# METAL TIGER PLC

**Half-year Condensed Interim Report (Unaudited)**

**For the six months ended 30 June 2022**

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## Results for announcement to the market

## Key Information

Key Highlights:

*Six months to 30 June 2022*

- Agreement to sell 49% of Kalahari Metals Limited Limited to Cobre Limited ("Cobre") for consideration of up to £1.5 million with an initial cash payment of £750,000 for 24.5% subject to certain conditions including approval by Cobre shareholders. The proposed transaction necessitated a write down of £423,000 but allows for consolidation of the project under one entity and prevents Metal Tiger from needing to fund joint venture costs directly.
- £2.2m invested in 7 new passive investments and also completed 7 follow-on passive investments. Fully exited from 17 passive investments and partially exited 10 passive investments.
- Notable passive investments in the period include C$561,000 into Max Resources Limited (TSXV:MAX) as well as A$250,000 into Helix Resources Limited (ASX:HLX).
- Reduced leverage and risk by advance paying down A$2.91 million (c.£1.6million) of the SC Lowy loan over the period.
- Sandfire reported an updated Measured, Indicated and Inferred Mineral Resource Estimate for the 4.7Mtpa MATSA Mining Operations bringing the global resource to 147.2Mt at 1.4% Cu, 3.0% Zn, 1.0% Pb and 39.6g/t Ag containing an estimated 2.1Mt of copper, 4.4Mt of Zinc, 1.5Mt of lead and 187.6Moz of silver. The Measured & Indicated Resource increased by 14% after mining depletion to 109.0Mt at 1.5% Cu and 3.2% Zn for 1.6Mt of contained copper and 3.5Mt of contained zinc with an estimated Net Smelter Return ("NSR") of US$130.86/t (using an NSR cut-off).
- For the financial year 2022, MATSA produced 30,628t of Copper, 38,907t of Zinc, 4,102t of Lead and circa 1.2Moz of silver at a C1 unit cost of US$45.
- As noted in Sandfire's June 2022 quarterly report, development at Motheo is proceeding on schedule with first production expected in the June 2023 Quarter. Sandfire has guided a 9.5% upwards revision in the project's capital costs. In the quarter to September 2022, the Definitive Feasibility Study on the 5.2Mtpa Expansion is due for completion and the Environmental-Social Impact Assessment (ESIA) is scheduled to be submitted to the DEA. Drilling of the A4 Deposit dewatering bores is approximately 30% complete and fabrication of the only long-lead delivery plant equipment required for plant expansion, a 4.5MW Ball Mill is well advanced with delivery on schedule for the quarter to December 2022.
- Drilling is ongoing at A1, a prospect located 19km north-east of the Motheo Copper Mine with a single diamond drill rig and a total of eight holes completed by the end of the quarter to June 2022. Six 1.4km long Induced Polarisation (IP) surveys were completed at A1 which have delineated two anomalous chargeable zones that extend across the survey area, which are the focus of drilling. Metal Tiger's 2% NSR covers the A1 prospect.
- Dividend received from Sandfire Resources Limited ("Sandfire") (ASX:SFR) of £146,000 and £49,000 used to lower the amount payable by the Company under the Equity Collar Derivative Facility.

*Post period end*

- Cobre Limited has announced several significant copper intersections establishing substantial potential over 4km of strike at the Ngami Project in the Kalahari Copperbelt. As at 26 August, Cobre's share price closed at A$0.565 meaning that post completion of the fundraising in which Metal Tiger maintained its pro-rata position the value of Metal Tiger's investment is A$25.2 million.
- Sandfire is working towards an optimised 5-year plan for MATSA underpinned by a safety improvement plan, a programme to improve mine productivity and expand throughput beyond 4.7Mtpa, near mine mineral resource extensions at existing mines as well as an expansive exploration programme.
- Sandfire's group cash on hand as at 30 June 2022 totalled US$463 million. Sandfire is due to repay US$138 million under its project financing facility and US$138 million under its ANZ corporate facility during September 2022. This will reduce Sandfire's debt position to circa US$532 million substantially reducing the overall leverage of the Sandfire group.
- Sandfire is due to announce a targeted project facility financing, and it is noted that selection of banks is complete with documentation well advanced and final credit approval processes pending.
- Armada Exploration commenced a ground-based Natural Source Audio-Magnetotelluric ("NSAMT") survey at the Nyanga project. NSAMT systems calculate ground resistivity by measuring the magnitude of naturally occurring electric and magnetic fields. Resistivity values are calculated from these measurements and used to create 2D and 3D images of the subsurface. Magmatic sulphide accumulations are defined by extremely low resistivity values. The results of this campaign will likely be used to help guide the next drilling campaign.
- The Company made passive investments totalling £392,000 into three companies post period end.

## Key Performance Indicators

| | Unaudited for the six months ended 30 June 2022 | Unaudited for the six months ended 30 June 2021 | Audited for the year ended 31 December 2021 | Change* | Change* % |
|---|---|---|---|---|---|
| Total comprehensive (loss)/profit attributable to owners of the parent | (£9,842,000) | (£471,000) | £4,579,000 | (£9,371,000) | (1990)% |
| Net asset value | £29,024,000 | £31,285,000 | £38,822,000 | (£2,261,000) | (7)% |
| Net asset value per share * | 17.1p | 20.1p | 22.9p | (3.0p) | (15)% |
| Closing share price | 15.00p | 25.5p | 20.5p | (10.5p) | (41)% |
| Share price premium/(discount) to net asset value* | -14% | 27% | -10% | | |
| Market capitalisation | £25,414,000 | £39,757,000 | £34,732,000 | (£14,343,000) | (36)% |
| Shares in issue at the end of the year | 169,423,576 | 155,910,062 | 169,423,576 | 13,513,514 | 9% |

** Based on shares in issue at the end of the reporting period and changes are calculated versus the six months ended 30 June 2021.*

Additional Information

| | |
|---|---|
| **Dividends paid or provided for** | No dividends declared for the six months ended 30 June 2022 (H1 and full year 2021: Nil). |
| **Net assets per share** | Details of net asset backing are set out in the key performance indicators. |
| **Control gained or lost over entities having material effect** | None. |
| **Details of associates and joint ventures** | Kalahari Metals Limited is Metal Tiger's sole joint venture interest. The Company has a 49% (H1 and full year 2021: 50.1%) direct ownership stake, which has been conditionally sold to Cobre. |
| **Other significant information** | There is no significant information which needs to be disclosed that is not included in this report. |
| **Accounting standards for foreign entities** | The financial statements have been prepared in accordance with International Accounting Standards as adopted by the UK. |
| **Commentary on the results for the financial year** | Refer to commentary section. |
| **Compliance statement** | This report is based on accounts which have been reviewed by the external auditors. |

# Commentary

The first half of 2022 was a challenging six months for Metal Tiger given very difficult market conditions caused by a variety of factors but, notably, run-away inflation pushing up costs (especially energy), rising interest rates, negative market sentiment, a significant market sell off, the war in Ukraine, continued difficulties with COVID-19 restrictions in China, supply chain disruptions and increasing geopolitical tensions between the East and the West. Commodities across the board fell substantially from the beginning of the year with copper falling to around US$3.60/lb from an inter-period high of US$4.90/lb. Nevertheless, the Board remains very confident of the medium to long term macro picture for commodity prices, especially those critical for the energy transition.

In the first half of 2022, the largest commodity exposure through its project and equity investments was to Copper and Gold. Gold spiked out of its range from circa US$1,800/oz to north of US$2,000/oz before ending the period close to US$1,800/oz in light of rising interest rates and a strong US$. The first half of the year saw a surge in Lithium prices which more than doubled in the period and were seven times higher than at the start of 2021. No doubt, Russia's invasion of Ukraine has created further pressures on minerals critical for the energy transition, since Russia supplies 20% of global high-purity nickel. Whilst Metal Tiger did not have significant exposure to Lithium stocks, the surge helped support the price of Red Dirt Metals, which the Company fully exited during the period bringing in cash proceeds of £561,000. The Company was fortuitous in that it sold a large portion of its equity holdings prior to the market crashing in order to finance private company Andean Copper Inc. in which the Company invested US$1.2 million over two rounds of financing. Unfortunately, Andean Copper Inc. was unsuccessful in its attempts to acquire a distressed copper asset in Peru and the funds were subsequently returned in full to Metal Tiger in July 2022.

Having failed to deliver on planned drilling at Maria Cecilia the Company partially exited Camino Minerals Corp during the period and has subsequently completely exited the position. Metal Tiger invested C$210,000 in Max Resources at C$0.6 per unit and subsequently invested a further C$351,000 at C$0.26 per unit. In spite of the recent change in the political landscape in Colombia, the Company is very excited by the discovery potential of Max Resources given the high-grade channel sampling and scale potential.

In large part thanks to the Company's strong and liquid balance sheet, the Company was able to manage and survive the market crash, in particular its leveraged Sandfire position, with some rapid decision making by management. Unfortunately, this resulted in a loss of £9.65 million for the six months ending June 2022. This was largely driven by loss taking and substantial decreases in the valuations of the Active investment portfolio, being Cobre Limited, Armada Metals Limited and Southern Gold Limited ("Southern Gold") as well as Metal Tiger's largest single equity position, Sandfire Resources Limited ("Sandfire"). The Company was forced to take urgent measures to reduce its risk exposure against the margin lending facility several times but was able to successfully de-risk the position whilst allowing the Company to maintain upside potential in what the Company internal financial models show to be fundamentally undervalued. At the end of the period, the principal amounts owed by the Company in respect of the Margin Lending Facility were reduced from A$9 million to circa A$6.160 million.

Overall, the Company is impressed by the progress that Sandfire has made with respect to operational improvements at MATSA as well as the progress of the development of the Motheo copper mine. It is our firm belief that, given Sandfire's robust cash position, production and margin profile, as well as hedging against commodity prices in respect of circa one third of metal production at MATSA, will allow them to meet their debt payment obligations and substantially grow their equity value as they proceed to bring Motheo into production during 2023. In particular, we note the impressive update to the mineral resource at MATSA, which showed a Global Measured, Indicated and Inferred Mineral Resource estimate for MATSA of 147.2Mt at 1.4% Cu, 3.0% Zn, 1.0% Pb and 39.6g/t Ag containing an estimated 2.1Mt of copper, 4.4Mt of zinc, 1.5Mt of lead and 187.6Moz of silver. We further note from Sandfire's recent June 2022 quarterly report, that Sandfire is undertaking an extensive exploration programme which ramped up during Q2 2022 targeting both immediate extensions of existing deposits and new discoveries in the surrounding region. On the other hand, mining at DeGrussa is expected to end in September 2022, with processing planned to wind up in October. We note however that Sandfire is continuing to investigate the potential extension of operations through processing of existing stockpiles and mineralised waste on site using the existing plant. Most importantly, we note that Sandfire have managed to maintain the project schedule for the development at Motheo with first production expected in the quarter to June 2023. Sandfire has guided to an upwards 9.5% revision in the project's capital costs, due mainly to increased fuel and mining costs, with further information to follow on this as part of the DFS on the 5.2Mtpa

Expansion, which is due for completion in the quarter to September 2022. Sandfire is well placed to make first repayment due under the MATSA facility of US$118 million at the end of September 2022, together with repayment of their US$138 million ANZ corporate facility in Australia.

Furthermore, we notice increased activity at Sandfire's A1 prospect from our observations of satellite imagery and we patiently await an update on drilling at A1 which has the potential to be a significant step change with regard to the valuation of the Company's 2% NSR. Furthermore, we anticipate that Sandfire will commence an infill drilling and extensional drilling campaign at the A4 deposit, which has the potential to increase contained copper tonnage.

On 16 June 2022, the Company announced a deal to sell its 49% interest in Kalahari Metals Limited ("KML") to Cobre Limited. This deal removed any further funding obligations from Metal Tiger and provided a pathway for Cobre to assume 100% ownership of Kalahari Metals. Further details of this disposal and the impact on the accounts are included in the project's investment section and results for the period section. It is anticipated that £750,000 will be paid for the initial acquisition of 24.5% in September 2022. This will likely be netted off against Metal Tiger's recent A$1.47 million investment in Cobre's A$7 million fundraise at 15c announced in August 2022. Since Metal Tiger's disposal, Cobre has made a discovery in Botswana and their share price at close of business on 26 August 2022 was A$0.565 valuing Metal Tiger's holding post the recent conditional investment at A$25.2 million. The Board notes that, in their opinion, this deal provides MTR with exposure to Kalahari Metals, via its 21% holding in Cobre, in a way that is non-dilutive to MTR shareholders. Cobre has demonstrated an ability to access substantial funding and given their strong relationship with Canaccord (who brokered the recent equity fundraising for Cobre) means that Cobre should be able to not only fund an aggressive drill-out of the discovery at the Ngami Project area but also look to make additional discoveries at the Kitlanya West Project area and the Okavango Project area.

Armada Metals Limited ("Armada") completed its Phase 1 drilling programme, comprising ten diamond holes for 3,240 metres. Whilst no economic discovery was found from the first phase of drilling, magmatic sulphide mineralisation was intersected in all ten diamond drill holes at the Libonga North, Matchiti Central and Libonga South targets along the Libonga-Matchiti Trend. Detailed core logging has confirmed the trend is a dynamic, multi-phased magma conduit system. Post period end, the company announced that it had commenced a ground-based NSAMT survey which will help to identify further drill targets.

Southern Gold during the period appointed Exploration Manager, Robert Smillie as Managing Director and CEO. Based in South Korea he has overseen an ambitious project generation campaign with field work resulting in 29 new licence applications, increasing exploration licences under application to 138 covering an area of 382km$^2$. A sale of 50 million Bluebird Merchant Ventures (LSE:BMV) shares brought in proceeds of £250,000. As at 30 June 2022, the company had A$4.6 million of cash and their mark-to-market valuation of BMV shares was worth approximately A$5.3 million. The Board believes that the extensive application package and diligent project generation work will lead itself to several interesting target areas being prioritised for drilling in due course, setting up what could be a very appealing country consolidation play, pending proof of concept through drilling. Whilst the company will not be seeking to make any further active investments, we are pleased to note Cobre's recent success and believe that this goes a long way to helping validate the logic behind the Active investment strategy. Indeed, whilst not directly comparable as a result of commodity, country and deposit type, all three investments share similarities in terms of their district/country scale potential.

Finally, Metal Tiger undertook steps in the first half of the year to explore options and identify solutions that will potentially allow for the correct regulatory status to be applied to Metal Tiger and one which would be suitable to its classification as an investing company. Assuming favourable clarification of our regulatory status, we will explore UK listing options that would potentially be a better fit for the Company's operational and investing capabilities as well as potentially reduce annual administrative costs. The Company has engaged Simmons & Simmons as legal counsel to assist in these matters and will update the market in due course as appropriate.

## Project Investments

The Project Investments segment includes investments into mineral exploration and development projects either through subsidiaries, associates, or joint venture companies, operated by in-country partners who have the requisite knowledge and expertise to advance projects. Following completion of the disposal of Kalahari Metals Limited, this will mark the end of the Project Investment division. The Company will manage any legacy investments within this division as appropriate but will not seek to make further Project Investments where Metal Tiger as a corporate entity must contribute either solely or as a joint venture partner to exploration expenditure.

### *Botswana - Kalahari Metals Limited*

On 16 June 2022, Metal Tiger announced that it had entered into a Share Purchase Deed with Cobre to dispose of up to all of its 49% interest in Kalahari Metals Limited ("KML").

- Cobre (or its nominee) will acquire 24.5% of the shares in KML from Metal Tiger (increasing its interest to 75.5%) for total cash consideration of £750,000 (the "Initial Acquisition") expected to be payable in September 2022, which MTR will use for general working capital purposes;
- Metal Tiger will grant Cobre a call option for it or its nominee to acquire the remaining 24.5% of Metal Tiger's shares in KML, exercisable for either £750,000 cash or the equivalent in Cobre shares (based on a 90-trading day VWAP), (the "Call Option") at the sole election of Cobre, providing Cobre a pathway to 100% ownership of KML;
- The Call Option will lapse 12 months after completion of the Initial Acquisition, and if not exercised by Cobre, Metal Tiger will remain a 24.5% shareholder in KML; and
- Metal Tiger will retain certain rights in KML until such time as the Call Option has been exercised.

The transaction, including the Initial Acquisition, is subject to certain conditions:

- Cobre shareholder approval to the Transaction for the purposes of ASX Listing Rule 10.1 and item 7 of section 611 of the Corporations Act 2001 (Cth), to be sought at a general meeting of Cobre shareholders anticipated to be held in September 2022;
- an Independent Expert Report concluding that the Transaction is fair and reasonable to Cobre's shareholders;
- no legal or government agency restraints preventing the Transaction; and
- the obtaining of any required approvals to the Transaction by government agencies in Botswana.

**Transaction summary:**

The parties have agreed to temporarily amend the terms of the existing Shareholders Deed and Loan Agreements between KML, Metal Tiger, Cobre and Cobre Kalahari Pty Ltd ("Cobre Kalahari"). For the period until the earlier of termination of the Transaction, or 12 months following completion of the Initial Acquisition:

- Cobre Kalahari will have sole control regarding the adoption, approval and variation of KML's Business Plan and Budget, and KML's activities will be conducted in accordance with that Business Plan and Budget;
- MTR waives its rights and is released from its obligations in relation to the Business Plan and Budget;
- Cobre Kalahari will be solely responsible for contributing any capital and funding requirements of the Company pursuant to the Business Plan and Budget, and any such funding during the initial 12-month period will be provided in a manner that is non-dilutive to Metal Tiger's interest and will not otherwise impact the Shareholders Deed;
- Metal Tiger's two nominee Directors will resign from the Board of KML effective immediately, and Metal Tiger will waive the right to appoint Directors;
- Certain KML board matters will continue to require approval by Metal Tiger (or its representatives) on the basis that Metal Tiger will have voting power equivalent to two directors (with Cobre representatives constituting the remaining two directors) in considering such matters;
- In the event that the Call Option is not exercised before its expiry, the parties will promptly amend the Shareholders Deed to restore MTR's rights (including board representation rights), protections and

obligations to the equivalent of those which it held as a 49% shareholder in KML prior to completion of the Initial Acquisition;
- Cobre undertakes not to change, or seek to change in any way whatsoever, the Group's accounting policy or practice during the 2022 and 2023 Financial Years; and
- In the event that MTR receives shares by way of consideration, these will be managed alongside its existing investment in the company.

### Shareholder Loans:

Metal Tiger currently has circa US$1.3 million in outstanding Shareholder Loans to Kalahari Metals Limited. The Loan Agreement has been amended such that, on completion of the Initial Acquisition, Cobre will guarantee KML's obligation to repay the outstanding Shareholder Loans, plus any interest accruing at a rate of 7% per annum. The Shareholder Loan is for a 5-year period with an automatic extension for an additional 5 years in the event that no JORC[1] compliant Mineral Resource declaration over any of KML's tenements (or indeed by a third-party in the event of a Farm-in) has been made within the initial 5-year period. The Loan can be repaid in cash or shares at any time by Cobre, at Cobre's sole election, and is only required to be repaid early if certain exit events occur (being a JORC Mineral Resource declaration, the occurrence of mining production, an initial public offering ("IPO") of KML, Cobre's disposal of 75% or more of it shares in KML, an asset sale, or a change of control of Cobre). The Shareholder Loan may, at Cobre's election, be cash or in Cobre shares, based on a 90-trading day VWAP.

### *Thailand*

Metal Tiger retains twelve exploration licence applications in Thailand which have been fully progressed at the relevant permitting body, the Department of Primary Industries and Mines and, to the Company's knowledge as at the date of this announcement, remain in good standing. Should these exploration licence applications be granted, and confirmation of such is awaited, the Board will consider whether or not to pursue appropriate exploration programmes in Thailand.

## Equity Investments

The Equity Investments segment continues to invest in high potential mining exploration and development companies with a preference for base and precious metals. The focus is to invest in mining companies that are significantly undervalued by the market and where there is substantial upside potential through exploration success and/or development of a mining project towards commercial production. To differentiate between the Board's view of the Company's strategy we categorise certain investments as either Active or Passive.

Active investments are typically larger investments where Metal Tiger seeks to positively influence the management of investee companies, by providing oversight and guidance at Board level to enhance shareholder value and minimise downside risk.

Metal Tiger invests in listed mining equities via either pre-IPO, IPO, placings, or direct on-market purchases. Metal Tiger may receive warrants when undertaking investments in pre-IPO, IPOs, or Placings. The Company may consider other investment structures. The main aim is to make capital gains in the short to medium term. Investments are considered individually based on a variety of criteria. Investments are typically stock exchange traded on the TSX, ASX, AIM or LSE[2] but can be private with a view to obtaining a liquidity event.

As at 30 June 2022, as set out in the table below, Metal Tiger had equity investments in companies pursuing high potential exploration and development projects in precious, base and battery metals. Projects are located in a variety of jurisdictions, including North America, South America, Africa, Southeast Asia and Australia. Metal Tiger held some exposure to producers.

Through its investments, Metal Tiger is primarily exposed to copper and gold.

In early 2022, the copper price was supported by strong demand, continued supportive financial conditions, low levels of refined stocks and limited mine supply growth. The copper price reached a record high of US$10,845/t in March 2022. However, the onset of the war in Ukraine, the start of fiscal tightening measures in the US and COVID-19 outbreaks in China, followed by concerns over decelerating consumption growth in North America and Europe, increased economic uncertainty over the outlook for China, and continued strong US dollar appreciation, caused investor speculative positioning in copper to move from net-long to net-short. Copper prices deteriorated rapidly through the latter part of H1 2022, ending the period at US$8,258/t, having averaged US$9,759/t over the half, with further declines being experienced post the period end.

During the period, the gold price remained relatively robust, beginning the period at US$1,805/oz (1 January 2022) and ending the period at US$1,817/oz (30 June 2022). Gold prices spiked at the onset of war in the Ukraine, reaching over US$2,000/oz. The gold price has declined post period end as a result of more restrictive monetary policy in the US and Europe and the resultant increases in interest rates, however, the gold price remains well supported above US$1,700/oz as a result of continued global inflationary pressures and geopolitical uncertainty. Metal Tiger continues to deliver on identifying high conviction natural resource opportunities in line with its investment approach. Whilst the Company continued to largely focus on undervalued investment situations with the potential for substantial exploration upside, we still managed to maintain a strong level of diversification in the Passive Investment portfolio in terms of commodity, jurisdiction, and project development stage. In addition, Metal Tiger has managed to increase its warrant portfolio through investment in the period. No new Active Investment was made in period.

*Summary of listed investments held at 30 June 2022*

| Investment | Listing Exchange | Description | No. of securities held | Value at period end £ |
|---|---|---|---|---|
| Sandfire Resources Limited | ASX | Copper, gold and silver mining and exploration | 4,164,286 ordinary shares (held as collateral for collateral loan) | 10,508,971 |
| | | | 2,842,667 ordinary shares (held as security in structured finance loan) | 7,173,740 |
| | | | 80,104 ordinary shares (uncharged) | 202,150 |
| Southern Gold Limited | ASX | Gold mining and exploration | 40,794,000 ordinary shares | 694,028 |
| | | | 7,284,500 unlisted warrants (A$0.18 expiry 19/10/2022) | 1 |
| Cobre Limited | ASX | Base metal exploration | 34,764,096 ordinary shares | 512,583 |
| Armada Exploration Limited | ASX | Nickel and copper exploration | 15,000,000 ordinary shares | 510,390 |
| | | | 3,333,333 unlisted warrants (A$0.334 expiry 22/11/2026) | 37,334 |
| Max Resource Corporation* | TSXV | Copper exploration | 1,700,000 ordinary shares | 467,621 |
| | | | 675,000 unlisted warrants (C$0.36, 25/03/2024) | 109,072 |
| | | | 350,000 unlisted warrants (C$0.85, 17/05/2023) | 26,180 |
| Sable Resources Limited* | TSXV | Gold and silver exploration | 2,041,666 ordinary shares | 306,923 |
| Northern Graphite Corporation* | TSXV | Graphite producer and exploration | 660,000 ordinary shares | 261,765 |
| | | | 330,000 unlisted warrants (C$1.10 expiry 08/2/2024) | 40,002 |
| Heavy Minerals Limited | ASX | Mineral Sands exploration | 1,886,401 ordinary shares | 200,048 |
| Helix Resources Limited* | ASX | Copper exploration | 20,833,333 ordinary shares | 82,702 |

| | | | | |
|---|---|---|---|---|
| Anacortes Mining Corp. | TSVX | Copper and gold exploration | 104,933 ordinary shares<br>104,167 unlisted warrants (C$3.3 expiry 22/7/2023) | 59,742<br>1,700 |
| Canyon Resources Limited* | TSVX | Bauxite development | 2,383,817 ordinary shares | 59,482 |
| Camino Minerals Corp. | TSXV | Copper exploration | 1,432,000 ordinary shares<br>2,941,176 unlisted warrants (C$0.25 expiry 18/5/2023) | 45,803<br>7,770 |
| Rainbow Rare Earths Limited | AIM | Rare Earth exploration and development | 300,000 ordinary shares | 37,125 |
| Red Dirt Metals Limited* | ASX | Lithium, Gold exploration | 77,484 ordinary shares | 17,576 |
| Greentech Metals Limited | ASX | Nickel exploration | 100,000 ordinary shares | 14,745 |
| Mt. Malcolm Mines NL | ASX | Gold exploration | 396,970 ordinary shares | 12,832 |
| Cannon Resources Limited* | ASX | Nickel exploration | 83,333 unlisted warrants (A$0.2 expiry 30/6/2024) | 10,755 |
| Pearl Gull Iron Limited | ASX | Iron Ore exploration | 308,026 ordinary shares<br>550,000 unlisted warrants (A$0.3 expiry 6/9/2024) | 6,987<br>3,921 |
| Artemis Resources Limited | ASX | Copper, gold and cobalt exploration and development | 200,000 ordinary shares | 3,062 |
| Marimaca Copper Corp. | TSXV | Copper exploration | 70,978 unlisted warrants (C$4.1 expiry 31/12/2022 | 3,047 |
| Thor Mining plc | AIM/ASX | Molyhil Tungsten Project | 5,769,231 unlisted warrants (1.3p expiry 17/08/2023)<br>1,100,000 unlisted warrants (A$0.015 expiry 17/12/2022)<br>12,500,000 unlisted warrants (1p expiry 23/10/2022) | 2,197<br>936<br>56 |
| Inflection Resources Limited | CSE | Copper and gold exploration | 234,375 unlisted warrants (C$0.5 expiry 14/5/2023) | 757 |
| Avidian Gold Corp | TSXV | Copper and gold exploration | 500,000 unlisted warrants (C$0.2 expiry 8/6/2024) | 617 |
| Palladium One Mining Inc. | TSXV | Nickel and copper exploration | 170,000 unlisted warrants (C$0.45 expiry 22/2/2023) | 136 |
| Apollo Gold and Silver Corporation | TSXV | Gold and silver exploration | 110,000 unlisted warrants (C$1.25 expiry 05/7/2023) | 89 |
| Aurelius Minerals Inc. | TSXV | Gold exploration | 100,000 unlisted warrants (C$0.7 expiry 15/7/2022) | 1 |

**Denotes new additions to the portfolio during the period.*

*Summary of unlisted investments held at 30 June 2022*

| Investment | Listing Exchange | Description | No. of securities held | Value at period end £ |
|---|---|---|---|---|
| Andean Copper Inc* | Private | Copper producer | 66,666,667 ordinary shares | 1,648,600 |
| Moxico Resources PLC | Private | Copper producer | 500,000 ordinary shares | 250,000 |
| Tally Limited | Private | Gold currency | 3,840,909 ordinary shares | 57,614 |
| ACDC Metals Limited | Private | Rare earths exploration | 250,000 ordinary shares | 14,178 |
| Eridge Capital Limited | Private | | 854,545 ordinary shares | 512 |

**Denotes new additions to the portfolio during the period.*

*Summary of investments made between 30 June 2022 and the date of release of the Interim Report*

| Investment | Listing Exchange | Description | No. of securities held | Amount invested period end £ |
|---|---|---|---|---|
| O3 Mining Inc* | TSXV | Gold, silver exploration development | 93,000 ordinary shares | 96,795 |
| Antilles Gold Limited* | ASX | Gold, copper exploration and development | 7,000,000 ordinary shares<br>2,333,333 unlisted warrants (C$1.10 expiry 08/2/2024) | 200,760 |

**Denotes new additions to the portfolio during the period.*

During the period the Company also converted 694,444 warrants in Pan Global Resources Inc into 694,444 shares which were all disposed of during the reporting period realising a profit of approximately £97,000. The company also purchased 6,000,000 ordinary shares in Alien Metals Limited during the period which has been fully exited for a loss of £9,000.

During the period the segment acquired investments at a total cost of £3,308,000 and disposed of investments for £6,348,000 and a realised loss of £318,000. After considering the revaluation of the investments the net assets of the segment decreased by £11,616,000 during the period to £24,028,000 (full year 2021: £35,644,000).

After accounting for the loss on disposals, dividends received and the revaluation of investments at the year end, the equity investments segment recorded a net loss of £9,782,000 for the year versus profits of (H1 £1,751,000; full year 2021 £3,454,000).

Overview of material investments as at 30 June 2022:

### *Sandfire Resources Limited*

Sandfire is a mid-tier Australian mining and exploration company listed on the Australian Securities Exchange ("ASX") (ASX:SFR) and operates the high-margin DeGrussa Copper-Gold Mine, located 900km north of Perth in Western Australia, which produces high-quality copper-in-concentrate with significant gold credits. In addition, in 2021 (completing in 2022), Sandfire agreed to acquire 100% of the Minas de Aguas Tenidas ("MATSA"), comprising of three underground mining operations feeding a 4.7Mtpa central processing facility with state-of-the-art infrastructure in Spain, for a total consideration of US$1.865 million. Sandfire also has development and exploration projects in North America and Botswana.

The Company holds 7,087,057 ordinary shares in Sandfire Resources as at 30 June 2022, representing 1.7% of Sandfire's issued share capital. Metal Tiger has an Equity Option and Loan Facility Master Agreement (Financing Arrangement) with Macquarie bank that allows it to enter into certain covered derivative contracts over its equity holdings.

In aggregate, the financing arrangements entered by Metal Tiger are secured over 2,842,667 Sandfire shares held by Metal Tiger, representing approximately 0.7% of Sandfire's issued share capital.

Sandfire concluded H1 with a very strong cash position of US$463.1 million and net debt of US$324.7 million. Group FY2022 production in excess of guidance at 98,367t Cu, 38,907t Zn, 4,102 Pb, 32,285oz Au and 1.5Moz Ag. With C1 unit costs at US$1.27/lb Cu payable reflecting global inflationary cost pressures.

Sandfire received a strong 5-month contribution from the MATSA Copper Operations in Spain with FY2022 production exceeding guidance: 30,628t Cu, 38,907t Zn, 4,102t Pb and 1.2Moz Ag. Elevated energy costs in Spain remain a challenge and were reflected in C1 unit costs for MATSA of US$1.81/lb for the June 2022 Quarter and US$1.45/lb for FY2022. Sandfire is progressing several responses to this situation, including the planned construction of new solar farms, engaging with electricity suppliers for new contracts and investigation of other pricing structures.

DeGrussa is scheduled to complete in September 2022 with processing to wind up in October 2022. A detailed care and maintenance and mine closure plan have been developed. Sandfire continues to investigate the potential extension of operations through processing of existing stockpiles and mineralised waste on site using the existing plant.

Sandfire generated FY2022 sales revenue of US$922.7 million (unaudited) and Group EBITDA of US$448 million (unaudited).

The Motheo Expansion Definitive Feasibility Study ("DFS") is nearing completion, outlining a growth pathway to 5.2Mtpa and due for release in the September 2022 Quarter.

Updated Measured, Indicated and Inferred Mineral Resource Estimate completed for the MATSA Copper Operations: 147.2Mt at 1.4% Cu, 3.0% Zn, 1.0% Pb and 39.6g/t Ag, containing an estimated 2.1Mt of copper, 4.4Mt of zinc, 1.5Mt of lead and 187.6Moz of silver.

Extensive exploration is occurring at MATSA targeting both immediate extensions of existing deposits and new discoveries in the surrounding region.

Sandfire is well advanced and on schedule for Motheo to commence first production in the quarter to June 2023. Construction activities are continuing with over 1,700 personnel currently on site, over 7,000$m^3$ of concrete poured and 550 tonnes of structural steel erected to date. Some of the key recent developments include:

- Completion of all 752 rooms in the Motheo Mine Village
- Award of the Electrical and Instrumentation installation contract (final process plant contract)
- Erection and back-fill of the primary crusher lower retaining wall
- Completion of Reclaim tunnel and SAG Mill concrete foundations
- Completion of Mine Administration Office and Clinic buildings
- Tailings Storage Facility Bulk fill for walls 50% complete and basin lining commenced
- Majority of the process plant equipment including the SAG Mill components all delivered to site during the quarter to June 2022
- Structural, Mechanical and Piping Contractor mobilised and approximately 10% complete during the quarter to June 2022

The DFS for the Expansion Project including A4 is scheduled for completion in the quarter to September 2022 with work programmes nearing completion.

*Cobre Limited*

Cobre is an ASX listed (ASX:CBE) resource exploration company which is progressing the copper-gold-silver-zinc VHMS[3] exploration stage Perrinvale Project in Western Australia. Cobre holds a 51% interest in Kalahari Metals, as well as an 18.5% interest in Armada. The Company holds 34,764,096 ordinary shares as of 30 June 2022, representing 17.2% of Cobre's issued ordinary share capital. Metal Tiger has agreed to invest an additional A$1.5 million for 9,808,076 additional shares in Cobre, subject to shareholder approval.

Cobre entered into an agreement with Metal Tiger to purchase its 49% stake in Kalahari Metals Limited. Further details can be found in the projects section. On 4 August 2022, the company announced a A$7 million placement in which Metal Tiger invested A$1.5 million, subject to shareholders approval, to maintain its pro-rata shareholding.

*Kalahari Metals Limited*

Post period end the Company announced the commencement of exploration drilling in Botswana. On the 27 July 2022, significant visual copper mineralisation was intersected in the first diamond drill hole NCP07 at the Ngami Copper Project ("NCP") in the Kalahari copperbelt with chrysocolla along with fine grained disseminated copper sulphides which occur over a broad 59m interval downhole with an increase in abundance in the lower 10m. This hole was designed 1km away along strike to test the extent of anomalous chalcocite mineralisation intersected in a historical hole proving that mineralisation increases and thickens out significantly along strike. This was followed by the second diamond drill hole intersecting copper mineralisation over a 25m interval downhole with a significant increase in chalcocite mineralisation over a 12m interval. This drill hole, NCP08 was drilled 1km southwest of NCP07 along strike. It was noted that the width and concentration of sulphide mineralisation intersected is comparable to discovery holes elsewhere in the Kalahari Copperbelt. On 3 August 2022, further copper mineralisation was intersected in ongoing drill hole NCP09, at the Ngami Copper project. Mineralisation consisted of chrysocolla, malachite and fine-grained chalcocite which occurred over a 15m interval downhole. At the time of the announcement the hole was still in progress and had intersected additional chrysocolla on fractures as well as some intense folding. NCP09 extended the strike length of mineralisation intersected in holes NCP08, NCP07 and historical hole TRDH14-16a to 3km with both south-western and north-eastern extensions remaining open-ended. NCP10 which is the fourth 1km step out hole was designed to test the north-eastern strike extension of copper mineralisation in the first three diamond holes of the programme as well as historical hole TRD14-16a. NCP10 has intersected a broad zone of visible copper mineralisation which extends over 69m (down hole) with 13m of abundant visual chalcocite mineralisation noted and confirmed with pXRF. As a result of this the target now has a strike length of over 4km.

On 9 August 2022, Cobre announced a 2,400m diamond drilling programme to infill the existing 1km spaced intersections at a 500-metre spacing along with selected step-out holes to establish the vertical continuity of mineralisation. On completion of the first phase of infill, and subject to results, 250m-spaced infill diamond drilling will continue with selected step-out holes for an estimated further 4,800m due to be completed by year end. It was noted that a fourth 1km diamond step out hole is currently in progress. Drill core samples from previous holes have been sent to labs. Historical low detection mobile metal-ion geochemistry (Terraleach™ TL1) proved highly effective in delineating soil anomalies associated with the drill confirmed mineralisation at NCP, providing an ideal targeting tool for the remaining untested circa 100km of prospective contact within the NCP licences. A selection of 5,300 historical soil samples will be sent for TL1 analysis.

A large 7,000 sample soil programme, covering targets in the 2,000km$^2$ Kitlanya West ("KITW") licences, has been commissioned and is scheduled to commence in late August 2022. This presents a cost-effective layer for further prioritising the 34 KITW targets for follow-up drill testing.

On 18 August 2022, Cobre Limited noted the renewal of five exploration licences held by Triprop subject to a binding earn-in agreement with Kalahari Metals Limited.

*Perrinvale*

Cobre was due to complete a Moving Loop Electromagnetic ("MLEM") survey at the Costa del Islas Prospect but was unable to due to high demand for contractors. The Company also advanced preparations for drilling a number of high priority drill targets identified from work completed through 2021 and prioritised during a technical workshop in 2022.

Cobre holds a total of 15,000,000 shares in Armada Metals comprising 14.42% of shares on issue as well as holds an option to acquire an additional 3,333,333 shares in Armada at an exercise price of A$0.334 per share.

Michael McNeilly, Executive Director and Chief Executive Officer of Metal Tiger, was appointed to the board of Cobre as a nominee Non-Executive Director representing Metal Tiger.

*Southern Gold Limited*

Southern Gold is an ASX listed resource exploration and development company with gold epithermal exploration properties in South Korea. Metal Tiger currently holds 40,794,000 shares as of 30 June 2022 representing 19.1% of the issued share capital of Southern Gold as well as 7,284,500 A$0.18 warrants expiring on 19 October 2022.

Michael McNeilly was appointed on 5 June 2020 as a Non-Executive Director of Southern Gold. At Southern Gold's annual general meeting held on 26 November 2020, Michael McNeilly, Executive Director and Chief Executive Officer of Metal Tiger was confirmed as a Director of Southern Gold.

For the H1 2022 period, the main developments at Southern Gold were:

- the appointment of Southern Gold Exploration Manager Robert Smillie as Managing Director and CEO, based in South Korea..
- Project generation fieldwork in Q1 2022 resulted in 44 new licence application increasing the exploration licences under application to 109, covering an area of 305.4km$^2$.
- Sold 50 million BMV shares for A$0.9 million and received A$0.44 million in Q2 making up the first half of the payment. The second half is due by 13 September 2022.
- BMV where SAU retains 150 million shares accessed a funding facility to progress activities towards commencement of mining in South Korea.
- Project Generation fieldwork resulted in 29 new licence applications, increasing exploration licences under application to 138 covering an area of 382km$^2$.

*Armada Exploration Limited*

Armada is an ASX listed (ASX:AMM) resource exploration company established to define new belt-scale discovery opportunities for key commodities (principally nickel and copper) in under-explored regions of Africa. It currently holds two exploration licences, prospective for magmatic Ni-Cu sulphide, in Gabon, covering a total area of nearly 3,000km$^2$. The licence holding is considered to present a frontier district-scale exploration opportunity.

The Company holds 15,000,000 ordinary shares as of 30 June 2022, representing 14.42% of Armada's issued ordinary share capital. Metal Tiger also holds an indirect interest in Armada, via its 17.2% holding in Cobre, which holds an 14.4% interest in Armada.

Metal Tiger also currently holds 3,333,333 five-year options, validity commencing from admission date on the ASX, issued at A$0.334.

Michael McNeilly was appointed as a Director to Armada Metals Limited in May 2021.

For the H1 2022 period, the main developments at Armada were:

- Renewal of exploration permit G5-555 which was renewed for a further three years.
- Completed the Phase 1 diamond drilling programme along the Libonga-Matchiti Trend ("LMT") with magmatic sulphides intercepted in all ten diamond drill holes. 10 holes were drilled for a total of 3,240m at three high priority targets within the LMT.
- Core logging observations confirm the LMT to be a complex, dynamic multi-phased magma conduit system, with crustal contamination having caused extensive sulphur saturation.
- The core has been sent for assays for the normal magmatic suite of elements, including nickel, copper, cobalt, chromium and sulphur, and the platinum group elements (PGEs).
- Surface grab samples, collected along the Ngongo-Yoyo Trend within permit G5-555 have confirmed the presence of outcropping high MgO ultramafic intrusions with magmatic sulphide mineralisation. These results extend the company's prospective trend, incorporating the LMT and NYT to more than 60km.

Post period end Armada announced that it had commenced a series of Natural Source Audio-Magnetotelluric ("NSAMT") surveys over the LMT at the Nyanga Project in Gabon. NSAMT systems calculate ground resistivity by measuring the magnitude of naturally occurring electric and magnetic fields. Resistivity values are calculated from these measurements and used to create 2D and 3D images of the subsurface. Magmatic sulphide accumulations are defined by extremely low resistivity values. The survey is designed with a Depth of Investigation ("DOI") of up to 1,000m below the surface to follow up on targets where magmatic sulphides were encountered during the Phase 1 drilling programme.

The results will be compared with the Xcite™ program, to provide a basis for ranking AMT anomalies to define targets for the next phase of drilling. The surveys will start at the Libonga South target and if successful, the survey will then be moved to other high priority targets along the LMT and then to the high priority regional Ngongo and Yoyo targets (along the Ngongo-Yoyo Trend).

## Royalty valuation

The royalty was not revalued over the period as there was no new material news flow pertaining to the potential value of the royalty released during the reporting period. Management believes the copper price estimate used in the valuation as of 31 December 2021 (US$9,078/t) is still appropriate, after being assessed versus the consensus analyst forecasts in Bloomberg for the periods when the production, and consequentially the royalty cash flows, are expected to materialise.

Refer to 12. Post Period Events, where it is disclosed that Sandfire released its 30 June 2022 Annual Financial Statement and updated its Motheo Copper project expansion DFS, on the 30 August 2022. The Company will work through the implications hereof and if material will update the market as soon as practically possible.

## Results for the period

Administration costs for the period were £1,436,000 (H1 2021: £1,239,000). Whilst the Board's continuous drive for efficiencies remain ongoing, the increased costs predominately related to increased legal fees with regards to compliance and regulation, due diligence fees on investments and a retrenchment of a staff member in Thailand.

There was an overall loss in the period resulting from the disposals and fair valuing of investments during the year of £9,982,000 (H1 2021: gain of £1,686,000) reflecting market conditions in the year and more specifically the movement in in our active investments in Sandfire, Cobre and Southern Gold, which combined contributed to a loss of £9,718,000 over the period). The Board's conviction in the active investment strategy remains comfortable but notes that they are unlikely to pursue additional active investments in the near term. The investments are medium to longer term in nature offering exposure to earlier stage exploration projects where the Company has a significant interest and therefore some ability to influence strategic outcomes.

The results for the period also include a provision against the carrying value of KML of £423,000 which brings the carrying value of the equity investment therein to the expected recovery amount of £1,500,000 from Cobre.

The Company received dividend income of £146,000 (H1 2021: £288,000; 2021 full year £1,538,000) and net finance income of £2,413,000 (H1 2021: (£1,293,000); 2021 full year (£1,787,000) mainly relating to the change in value of the derivatives securing the Group's structured finance loans with a gain of £1,466,000 (H1 2021: gain £46,000). The value of the derivative inherently moves in contrast to the performance of the underlying share price over which the derivative is priced.

Loss for the period on ordinary activities before tax was £9,392,000 (H1 2021: loss £567,000).

## Cashflow and financing

Disposals from equities during the period raised £6,348,000 and a further net £3,308,000 was invested into the purchase of equities and other investments. Operational cash outflows before working capital changes amounted to £1,378,000 (H1 2021: £1,190,000) with the explanations pertaining to administrative costs above accounting for the difference.

The net cash requirement for operations, was met out of cash from the net cash generated from the portfolio.

Management used the opportunity to apply the net cash generated from the portfolio after operational cash outflow to begin to de-risk the balance sheet and pay down £1,605,000 of the SC Lowy loan over the period.

Cash in hand at the end of the period was £192,000 (full year 2021: £648,000).

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2022

| | Notes | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|---|
| Profit on partial sale of interests in explorations in Botswana | | - | - | 21 |
| (Loss)/Profit on disposal of investments | | (318) | 1,191 | 1,979 |
| Movement in fair value of fair value accounted equities | | (9,664) | 495 | (149) |
| Share of post-tax losses of equity accounted joint ventures | | (110) | (9) | (493) |
| Provision against cost of equity accounted joint ventures | | (423) | - | - |
| Investment income | | 146 | 288 | 1,538 |
| Other income | | - | - | 5,214 |
| Net (loss)/gain before administrative expenses | | (10,369) | 1,965 | 8,110 |
| Administrative expenses | | (1,436) | (1,239) | (2,108) |
| OPERATING (LOSS)/PROFIT | | (11,805) | 726 | 6,002 |
| Finance income | | 2,775 | 349 | 467 |
| Finance costs | | (362) | (1,642) | (2,254) |
| (LOSS)/PROFIT BEFORE TAXATION | 3 | (9,392) | (567) | 4,215 |
| Tax on (loss)/profit on ordinary activities | 4 | (258) | - | (49) |
| (LOSS)/PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION | | (9,650) | (567) | 4,166 |
| OTHER COMPREHENSIVE INCOME - ITEMS WHICH MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS: | | | | |
| Exchange differences on translation of foreign operations | | (191) | 93 | 410 |
| TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE PERIOD | | (9,841) | (474) | 4,576 |
| (LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO: | | | | |
| Owners of the parent | | (9,650) | (567) | 4,166 |
| Non-controlling interest | | - | - | - |
| (LOSS)/PROFIT FOR THE PERIOD | | (9,650) | (567) | 4,166 |
| TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE PERIOD ATTRIBUTABLE TO: | | | | |
| Owners of the parent | | (9,842) | (471) | 4,579 |
| Non-controlling interest | | 1 | (3) | (3) |
| TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE PERIOD | | (9,841) | (474) | 4,576 |
| EARNINGS PER SHARE | | | | |
| Basic earnings per share | 5 | (5.70)p | (0.4)p | 2.59p |
| Fully diluted earnings per share | 5 | (5.70)p | (0.4)p | 2.59p |

## CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

FOR THE SIX MONTHS ENDED 30 JUNE 2022

| | Notes | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|---|
| NON-CURRENT ASSETS | | | | |
| Intangible assets | | 20 | 23 | 21 |
| Property, plant and equipment | | 170 | 17 | 19 |
| Deferred tax asset | 4 | 2,164 | - | 2,164 |
| Investment in joint ventures | 9 | 2,568 | 2,582 | 2,873 |
| Other non-current asset investments | 6 | 1,615 | 9,572 | 3,613 |
| Royalties receivable | 7 | 12,257 | 5,056 | 10,593 |
| | | 18,794 | 17,250 | 19,283 |
| CURRENT ASSETS | | | | |
| Equity investments accounted for under fair value | 8 | 22,413 | 20,614 | 32,031 |
| Trade and other receivables | | 530 | 527 | 477 |
| Cash and cash equivalents | | 192 | 261 | 648 |
| | | 23,135 | 21,402 | 33,156 |
| CURRENT LIABILITIES | | | | |
| Trade and other payables | | 371 | 537 | 312 |
| Loans and borrowings | 10 | 8,706 | 48 | 8,732 |
| | | 9,077 | 585 | 9,044 |
| NET CURRENT ASSETS | | 14,058 | 20,817 | 24,112 |
| NON-CURRENT LIABILITIES | | | | |
| Loans and borrowings | 10 | 1,225 | 6,666 | 2,242 |
| Deferred tax liability | 4 | 2,471 | - | 2,213 |
| Contingent consideration | | 132 | 116 | 118 |
| | | 3,828 | 6,782 | 4,573 |
| NET ASSETS | | 29,024 | 31,285 | 38,822 |
| CAPITAL AND RESERVES | | | | |
| Share capital | | 170 | 156 | 170 |
| Share premium account | | 15,704 | 13,424 | 15,704 |
| Capital redemption reserve | | 4 | 4 | 4 |
| Share based payment reserve | | 2,244 | 2,300 | 2,343 |
| Warrant reserve | | 83 | 5,173 | 3,048 |
| Translation reserve | | 159 | 31 | 351 |
| Retained profits | | 10,571 | 10,109 | 17,114 |
| TOTAL SHAREHOLDERS' FUNDS | | 28,935 | 31,197 | 38,734 |
| Equity non-controlling interests | | 89 | 88 | 88 |
| TOTAL EQUITY | | 29,024 | 31,285 | 38,822 |

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2022

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| (Loss)/Profit before taxation | (9,392) | (567) | 4,215 |
| Adjustments for: | | | |
| Net loss/(gain) on disposal of fair value accounted equities | 318 | (1,191) | (1,979) |
| Profit on partial sale of interests in explorations in Botswana | - | - | (21) |
| Movement in fair value of fair value accounted equities | 9,664 | (495) | 149 |
| Share of post-tax losses of equity accounted joint ventures | 110 | 9 | 493 |
| Movement In provision in, and write-offs of, equity accounted joint ventures | 423 | - | - |
| Share based payment charge for the period | 43 | 43 | 86 |
| Depreciation and amortisation | 15 | 6 | 13 |
| Other income | - | - | (5,214) |
| Investment income | (146) | (288) | (1,538) |
| Finance income | (2,775) | (349) | (467) |
| Finance costs | 362 | 1,642 | 2,254 |
| Operating cash flow before working capital changes | (1,378) | (1,190) | (2,009) |
| (Decrease)/Increase in trade and other receivables | (53) | 26 | 72 |
| Increase/(Decrease) in trade and other payables | 59 | 214 | (11) |
| Unrealised foreign exchange gains and losses | (15) | (70) | (387) |
| Net cash outflow from operating activities | (1,387) | (1,020) | (2,335) |
| Cash flow from Investing activities | | | |
| PROCEEDS FROM CURRENT ASSET INVESTMENT DISPOSALS | 6,348 | 4,438 | 13,434 |
| Purchase of fixed assets | (160) | (2) | (9) |
| (Increase in)/ Sale of investment, and loans to, joint ventures | (119) | 300 | (453) |
| Purchase of current asset investments | (3,308) | (4,561) | (18,676) |
| Investment income | 146 | 288 | 1,538 |
| Net cash inflow/(outflow) from investing activities | 2,907 | 463 | (4,166) |
| Cash flows from financing activities | | | |
| PROCEEDS FROM ISSUE OF SHARES | - | 532 | 3,191 |
| Share issue costs | - | - | (217) |
| Loans drawn down | - | - | 4,829 |
| Loans repaid | (1,654) | (115) | (618) |
| Interest paid | (327) | (55) | (491) |
| Net cash (outflow)/inflow from financing activities | (1,981) | 362 | 6,694 |
| Net (decrease)/ increase in cash and cash equivalents | (461) | (195) | 193 |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | 648 | 458 | 458 |
| Effect of exchange rate changes | 5 | (2) | (3) |
| Cash and cash equivalents at end of period | 192 | 261 | 648 |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

| | Share capital £'000 | Share premium £'000 | Capital Redemption Reserve £'000 | Share based payment reserve £'000 | Warrant reserve £'000 | Translation reserve £'000 | Retained profits £'000 | Total equity shareholders' funds £'000 | Non-controlling interests £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| BALANCE AT 1 JANUARY 2021 | **153** | **12,831** | **4** | **2,257** | **5,476** | **(62)** | **10,436** | **31,095** | **91** | **31,186** |
| **Period to 30 June 2021:** | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | (567) | (567) | - | (567) |
| Other comprehensive income | - | - | - | - | - | 93 | - | 93 | (3) | 90 |
| TOTAL COMPREHENSIVE INCOME | - | - | - | - | - | 93 | (567) | (474) | (3) | (477) |
| Shares issues | 3 | 593 | - | - | (63) | - | - | 533 | - | 533 |
| Cost of share-based payments | - | - | - | 43 | - | - | - | 43 | - | 43 |
| Transfer of reserves relating to exercise and expiry of options and warrants | - | - | - | - | (240) | - | 240 | - | - | - |
| TOTAL CHANGES DIRECTLY TO EQUITY | 3 | 593 | - | 43 | (303) | - | 240 | 576 | - | 576 |
| BALANCE AT 30 JUNE 2021 | **156** | **13,424** | **4** | **2,300** | **5,173** | **31** | **10,109** | **31,197** | **88** | **31,285** |
| **Period to 31 December 2021:** | | | | | | | | | | |
| Profit for the period | - | - | - | - | - | - | 4,733 | 4,733 | - | 4,733 |
| Other comprehensive income | - | - | - | - | - | 320 | - | 320 | - | 320 |
| TOTAL COMPREHENSIVE INCOME | - | - | - | - | - | 320 | 4,733 | 5,053 | - | 5,053 |
| Share issues | 14 | 2,581 | - | - | 63 | - | - | 2658 | - | 2658 |
| Warrants issued | - | - | - | - | 84 | - | - | 84 | - | 84 |
| Cost of share-based payments | - | - | - | 43 | - | - | - | 43 | - | 43 |
| Share issue expenses | - | (301) | - | - | - | - | - | (301) | - | (301) |
| Transfer of reserves relating to exercise and expiry of options and warrants | - | - | - | - | (2,272) | - | 2,272 | - | - | - |
| TOTAL CHANGES DIRECTLY TO EQUITY | 14 | 2,280 | - | 43 | (2,125) | - | 2,272 | 2,484 | - | 2,484 |
| BALANCE AT 31 DECEMBER 2021 | **170** | **15,704** | **4** | **2,343** | **3,048** | **351** | **17,114** | **38,734** | **88** | **38,822** |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2022 (UNAUDITED)

| | Share capital £'000 | Share premium £'000 | Capital Redemption Reserve £'000 | Share based payment reserve £'000 | Warrant reserve £'000 | Translation reserve £'000 | Retained profits £'000 | Total equity shareholders' funds £'000 | Non-controlling interests £'000 | Total equity £'000 |
|---|---|---|---|---|---|---|---|---|---|---|
| BALANCE AT 1 JANUARY 2022 | **170** | **15,704** | **4** | **2,343** | **3,048** | **351** | **17,114** | **38,734** | **88** | **38,822** |
| **Period to 30 June 2022:** | | | | | | | | | | |
| Loss for the period | - | - | - | - | - | - | (9,650) | (9,650) | - | (9,650) |
| Other comprehensive income | - | - | - | - | - | (192) | - | (192) | 1 | (191) |
| TOTAL COMPREHENSIVE INCOME | - | - | - | - | - | (192) | (9,650) | (9,842) | 1 | (9,841) |
| Cost of share-based payments | - | - | - | 43 | - | - | - | 43 | - | 43 |
| Transfer of reserves relating to exercise and expiry of options and warrants | - | - | - | (142) | (2,965) | - | 3,107 | - | - | - |
| TOTAL CHANGES DIRECTLY TO EQUITY | - | - | - | (99) | (2,965) | - | 3,107 | 43 | - | 43 |
| BALANCE AT 30 JUNE 2022 | **170** | **15,704** | **4** | **2,244** | **83** | **159** | **10,571** | **28,935** | **89** | **29,024** |

## 1. BASIS OF PREPARATION

The condensed financial statements included in the interim accounts have been prepared under the historical cost convention and in accordance with IAS 34, as adopted by the UK.

The condensed financial statements are presented in UK pounds, which is also the Company's functional currency.

The principal accounting policies used in preparing these interim accounts are those expected to apply in the Group's Financial Statements for the year ending 31 December 2022. These are unchanged from those disclosed in the Group's Annual Report for the year ended 31 December 2021. The accounting policies adopted are consistent with those of the previous financial year. The following amendment to IFRSs became effective for the financial year beginning on 1 January 2022:

- IAS 16 "Property, Plant and Equipment" regarding proceeds before intended use.
- IAS 37 "Onerous contracts" regarding costs a company should include as the cost fulfilling a contract when assessing whether a contract is onerous.
- A number of narrow-scope amendments to IFRS 3.

The amendment had no impact on the condensed consolidated interim financial statements for the six months ended 30 June 2022 and no retrospective adjustments were required.

The interim accounts were approved by the Board of Metal Tiger on 30 August 2022. Neither the interim financial information for the six months ended 30 June 2022 nor the interim financial information for the six months ended 30 June 2021 constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The interim accounts are unaudited but have been subject to a review by the Group's auditors in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. The comparatives for the year ended 31 December 2021 are not the Group's full statutory accounts for that period but have been extracted therefrom. A copy of the Group's full statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain statements under sections 498(2) or (3) of the Companies Act 2006. The Group's full statutory accounts for the year ended 31 December 2021 are available on the Company's website (www.metaltigerplc.com).

## 2. ACCOUNTING POLICIES

The principal accounting policies are:

**BASIS OF CONSOLIDATION**

The Condensed Consolidated Statement of Comprehensive Income and Condensed Consolidated Statement of Financial Position include the financial statements of the Company and its subsidiary undertakings made up to 30 June 2022.

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

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to non-controlling interests, even if this results in non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interests;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in the Statement of Comprehensive Income; and
- reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may require that the amounts previously recognised in other comprehensive income be reclassified to profit or loss.

**GOING CONCERN**

The condensed Interim Report has been prepared on the going concern basis as, in the opinion of the Directors, at the time of approving the condensed Interim Report, there is a reasonable expectation that the Company will continue in operational existence for the foreseeable future. The condensed Interim report does not include any adjustments that would result from the going concern basis of preparation being inappropriate.

**EXPLORATION COSTS**

Exploration costs incurred by Group companies, associates and joint ventures are expensed in arriving at profit or loss for the period.

Investments made are capitalised as an asset where the underlying projects have mineral resources which are compliant with internationally recognised Mineral Resource reporting standards (JORC and Canadian NI 43-101) or where the investment is to acquire an interest in an investment or associate that holds commercial information, assets or strategic features against which a current commercial value can be reasonably assessed.

The JORC Code, the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, is a professional code of practice that sets minimum standards for public reporting of mineral exploration results, mineral resources and ore reserves. NI 43-101 is a national instrument for the Standards of Disclosure for Mineral Projects within Canada which provides a codified set of rules and guidelines for reporting and displaying information related to mineral properties owned by, or explored by, companies which report these results on stock exchanges within Canada.

**FOREIGN CURRENCY TRANSLATION**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

The results of overseas operations are translated at rates approximating to those ruling when the transactions took place. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position reporting date. All exchange differences are dealt with through the Statement of Comprehensive Income as they arise.

**FAIR VALUE OF INVESTMENTS**

The Group's investments accounted for within the Equity Investment operating segment require measurement at fair value. Investments in shares in quoted entities traded in an active market and unquoted shares are valued as set out in "Current Assets Investments" below. The unquoted share warrants (Level 3) are shown at Directors' valuation based on a value derived from either Black-Scholes or Monte Carlo pricing models depending on the suitability of the method to the specific warrant considering the terms of the warrant and discounting for the non-tradability of the warrants where appropriate. Both pricing models use inputs relating to expected volatility that require estimations. No value is ascribed to warrants which include terms which cause the exercise price to be dependent on events outside the control of the Group and outcomes which are unable to be predicted with any certainty.

**INVESTMENTS IN ASSOCIATES AND JOINT VENTURES**

A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control such that significant operating and financial decisions require the unanimous consent of the parties sharing control. In some situations, joint control exists even though the Company has an ownership interest of more than 50% because joint venture partners have equal control over management decisions. The Company's joint venture interests are held through one or more Jointly Controlled Entities (a "JCE"). A JCE is a joint venture that involves the establishment of a corporation, partnership, or other entity in which each venturer has a long-term interest.

Exploration costs in respect of investments in associates and joint ventures are capitalised or expensed according to the policy set out above in respect of Group exploration costs. For associates and joint ventures which are equity accounted for, any share of losses is offset against cost of investment or loans advanced.

**ROYALTIES RECEIVABLE**

Royalties receivable are stated at the expected amounts to be received based on existing committed contracts and discounted at an appropriate discount rate which reflects the estimated risk-weighted cost of capital relevant to that asset. The amortisation of the discount over the period to the receipt of the royalty payments is credited to the Statement of Comprehensive Income as finance income.

Where royalty contracts have been entered into, but the timing of receipts are unknown or cannot be reliably forecast, no value is attributed to the royalties.

The expected amounts to be received, the period over which they will be received, and the appropriate discount rate are assessed on the date of acquisition of the royalty interests and re-assessed at each reporting date.

Contracts are assessed on a contract-by-contract basis.

**EQUITY INVESTMENTS SEGMENTAL ASSETS**

Investment transactions are accounted for on a trade date basis. Incidental acquisition costs are expensed. Assets are derecognised at the trade date of the disposal. Where investments are traded in a liquid market, the fair value of the financial instruments in the condensed statement of financial position is based on the quoted bid price at the period end date, with no deduction for any estimated future selling cost. Non-traded investments are valued by the Directors using primary valuation techniques such as, where possible, comparable valuations, recent transactions, last price and net asset value or, in the case of warrants, options and other derivatives on the basis of third-party quotation or specific investment valuation models appropriate to the investment concerned.

Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income.

## 3. SEGMENTAL REPORTING

**OPERATING SEGMENTS**

| Six months ended 30 June 2022 | Equity Investments £'000 | Project Investments £'000 | Central costs £'000 | Inter-company £'000 | Total £'000 |
|---|---|---|---|---|---|
| COMPREHENSIVE INCOME: | | | | | |
| Net (loss)/gain on investments | (9,835) | (534) | - | - | (10,369) |
| Administrative expenses | (26) | (230) | (1,180) | - | (1,436) |
| Net finance income/(cost) | 79 | 577 | 1,757 | - | 2,413 |
| (Loss)/profit on ordinary activities before taxation | (9,782) | (187) | 577 | - | (9,392) |
| Taxation | - | - | (258) | - | (258) |
| (Loss)/profit for the period after taxation | (9,782) | (187) | 319 | - | (9,650) |
| | | | | | |
| FINANCIAL POSITION: | | | | | |
| Intangible assets | - | 20 | - | - | 20 |
| Property, plant and equipment | - | 170 | - | - | 170 |
| Deferred tax asset | - | - | 2,164 | - | 2,164 |
| Investment in joint ventures | - | 2,568 | - | | 2,568 |
| Other fixed asset investments | 1,508 | - | 107 | - | 1,615 |
| Royalties receivable | - | 12,257 | - | - | 12,257 |
| Total non-current assets | 1,508 | 15,015 | 2,271 | - | 18,794 |
| Current assets | 22,413 | 3,971 | 366 | (3,615) | 23,135 |
| Current liabilities | - | (3,770) | (8,922) | 3,615 | (9,077) |
| Non-current liabilities | - | (132) | (3,696) | - | (3,828) |
| Net assets | 23,921 | 15,084 | (9,981) | - | 29,024 |

Equity Investments include strategic investments in resource exploration and development companies including equity and warrant holdings. Project Investments are mainly by way of joint venture arrangements and royalty receivables and include interests in precious, strategic and energy metals, with the current project located in Botswana. Central costs comprise those corporate costs which cannot be allocated directly to either operating segment and include office rent, audit fees, AIM and ASX costs together with corporate employees and Directors' remuneration relating to managing the business as a whole.

## 3. SEGMENTAL REPORTING (CONTINUED)

**OPERATING SEGMENTS**

| Six months ended 30 June 2021 | Equity Investments £'000 | Project Investments £'000 | Central costs £'000 | Inter-company £'000 | Total £'000 |
|---|---|---|---|---|---|
| COMPREHENSIVE INCOME: | | | | | |
| Net (loss)/gain on investments | 1,974 | (9) | - | - | 1,965 |
| Administrative expenses | (246) | (186) | (807) | - | (1,239) |
| Net finance income/(cost) | 23 | (10) | (1,306) | - | (1,293) |
| (Loss)/profit on ordinary activities before taxation | 1,751 | (205) | (2,113) | - | (567) |
| Taxation | - | - | - | - | - |
| (Loss)/profit for the period after taxation | 1,751 | (205) | (2,113) | - | (567) |
| | | | | | |
| FINANCIAL POSITION: | | | | | |
| Intangible assets | - | 23 | - | - | 23 |
| Property, plant and equipment | - | 17 | - | - | 17 |
| Investment in joint ventures | - | 2,582 | - | - | 2,582 |
| Other fixed asset investments | 9,465 | - | 107 | - | 9,572 |
| Royalties receivable | - | 5,056 | - | - | 5,056 |
| Total non-current assets | 9,465 | 7,678 | 107 | - | 17,250 |
| Current assets | 20,614 | 3,568 | 533 | (3,313) | 21,402 |
| Current liabilities | (338) | (3,395) | (165) | 3,313 | (585) |
| Non-current liabilities | - | (116) | (6,666) | - | (6,782) |
| Net assets | 29,741 | 7,735 | (6,191) | - | 31,285 |

## 3. SEGMENTAL REPORTING (CONTINUED)

**GEOGRAPHICAL SEGMENTS**

| **Six months ended 30 June 2022** | **UK £'000** | **EMEA £'000** | **Asia-Pacific £'000** | **Australasia '000** | **Americas £'000** | **Inter-company £'000** | **Total £'000** |
|---|---|---|---|---|---|---|---|
| COMPREHENSIVE INCOME: | | | | | | | |
| Net (loss)/gain on investments | (9) | (534) | - | (10,275) | 449 | - | (10,369) |
| Administrative expenses | (1,097) | - | (235) | (63) | (41) | - | (1,436) |
| Net finance income/(expense) | (238) | 1,608 | 180 | 863 | - | - | 2,413 |
| (Loss)/profit on ordinary activities before taxation | (1,344) | 1,074 | (55) | (9,475) | 408 | - | (9,392) |
| Taxation | (258) | - | - | - | - | - | (258) |
| (Loss)/profit for the period after taxation | (1,602) | 1,074 | (55) | (9,475) | 408 | - | (9,650) |
| | | | | | | | |
| FINANCIAL POSITION: | | | | | | | |
| Intangible assets | - | - | 20 | - | - | - | 20 |
| Property, plant and equipment | - | - | 170 | - | - | - | 170 |
| Deferred tax asset | 2,164 | - | - | - | - | - | 2,164 |
| Investment in joint ventures | - | 2,568 | - | - | - | - | 2,568 |
| Other fixed asset investments | 107 | - | - | 1,508 | - | - | 1,615 |
| Royalties receivable | - | 12,257 | - | - | - | - | 12,257 |
| Total non-current assets | 2,271 | 14,825 | 190 | 1,508 | - | - | 18,794 |
| Current assets | 463 | - | 4,000 | 19,270 | 3,017 | (3,615) | 23,135 |
| Current liabilities | (120) | - | (3,770) | (8,802) | - | 3,615 | (9,077) |
| Non-current liabilities | (2,470) | - | (132) | (1,226) | - | - | (3,828) |
| Net assets | 144 | 14,825 | 288 | 10,750 | 3,017 | - | 29,024 |

## 3. SEGMENTAL REPORTING (CONTINUED)

**GEOGRAPHICAL SEGMENTS**

**Six months ended 30 June 2021**

| | UK £'000 | EMEA £'000 | Asia-Pacific £'000 | Australasia £'000 | Americas £'000 | Inter-company £'000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| COMPREHENSIVE INCOME: | | | | | | | |
| Net (loss)/gain on investments | 28 | (5) | - | 1,273 | 669 | - | 1,965 |
| Administrative expenses | (962) | (25) | (167) | (85) | - | - | (1,239) |
| Net finance income/(expense) | 341 | 159 | (235) | (1,561) | 3 | - | (1,293) |
| (Loss)/profit on ordinary activities before taxation | (593) | 129 | (402) | (373) | 672 | - | (567) |
| Taxation | - | - | - | - | - | - | - |
| (Loss)/profit for the period after taxation | (593) | 129 | (402) | (373) | 672 | - | (567) |
| FINANCIAL POSITION: | | | | | | | |
| Intangible assets | - | - | 23 | - | - | - | 23 |
| Property, plant and equipment | - | - | 17 | - | - | - | 17 |
| Investment in joint ventures | - | 2,582 | - | - | - | - | 2,582 |
| Other fixed asset investments | 107 | - | - | 9,465 | - | - | 9,572 |
| Royalties receivable | - | 5,056 | - | - | - | - | 5,056 |
| Total non-current assets | 107 | 7,638 | 40 | 9,465 | - | - | 17,250 |
| Current assets | 1,561 | - | 3,514 | 17,723 | 1,917 | (3,313) | 21,402 |
| Current liabilities | (164) | (267) | (3,370) | (97) | - | 3,313 | (585) |
| Non-current liabilities | (116) | - | - | (6,666) | - | - | (6,782) |
| Net assets | 1,388 | 7,371 | 184 | 20,425 | 1,917 | - | 31,285 |

## 4. TAXATION

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| Current tax on income for the year | - | - | - |
| Deferred tax | (258) | - | (49) |
| Total tax charge for the year | (258) | - | (49) |

## 4. TAXATION (CONTINUED)

The tax on the Groups on the Groups profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to the profits of the Group or Company as follows:

| Factors affecting the tax charge | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000* | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| (Loss)/Profit before tax | (9,392) | (567) | 4,215 |
| Loss/(profit) before tax multiplied by rate of corporation tax in the UK of 19% (2021: 19%) | 1,784 | 108 | (801) |
| Overseas profits/losses taxed at different rates | (27) | - | (48) |
| Changes in rate at which deferred tax is provided | - | - | 103 |
| Chargeable gains arising | (32) | - | (514) |
| Income not chargeable to tax | - | - | 639 |
| Expenses not allowable for tax | (1,921) | - | (40) |
| Other permanent timing differences | - | - | - |
| Deferred tax gains and losses not recognised | - | (108) | 612 |
| Remeasurement of deferred tax for changes in rates | (62) | - | - |
| Total tax | (258) | - | (49) |

*No corporation tax charge arose in the June 2021 period given the cumulative tax loss position. No deferred tax asset was recognised either in that period in respect of the remaining losses as the Directors could not be certain that future profits would be sufficient for the asset to be recognised at that time.

Movements in deferred tax assets and liabilities during the year and the amounts outstanding at the period/year end are as follows:

| Deferred tax asset/(liability) | Assets £'000 | Liabilities £'000 | Net £'000 |
|---|---|---|---|
| At 1 January 2021 | - | - | - |
| Charge for the period | - | - | - |
| At 30 June 2021 | - | - | - |
| Adjustment prior years | 909 | (909) | - |
| Charge for the period | 1,255 | (1,304) | (49) |
| At 31 December 2021 | 2,164 | (2,213) | (49) |
| Charge for the period | - | (258) | (258) |
| At 30 June 2022 | 2,164 | (2,471) | (307) |

## 5. EARNINGS/LOSS PER SHARE

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| (Loss)/Profit attributable to equity holders of the Company | (9,650) | (567) | 4,166 |
| Shares used for calculation of basic EPS* | 169,423,576 | 155,910,062 | 160,776,895 |
| Shares used for calculation of fully diluted EPS* | 169,423,576 | 155,910,062 | 160,776,895 |
| EARNINGS PER SHARE | | | |
| Basic earnings per share | (5.70)p | (0.4)p | 2.59p |
| Fully diluted earnings per share | (5.70)p | (0.4)p | 2.59p |

No share options and warrants outstanding at 30 June 2022 were dilutive as the exercise price of any share options or warrants outstanding at 30 June 2022 was higher than the average market price of ordinary shares during the period and the Company also incurred a loss over the period. Accordingly, all such potential ordinary shares have been excluded from the weighted average number of ordinary shares in calculating diluted earnings per share as at 30 June 2022. No share options and warrants outstanding at either 30 June 2021 or 31 December 2021 were dilutive as the exercise price of any share options or warrants outstanding was higher than the average market price of ordinary shares during the period, in addition for the period ended 30 June 2021 the Company incurred a loss. Accordingly, all such potential ordinary shares have been included in the weighted average number of ordinary shares in calculating diluted earnings per share for the comparative periods.

## 6. OTHER NON-CURRENT ASSETS

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| Equity investments | 1,388 | 10,539 | 4,125 |
| Derivatives* | 120 | (1,074) | (619) |
| Other fixed asset investments | 107 | 107 | 107 |
| | 1,615 | 9,572 | 3,613 |

**Movements in derivative values in the respective periods are included as part of either finance income or cost as appropriate.*

| | | | |
|---|---|---|---|
| Categorised under the IFRS 13 fair value hierarchy as: | | | |
| Level 1 - quoted investments | 1,388 | 10,539 | 4,125 |
| Level 3 – unquoted fixed asset investments and derivatives | 227 | (967) | (512) |
| | 1,615 | 9,572 | 3,613 |

## 7. ROYALTIES RECEIVABLE

| | T3<br>£'000 | A4<br>£'000 | Total<br>£'000 |
|---|---|---|---|
| At 1 January 2021 | 1,228 | 3,638 | 4,866 |
| Net accretion of discount on acquisition* | 59 | 190 | 249 |
| Translation effects | (15) | (44) | (59) |
| At 30 June 2021 | 1,272 | 3,784 | 5,056 |
| Net accretion of discount on acquisition* | 15 | 203 | 218 |
| Periodic revaluation- Other income | - | 5,214 | 5,214 |
| Translation effects | 28 | 77 | 105 |
| At 31 December 2021 | 1,315 | 9,278 | 10,593 |
| Net accretion of discount on acquisition* | 47 | 353 | 400 |
| Periodic revaluation- Other income | - | - | - |
| Translation effects | 144 | 1,120 | 1,264 |
| At 30 June 2022 | 1,506 | 10,751 | 12,257 |

**will reflect assumptions pertaining to timings of cash flow since last valuation at appropriate discount rates*

The T3 royalty receivable relates to the T3 project in Botswana previously owned in the Metal Capital Ltd joint venture sold to MOD in 2018 and ultimately Sandfire. The royalty is capped at US$2 million and is expected to result in a receipt thereof in the final quarter of 2023.

The A4 royalty is an uncapped 2% net smelter royalty over any future production from the A4 deposit situated in Botswana and owned by Sandfire. In initially assigning a value to the royalty in 2020, the Company relied inter alia on the announcement released by Sandfire to the market on 1 December 2020.

The Company has again predominately relied on the announcement released by Sandfire to the market on 2 September 2021, together with other consensus information readily available in the market, to determine the revised carrying value as of 30 June 2022 and 31 December 2021. The Company expects Sandfire to deliver the 5.2 Mtpa expansion case defined feasibility statement in the September 2022 Quarter.

Refer to 12. Post Period Events, where it is disclosed that Sandfire released its 30 June 2022 Annual Financial Statement and updated its Motheo Copper project expansion DFS, on the 30 August 2022. The Company will work through the implications hereof and if material will update the market as soon as practically possible.

The following table illustrates the key considerations and assumptions the Company considered in determining the value of the value by using the net present value of the cash flows expected from the royalty as discounted.

| | | Unaudited<br>Six months<br>ended<br>30 June 2022 | Unaudited<br>Six months<br>ended<br>30 June 2021 | Audited<br>Year ended<br>31 December<br>2021 |
|---|---|---|---|---|
| Resource size | MT | 9,700,000 | 6,500,000 | 9,700,000 |
| Resource grade | Copper | 1.17% | 1.54% | 1.17% |
| Medium term copper price | US$/MT | U$9,078 | U$6,967 | U$9,078 |
| Mining recovery | Copper | 92.3% | 92.1% | 92.3% |
| Concentrate recovery | Copper | 92.2% | 92.2% | 92.2% |
| Cash flow commencement date | | 4th Quarter 2023 | 1st Quarter 2023 | 4th Quarter 2023 |
| Discount rate | | 7% | 10% | 7% |

## 8. EQUITY INVESTMENTS ACCOUNTED FOR UNDER FAIR VALUE

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| Categorised under the IFRS 13 fair value hierarchy as: | | | |
| Level 1 - quoted investments | 19,792 | 18,859 | 31,262 |
| Level 3 – unquoted investments – equity investments | 1,970 | 1,086 | 212 |
| Level 3 – unquoted investments – warrants and derivatives | 651 | 669 | 557 |
| | 22,413 | 20,614 | 32,031 |

## 9. AMOUNTS DUE FROM RELATED PARTIES

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| Kalahari Metals Limited: | 1,067 | 32 | 840 |

Kalahari Metals Limited is Metal Tiger's sole joint venture interest. The Company has a 49% (H1 2021 50.1%; full year 2021:49%) direct ownership stake. The Company has an amount owing to it from Kalahari Metals Limited of £1,067,000 as at 30 June 2022. The Company treats this loan in terms of the substance of the agreement and is included as Investment in joint ventures.

The Company has, subject to, *inter alia*, Cobre shareholder approval, sold 24.5% of the shares in KML for a cash consideration of £750,000 (initial acquisition). In addition, the Company has granted Cobre a call option to acquire the remaining 24.5%, which is exercisable for either £750,000 cash or the equivalent in Cobre shares (based on a 90-trading day vwap). This call option must be exercised within 12 months after completion of the initial acquisition.

The initial acquisition is expected to close during September 2022.

## 10. LOANS AND BORROWINGS

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| At 1 January | 10,974 | 7,103 | 7,103 |
| Net cash flows from financing activities | (1,654) | (115) | 4,211 |
| Drawn down in period | - | - | 4,829 |
| Repaid in period | (1,654) | (115) | (618) |
| Translation differences * | 611 | (274) | (340) |
| At 30 June/31 December | 9,931 | 6,714 | 10,974 |

**non cash flow*

Included in the above are loans amounting in aggregate to A$11,266,195 (H1 2021:A$12,281,030; full year 2021: A$11,351,476) which are secured by 2,842,667 shares in the capital of Sandfire for both periods. The loans are repayable in full on the following dates:

| | £'000 |
|---|---|
| 16 December 2022 | 4,040 |
| 8 May 2023 | 555 |
| 9 June 2023 | 568 |
| 10 July 2023 | 571 |
| 7 July 2023 | 85 |
| 8 December 2023 | 570 |
| | 6,389 |

Also included in the amount owing is a loan amounting to A$6,160,427 (H1 2021: Nil; full year 2021: A$9,000,000) which are secured by a collateral agreement over 4,164,286 (H1 2021: Nil; full year 2021: 4,714,286) shares in the capital of Sandfire Resources Limited and attracts interest at 10% per annum.

The loan is repayable in full on 4 October 2022, with the Company having the option to extend the repayment date to 4 October 2023 at a fee of 1.5% of the then outstanding commitment.

Loans and borrowings are classified in accordance with their repayment profiles as:

| | Unaudited Six months ended 30 June 2022 £'000 | Unaudited Six months ended 30 June 2021 £'000 | Audited Year ended 31 December 2021 £'000 |
|---|---|---|---|
| Non-current liabilities – Loans and borrowings | 1,225 | 6,666 | 2,242 |
| Current Liabilities – Loans and borrowings | 8,706 | 48 | 8,732 |
| | 9,931 | 6,714 | 10,974 |

## 11. SHARE OPTIONS AND WARRANTS CHARGED AGAINST OPERATING PROFIT

No new options were granted under the Company's share option schemes during the period. The total charge to operating profit/loss for the period amounted to £43,000 for the year (H1 2021: £43,000; full year 2021: £86,000).

## 12. POST PERIOD END EVENTS

The Company announced on 4 August 2022 it has invested, subject to Cobre shareholders approval, A$1,471,211 for 9,808,076 ordinary shares in Cobre, thereby maintaining its pro-rata holding in Cobre at approximately 21%.

The payment of the said investment is expected to be in early September 2022, at approximately the same time as the receipt of £750,000 from Cobre for the initial acquisition in KML.

Sandfire released its 30 June 2022 Annual Financial Statement and updated its Motheo Copper project expansion DFS, on the 30 August 2022. The Company will work through the implications hereof and if material will update the market as soon as practically possible.

The carrying value of the active investments has increased significantly since period end. The market value of the Sandfire shares based on closing share prices as at 26 August 2022 is £20.4 million and of Cobre £11.5 million, representing a cumulative mark to market gain of £13.5 million for the two holdings, since 30 June 2022.

## 13. DISTRIBUTION OF INTERIM REPORT AND REGISTERED OFFICE

A copy of Interim Report will be available shortly on the Company's website, www.metaltigerplc.com, and copies will be available from the Company's registered office, Weston Farm House, Weston Down Lane, Weston Colley, Hampshire, S021 3AG.

## QUALIFIED PERSON'S STATEMENT

The technical information contained in this announcement has been read and approved by Mr Nick O'Reilly (MSc, DIC, MAusIMM, MIMMM,FGS), who is a qualified geologist and acts as the Qualified Person under the AIM Rules Note for Mining and Oil & Gas Companies. Mr O'Reilly is a Principal consultant working for Mining Analyst Consulting Ltd which has been retained by Metal Tiger plc to provide technical support.

Reference Notes

1 JORC 2012: The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "JORC Code") is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves. The current edition of the JORC Code was published in 2012 ("JORC 2012").

2 Listing Exchanges: AIM: London Stock Exchange Alternative Investment Market. ASX: Australian Securities Exchange, CSE: Canadian Securities Exchange. TSX: Toronto Stock Exchange, TSXV: TSX Venture Exchange.

3 VHMS: Volcanic-hosted massive sulphide ("VHMS") mineral deposits, are a type of metal sulphide deposit, mainly copper-zinc, which are associated with and created by volcanic-associated hydrothermal events in submarine environments.

*This announcement contains inside information for the purposes of the market abuse regulation (EU No. 596/2014) ("MAR").*

**For further information on the Company, visit: www.metaltigerplc.com.**


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**Notes to Editors:**

Metal Tiger plc is admitted to the AIM market of the London Stock Exchange AIM Market ("AIM") and the ASX Market of the Australian Securities Exchange Market ("ASX") with the trading code MTR and invests in high potential mineral projects with a base, precious and strategic metals focus.

The Company's target is to deliver a high return for shareholders by investing in significantly undervalued and/or high potential opportunities in the mineral exploration and development sector. Metal Tiger has two investment divisions: Equity Investments and Project Investments.

Equity Investments invests in undervalued natural resource companies. The majority of its investments are listed on AIM, the TSX and the ASX, which includes its interest in Sandfire Resources Limited (ASX: SFR). The Company also considers selective opportunities to invest in private natural resource companies, typically where there is an identifiable path to IPO. Through the trading of equities and warrants, Metal Tiger seeks to generate cash for investment for the Project Investments division.

The Company actively assesses new investment opportunities on an on-going basis and has access to a diverse pipeline of new opportunities in the natural resources and mining sectors. For pipeline opportunities deemed sufficiently attractive, Metal Tiger may invest in the project or entity by buying publicly listed shares, by financing privately and/or by entering into a joint venture.

INDEPENDENT AUDITOR'S REVIEW REPORT TO METAL TIGER

**On the interim financial information for the six months ended 30 June 2022**

## Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half yearly report for the six months ended 30 June 2022 which comprise the condensed consolidated statement of financial position of Metal Tiger Plc as of 30 June 2022 and the related condensed statements of comprehensive income, changes in equity and cash flows for the six months then ended and the related notes 1 to 13.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half yearly financial report for the six months ended 30 June 2022 is not prepared in all material aspects, in accordance with UK adopted International Accounting Standard 34 and the AiM Rules for Companies .

## Basis for Conclusion

We conducted our review in accordance with International Standard on Review Engagement 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily or persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half yearly report has been prepared in accordance with UK adopted International Accounting Standard 34 "Interim Financial Reporting"

## Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance ISRE 2410 (UK), however future events or conditions may cause the Group to cease to continue as a going concern.

## Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with UK adopted International Accounting Standard 34 and the AiM Rules for Companies.

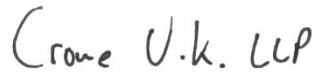
In preparing the half-yearly financial report, the directors are responsible for assessing the Groups ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the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

## Auditor's Responsibilities for the review of the financial information

In reviewing the half-yearly report, we are responsible for expressing to the company a conclusion on the condensed set of financial statements in the half-yearly financial report. Our conclusion, including our conclusion relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report.

**Use of our report**

This report is made solely to the Company in accordance with International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Financial Reporting Council. Our work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review 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, for our review work, for this report, or for the conclusions we have formed.



Crowe U.K. LLP

Statutory Auditor

London, United Kingdom

30 August 2022