Executive Director of Artemis Resources (AIM:ARV) including on its admission to AIM in 2022 and Primorus Investments (AIM:PRIM).

Jonathan Owen - Chief Executive Officer (CEO) - Jonathan is a mining engineer with over 25 years' experience in building businesses and driving successful outcomes within global organisations. He is a Fellow of the Geological Society and an Associate of the Camborne School of Mines. Jonathan has held leadership positions in mining operations and mineral exploration across a range of commodities and jurisdictions. He is Founder and Principal of Trans4Mine, a leading operations transformation consultancy supporting the mining and metals industry.

Daniel Maling - Chief Financial Officer (CFO) - Daniel is a chartered accountant and member of the ICAEW and Fellow of the Chartered Accountants of Australia and New Zealand. He has over 25 years executive experience managing and advising AIM, ASX and TSX natural resources on corporate finance, business development and strategy. Notably he was Corporate Finance and Business Development Manager for AIM listed mining investment house Cambrian Mining Plc which merged with Western Coal Corp. before being bought by Walter Energy for US$3.3 billion in 2011. Daniel is the original founder of Metals One Plc and negotiated the acquisition of our key projects in Finland and Norway.

Thomas Levin – Non-Executive Director - Thomas is an experienced geologist with a Masters in Geology and Mineralogy with Chemistry, Geography and Environmental Biology from the Abo Akademi University. Thomas has over 14 years' operational experience operating in Scandanavia and has worked with FinnAust Mining Finland on the project being acquired by Metals One since 2011.

Winton Willesee – Non-Executive Director - Winton is an experienced company director and company secretary with particular experience with publicly listed companies. He has a Master of Commerce, a Post-Graduate Diploma in Business (Economics and Finance). Additionally, Graduate Diplomas in Applied Finance and Investment, Applied Corporate Governance, Education and a Bachelor of Business. Mr Willesee is currently the director of two ASX listed companies and one LSE listed company. He is also a Fellow of the Financial Services Institute of Australasia, a Fellow of the Governance Institute of Australia and the Institute of Chartered Secretaries and Administrators. Also a Graduate member of the Australian Institute of Company Directors, and a Member of CPA Australia.

Sara Katja Emilia Minchin – Independent Non-Executive Director - Sara Minchin has 12 years' experience in accounting (with Deloitte, KPMG, 3i Plc) then 7 years in sustainable finance (WWF UK and as an independent consultant working with a group of global investors and NGOs). She is a is a chartered accountant, a fellow of ICAEW and has an MBA (with honours) with Aalto University Executive Education, focusing on corporate sustainability.

Craig Moulton -Independent Non-Executive Director - Craig is a geologist and mineral economist with over 30 years' global experience across the mining value chain from greenfields exploration through to project development studies and financing. He worked for more than half of his career with major mining houses including Rio Tinto and Cleveland Cliffs. He is a Director of Moulton Metals Pty Ltd, a mining focused strategic consultancy, and a NED of First Development Resources Plc. Craig was formerly a Managing Director with Nebari Partners, CEO of Northam Resources Ltd, Managing Director of ASX-listed NickelSearch and LSE-listed Cobra Resources. He graduated from the University of Western Australia in 1992 with an honour's degree (Geology) and holds a Masters in Mineral Economics (with distinction) from the Curtin University

The Directors present their report and financial statements for the period ended 31 December 2023.

Principal activities

The Company was incorporated on 26 January 2021 with a view to undertake acquisitions of a target company or business within the battery metals space. The Group now looks to develop its existing asset's and identify other potential companies, businesses or asset(s) that have operations in the natural resources exploration, development and production sector.

31 July 2023, the Company completed a successful Initial Public Offering (IPO) on the Alternative Investment Market (AIM) segment of the London Stock Exchange raising gross proceeds of £2.2 million through the issuance of 44,000,000 ordinary shares at a placing price of 5 pence per share. The successful IPO allowed Metals One to secure essential funding for its planned brownfield projects in Norway (Rana) and Finland (Black-Schist).

Results

The Group recorded a loss for the year before taxation of £1,754,562 (2022: £253,666) and further details are given in the consolidated statement of comprehensive income and note 3.

Dividends

No dividend has been paid during the year (2022: £Nil), nor do the Directors recommend the payment of a final dividend.

Directors

The following directors have held office during the year and to the date of these financial statements:

Alastair Clayton	Non-executive Chairman (appointed on 31 July 2023)
Jonathan Owen	CEO
Daniel Maling	CFO
Sara Minchin	Non-executive director (appointed on 31 July 2023)
Winton Willesee	Non-executive director (appointed on 31 July 2023)
Craig Moulton	Non-executive director (appointed on 31 July 2023)
Thomas Levin	Non-executive director (appointed on 31 July 2023)
Robert Monro	Non-executive director (resigned 17 May 2023)

Details of the Directors' holding of Ordinary Shares and Warrants are set out in the Directors' Remuneration Report.

Further details of the interests of the Directors in the Warrants of the Group are set out in Note 19 of the financial statements.

Share Capital

Metals One plc is incorporated as a public limited company and is registered in England and Wales with the registered number 13158079. Details of the Company's issued share capital, together with details of the movements during the year, are shown in Note 18. The Company has one class of Ordinary Share and all shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

Substantial Shareholdings

At 31st May 2024, the Company had been informed of the following substantial interests over 3% of the issued share capital of the Company:

	Number of Shares	Percentage Holding
Bluejay Mining Plc	62,500,000	18.98
Metals One Employee Benefit trust	31,267,500	9.5
Martin Blakeman	22,800,000	6.93
SI Capital	22,250,000	6.15
Shard Capital	18,890,000	5.74
Global Investment Strategies	18,700,000	5.68
James Ikin	17,500,000	5.32
Peel hunt	16,336,440	4.96
Chincherinchee Nominees Pty Ltd *	14,500,000	4.39
Birkmose Mejer	12,000,000	3.65
Jeroen van Gool	11,700,000	3.55

*Chincherinchee Nominees Pty Ltd holds these shares as bare trustee for Azalea Family Holdings Pty Ltd as trustee for the Britt and Winton Willesee Family Trust and as bare trustee for Cheena Corporate Pty Ltd as trustee for the Cheena Trust Erlyn Dawson and Luke Dawson. Chincherinchee Nominees Pty Ltd is controlled by Winton Willesee and is one of the SRH Vendors (as defined in the admission document).

Corporate Governance Statement

The Board is committed to maintaining appropriate standards of corporate governance.

As at year end 31 December 2023, the Group was a listed company on the AIM segment of the London Stock Exchange and is mandated to comply with the requirements of the 2018 UK Corporate Governance Code ("the Code") as issued by the Financial Reporting Council .The Group has adopted the QCA Code so far as is practicable given the Group's size and nature. The Corporate Governance section provides an extensive overview of the application of the code by the Group, given the Group's size and nature.

The QCA Code has ten principles of corporate governance that the Group applies to establish the governance foundations of the business. These principles are:

1. Establish a strategy and business model which promote long-term value for shareholders;
2. Seek to understand and meet shareholder needs and expectations;
3. Take into account wider stakeholder and social responsibilities and their implications for long term success;
4. Embed effective risk management, considering both opportunities and threats, throughout the organisation;
5. Maintain the board as a well-functioning balanced team led by the Chair;
6. Ensure that between them the Directors have the necessary up to date experience, skills and capabilities;
7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement;
8. Promote a corporate culture that is based on ethical values and behaviours;
9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board; and
10. Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

Here follows a short explanation of how the Group applies each of the principles, including where applicable an explanation of why there is a deviation from those principles.

Principle One

Business Model and Strategy

The Group has a portfolio of licences and licence applications in Norway and Finland. It has a clear strategy of exploring and developing these opportunities.

Principle Two

Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Direct communication with shareholders is achieved primarily through the timely release of regulatory news, via a regulatory information service, which can be accessed through various channels, including the London Stock Exchange website and the Company website. The Group also participates in shareholder engagement through regular interviews and social media updates.

The AGM is also a key part of the Group's investor relations strategy and shareholders are encouraged to participate, particularly private investors who have the opportunity to ask questions and raise issues, either formally during the meeting or informally with directors following conclusion of business.

Principle Three

Considering wider stakeholder and social responsibilities

The Board recognises that the long-term success of the Group is reliant upon open communication with its internal and external stakeholders: investee companies, shareholders, contractors, suppliers, regulators and other stakeholders. The Group is in the process of establishing new close ongoing relationships with a broad range of its stakeholders and will ensure that it provides them with regular opportunities to raise issues and provide feedback to the Group. The Group is committed to delivering lasting benefit to the local communities and environments where we work as well as to our shareholders, employees and contractors.

Principle Four

Risk Management

The Board is responsible for ensuring that procedures are in place and being implemented effectively to identify, evaluate and manage the significant risks faced by the Group. It has an established framework of internal financial controls to address financial risk and is regularly reviewing the non-financial risks to ensure all exposures are adequately managed. The Group maintains appropriate insurance cover in respect of legal actions against the Directors as well as against material loss or claims against the Group. The principal risks and uncertainties are as set out in the strategic report. An internal audit function is not considered necessary or practical due to the size of the Group and the close control exercised by the Board as a whole.

Principle Five

A Well Functioning Board of Directors

The Board currently comprises of two Executive Directors, the Chief Executive, Jonathan Owen, and the CFO, Daniel Maling, and five non-executive Directors, Alastair Clayton (Chairman), Thomas Levin, Winton Willesee, Sara Minchin and Craig Moulton. Sara Minchin and Craig Moulton are considered to be independent and further information about the directors can be found on the Group website at www.metals-one.com. The biographical details of these Directors are set out below. All Directors are subject to re-election in accordance with the Group's articles of association ("Articles"). The Company's Articles state that one-third of the Directors shall retire by rotation and be subject to re-election at each Annual General Meeting. There are no mandatory hours for directors to be available for Group business although the CEO is required to commit 24 hours of his working week (based on a 40 hour working week) to the Group. The non-executive directors are available for any Group business when it may arise.

The Board meets formally in person and by telephone multiple times throughout the year and at least seven times per year. The Board also holds regular informal project appraisal and strategy discussions, to examine operations, opportunities and assess risks.

Attendance at meetings in the year

Member	Position	Meetings attended
Alastair Clayton	Chairman	5/5
Jonathan Owen	Chief Executive Officer	7/7
Daniel Maling	Chief Financial Officer	7/7
Sara Minchin	Non-Executive Director	5/5
Craig Moulton	Non-Executive Director	5/5
Thomas Levin	Non-Executive Director	5/5
Winton Willesee	Non-Executive Director	5/5
Robert Monro	Non-Executive Director	0/1

The directors encourage a collaborative Board culture to ensure that each decision reached is always in the Group's and its shareholders' best interests and that any one individual opinion never dominates the decision making process. The Board seeks, so far as possible, to achieve decisions by consensus and all directors are encouraged to use their independent judgement and to challenge all matters whether strategic or operational.

The Board delegates certain decisions to an Audit Committee and a Remuneration Committee. The Audit Committee has joint responsibility for reviewing the year end accounts with the Auditor. The Audit Committee comprises of Alastair Clayton (as Chairman), Craig Moulton and Sara Minchin, who are both independent non-executive directors. The Remuneration Committee reviews the remuneration of the executive directors on an annual basis. Both committees are dedicated to establish and maintain robust internal financial control systems for the Group.

Principle Six

Appropriate Skills and Experience of the Directors

The Board currently consists of two Executive and five Non-executive directors, The Group believes that the Directors have wide ranging experience working for/and/or advising businesses operating within the natural resources sector. They also have an extensive network of relationships to reach key decision-makers to help achieve their strategy.

The Board recognises that it currently has only one female Director and is aware, that as it grows, it will look to recruit and develop a diverse and more gender-balanced team.

Biographies of the Board are included in the Corporate Governance section of this report.

There is no formal process to keep Directors' skill sets up-to-date given their wealth of experience. However, the Group's lawyers, auditors, Company Secretary and Nominated Adviser provide regular updates on governance, financial reporting and AIM Listing rules and the Board is able to obtain advice from other external bodies when necessary.

Principle Seven

Evaluation of Board Performance

While the Board is very much aware of the needs of the Group in ensuring effectiveness of Board performance and the periodic refreshment of the composition of the Board, the Board believes that due to the relatively short period of membership for the majority of the board, the directors do not believe it practical to undertake an external or wide ranging evaluation of the performance of board members. This will be kept under review. Upon admission the following procedures were put in place which the Group believe are sufficient for monitoring Board performance:

- Internal Board Evaluations- Establishment of a structured internal evaluation process that allows board members to assess their own performance and the performance of their colleagues. This will involve self-assessment questionnaires or interviews conducted by an independent committee or board chair.

- Peer-to-Peer Assessments- Board members will provide confidential feedback on their peers' performance, to help identify areas of improvement and promote constructive dialogue within the board. This feedback will be gathered through surveys or facilitated discussions.
- External Expertise- Periodically seeking external consultants to provide an independent assessment of the board's performance.

The Board is also of the opinion that the Group has appropriate measures in place to ensure any refreshment of the Board occurs in a timely manner, and always with the best interests of the shareholders in mind.

The Remuneration Committee assesses the performance of the Executive director against Key Performance Indicators which are determined at the beginning of each financial year and reviewed at the end of the performance period.

The Board as a whole is responsible for succession planning and for recommending whether to add or replace a director. Board composition is regularly reviewed to consider the balance of skills, personal qualities and diversity.

Principle Eight

Corporate Culture

The Board strives to promote a corporate culture based on sound ethical values and behaviours. To that end, the Group has adopted a strict bribery and anti-corruption policy and whistle-blowing policy. The executive directors ensure that all stakeholders are aware of, and comply with, this policy.

The Group has also adopted a code for directors' and employees' dealings in securities, which is appropriate for a Group whose securities are traded on AIM. The code is in accordance with the requirements of the Market Abuse Regulation that came into effect in 2016.

The Board is also aware that the tone and culture that it sets will greatly impact all aspects of the Group and the way that employees behave, as well as the achievement of corporate objectives. A significant part of the Group's activities is centred upon an open dialogue with shareholders, employees and other stakeholders. Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Group to successfully achieve its corporate objectives.

Principle Nine

Maintenance of Governance Structures and Processes

The Chairman leads the Board, ensuring good corporate governance is embedded in everything the Group does, and defines the Group's culture. He is responsible for the management, development, and effective performance of the Board.

The Senior Independent Non-Executive Director, Craig Moulton, is available to any shareholder or any of the directors or employees of the Group who have concerns which cannot be addressed through normal channels.

As Chief Executive Officer, Jonathan Owen is responsible for proposing the strategic focus and direction to the Board, implementing the strategy once it has been approved as well as managing the group's overall operations and resources, acting as the main point of communication between the Board of Directors and corporate operations and demonstrating the Group's culture on a day-to-day basis.

Daniel Maling has specific areas of responsibility, with regards providing leadership, direction and management of the finance and accounting team in addition to managing the processes for financial forecasting and budgets and overseeing the preparation of all financial reporting.

The Board is supported by two Board committees with delegated authority to review certain specific matters in detail and then to make recommendations to the Board. The final decisions are made by the Board. The

Board has set out the roles and responsibilities for each committee in their Terms of Reference which are set out below.

Audit Committee - The Audit Committee is comprised of independent directors only and meets at least twice a year. The Group's auditor participates in meetings of the Audit Committee. The Committee's primary purpose is to review and report on the integrity of the consolidated financial statements and to monitor the Group's internal control arrangements and its risk evaluation statements. All non-audit work is required to be submitted to the Audit Committee for its approval prior to the commencement of work.

Remuneration Committee - The Remuneration Committee ensures executive remuneration is structured to align the performance of the Executive with the Group's strategy and effective risk management. The Remuneration Committee agrees Key Performance Indicators on an annual basis with senior executives against which their performance will be measured and recommends approval to the full Board of the compensation of the senior executive management, and grants of stock options to individuals.
The Board has a formal written schedule of matters reserved for its review and approval. Matters reserved for the Board include:

- Vision and strategy
- Financial statements and reporting
- Financing strategy, including debt and other external financing sources
- Budgets, acquisitions and expansion projects, divestments and capital expenditure and business plans
- Corporate governance and compliance
- Risk management and internal controls
- Appointments and succession plans
- Directors' remuneration.

The Board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared. The Board will monitor the suitability of this Code on an annual basis and revise its governance framework as appropriate as the Group evolves.

Principle Ten
Shareholder Communication
The Group ensures a printed Annual Report is delivered to each shareholder, and also made available on the Group's website. All RNS announcements are released in a timely manner, while also ensuring all announcements are drafted in a clear and concise fashion. In addition, all shareholders are encouraged to attend the Group's Annual General Meeting. The outcome of all shareholder votes are disclosed in a clear and transparent manner via a RNS.

The Group includes historical Annual Reports, Notices of General Meetings and RNS announcements since incorporation on its website. The Group also lists contact details on its website, should shareholders wish to communicate with the Board.

The Group intends to include, where relevant, in its Annual Report, any matters of note arising from the Audit or Remuneration Committees.

Given the size of the Group, the Board is of the opinion that no formal communication structures are required at this time.

The Group does however ensure continued disclosure of all items in conjunction with AIM Rule 26 on its website www.metals-one.com

The Board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared. The Board will monitor the suitability of this Code on an annual basis and revise its governance framework as appropriate as the Group evolves.

Directors' Remuneration Report

Remuneration Policies (unaudited)

The remuneration policy of the Group was that post initial admission to AIM each Director shall be entitled to a salary per annum from the date of Admission. The Executive Directors have entered into Service Agreements with the Group and continue to be employed until terminated by the Group.

Each Director is paid at a rate per annum as follows:

Alastair Clayton	£60,000 per annum
Jonathan Owen	£96,000 per annum
Daniel Maling	£60,000 per annum
Sara Minchin	£12,000 per annum
Craig Moulton	£12,000 per annum
Winton Willesee	£12,000 per annum
Thomas Levin	£12,000 per annum

The contracts are available for inspection at the Group's registered office.

The current Directors' remuneration comprises a basic salary and at present. As part of the admission process the directors were awarded share options part of a long term incentive plan. Refer to note 20 for further details.

In the event of termination or loss of office the Director is entitled only to payment of his basic salary in respect of his notice period. In the event of termination or loss of office in the case of a material breach of contract the Director is not entitled to any further payment. Notice periods are set and agreed upon by the remuneration committee.

At the forthcoming AGM shareholders will be asked to vote on the remuneration policy of the Group.

Post Admission a remuneration committee has been implemented to oversee decisions regarding the remuneration of the Board. The Board believes that share ownership by Directors strengthens the link between their personal interests and those of shareholders and is in line with the share dealing code adopted by the Group.

Approval by members (unaudited)

The remuneration policy above will be put before the members for approval at the next Annual General Meeting.

Implementation Report

Particulars of Directors' Remuneration (audited)

Particulars of directors' remuneration, including directors' warrants which, under the Companies Act 2006 are required to be audited, are given in Note 6 and further referenced in the Directors' report.

The table below sets out the remuneration received by the Directors of the for the years ended 31 December 2023 and 2022:

Director	Base salary £	Pension contribution £	Total Cash Remuneration £	Bonus (non-cash)	Total Remuneration £
Alastair Clayton	30,000	-	**30,000**	60,000	90,000
Jonathan Owen	78,600	-	**78,600**	30,000	108,600
Daniel Maling	51,000	-	**51,000**	120,000	171,000
Sara Minchin	5,000	-	**5,000**	-	5,000
Craig Moulton	6,750	-	**6,750**	-	6,750
Winton Willesee	5,000	-	**5,000**	-	5,000
Thomas Levin	5,000	-	**5,000**	-	5,000
Robert Monro	8,000	-	**8,000**	-	8,000
	189,350	**-**	**189,350**	**210,000**	**399,350**

On Admission, Alastair Clayton was paid a signing non-cash bonus of £60,000, which was settled by the issue and allotment of 1,200,000 Fee Shares and 600,000 Fee Warrants issued at the IPO price.

On Admission, Jonathan Owen also received a non-cash success fee of £30,000, which was settled by the issue and allotment of 600,000 Fee Shares and 300,000 Fee Warrants issued at the IPO price.

On Admission, Daniel Maling also received a non-cash success fee of £120,000, which was settled by the issue and allotment of 2,400,000 Fee Shares and 300,000 Fee Warrants issued at the IPO price.

Remuneration paid to the Directors' during the period ended 31 December 2022 was:

Director	Base salary £	Pension contribution £	Bonus £	Total £
Jonathan Owen	29,470	-	-	29,470
Daniel Maling	-	-	-	-
Robert Monro	4,000	-	-	4,000
	33,470	-	-	33,470

There were no performance measures associated with any aspect of Directors' remuneration during the year.

Payments to past Directors (unaudited)

Robert Monro was paid three months' salary (£3,000) in lieu of his notice period. There are no other former directors.

Directors' interests in shares (audited)

The Group has no Director shareholder requirements.

The beneficial interest of the Directors in the Ordinary Share Capital of the Group at 31 December 2023 was:

	Number	Percentage of issued share capital – 2023
Alastair Clayton [1]	1,450,000	0.70%
Jonathan Owen	1,145,326	0.55%
Daniel Maling	4,059,202	1.95%
Sara Minchin	-	-
Craig Moulton	367,000	0.18%
Winton Willesee [2]	13,500,000	6.48%
Thomas Levin	-	-
	20,521,528	**9.86%**

(1) 250,000 Ordinary Shares and 200,000 Founder Warrants held by Alastair Clayton's spouse, Jennifer Millichip.
(2) Chincherinchee Nominees Pty Ltd holds the shares as bare trustee for Azalea Family Holdings Pty Ltd as trustee for the Britt and Winton Willesee Family Trust and as bare trustee for Cheena Corporate Pty Ltd as trustee for the Cheena Trust Erlyn Dawson and Luke Dawson. Chincherinchee Nominees Pty Ltd is controlled by Winton Willesee and is one of the SRH Vendors.

The Directors held the following warrants at the beginning and end of the year:

Director	At 31 December 2022	Granted during the year	At 31 December 2023	Fair value	Exercise price	Earliest date of exercise	Latest date of exercise
Alastair Clayton [1]							
Management [3]	-	3,000,000	3,000,000	2p	5p	31/07/2023	31/07/2028
Fee warrants	-	600,000	600,000	.5p	9p	31/07/2023	31/07/2025
Founder warrants	-	200,000	200,000	nil	5p	31/07/2023	31/07/2025
Total	**-**	**3,800,000**	**3,800,000**				
Jonathan Owen							
Management [3]	-	3,000,000	3,000,000	2p	5p	31/07/2023	31/07/2028
Fee warrants	-	300,000	300,000	.5p	9p	31/07/2023	31/07/2025
Total	**-**	**3,300,000**	**3,300,000**				
Daniel Maling							
Management [3]	-	3,000,000	3,000,000	2p	5p	31/07/2023	31/07/2028
Fee warrants	-	1,200,000	1,200,000	.5p	9p	31/07/2023	31/07/2025
Founder warrants	-	1,000,000	1,000,000	nil	5p	31/07/2023	31/07/2025
Loyalty warrants		250,000	250,000	nil	9p	31/07/2023	31/07/2025
Total		**5,450,000**	**5,450,000**				
Winton Willesee [2]							
SRH warrants	-	1,687,500	1,687,500	1p	9p	31/07/2023	31/07/2028
Total	**-**	**1,687,500**	**1,687,500**				
Thomas Levin							
Total	**-**	**-**	**-**		-	-	-
Craig Moulton							
Loyalty warrants	**-**	150,000	150,000	nil	5p	31/07/2023	31/07/2025
Total	**-**	**150,000**	**150,000**				
Sara Minchin							
Total	**-**	**-**	**-**		-	-	-

1) *200,000 Founder Warrants held by Alastair Clayton's spouse, Jennifer Millichip*
2) *Chincherinchee Nominees Pty Ltd holds the shares as bare trustee for Azalea Family Holdings Pty Ltd as trustee for the Britt and Winton Willesee Family Trust and as bare trustee for Cheena Corporate Pty Ltd as trustee for the CheenaTrust Erlyn Dawson and Luke Dawson. Chincherinchee Nominees Pty Ltd is controlled by Winton Willesee and is one of the SRH Vendors.*
3) *50% of management options will vest immediately upon admission and the remaining 50% on the first anniversary of admission.*

<u>Statement of directors' responsibilities</u>

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

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

In preparing the financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions. The Company is compliant with AIM rule 26 regarding the Company's website.

Auditor Information

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

Financial Instruments

The Group and Company has exposure to credit risk, liquidity risk and market risk. Note 21 presents information about the Group's exposure to these risks, along with the Group's objectives, processes and policies for managing the risks.

Events after the reporting period

On 5th January 2024 the Company issued 31,267,500 ordinary shares in the Company to the Metals One employment Benefit Trust ("EBT") at a price per share of £0.01. These ordinary shares shall be held in the EBT on trust pending transfer upon the vesting of awards granted, and for such other purposes relating to the ongoing recruitment, retention and incentivisation of employees.

On 20th May 2024 it was announced that the Company had raised gross proceeds of £895,000 through a placing and subscription of 89,500,000 new ordinary shares of 1p each in the capital of the Company..

Alongside the Placing, the Company has reached an agreement with Gunsynd to terminate the Gunsynd Farm-In. As part of the termination agreement, Metals One has been granted a three year option to re-acquire the 6.25% of Metals One Finland currently held by Gunsynd for an aggregate consideration of £250,000 payable, at the discretion of the Company, either wholly or partly in cash or Ordinary Shares in the capital of the Company at the greater of the Placing Price or the 30 day volume weighted average price prior to exercising the option (such Ordinary Shares, if used as consideration, will be locked-in for a period of 12 months from the date of allotment and issue of such shares).

As part of the Gunsynd Farm-In, Gunsynd was also granted warrants to subscribe for 1,500,000 Ordinary Shares in the Company. These warrants have been cancelled as part of the termination agreement.

There have been no other events subsequent to year end.

Directors' Indemnity Provisions

The Group has implemented Directors and Officers Liability Indemnity insurance.

Going concern

The Group and Company's financial statements have been prepared on the going concern basis, which contemplates that the Group and Company will be able to realize its assets and discharge liabilities in the normal course of business. Despite this, there can be no assurance that the Group or the Company will either achieve or maintain profitability in the future and financial returns arising therefrom may be adversely affected by factors outside the control of the Group and the Company.

The Group and Company has had recurring losses since incorporation, and its continuation as a going concern is dependent on the Group and Company's ability to successfully fund its operations by generating sufficient cash flow from operations. As it is unlikely to generate a positive operating cashflow in the near the future the Group and Company will be required to obtain additional financing from equity injections and / or the raising of cash through bank loans or other debt instruments, to meet any working capital deficits and fund the Group and Company's exploration activities and new mine developments.

This indicates that a material uncertainty exists that may cast significant doubt over the Group and Company's ability to continue as a going concern and therefore their ability to realise their assets and discharge their liabilities in the normal course of business.

Whilst acknowledging this material uncertainty, the directors consider it appropriate to prepare the consolidated financial statements on a going concern basis for the following reasons:

- As disclosed in the after balance sheet events note 27, the group completed a fundraising to raise £895,000 to fund the planned development scoping and exploration activities in Finland along with working capital commitments for the year ahead;
- The Group has no committed exploration expenditure on its granted mining licenses and has the ability to reduce all spend in the event that it needs to conserve cash balances;
- The Group can reduce most discretionary administrative expenditure; and
- The Group's Board of Directors have significant experience in the debt and equity capital markets and specifically have a successful track record in funding mining operations, new mine development and exploration activities and are further considered capable of securing ongoing debt and equity capital financing for the Group.

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

The auditors have made reference to going concern by way of a material uncertainty within the financial statements.

Donations

The Group made no political donations during the year.

On behalf of the board

Alastair Clayton
Chairman
28 June 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF METALS ONE PLC

Opinion

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

In our opinion:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements, which indicates that the group and parent company have incurred losses since incorporation, and that there is a reliance on obtaining further financing through equity or debt instruments in order to continue to meet working capital requirements and to fund exploration activities. As stated in note 1.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- Obtaining management's formal assessment of the group's and parent company's going concern which includes cash flow forecasts for the period up to 30 June 2025;
- Assessing the reasonableness of key inputs and assumptions used in preparing the forecasts, including corroborating and providing appropriate challenge to management's assessment;
- Testing the mathematical accuracy of the model;
- Reviewing the group's exploration licences for any committed expenditures and reviewing for inclusion in the forecasts where applicable;
- Obtaining and reviewing post year-end management accounts and bank statements to ascertain the group's and parent company's latest financial position and post year-end performance, and comparing this to forecasts; and
- Corroborating any post-year end financing from shareholders or external financing obtained.

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

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. We determined materiality for the financial statements to be:

Entity	Overall materiality at 3% of net assets £	Performance materiality at 65% (2022: 80%) £	Triviality threshold at 5% £
Group	240,000	156,000	12,000
Parent company	235,000 (capped below group materiality) (2022: 15,000)	152,750 (2022: 12,000)	11,750 (2022: 750)

The benchmark for overall materiality for the group was net assets. We selected this benchmark as the carrying value and recoverability of the group's key assets, being exploration and evaluation assets, are considered to be most relevant to shareholders and other stakeholders of an entity undertaking exploration and evaluation activities. The percentage of 3% applied to this benchmark has been selected to bring into scope all significant classes of transactions, account balances and disclosures considered relevant for the shareholders, and also to ensure that matters that would have a significant impact on the results during the year were appropriately considered. We used the same benchmark for the parent company during the year, as its key assets, being investments in subsidiaries, are considered to be of most significance to users of the financial statements, as these are the assets from which future shareholder value is expected to be derived through the underlying exploration activities in those entities. In the prior year, loss before tax was used as the benchmark for the parent company as the acquisitions had not yet taken place and the parent company was a single entity preparing for its listing on AIM. The costs incurred by the parent company were mainly administrative expenses related to the listing. The percentage of 10% of loss before tax was therefore considered most appropriate at that time.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures. A benchmark of 65% for performance materiality was applied for both the group and parent company in order to provide sufficient coverage of significant and residual risks considering the level of inherent risk within the group.

Other than the parent company, there was one material component, for which overall materiality was set at £156,000 based on the performance materiality of the group, having regard to the size, asset contribution, and risk profile of this component, with performance materiality set at £101,400 or 65% of overall materiality.

We agreed with the audit committee that we would report all individual audit differences identified for the group during the course of our audit in excess of £12,000. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. This included the accounting treatment of the

acquisitions during the year, carrying value and recoverability of exploration and evaluation assets, and, at the parent company level, carrying value and recoverability of investments and intercompany receivables.
Our group audit scope focused on the principal areas of operation, being Finland and the UK. We also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by management that represented a risk of material misstatement due to fraud.

The audit was performed by us as group auditors based in London. Each component within the group was assessed as to whether they were significant or not significant to the group by either their size or risk. The parent company and the subsidiary in Finland were significant due to identified size and risk, respectively. A full scope audit was completed on the parent company and an audit of certain account balances based on identified risk and materiality was completed for the component in Finland.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
Accounting treatment of the acquisitions of subsidiaries during the year (Notes 1.14 and 10) During the year, the parent company acquired Metals One Finland (Formerly Finnaust Northern Mining Oy; 'MOF') and Scandinavian Resource Holdings Pty Ltd ('SRH'). The two acquisitions have been treated as asset acquisitions rather than business combinations, on the basis that the definition of a business as contained within IFRS 3 *Business Combinations* is not deemed to be met in either case. MOF: The majority of the fair value of the consideration for the acquisition has been allocated to exploration and evaluation assets of £5,408,924. SRH: The majority of the fair value of the consideration for the acquisition has been allocated to the investment in Narvik Nikkel AS ('NN'), in which SRH owns 80% of the shares, amounting to £3,304,141, which has been treated as an investment in associate. There were also two tranches of contingent consideration payable relating to the acquisition of SRH amounting to £250,000 each, of which the first tranche has been recognised as the milestone is expected to be met within 2024. The second tranche has not been recorded, but is disclosed within contingent liabilities, on the basis that the timing and probability of payment are inherently uncertain. The acquisitions during the year are material to the consolidated financial statements. Due to the nature of	Our work in this area included: *Acquisitions of MOF and SRH* • Obtaining and reviewing the acquisition workings, and corroborating key terms and conditions to the related share purchase agreements; • Agreeing the amounts per acquisition workings to the trial balance, and amounts paid to bank statements; • Reviewing the arithmetical accuracy of the acquisition workings; • Determining whether the adjustments made in respect of the acquisitions are properly supported by documentation; • Obtaining the IFRS 3 assessment performed by management and performing an independent assessment to determine whether the acquisition is a business combination or an asset acquisition; • Reconciling any deferred consideration to year end payables and ensuring classification as current or non-current is appropriate; • Considering the appropriateness of the treatment of deferred share consideration in accordance with IAS 32; and • Reviewing disclosures made in respect of the acquisition. *Investment in NN*

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these transactions, there is a risk that the acquisition of these subsidiaries has not been properly accounted for in accordance with IAS 27 Separate Financial Statements, in the parent company's financial statements, and as asset acquisitions in the group's consolidated financial statements.
Furthermore, the assessment of the investment in NN as an investment in associate requires judgment regarding the degree of control or influence the group is deemed to have in accordance with IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures.
There is a also risk that the contingent consideration payable associated with the purchase of SRH has not been appropriately recorded.
As a result of the judgements that are required to be made by management related to the acquisitions, we consider this to be a key audit matter.
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Obtaining and reviewing management's assessment in relation to the accounting classification and treatment of the investment in NN, including the review of the related joint venture agreement and other supporting documentation;
Considering whether the investment has been properly accounted for as an associate in accordance with IAS 28;
Recalculating the related share of loss and ensuring this has been properly recognised under the equity method; and
Reviewing disclosures made in respect of SRH's investment in NN for appropriateness.

Contingent consideration payable

Reviewing management's assessment of the probability of fulfilling the remaining milestones, together with the timing thereof, and challenging and corroborating any key assumptions being made where applicable; and
Reviewing the disclosures made in respect of the contingent consideration.

Key observation
We are satisfied that the conclusions reached in determining the acquisitions are asset acquisitions are reasonable. We are satisfied with the accounting entries made in relation to the allocation of the fair value of the consideration to relevant assets, and therefore that balances relating to the acquisitions are appropriately reflected in the financial statements.
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Carrying value and recoverability of exploration and evaluation assets (Notes 1.14 and 9)
Exploration and evaluation assets comprise capitalised exploration and evaluation costs together with the fair value of acquiring the project licenses. Costs capitalised within exploration and evaluation assets are required to satisfy the eligibility criteria under IFRS 6 Exploration for and Evaluation of Mineral Resources. The carrying amount of the exploration and evaluation assets amounted to £5,706,986 as at 31 December 2023.
Given the level of management judgement involved in assessing whether there are indications of impairment to the carrying value of exploration and evaluation assets, we considered this to be a key audit matter.
</td>
<td>
Our work in this area included:

Critically assessing management's impairment review, taking into account indicators of impairment in accordance with IFRS 6;
Confirming good title to project licenses and that any minimum expenditure or other terms contained within those licences have been met or are expected to be met within the contractual terms;
Assessing progress and results of exploration activities at the project;
Substantive testing of a sample of additions to exploration and evaluation assets during the year to ensure amounts capitalised are in accordance with IFRS 6 and the group's accounting policy;
Discussing with management and the Board their plans regarding future exploration on the licence areas; and
Reviewing the associated disclosures within the financial statements.

</td>
</tr>
</table>

Carrying value and recoverability of investment in subsidiaries and intercompany receivables (Parent Company) (Notes 1.14, 12 and 14) As at 31 December 2023, the investment in subsidiaries and intercompany receivable amounted to £8,924,414 and £184,402, respectively. The investment in subsidiaries and intercompany receivable are material to the parent company financial statements. Given that their recoverability is directly linked to the recoverability of exploration and evaluation assets for MOF and the recoverability of the investment in NN for SRH, we considered the recoverability of investment in subsidiaries and intercompany receivable to be a key audit matter.	Our work in this area included: • Obtaining management's assessment of impairment relating to investments in subsidiaries and intercompany receivables, corroborating and providing challenge to any significant assumptions being made; • Considering the existence of impairment indicators in accordance with IAS 36 *Impairment of Assets*; • Reviewing the value of the investment in subsidiaries against the underlying assets, including consideration of the work performed and conclusions reached in relation to recoverability of exploration and evaluation assets; • Reviewing management's assessment of the need for provisions against intercompany receivables in accordance with the expected credit loss model within IFRS 9 *Financial Instruments*; and • Reviewing the associated disclosures in the financial statements and assessing the appropriateness of such disclosures.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the group and parent company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of our experience of the resource exploration sector.

- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
    - Companies Act 2006;
    - AIM Rules;
    - UK-adopted international accounting standards;
    - UK tax and employment laws and regulations;
    - Local industry laws and regulations in Finland and Norway where exploration activities took place; and
    - Anti-money laundering legislation.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - conducting enquiries of management and those charged with governance regarding potential instances of non-compliance;

  - reviewing board minutes and other correspondence from management;
  - reviewing regulatory news service announcements; and
  - reviewing legal and professional fees for evidence of any litigation or claims against the group and parent company.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the accounting treatment of the acquisitions during the year, carrying value and recoverability of exploration and evaluation assets, and, at the parent company level, carrying value and recoverability of investments and intercompany receivables represented the highest risk of management bias. Please refer to the key audit matters section above.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the subsidiary level was ensured through conducing enquiries of management and reviewing correspondence for any instances of non-compliance.

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

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

Use of our report

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

Imogen Massey

Imogen Massey (Senior Statutory Auditor) — 15 Westferry Circus

For and on behalf of PKF Littlejohn LLP — Canary Wharf

Statutory Auditor — London E14 4HD

28 June 2024

METALS ONE PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Year ended 31 December 2023 £
Revenue		
Revenue from continuing operations		-
Expenditure		
Other income		-
Costs associated with the listing		(598,094)
Administrative expenses	3	(1,005,709)
Share of loss of associate accounted for using the equity method	23	(150,744)
		(1,754,547)
Finance costs		
Finance expense		(15)
Interest expense		-
		(15)
Loss on ordinary activities before taxation		**(1,754,562)**
Taxation on loss on ordinary activities	7	-
Loss on ordinary activities after taxation		**(1,754,562)**
Other comprehensive income		
Exchange differences on translation of foreign operations	4	1,662
Loss and total comprehensive income for the year attributable to the owners of the Group		**(1,752,900)**
Earnings per share (basic and diluted) attributable to the equity holders (pence)	8	(1.77)
Loss and total comprehensive income attributable to:		
Owners of the parent		(1,751,733)
Non-controlling interest		(2,829)
		(1,754,562)

The accompanying notes on pages 36 to 63 form an integral part of these consolidated financial statements.

METALS ONE PLC
COMPANY NUMBER 13158079
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2023

	Notes	As at 31 December 2023 £
NON-CURRENT ASSETS		
Investment in associate	23	3,304,141
Exploration and evaluation	9	5,706,986
TOTAL NON-CURRENT ASSETS		**9,011,127**
CURRENT ASSETS		
Trade and other receivables	11	238,048
Cash and cash equivalents	13	751,095
TOTAL CURRENT ASSETS		**989,143**
TOTAL ASSETS		**10,000,270**
NON-CURRENT LIABILITIES		
Deferred consideration payable	16	85,000
TOTAL NON-CURRENT LIABILITIES		**85,000**
CURRENT LIABILITIES		
Trade and other payables	15	432,323
Deferred consideration payable	16	150,000
Contingent consideration	17	250,000
TOTAL CURRENT LIABILITIES		**832,323**
TOTAL LIABILITIES		**917,323**
NET ASSETS / (LIABILITIES)		**9,082,947**
EQUITY		
Called up share capital	18	2,084,500
Share premium account	18	7,775,715
Shares to issue	10	1,000,000
Share based payment reserve	20	337,673
Foreign exchange reserve	4	1,662
Retained earnings		(2,363,774)
Equity attributable to equity holders of the parent		**8,835,776**
Non-controlling interest		247,171
TOTAL EQUITY		**9,082,947**

The accompanying notes on pages 36 to 63 form an integral part of these consolidated financial statements
The financial statements were approved by the board on 28 June 2024 and were signed on its behalf by:

Alastair Clayton
Chairman

METALS ONE PLC
PARENT COMPANY STATEMENT OF FINANCIAL POSITION
COMPANY NUMBER 13158079
AS AT 31 DECEMBER 2023

	Notes	As at 31 December 2023 £	As at 31 December 2022 £
NON-CURRENT ASSETS			
Investment in subsidiaries	14	8,924,414	-
Intercompany receivable	12	184,402	-
TOTAL NON-CURRENT ASSETS		**9,108,816**	-
CURRENT ASSETS			
Trade and other receivables	11	146,193	66,188
Cash and cash equivalents	13	558,328	39,875
TOTAL CURRENT ASSETS		**704,521**	106,063
TOTAL ASSETS		**9,813,337**	106,063
NON-CURRENT LIABILITIES			
Deferred consideration payable	16	85,000	-
TOTAL NON-CURRENT LIABILITIES		**85,000**	-
CURRENT LIABILITIES			
Trade and other payables	15	155,902	146,345
Deferred consideration payable	16	150,000	-
Contingent consideration	17	250,000	-
TOTAL CURRENT LIABILITIES		**555,902**	-
TOTAL LIABILITIES		**640,902**	146,345
NET ASSETS / (LIABILITIES)		**9,172,435**	(40,282)
EQUITY			
Called up share capital	18	2,084,500	197,500
Share premium account	18	7,775,715	374,259
Shares to issue	10	1,000,000	-
Share based payment reserve	20	337,673	-
Retained earnings		(2,025,453)	(612,041)
TOTAL EQUITY		**9,172,435**	(40,282)

The Company has taken advantage of section 408 of the Companies Act 2006 and consequently a profit and loss account has not been presented for the Company. The Company's loss for the financial period was £1,413,412 (2022 : £253,666).

The financial statements were approved by the board on 28 June 2024 and were signed on its behalf by:

Alastair Clayton
Chairman

METALS ONE PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DEMCEBER 2023

	Issued Share Capital	Share Premium	Share Based Payments Reserve	Share capital to issue	Foreign Currency Translation Reserve	Retained Earnings	NCI	Total Equity
	£	£	£	£	£	£	£	£
As at 31 December 2022	**197,500**	**374,259**	**-**	**-**	**-**	**(612,041)**	**-**	**(40,282)**
Loss for the year	-	-	-	-	-	(1,751,733)	(2,829)	(1,754,562)
Other comprehensive income	-	-		-	1,662	-	-	1,662
Total comprehensive loss for the year	**-**	**-**	**-**	**-**	**1,662**	**(1,751,733)**	**(2,829)**	**(1,752,900)**
Issue of shares on acquisition of subsidiary	1,400,000	5,600,000	-	1,000,000	-	-	-	8,000,000
Shares issued during the year	487,000	1,948,000	-	-	-	-	250,000	2,685,000
Share issue costs during the year	-	(146,544)	-	-	-	-	-	(146,544)
Warrants issued during the year	-	-	337,673	-	-	-	-	337,673
Total transactions with owners	**1,887,000**	**7,401,456**	**337,673**	**1,000,000**	**-**	**-**	**250,000**	**10,876,129**
As at 31 December 2023	**2,084,500**	**7,775,715**	**337,673**	**1,000,000**	**1,662**	**(2,363,774)**	**247,171**	**9,082,947**

METALS ONE PLC
PARENT COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2023

	Issued Share Capital	Share Premium	Shares to issue	Share Based Payments Reserve	Retained Earnings	Total Equity
	£	£	£	£	£	£
As at 31 December 2021	**172,500**	**299,259**	**-**	**-**	**(358,375)**	**113,384**
Loss for the year	-	-	-	-	(253,666)	(253,666)
Total comprehensive loss for the year	-	-	-	-	(253,666)	(253,666)
Shares issued during the year	25,000	75,000	-	-	-	100,000
Share issue costs during the year	-	-	-	-	-	-
Total transactions with owners	25,000	75,000	-	-	-	100,000
As at 31 December 2022	**197,500**	**374,259**	**-**	**-**	**(612,041)**	**(40,282)**
Loss for the year	-	-	-	-	(1,413,412)	(1,413,412)
Total comprehensive loss for the year	-	-	-	-	(1,413,412)	(1,413,412)
Issue of shares on acquisition of subsidiary	1,400,000	5,600,000	1,000,000	-	-	8,000,000
Shares issued during the year	487,000	1,948,000	-	-	-	2,435,000
Share issue costs during the year	-	(146,544)	-	-	-	(146,544)
Warrants issued during the year	-	-	-	337,673	-	337,673
Total transactions with owners	1,887,000	7,401,456	1,000,000	337,673	-	10,626,129
As at 31 December 2023	**2,084,500**	**7,775,715**	**1,000,000**	**337,673**	**(2,025,456)**	**9,172,432**

METALS ONE PLC
CONSOLIDATED STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023 £
Cash from operating activities		
Loss for the year		(1,754,562)
Adjustments for:		
Share of loss of an associate	23	150,744
Forgiveness of loan	24	48,745
Foreign exchange		(11,062)
Share-based payments		178,809
Operating cashflow before working capital movements		(1,387,326)
Increase in trade and other receivables		(238,048)
Increase in trade and other payables		741,082
Net cash outflow from operating activities		**(884,292)**
Cash from investing activities		
Cash on acquisition of asset group	10	7,116
Acquisition of subsidiaries	10	(280,550)
Exploration and Evaluation expenditure	9	(287,000)
Net cash outflow from investing activities		**(560,434)**
Cash from financing activities		
Proceeds on the issue of shares, net of issue costs	18	1,923,526
Sale of shares to non-controlling interest	14	250,000
Net cash from financing activities		**2,173,526**
Net increasein cash and cash equivalents		728,800
Cash and cash equivalents at beginning of year		39,875
Foreign exchange		(17,580)
Cash and cash equivalents at end of period	13	**751,095**

The following were material non-cash transactions during the year:

- £7,000,000 in share consideration and £158,864 in warrants were issued for the acquisition's of Scandinavian Resource Holdings and Finnaust Northern Mining Oy ;
- £178,809 in warrants and share options issued to directors and advisers;
- £235,000 of shares issued to various directors and advisors ;and
- £73,759 of expenses was settled in shares.

The accompanying notes on pages 36 to 63 form an integral part of these consolidated financial statements.

METALS ONE PLC
PARENT COMPANY STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	31 December 2023 £	31 December 2022 £
Cash from operating activities			
Loss for the year		(1,413,412)	(253,666)
Adjustments for:			
Interest receivable		(1,206)	-
Share-based payments		178,809	-
Operating cashflow before working capital movements		(1,235,809)	(253,666)
Increase in trade and other receivables		(22,359)	(66,188)
Increase trade and other payables		318,317	85,045
Net cash outflow from operating activities		**(939,851)**	**(234,809)**
Cash from investing activity			
Acquisition of subsidiaries	10	(280,550)	-
Net cash outflow from investing activity		**(280,550)**	-
Cash from financing activities			
Proceeds on the issue of shares, net of issue costs	18	1,923,256	100,000
Payments made to subsidiaries	12	(184,402)	-
Net cash from financing activities		**1,738,854**	100,000
Net increase / (decrease) in cash and cash equivalents		518,453	(134,809)
Cash and cash equivalents at beginning of year		39,875	174,684
Cash and cash equivalents at end of period	13	**558,328**	**39,875**

The following were material non-cash transactions during the year:

- £7,000,000 in share consideration and £158,864 in warrants were issued for the acquisition's of Scandinavian Resource Holdings and Finnaust Northern Mining Oy ;
- £178,809 in warrants and share options issued to directors and advisers;
- £235,000 of shares issued to various directors and advisors ;and
- £73,759 of expenses was settled in shares.

The accompanying notes on pages 36 to 63 form an integral part of these consolidated financial statements

1. GENERAL INFORMATION

Metals One plc (the "Company") and its subsidiaries (the "Group") looks to develop its existing asset's and identify other potential companies, businesses or asset(s) that have operations in the natural resources exploration, development and production sector.

The Company is a public limited Company was incorporated on 26th January 2021 in England and Wales with Registered Number 13158079 under the Companies Act 2006. The address of its registered office is Eccleston Yards, 25 Eccleston Place, London SW1W 9NF, United Kingdom

The principal accounting policies applied in preparation of these consolidated financial statements ("financial statements") are set out below. These policies have been consistently applied unless otherwise stated.

1.1. Basis of preparation

The financial statements for the period ended 31 December 2023 have been prepared by Metals One Plc in accordance with UK adopted International Accounting Standards ("UK-IAS") and with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The functional currency for each entity in the Group is determined as the currency of the primary economic environment in which it operates. The functional currency of the parent company is Pounds Sterling (£) as this is the currency that finance is raised in. The functional currencies of its subsidiaries are Australian Dollars (AUD) (SRH) and Euros (EUR) (Metals One Finland) as these are the currencies that mainly influence labour, materials, and other costs of providing services. The Group has chosen to present its consolidated financial statements in Pounds Sterling (£), as the Directors believe it is the most relevant presentational currency for users of the consolidated financial statements. Foreign operations are included in accordance with the policies set out at note 2.4.

1.2. Going concern

Going concern

The Group and Company's financial statements have been prepared on the going concern basis, which contemplates that the Group and Company will be able to realize its assets and discharge liabilities in the normal course of business. Despite this, there can be no assurance that the Group or the Company will either achieve or maintain profitability in the future and financial returns arising therefrom, may be adversely affected by factors outside the control of the Group and the Company.

The group and parent company have incurred losses since incorporation, and there is a reliance on obtaining further financing through equity or debt instruments in order to continue to meet working capital requirements and to fund exploration activities. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern.

Whilst acknowledging this material uncertainty, the directors consider it appropriate to prepare the consolidated financial statements on a going concern basis for the following reasons:

- As disclosed in the after balance sheet events note, the group completed a fundraising to raise £895,000 to fund the planned development scoping and exploration activities in Finland along with working capital commitments for the year ahead;
- The Group has no committed exploration expenditure on its granted mining licenses and has the ability to reduce all spend in the event that it needs to conserve cash balances;
- The Group can reduce most discretionary administrative expenditure; and
- The Group's Board of Directors have significant experience in the debt and equity capital markets and specifically have a successful track record in funding mining operations, new mine development and exploration activities and are further considered capable of securing ongoing debt and equity capital financing for the Group.

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

The auditors have made reference to going concern by way of a material uncertainty within the financial statements.

1.3. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions. A material amount of cash and cash equivalents is held with alternative financial institutions. These funds are fully unrestricted.

1.4. Foreign currency translation

The financial statements are presented in Sterling which is the Company's functional and presentational currency.

Transactions in currencies other than the functional currency are recognised at the rates of exchange on the dates of the transactions. At each balance sheet date, monetary assets and liabilities are retranslated at the rates prevailing at the balance sheet date with differences recognised in the Statement of comprehensive income in the period in which they arise.

1.5. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Per IFRS 10, control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cashflow relating to transactions between the members of the Group are eliminated on consolidation.

The Group recognises any non-controlling interest in the acquired entity at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. 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.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Asset Acquisitions

On 31 July 2023, Metals One PLC acquired 100% of the equity instruments of Metals One Finland (M1F)(formerly Finnaust Northern Mining Oy) a Finnish company incorporated in Finland with rights to the Black-Schist project and Scandinavian Resources Holdings Pty Ltd (SRH), a company incorporated in Australia with operations in Norway. In assessing the acquisitions, the Group determined that the activities and assets acquired did not have the required inputs, processes and outputs to constitute a business under IFRS 3, hence considered it to be an asset acquisition. Contingent consideration is recognised at cost when the specific milestones are met or management assesses that the likelihood of reaching them are probable. Contingent consideration is not revalued at each reporting date. Transaction costs that are directly attributed to the asset acquisition are capitalised to the cost base of the asset acquired.

1.6. Exploration and Evaluation Assets

Exploration and evaluation assets (IFRS 6 assets) mainly pertain to the cost of acquisition by the Group of rights, licences and other associated items. Such expenditure requires the immediate write-off of exploration and development expenditure that the Directors do not consider to be supported by the existence of commercial reserves.

All costs associated with mineral exploration and investments, are capitalised on a project-by-project basis, pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads and these assets are not amortised until technical feasibility and commercial viability is established. If an exploration project is successful, the related expenditures will be transferred to “mining assets” and amortised over the estimated life of the commercial ore reserves on a unit of production basis.

The recoverability of all exploration and development costs is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of reserves and future profitable production or proceeds from the disposition thereof.

Exploration and evaluation assets shall no longer be classified as such when the technical feasibility and commercial viability of extracting mineral resources are demonstrable. When relevant, such assets shall be assessed for impairment, and any impairment loss recognised, before reclassification to “Mine development”.

Exploration and evaluation assets recorded at fair-value on acquisition
Exploration and evaluation assets which are acquired are recognised at fair value. When an acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is attributed to the fair value of the exploration asset.

1.7. Investment in associate

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder’s intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group’s share of the net fair value of the associate’s identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group’s share of an associate’s post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group’s share of

losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.
The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

1.8. Investment in subsidiaries

The consolidated financial statements incorporate the results of subsidiaries using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases. The Company will assess the carrying value of the investments annually, or more frequently if events or changes in circumstances indicate a potential impairment. If the carrying value of the investment exceeds the expected realisable value then the Group will recognise an impairment charge to reflect the change.

1.9. Trade and other receivables

Trade and other receivables are measured at amortised cost, using the effective interest method, less any impairment loss. An allowance for impairment of trade and other receivables is established based on the twelve month expected credit losses unless the credit quality has deteriorated since inception, in which case it is based on lifetime losses.

1.10. Financial instruments

IFRS 9 requires an entity to address the classification, measurement and recognition of financial assets and liabilities.

a) Classification

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

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

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

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

b) Recognition

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

c) Measurement

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

Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

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

Equity instruments

The Group subsequently measures all equity investments at fair value. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

d) Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with any debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

1.11. Equity

Share capital is determined using the nominal value of shares that have been issued.

The Share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the Share premium account, net of any related income tax benefits.

Equity-settled share-based payments are credited to a share-based payment reserve as a component of equity until related options or warrants are exercised or lapse.

Based on IFRS 2, for equity-settled share-based payment transactions, the entity shall measure the goods or services received, and the corresponding increase in equity, directly, at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. The fair value of the service received in exchange for the grant of options and warrants is recognised as an expense, other than those warrants that were issued in relation to the listing which have been recorded against share premium in equity. If the entity cannot estimate reliably the fair value of the goods or services received, the entity shall measure their value, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted. The seed warrants issued to the investors and directors in raising private equity funds is not within the scope of IFRS 2 and accounting policy mentioned doesn't apply.

Share capital to issue relates to shares to be settled via the issue of the Company's shares at the year-end which meet the definition of equity per IAS 32 are classified as shares to be issued within equity and are held at fair value.

Retained earnings includes all current and prior period results as disclosed in the income statement.

1.12. Segment reporting

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

1.13. Taxation

Tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

1.14. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the period and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. The significant accounting judgements and key sources of estimation uncertainty affecting the Group are disclosed below.

Accounting treatment for acquisition of Metals One Finland and SRH – See note 10

Management judgement is involved in determining the appropriate accounting treatment, including whether the acquisition met the definition of an asset acquisition rather than a business combination, date of transfer of control and accounting for consideration. Management judgement is also required in the assessment of the fair values of assets and liabilities acquired, and their associated useful lives, and the use of estimates in the determination of these values and the resulting intangible assets recognised. Management concluded that the acquisition met the requirements of an asset acquisition and the details of this are set out in note 10.

Recoverable value of exploration and evaluation assets – See note 9

Costs capitalised in respect of the Group's mining assets are required to be assessed for impairment under the provisions of IFRS 6. Such an estimate requires the Group to exercise judgement in respect of the indicators of impairment and also in respect of inputs used in the models which are used to support the carrying value of the assets prior to reclassification from exploration and evaluations assets to developments assets. Such inputs include estimates of mineral reserves, production profiles, commodity prices, capital expenditure, inflation rates, and pre-tax discount rates that reflect current market assessments of (a) the time value of money; and (b) the risks specific to the asset for which the future cashflow estimates have not been adjusted. As at year end the Group performed an impairment assessment over both asset classes. The Directors concluded that there was no impairment as at 31 December 2023.

Recoverability of the investment in subsidiaries and intercompany receivable – See Notes 12 and 14

As at 31 December 2023 the carrying value of the Company's investment in SRH and Metals One Finland was approximately £8,924,414 representing the investment in Narvik Nikkel and exploration licenses as well as having a receivable owed from Metals One Finland to Metals One PLC of £184,402. The Group and the Company assess at each reporting date whether there is any objective evidence that investments and loan to subsidiaries are impaired. The main consideration for management when considering recoverability is the probability of realising value from the exploration and evaluation assets effectively owned by the subsidiaries which will generate future cashflow to enable both repayment of the intercompany receivable and realisation of value of investment. Additionally, there is considerable amount of estimation is required to determine future credit losses over the 12 month period of life time of the loan.

As a result of the exploration results received to date, budget for further exploration works in 2024 and licences being in good standing, management do not consider that the investment in subsidiaries, or intercompany receivable are impaired as at 31 December 2023

Contingent consideration – SRH

Management judgement is involved in determining the appropriate accounting treatment for the contingent consideration for the acquisition of SRH below:

i.£250,000 payable in shares upon completion of 5,000 meters of drilling at the Brownfield Rana project; and
ii.£250,000 payable upon a published defined resource and updated competent persons report in respect to the above project.

When assessing the correct treatment, the Group had to consider if there is a reliable estimate of the amount of the obligation must be possible, based on the most likely outcome or expected. Management has determined that the likelihood of reaching the first milestone is highly probable and so has been recorded as a payable as at 31 December 2023- refer to note 17. Milestone two is reliant on the Group receiving positive drilling results from multiple campaigns. Given the inherent uncertainty and risk around these results the £250,000 has been recorded as a contingent liability-refer to note 25.

Accounting treatment for associate

The Group through its wholly owned subsidiary, SRH, has an investment in associate – Narvik Nikkel AS. When determining the correct the treatment the Group first had to assess whether it had control or significant influence over the Joint Venture. It was determined that whilst SRH owned 80% of the share capital of the entity it did not amount to control as:

- The JV partner (Kingsrose Mining) maintained earn in rights to dilute SRH ownership to a minority stake;
- The JV partner is responsible for the operations and work programme of Narvik Nikkel; and
- SRH does not have outright majority on the board.

For the above reasons it was determined that SRH only had significant influence and such was accounted for under the equity method. Refer to Note 23 for further information.

The Group assesses at each reporting date whether there is any impairment indicator related to the investment in associate. The main consideration for management when considering recoverability is the probability of realising value from the exploration and evaluation activities of the associate which will generate future cashflow. As at 31 December 2023, no indicators of impairment were noted as a result of the associate having licences which are in good standing and the positive results from exploration activities carried out during the year.

Estimation of fair value of warrants and share options issued in the year

The fair value of the warrants and share options issued during the period have been calculated using a Black Scholes model which requires a number of assumptions and inputs, see Note 20 below. When these instruments are classified as a liability then if they expire without being exercised they are derecognized from the balance sheet and any deferred amounts recognised through the profit and loss. On exercise of, or expiry of unexercised instruments, the proportion of the share based payment reserve relevant to those instruments is transferred from other reserves to the accumulated deficit. On exercise, equity is also increased by the amount of the proceeds received.

New standards and interpretations not yet adopted

The Group has adopted the below standards, amendments or interpretations for the first time for its annual reporting period commencing 1 January 2023 which do not have a material impact on the Group:

Standard	Effective Date
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	1 January 2023
IAS 12 Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	1 January 2023
IAS 12 International Tax Reform: Pillar Two Model Rules	1 January 2023
IFRS 17 Insurance contracts	1 January 2023

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

Standard	Effective Date
Amendments to IAS 1 – Classification of Liabilities as Current or Non Current	1 January 2024
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025

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

2. SEGMENTAL ANALYSIS

The Group has two reportable segments, Exploration and Corporate, which are the Group's strategic divisions. For each of the strategic divisions, the Board reviews internal management reports on a regular basis.

The Group's reportable segments are:

- Mining: the mining operating segment is presented as an aggregate of all the Finnish and Norwegian related activity and the associated holding companies.
- Corporate: the corporate segment is the UK head company and the costs in respect of managing the Group. This includes the cost of director share options granted by the Company.

The Group generated no revenue during the year ended 31 December 2023 (2022: £0).

Segmental results are detailed below for the year ended 31 December 2023:

	Exploration	**Corporate**	**Total**
	£	**£**	**£**
Operating loss from continued operations per reportable segment	(339,941)	(1,414,621)	(1,754,562)
Reportable segment assets	186,833	9,813,337	10,000,170
Reportable segment liabilities	(426,419)	(490,904)	(917,323)
Net assets	**(239,586)**	**9,322,433**	**9,082,847**

3. ADMINISTRATIVE EXPENSES

This is stated after charging:

	2023 £	2022 £
Wages and salaries	189,350	38,996
Bonus – Non-cash [1]	210,000	-
Share-based payments	178,809	-
National insurance	14,200	-
Consulting and advisory fees	137,593	41,910
Legal Fees	10,323	47,742
Insurance fees	10,009	-
Accounting fees	51,463	86,858
Audit fees	55,000	15,000
Foreign exchange fees	2,854	-
Exploration Costs	-	42,103
Loan forgiveness	48,745	-
Other expenditure [2]	97,363	10,704
	1,005,709	**283,313**

1- Amount relates to £210,000 of shares awarded to the directors for the successful IPO

2- Includes amounts for compliance and administrative costs as well as travel expenditure

4. OTHER COMPREHENSIVE INCOME

Items credited/(charged) to the other comprehensive income line of the statement of comprehensive income relate to the translation of foreign operations. The corresponding movement is offset against the foreign exchange reserve in the statement of financial position.

	31 December 2023 £	31 December 2022 £
Opening Balance		**-**
Foreign exchange impact	1,662	-
Closing Balance	**1,662**	**-**

5. DIRECTORS AND EMPLOYEES

The average number of persons employed by the Group (including directors) during the period ended 31 December 2023:

	31 December 2023	**31 December 2022**
	No	No
Directors	7	3
Employees	1	-
	8	3

	2023	**2022**
The aggregate payroll costs of these persons were as follows:	**£**	**£**
Wages and salaries [1]	399,350	38,996
Share-based payments	86,912	-
	486,262	38,996

1 – Amount includes £210,000 of fee shares awarded to the directors. Refer to directors remuneration report for further information

The highest paid director, being the CFO, received fees of £171,000 (2022: £nil). The directors are considered key management personnel of the Group.

6. AUDITORS' REMUNERATION

	2023	**2022**
	£	**£**
Fees payable to the Group's auditor for the audit of parent company and consolidated group financial statements:	55,000	15,000
Reporting accountant fee	80, 000	-
	135,000	15,000

7. TAXATION

No liability to incomes taxes arise in the year.

	As at 31 December 2023 £	As at 31 December 2022 £
The charge / credit for the year is made up as follows:		
Corporation taxation on the results for the year	-	-
Taxation charge / credit for the year	-	-
A reconciliation of the tax charge / credit appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the year is:		
Loss before tax	(1,754,562)	(253,666)
Tax credit at the applicable rate of 24.6% (2022: 19%)	(430,883)	(48,197)
Expenditure disallowable for taxation	146,879	-
Tax losses on which no deferred tax asset has been recognised	284,004	48,197
Total tax (charge)/credit	-	-

The weighted average applicable tax rate of 24.6% (2022: 19.0%) used is a combination of the 25% standard rate of corporation tax in the UK (2022:19%), 20% standard rate of corporation tax in Finland (2022: 20%), and 25% standard rate of corporation tax in Australia (2022: 25%) .

The Company has total carried forward losses of £1,411,230 (2022: £253,668). The taxable value of the unrecognised deferred tax asset is £347,421 (2022: £48,197) and these losses do not expire. No deferred tax assets in respect of tax losses have not been recognised in the accounts because there is currently insufficient evidence of the timing of suitable future taxable profits against which they can be recovered.

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is calculated by dividing the profit or loss for the year by the weighted average number of ordinary shares in issue during the year.

	2023 £	2022 £
Loss for the year from continuing operations attributable to the owners of the Company	(1,754,562)	(253,666)
Weighted number of ordinary shares in issue	99,066,209	19,174,658
Basic & diluted earnings per share from continuing operations – pence	**(1.77)**	(1.32)

There is no difference between the diluted loss per share and the basic loss per share presented. Share options and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share as they are anti-dilutive for the year presented.

9. EXPLORATION AND EVALUATION ASSETS

	Group	Company	
	As at 31 December 2023	As at 31 December 2023	As at 31 December 2022
	£	£	£
Exploration and evaluation assets	**5,706,986**	**-**	**-**
Opening balance	-	-	-
Acquisition FAMN – Refer to note 10	5,408,924	-	-
Additions	287,000	-	-
Foreign exchange	11,062	-	-
Closing balance	**5,706,986**	**-**	**-**

Exploration and evaluation assets relate specifically to mining licenses and commercial interests held by Metals One PLC and its subsidiaries. The Group currently operates in 2 areas of interest via its subsidiaries or joint ventures. They are:

Brownfield Råna Project

License name	Number	Interest	Granted	Expiry	Holder
Arnes	0066/2019	100%	7th March 2019	6th March 2026	Narvik Nikkel AS
Rånbogen	0069/2019	100%	7th March 2019	7th March 2026	Narvik Nikkel AS
Bruavatnet	0067/2019	100%	7th March 2019	8th March 2026	Narvik Nikkel AS

Licenses were originally owned by Scandinavian Resource Holdings and have been transferred to Narvik Nikkel as at See note 23 for further details on the Joint Venture.

Kainuu Schist Belt Project

License name	Number	Interest	Granted	Expiry	Holder
Finland, Rautavaara S	ML2020:0026	100%	28th November 2023	27th November 2027	Metals One Finland
Finland, Rauta 9-11	ML2012:0169	100%	15th November 2023	14th November 2026	Metals One Finland
Haapaselka	ML2014:0002	100%	19th December 2023	18th December 2026	Metals One Finland

The Group will review the areas of interest for impairment if any of the below are present:

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

10. ACQUISITION OF METALS ONE FINLAND (M1F) AND SCANDINAVIAN RESOURCE HOLDINGS PTY LTD (SRH)

On 31 July 2023, Metals One PLC acquired 100% of the equity instruments of Metals One Finland (M1F) a Finnish based company with rights to the Black-Schist project and Scandinavian Resources Holdings Pty Ltd (SRH), A company incorporated in Australia with operations in Norway.

Under IFRS 3, a business must have three elements: inputs, processes and outputs to constitute a business combination.

At acquisition M1F and SRH were largely dormant exploration companies with little underlying assets. Whilst both entities had titles to mineral properties this could not be considered inputs because of their early stage of development.

Additionally, both entities had no processes including no workforce to produce outputs and had not completed a feasibility study or a preliminary economic assessment on any of their properties and had no infrastructure or assets that could produce outputs. Therefore, the Directors conclusion was that the transactions were asset acquisitions and not business combinations.

The details of Metals One PLCs acquisition of M1F are as follows:

Net assets acquired	**£**
Exploration assets	5,408,924
Cash and cash equivalents	7,064
Other current liabilities	(5,702)
Total	**5,410,286**

Total purchase price	**£**
Amount settled in cash	100,000
Amount settled in shares	4,000,000
Deferred consideration – Shares[2]	1,000,000
Deferred consideration – Cash	185,000
Amount settled via the issue of warrants [1]	79,432
Transaction costs	45,854
Total [2]	**5,410,286**

1- Refer to Note 19 for further information on the valuation techniques for the consideration warrants
2- This relates to the share capital issue disclosed under equity
Note: The outstanding amounts from the above deferred consideration which have not yet been paid are classified as deferred consideration payable under current and non-current liabilities amounting to £150,000 and £85,000, respectively. Please refer to Note 16 for further information.

And for SRH:

Net assets acquired	**£**
Investment in associate	3,454,885
Cash and cash equivalents	52
Trade and other receivables	59,191
Total	**3,514,128**

Total purchase price	**£**
Amount settled in cash	50,000
Amount settled in shares	3,000,000
Deferred consideration – Shares [1]	250,000
Deferred consideration – Cash	50,000
Amount settled via the issue of warrants [2]	79,432
Transaction costs	84,696
Total [3]	**3,514,128**

1- At acquisition £500,000 of deferred consideration was based on the completion of two technical milestones:
   i. £250,000 payable in shares upon completion of 5,000 meters of drilling at the Brownfield Rana project; and
   ii. £250,000 payable upon a published defined resource and updated competent persons report in respect to the above project.
   Due to the inherent uncertainty around the second milestone only the initial deferred consideration has been recognised.
2- Refer to Note 20 for further information on the valuation techniques for the consideration warrants
3- Refer to Note 14 for further information

As at 31 December 2023 £280,550 has been paid in cash in relation to the above purchase price from acquisition.

11. TRADE AND OTHER RECEIVABLES

		31 December 2023	31 December 2022
	£	£	£
	Group	**Company**	**Company**
Prepayments	116,412	80,619	-
Other debtors	61,642	56,440	-
VAT receivable	59,994	9,134	66,188
	238,048	**146,193**	**66,188**

12. INTERCOMPANY RECEIVABLES

	31 December 2023	31 December 2022
	£	£
	Company	**Company**
Intercompany loan-Metals One Finland	184,402	-
	184,402	**-**

Intercompany receivables represent an intra-group loan facility from Metals One PLC to its subsidiary Metals One Finland. The loan is denominated in GBP, unsecured and attracts interest at 8% per annum. The loan becomes repayable when the excess cashflows from operations exceed a certain threshold agreed upon by both parties.

The Group has recognised a loss of £Nil in the profit or loss in respect of the expected credit losses for the year ended 31 December 2023.

A reconciliation of changes in liabilities arising from intercompany borrowings is as follows:

	Company	Company
	31 December 2023 £	31 December 2022 £
Opening Balance		-
Cashflows	184,402	-
Non cash flows:		
Accrued interest	-	-
Settlement of intercompany charges	-	-
	184,402	**-**

13. CASH AND CASH EQUIVALENTS

	31 December 2023 £	£	31 December 2022 £
	Group	**Company**	**Company**
	£	£	£
Cash at bank	751,043	558,328	39,875
Cash on hand	52	-	-
	751,095	**558,328**	**39,875**

The majority of the Group's cash at bank is held with alternative financial institutions.

The carrying amounts of the Group and Company's cash and cash equivalents are denominated in the following currencies:

	31 December 2023 £	£	31 December 2022 £
	Group	**Company**	**Company**
UK Pounds	548,997	548,997	39,875
US Dollars	208	208	-
AUD	3,011	2,959	-
Euro	198,879	6,164	-
	751,095	**558,328**	39,875

14. INVESTMENT IN SUBSIDIARIES

	31 December 2023	31 December 2022
	£	£
	Company	**Company**
Metals One Finland (Formerly Finnaust Northern Mining Oy)	5,410,286	-
Scandinavian Resource Holdings Pty Ltd	3,514,128	-
	8,924,414	-

As at 31 December 2023, the Group owned interests in the following subsidiary undertakings, which are included in the consolidated financial statements:

Name	Incorporation date	Date acquired	Holding	Holding type	Business activity	Country of incorporation	Registered address
Metals One Finland (Formerly Finnaust Northern Mining Oy)	20 August 2010	31 July 2023	93.75% [1]	Direct ordinary shares	Mineral exploration	Finland	KUMMUNKATU 23 83500 OUTOKUMPU
Scandinavian Resource Holdings Pty Ltd	10 September 2019	31 July 2023	100%	Direct ordinary shares	Mineral exploration	Australia	Suite 5 CPC, 145 Stirling Highway, Nedlands WA 6009

1- During December 2023 Metals One Finland sold 6.25% of its share capital as part of the Gunsynd Farm-In for £250,000. Subsequent to year end the Farm-in agreement was terminated. Refer to the subsequent notes for further information

15. TRADE AND OTHER PAYABLES

	31 December 2023		31 December 2022
	£	£	£
	Group	**Company**	**Company**
Trade payables	346,690	75,397	91,345
Other payable and accruals	85,633	80,505	55,000
	432,323	**155,902**	**146,345**

16. DEFERRED CONSIDERATION PAYABLE

	31December 2023		31 December 2022
	£	£	£
	Group	**Company**	**Company**
Non-current	85,000	85,000	
Current	150,000	150,000	-
	235,000	**235,000**	**-**

Deferred consideration payable is cash consideration for the acquisition of Metals One Finland and SRH. Refer to note 10 for further information. Consideration is classified current if it is expected to be settled within 12 months of balance date.

17. CONTINGENT CONSIDERATION

	31 December 2023		31 December 2022
	£	£	£
	Group	**Company**	**Company**
Contingent consideration	250,000	250,000	-
	250,000	**250,000**	**-**

Contingent consideration is non-cash consideration for the acquisition of SRH. Refer to note 10 for further information.

18. SHARE CAPITAL AND SHARE PREMIUM

	Number of Shares on Issue	Share Capital £	Share Premium £	Total £
Balance at 31 December 2021	**17,250,000**	**172,500**	**299,259**	**471,759**
Proceeds from shares issued[1]	2,500,000	25,000	75,000	**100,000**
Balance at 31 December 2022	**19,750,000**	**197,500**	**374,259**	**571,759**
IPO shares [2]	44,000,000	440,000	1,760,000	2,200,000
Fee shares [3]	4,700,000	47,000	188,000	235,000
Consideration shares [4]	140,000,000	1,400,000	5,600,000	7,000,000
Cost of share issue	-	-	(146,544)	(146,544)
Balance at 31 December 2023	**208,450,000**	**2,084,500**	**7,775,715**	**9,860,215**

[1] On 25th March 2022 the Company issued a further 2,500,000 Ordinary Shares at a subscription price of £0.04 in connection with the seed round of fundraising.

[2] On 31st July 2023 the Company issued 44,000,000 shares at a subscription price of £0.05 as part of the Initial Public Offering (IPO) on the AIM segment of the London Stock Exchange. The Company raised £2.2 million from the issue of these shares where £201,554.50 has been deducted from the cash proceeds to pay costs associated with the IPO. £74,919.50 of IPO receivables remaining unpaid at the year end.

[3] On 31st July 2023 4,700,000 shares were issued to directors and advisors of the Company in lieu of payment for services relating to the IPO.

[4] On 31st July 2023 140,000,000 ordinary shares were issued as consideration for the acquisitions of Metals One Finland and SRH. Refer to Note 10 for further information.

The Company has only one class of share. All ordinary shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

The share premium represents the difference between the nominal value of the shares issued and the actual amount subscribed less; the cost of issue of the shares, the value of the bonus share issue, or any bonus warrant issue.

19. WARRANTS

	2023		2022	
	Weighted average exercise price	Number of warrants	Weighted average exercise price	Number of warrants
Opening balance	-	-	-	-
Founder warrants	5p	7,000,000	-	-
Loyalty warrants	9p	22,000,000	-	-
SI Capital warrants	5p	293,000	-	-
Shard Capital warrants	5p	610,300	-	
Beaumont Cornish warrants	5p	2,000,000	-	
Orana warrants	5p	2,084,500	-	-
Gunsynd Warrants	5p	1,500,000	-	-
SRH Warrants	9p	7,500,000	-	-
Finaust Warrants	9p	7,500,000	-	-
Fee Warrants	9p	2,350,000	-	-
Outstanding at the end of the year	**8p**	**52,837,800**	-	-
Exercisable at the end of the year	**8p**	**52,837,800**	-	-

The fair value of the services received in return for the warrants granted are measured by reference to the fair value of the warrants granted. The estimate of the fair value of the warrants granted is measured based on the Black-Scholes valuations model. Measurement inputs and assumptions are shown below in note 20.

20. SHARE BASED PAYMENTS RESERVE

During the year, the Group operated a Metals One PLC Share Option Plan (Share Option Scheme) as well as awarding warrants to various third parties.

Under IFRS 2, an expense is recognised in the statement of comprehensive income for share based payments, to recognise their fair value at the date of grant. The application of IFRS 2 gave rise to a charge of £178,809 for the year ended 31 December 2023. Additionally, another £158,864 relating to the Finaust and SRH warrants was capitalised to the cost base of the investment in those subsidiaries The equivalent charges for the year ended 31 December 2022 was £Nil. The Group recognised total expenses (all of which related to equity settled share-based payment transactions) under the current plans of:

Group and Company	**2023**	**2022**
	£	**£**
Opening balance	-	-
Orana warrants	41,538	-
SI warrants	4,241	-
Shard warrants	4,961	-
BC warrants	39,854	-

Fee warrants	12,250	
Management options	75,965	-
Finaust warrants	79,432	-
SRH warrants	79,432	-
At 31 December	**337,673**	**-**

Share Option Scheme

The Options will be subject to the following vesting conditions: (a) 50 per cent. of the Options will vest immediately; and (b) the remaining 50 percent. of the Options will vest on the first anniversary of Admission. The options expire if they remain unexercised after the exercise period has lapsed and have been valued using the Black Scholes model.

The following table sets out details of all outstanding options granted under the Share Option Scheme

	2023		**2022**	
	Weighted average exercise price	**Number of options**	**Weighted average exercise price**	**Number of options**
Opening balance	-	-	-	-
Management warrants	5p	9,000,000	-	-
Outstanding at the end of the year	**5p**	**9,000,000**	-	-
Exercisable at the end of the year	**5p**	**4,500,000**	-	-

The estimated fair values of these share options and warrants, and the inputs used in the Black-Scholes model to calculate those fair values are as follows:

	Issue date	Time to expiry (years)	Share price at date of issue of warrants	Exercise price	Expected volatility	Risk free interest rate	Fair value per warrant (pence)
Warrants							
Orana	31/07/2023	5	5p	5p	37.40%	4.60%	2p
SI	31/07/2023	2	5p	5p	46.60%	4.20%	1.5p
Shard	31/07/2023	3	5p	5p	40.08%	4.30%	1.6p
BC	31/07/2023	5	5p	5p	37.40%	4.30%	2p
Fee	31/07/2023	2	5p	9p	46.60%	4.20%	0.5p
Fin	31/07/2023	5	5p	9p	37.40%	4.30%	1.1p
SRH	31/07/2023	5	5p	9p	37.40%	4.30%	1.1p
Options							
Management	31/07/2023	5	5p	5p	37.40%	4.30%	2p

During the year 30,500,000 warrants were issued alongside share placements. As the warrants were issued as 'free and attaching' they are considered part of the underlying share and fall outside the scope of IFRS 2 and have not been valued.

As at 31 December 2023 the weighted average time until expiry is 2.77 years (2022: 0 years)

21. RISK MANAGEMENT

General objectives and policies

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

Policy on financial risk management

The Group's principal financial instruments comprise cash and cash equivalents, trade and other receivables and trade and other payables. The Group's accounting policies and methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 1 – "Accounting Policies".

The Group does not use financial instruments for speculative purposes. The carrying value of all financial assets and liabilities approximates to their fair value.

Derivatives, financial instruments and risk management

The Group does not use derivative instruments or other financial instruments to manage its exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices.

Foreign currency risk management

The scope and level of operations that the Group is undertaking has increased in the current year and will continue to increase in years to come. With the acquisition assets based in Norway and Finland the Group will also increase its exposure to foreign currency risk. Despite the increase in exposure the directors believe that it is within a reasonable threshold that it does not materially adversely affect the operations of the Group and hence they have not entered into any strategies to mitigate the risk at this stage. In the current period the impact of foreign currency movement is limited to the impact it has on the relatively small denominations of currency that the Group holds in foreign currencies.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties. The Group's exposure and the credit ratings of its counterparties are monitored by the board of directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Group applies IFRS 9 to measure expected credit losses for receivables, these are regularly monitored and assessed. Receivables are subject to an expected credit loss provision when it is probable that amounts outstanding are not recoverable as set out in the accounting policy. The impact of expected credit losses was immaterial.

The Group's principal financial assets are cash and cash equivalents, loan notes and trade and other receivables. Cash equivalents include amounts held on deposit with financial institutions.

The credit risk on liquid funds held in current accounts and available on demand is limited because the Group's counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

No financial assets have indicators of impairment.

The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recorded in the financial statements.

The foreign currency risk exposure of the Group was comprised of the following:

	As at 31 December 2023
	GBP
CURRENT ASSETS	
Other current assets	91,855
Cash at bank and in hand	192,713
TOTAL ASSETS	**284,568**
CURRENT LIABILITIES	
Trade and other payables	276,419
TOTAL LIABILITIES	**276,419**
NET POSITION	**8,149**

The foreign currency risk exposure of the Company was comprised of the following:

	As at 31 December 2023	As at 31 December 2022
	GBP	GBP
CURRENT ASSETS		
Other current assets	-	-
Cash at bank and in hand	9,330	-
TOTAL ASSETS	**9,330**	**-**
CURRENT LIABILITIES		
Trade and other payables	52,448	24,053
TOTAL LIABILITIES	**52,448**	**24,053**
NET POSITION	**(43,118)**	**(24,053)**

Borrowings and interest rate risk

The Group has no borrowings. The Group's principal financial assets are cash and cash equivalents and trade and other receivables. Cash equivalents include amounts held on deposit with financial institutions. The effect of variable interest rates is not significant.

Liquidity risk

During the year ended 31 December 2023 and year ended 31 December 2022, the Group was financed by cash raised through equity funding. Funds raised surplus to immediate requirements are held as short-term cash deposits in Sterling.

The maturities of the cash deposits are selected to maximise the investment return whilst ensuring that funds will be available as required to maintain the Group's operations.

In managing liquidity risk, the main objective of the Group is to ensure that it has the ability to pay all of its liabilities as they fall due. The Group monitors its levels of working capital to ensure that it can meet its liabilities as they fall due.

The table below shows the undiscounted cashflows on the Group's financial liabilities on the basis of their earliest possible contractual maturity.

	Total	Within 2 months	Within 2-6 months	Greater than 6 months
	£	£	£	£
At 31 December 2023				
Trade payables	346,690	346,690	-	-
Other payable and accruals	85,633	85,633	-	-
	235,000	-	-	235,000
Deferred consideration	250,000	-	-	250,000
	917,323	**432,323**	**-**	**485,000**

For the Company:

	Total	Within 2 months	Within 2-6 months	Greater than 6 months
	£	£	£	£
At 31 December 2023				
Trade payables	75,397	75,397	-	-
Other payable and accruals	80,505	80,505	-	
Deferred consideration	235,000	-	-	235,000
Contingent consideration	250,000	-	-	250,000
	640,902	**155,902**	**-**	**485,000**

Capital management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders. The overall strategy of the Group is to minimise costs and liquidity risk.

The capital structure of the Group consists of equity attributable to equity holders of the Group, comprising issued share capital, reserves and retained earnings as disclosed in the consolidated statement of changes of equity.

The Group is exposed to a number of risks through its normal operations, the most significant of which are interest, credit, foreign exchange, commodity and liquidity risks. The management of these risks is vested to the board of directors.

22. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

For the Group:

2023	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets / liabilities	**£**	**£**	**£**
Cash and cash equivalents	751,095	-	**751,095**
Other receivables	61,642	-	**61,642**
Trade and other payables	-	(432,323	**(432,323)**
Deferred consideration		(235,000)	**(235,000)**
Contingent consideration	-	(250,000)	**(250,000)**
	812,737	**(917,323)**	**(104,586)**

For the Company:

2023	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
Financial assets / liabilities	**£**	**£**	**£**
Cash and cash equivalents	558,328	-	**558,328**
Other receivables	56,440	-	**56,440**
Intercompany receivable	184,402		**184,402**
Trade and other payables	-	(155,902)	**(155,902)**
Deferred consideration		(235,000)	**(235,000)**
Contingent consideration	-	(250,000)	**(250,000)**
	799,170	**(640,902)**	**(158,268)**

2022	Financial assets at amortised cost	Financial liabilities at amortised cost	Total
	£	**£**	**£**
Financial assets / liabilities			
Cash and cash equivalents	39,875	-	39,875
Trade and other receivables	66,188	-	66,188
Trade and other payables	-	(99,345)	(99,345)
	106,063	**(99,345)**	**6,718**

23. INVESTMENT IN ASSOCIATE

Name	Incorporation date	Date acquired	Holding	Holding type	Business activity	Country of incorporation	Registered address
Narvik Nikkel AS	1st November 2022	31st July 2023	80%	Indirect	Mineral exploration	Norway	Søndre Tollbodgate 6a, NO-9008 Tromsø, Norway

Summarised financial information

	Narvik Nikkel 31 December 2023 £
Summarised statement of financial position	
Cash and cash equivalents	-
Other current assets	-
Non-current assets	1,573,705
Total assets	**1,573,705**
Current financial liabilities	-
Other current liabilities	-
Non-current liabilities	(2,015,227)
Total liabilities	**(2,015,227)**
Net liabilities	**(441,522)**
Summarised statement of profit or loss and other comprehensive income	
Direct costs	(452,232)
Loss before income tax	(452,232)
Income tax expense	-
Loss after income tax	(452,232)
Other comprehensive income	-
Total comprehensive loss	-

Reconciliation of the consolidated entity's carrying amount	
Opening carrying amount	-
Additions of SRH	3,454,885
Share of loss of an associate[1]	(150,744)
Share of loss not brought to account	-
Closing carrying amount	3,304,141

The associate had no contingent liabilities or capital commitments as at 31 December 2023.

[1] Associate was only acquired on 31 July 2023 so the share of loss has been calculated from this date to 31 December 2023 at 80%.

24. RELATED PARTY TRANSACTIONS

Share and warrants
As consideration for the successful IPO various shares and warrant instruments were granted to the directors of the Company. Refer to the Directors' report for further information.

On 25th March 2022 250,000 shares at £0.04 were issued to director Jonathon Owen for total consideration of £10,000.

As part of the Initial Public Offering Daniel Maling subscribed to an additional 500,000 shares at 5p per share.

There were no other shares issued to directors during the year.

Provision of services
As disclosed in the AIM admission document and pursuant to a consultancy agreement dated 25 July 2023, the Company engaged JAS Capital Limited, a Company related to the CFO Daniel Maling, to undertake various consultancy services, with effect from the date of incorporation of the Company. The Company paid JAS Capital Limited the sum of £50,000 plus VAT (2022: £0).

On 25 July 2023, the Company and Bluejay entered into an advisory agreement with Bluejay for the provision of certain advisory and technical services. These include the services of Thomas Levin as technical advisor on the Black Schist Projects, assistance with the provision of third-party services such as drilling, labour contracting, freight and haulage and equipment purchases. Bluejay has agreed to use its reasonable endeavours to provide the Bluejay Services. The Company is not obliged to procure the Bluejay Services through Bluejay. As at 31 December 2023 there was £5,785 (2022: £Nil) amount paid to Bluejay.

In 2022, £20,000 was incurred for the provision of corporate finance services from Orana Corporate LLP, an entity related to director Daniel Maling. These services relate to management of the IPO as well as provision of accounting and company secretarial services. As at 31 December 2023 Orana Corporate is not considered a related party of Daniel Maling. £8,000 (2022: £6,000) was incurred for consulting and director fees from Hathaway Consulting Limited, an entity related to director Robert Monro. £20,600 of fees was incurred for consulting and director fees from director Jonathan Owen (2022: £33,470)

Ofoten Loan
As SRH does not possess an operational bank account Ofoten Minerals Pty Ltd (a related party of SRH through shared director Winton Willesee) has paid for expenses on behalf of SRH and has also received funds on behalf of SRH. As at 31 December 2023 the amount owed to SRH was forgiven by SRH. A loss of £48,745 was recorded through the profit and loss for the transaction.

Metals One Finland
Metals One plc entered into a Management Service Agreement (MSA) with its subsidiary, Metals One Finland. Per the terms of the agreement Metals One plc will recharge certain overhead costs that it has incurred that are applicable to the subsidiary. Such costs include management salaries, legal and other administrative expenses. The agreement is considered is calculated on a cost-plus basis.

The two entities have also entered into The Metals One Finland loan which is an intra-group loan facility from Metals One PLC to its subsidiary Metals One Finland. The loan is denominated in GBP and attracts interest at 8% per annum. The loan becomes repayable when the excess cashflows from operations exceed a certain threshold agreed upon by both parties. As at 31 December 2023 the balance was £184,402 (2022: £Nil) and not repayable on demand. Refer to note 12 for more information.

25. CONTINGENT ASSETS & LIABILITIES

Contingent consideration

Following the acquisition of FAMN and SRH the below has been recorded as a contingent liability:

- £250,000 in stage 2 deferred consideration payable to Kingsose upon publication of a defined resource plan and updated competent persons report for the Rana project.

There are several milestone payments to Kingsrose Mining (KRM) for the operation of the Narvik Nikkel JV. They are:

- 94,617 & 10,513 shares in Narvik Nikkel payable to KRM and GEMC upon the completion of at least A$3 million from the date of the initial acquisition). KRM will also grant 1,000,000 shares in KRM to SRH (Second Milestone);
- 103,391 shares in Narvik Nikkel to be issued to KRM upon expenditure of at least an additional A$4 million within two years of the Second Milestone. KRM will then issue 3,500,000 KRM shares and pay A$250,000 in cash to SRH (Third Milestone); and
- 10,000 shares in Narvik Nikkel will be issued to KRM upon expenditure of an additional $A8 Million within 3 years following the completion of the Third Milestone. KRM will then pay an additional A$750,000 to SRH (Fourth Milestone).

Royalty payments

<u>Royalty agreement – Chincherinchee Nominees Pty Ltd</u>

SRH has agreed to pay Chincherinchee Nominees Pty Ltd A 1% NSR royalty over any mineral product extracted from its Rana Project.

<u>Royalty agreement – Global Metals Corporation (GEMC)</u>

SRH and GEMC entered into the Royalty Agreement by which SRH agreed to pay GEMC a 1% net smelter return royalty on any mineral product extracted from the Rana project.

<u>Royalty agreement – Electric Royalties Pty Ltd</u>

SRH and Electric Royalties entered into the Royalty Agreement by which SRH agreed to pay Electric Royalties Pty Ltd a 1%.

<u>Royalty agreement – Magnus Minerals</u>

Metals One Finland is required to pay a 0.5% Net Smelter Royalty to Magnus Minerals up to a maximum production of 5,000 oz Au Equivalent per annum from the Black Schist Project.

Other than those listed above there were no further contingent liabilities at 31 December 2023.

26. ULTIMATE CONTROLLING PARTY

The Directors consider that there is no controlling or ultimate controlling party of the Company.

27. EVENTS SUBSEQUENT TO YEAR END

On 5th January 2024 the Company issued 31,267,500 ordinary shares in the Company to the Metals One employment Benefit Trust ("EBT") at a price per share of £0.01. These ordinary shares shall be held in the EBT on trust pending transfer upon the vesting of awards granted, and for such other purposes relating to the ongoing recruitment, retention and incentivisation of employees.

On 20th May 2024 it was announced that the Company had raised gross proceeds of £895,000 through a placing and subscription of 89,500,000 new ordinary shares of 1p each in the capital of the Company.

Alongside the Placing, the Company has reached an agreement with Gunsynd to terminate the Gunsynd Farm-In. As part of the termination agreement, Metals One has been granted a three year option to re-acquire the 6.25% of Metals One Finland currently held by Gunsynd for an aggregate consideration of £250,000 payable, at the discretion of the Company, either wholly or partly in cash or Ordinary Shares in the capital of the Company at the greater of the Placing Price or the 30 day VWAP prior to exercising the option (such Ordinary Shares, if used as consideration, will be locked-in for a period of 12 months from the date of allotment and issue of such shares).

As part of the Gunsynd Farm-In, Gunsynd was also granted warrants to subscribe for 1,500,000 Ordinary Shares in the Company. These warrants have been cancelled as part of the termination agreement.