Halo Minerals PLC

(Formerly Guardian Metals PLC)

Annual Report & Accounts 2025

Contents

Harnessing the Power of Battery Metals

Halo Minerals is focused on producing key strategic and battery metals through the reprocessing of low-risk, metal rich surface accumulated legacy mining waste projects, with a particular focus on copper.

Through its 100% ownership of the Playa Verde copper and gold tailings project in the Atacama region of Chile, Halo Minerals has the opportunity to redefine sustainable mining, uniquely advancing global strategic objectives through the production of copper whilst depolluting the Chañaral Bay area.

Playa Verde has a JORC compliant resource of 53Mt @ 0.24% Cu, with a DFS for dredging and retreatment initially targeting 38mt of measured and indicated ore on the beach followed by 14mt of inferred resource in the western berm and shoreline area.

Through its operations, Playa Verde will create circular economies in consumption and production whilst significantly advancing the environmental remediation of the region in parallel, embodying the company's philosophy of 'mining for change' and producing a truly 'green' copper.

STRATEGIC REPORT

Chief Executive Officer's statement

I am pleased to present the annual report for Halo Minerals PLC ("Halo", "the Company") for the twelve months ended 31 December 2025. Following shareholder approval on 6 January 2026, the Company changed its name from Guardian Metals Plc to Halo Minerals PLC.

Andrew Dennan
CEO

Transformational acquisition

The period was transformational. We completed the acquisition of 100% of Copper Bay Limited, a UK holding company that owns two Chilean subsidiaries holding the Playa Verde copper tailings project ("Playa Verde" or the "Project") in the Atacama region.

Playa Verde is a technically de-risked, advanced asset. It benefits from already having completed Preliminary Feasibility Study and Definitive Feasibility Study ("DFS"), and a JORC (2012) Mineral Resource Estimate of 53Mt at 0.24% Cu containing approximately 126,000 tonnes of copper. Within this, 32Mt at 0.25% Cu are classified as Ore Reserves.

Total consideration for the acquisition is $7.5 million, payable in two equal instalments of $3.75 million upon reaching 7,500 tonnes and 15,000 tonnes of copper or copper-equivalent production.

Permitting and development pathway

In October 2025, we received written confirmation that the Chilean Ministerial Committee had unanimously approved the Project's Environmental Impact Assessment. This was a pivotal milestone.

The Board can now advance the Project towards an optimised DFS / Bankable Feasibility Study ("BFS") and, subject to financing, a Final Investment Decision ("FID").

Playa Verde is designed as a 5Mtpa ore processing operation using a wheeled electric suction dredge feeding a modern SX/EW and flotation plant. Annual output is targeted at 8,640 tonnes of payable copper: approximately 85% as LME Grade-A copper cathode and 15% as concentrate, grading 20% Cu with a 5.5g/t gold credit.

Upside potential

Beyond the 53Mt JORC Resource on the beach, the licence area contains potential for an additional 100+Mt of material underwater in the bay. We are actively assessing how to secure rights to this offshore resource and began the Maritime Concession application process post-period under review. If successful, it would materially extend the life of the planned processing facilities.

Strategy and growth

Our strategy is twofold:

1. Advance Playa Verde through to optimised DFS/BFS and ancillary permitting, secure the finance needed to develop the Project and complete the construction of the plant to begin processing operations; and
2. Build a portfolio of similar surface, metal-rich legacy mine waste assets to diversify from single-asset risk.

Chile offers a substantial pipeline of such opportunities, given its 100+ year mining history and many tailing deposits created using less efficient historic recovery methods over the decades. Other countries in the region are also of interest as well as a possible regional entry into EU jurisdictions.

PROJECT: Playa Verde Copper Tailings

Project located at Chañaral, a small coastal city located next to a sulphuric acid storage facility and is an industrial mining area.

STRATEGIC REPORT

Chief Executive Officer's statement *(continued)*

53.44 Mt

Resource
53.44 Mt @ 0.24% Cu
(125.8 kt Cu)

32.2 Mt

Reserves
32.2 Mt @ 0.25% Cu
(79.4 kt Cu)

US$154.1m

Net Present Value
US$154.1m NPV10 (after tax),
Ore Reserves only

ESG

Halo's strategy is to ensure the sustainable extraction of our resources. ESG principles are embedded in our business model. Reprocessing legacy waste reduces environmental liability, remediates and/or de-toxifies historic sites, and recovers metals without new primary disturbance.

The Project, whilst containing significant quantities of copper, also contains considerable other poisonous elements from the historic mining processes that were used in Chile. The heart of our strategy is to "detoxify" the beach and region with a view to returning it to the community clean so that it can be used again for recreation and in time fishing. In doing so, we will set a benchmark for responsible metal production and contribute to the global energy transition through the production of copper.

The team continues to work closely with the local communities to ensure that this is a key aspect of everything we undertake during the planning and mining process.

Corporate and financing

During the year, the Board has continued to strengthen its corporate governance framework in line with the Company's transition to an AIM-listed business. The Board comprises a complementary mix of Executive and Non-executive Directors, bringing together expertise in public company leadership, financial management, capital markets, and technical project evaluation. Andrew Dennan, Chief Executive Officer, contributes extensive experience in listed company strategy, fundraising, and corporate development, while Frank Jackson, Chief Financial Officer, brings significant financial, commercial and international leadership experience. These capabilities are complemented by the operational expertise of Erick Pegot-Ogier and, following the appointment of independent Non-executive Directors Daniel Bloor and David Minchin in January 2026 ahead of the Company's AIM admission in March 2026, enhanced technical, geological and project evaluation expertise at Board level.

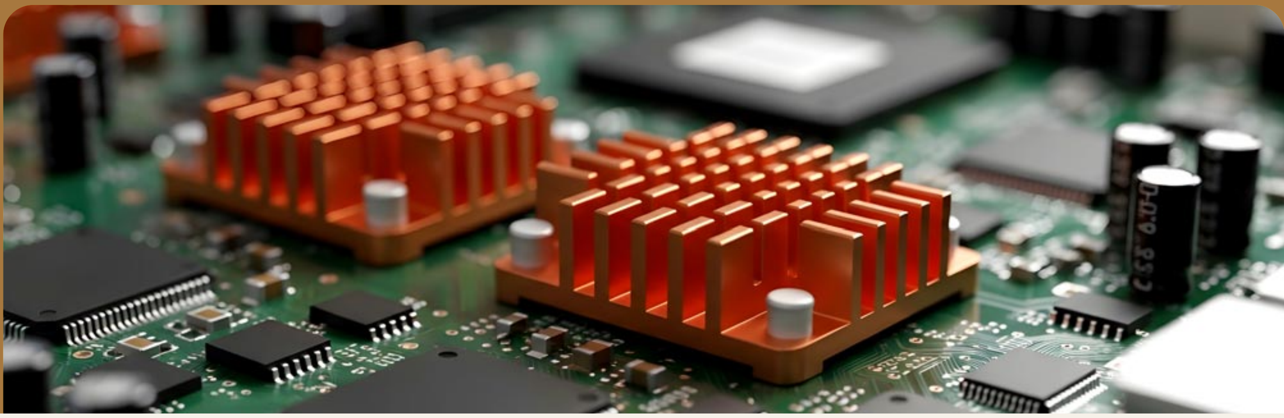
The Board undertakes periodic reviews of its composition and effectiveness, including an assessment of the collective skills and experience required to support the Company's strategy, and seeks to address any identified gaps through appointments or engagement of external advisers. Directors are expected to devote sufficient time to the Company's affairs, and their external commitments are monitored to ensure these do not conflict with their responsibilities. The Board met on a regular basis throughout the period, with strong engagement from all Directors. Non-Executive Directors, including Daniel Bloor and David Minchin, are remunerated on a fixed fee basis and do not participate in performance-related incentive arrangements. The Company is committed to maintaining a high standard of Board capability, and all Directors are supported in keeping their knowledge up to date through access to professional development resources, regulatory updates and industry briefings, ensuring the Board remains effective in overseeing the Company's growth and governance obligations.

Post balance sheet events

Post period under review, the Company completed its IPO and AIM admission on 30 March 2026, raising £4 million. This was a hugely significant event for the Company. Halo now has a clean capital structure and the resources to accelerate the Playa Verde Project towards a position where FIC can be taken, whilst also pursuing new opportunities.

The Company also appointed Mr Daniel Bloor and Mr David Minchin as independent Non-executive Directors. Both David and Daniel are qualified geologists with a deep understanding of industrial projects and metals processing operations, and will provide valuable insight as the Company executes its business strategy.

As part of the AIM admission process the Company commissioned EMI-Ingenieros y Consultores S.A. to update its Competent Person Report ("CPR") for the Project. The CPR published in February 2026 showed a Substantial JORC Code (2012) Mineral Resource base with declared total Mineral Resources of 53.44 million tonnes with an average grade of 0.24% Cu and in-situ fine copper content of 125,820 tonnes. This includes the Ore Reserves and 6.84 million tonnes of Measured and Indicated Mineral Resources plus 14.4 million Inferred Mineral Resources. Declared Ore Reserves were 32.2 million tonnes with an average grade of 0.25% Cu, with an in-situ fine copper content of 79,359 tonnes.



This comprises 10.4 million tonnes of Proved Ore Reserves with an average grade of 0.26% Cu and 21.8 million tonnes of Probable Ore Reserves with an average grade of 0.24% Cu. This led to an NPV10 of US$154.1 million and an IRR of 50.9% (after tax) based on the Ore Reserves only using US$ 5.30 per pound of Cu and US$ 4,300 per oz of Au.

The Company has also since the year ended appointed a number of consultants and contractors to further progress the Project:

- Specialised environmental consultancy firm MSTECK SpA, together with a team led by Ms. María Carolina Parodi Dávila, have been engaged to conduct a comprehensive bio-accessibility and human health risk assessment study.
- An energy & infrastructure consultant has been appointed to review, optimise and delineate power requirements and access for the Project's mining and processing operations as set out in the Project's existing DFS.
- Appointment of BIOS Mining & Infrastructure ("BIOSMI") to review and optimise the mineral processing plant flow sheet and assist in securing ancillary permits.
- BIOSMI will also assist the Company in the application process and in the securing of the ancillary permits needed to advance Playa Verde towards a position where a final investment decision ("FID") can be made.

The Company has also commenced the studies required to finalise the maritime concession application in order to secure the access rights and unlock the upside of the potential resource contained within the footprint of the existing mining licenses it has, but which extend seaward out in to the bay where an approximate 100 Mt of additional material lies.

Outlook

Halo enters the new financial year with a flagship asset, a strong balance sheet, and a clear path to production. Our focus is to optimise the DFS, secure ancillary permits, and reach FID. We believe tailings projects offer lower geological and operational risk and can be achieved with lower capital intensity than primary mines, while still providing exposure to US dollar-denominated cash flows.

The Board remains committed to strong governance and creating long-term shareholder value. I thank our shareholders for their support and look forward to updating you as we advance.

Andrew Dennan
CEO

1 June 2026

STRATEGIC REPORT

Business strategy

Halo Minerals PLC is building a leading position in the production of strategic and battery metals through the reprocessing of legacy mining waste, with an initial focus on South America.

Our strategy is founded on three pillars:

1. Advance Playa Verde to production

Our flagship asset is the Playa Verde copper tailings project in Chile's Atacama region. This is a technically de-risked, DFS-complete project with a JORC (2012) Resource of 53Mt at 0.24% Cu. Following Chilean Ministerial Committee's unanimous approval of the Environmental Impact Assessment in October 2025, our near-term priority is to optimise the existing DFS into a Bankable Feasibility Study, secure ancillary permits, and progress to a Final Investment Decision. The Project is designed to produce 8,640 tonnes of payable copper per annum via modern SX/EW and flotation, with first cathode expected approximately 18 months after construction commences.

2. Build a portfolio of legacy waste assets

We aim to replicate the Playa Verde model by acquiring additional metal-rich, surface-accumulated mine waste deposits of similar scale. The Board believe that these types of projects typically exhibit lower geological risk and capital intensity than primary mining, while offering exposure to US dollar-denominated revenues from strategic metals. Chile, with over a century of mining history and numerous inefficiently processed tailings, provides a significant pipeline of potential opportunities. We are also evaluating selective opportunities in other countries in South America as well as the EU. Our advantage lies in combining proven SX/EW and flotation technology with access to permitted, surface deposits that can be fast-tracked versus greenfield exploration.

3. Deliver sustainable value with ESG leadership

Environmental, Social and Governance principles are embedded in our business model. Reprocessing legacy waste reduces environmental liability, remediates and/or de-toxifies historic sites, and recovers metals without new primary disturbance. We are committed to local employment, community engagement, and transparent governance with Board oversight to ensure alignment with ESG principles. Our goal is to set a benchmark for responsible metal production and contribute to the global energy transition.

Financial discipline

The Company maintains a capital-light structure with outsourced functions to control costs. Following our AIM admission on 30 March 2026 and £4 million raise, we are funded to advance Playa Verde to FID and pursue growth. The Project is forecast to be profitable from the first year of production, which could be as soon as 2028, with strong free cash flow potential thereafter, subject to financing and construction.

Outlook

By 2030, the Company aims to be a multi-asset producer of strategic metals from legacy mine waste, delivering superior-quality products, fostering innovation, and creating long-term value for shareholders while upholding sustainable and ethical practices.

STRATEGIC REPORT

Principal risks

The Board has carried out a robust assessment of the principal risks facing the Group. The risks set out below are those which we consider may have a material impact on the Company's ability to deliver its strategy. They are not listed in order of priority and are not exhaustive.

1. Project development and execution risk

Risk: Playa Verde remains pre-production. Delays or cost overruns in completing the Definitive Feasibility Study optimisation / Bankable Feasibility Study, securing ancillary permits, financing, or construction could impact the timetable to first copper and overall project economics. The process flow sheet requires construction of a new SX/EW and flotation plant, wheeled electric suction dredge, and associated infrastructure.

Mitigation: The Project benefits from a completed DFS, JORC (2012) Resource of 53Mt at 0.24% Cu, and Chilean Ministerial Committee approval of the Environmental Impact Assessment received in October 2025. The Company has appointed experienced technical advisers and uses an outsourced, capital-light operating model to control costs. A staged approach to FID will be taken only when financing and key contracts are in place.

2. Financing and liquidity risk

Risk: The Group is not yet revenue generating and whilst the Company secured the capital it expects to need in order to progress to a stage where FID or other forms of project capital are available, the Group will need to finance the construction of the processing plant in order to begin metals processing operations. There is no guarantee that further equity, debt, prepayment or royalty/streaming finance will be available on acceptable terms.

Mitigation: The Company completed a £4 million raise at AIM admission on 30 March 2026 and, save for the deferred acquisition consideration payable out of project operating cash flows on commencement of copper sales in Chile, is debt free following the loan note conversion. The Board maintains relationships with strategic natural resource investors who have supported the Company over the last four years. Multiple financing options, including project finance, streaming, and offtake pre-payments, are being evaluated. Cash is managed tightly with outsourced functions to minimise overheads.

3. Commodity price and market risk

Risk: The financial performance of Playa Verde is sensitive to copper and gold prices, treatment charges, and sulphuric acid costs. Copper concentrate from the Project will contain 1.1% arsenic, attracting a US$55/dmt penalty. Sulphuric acid prices in Chile are forecast by COCHILCO at c.US$95/t to 2033 but remain volatile and are currently significantly above this level as a result of the current closure of the Strait of Hormuz.

Mitigation: The Project produces both Grade-A cathode, expected to be LME registerable after year two, and concentrate, providing product flexibility. Operating costs are benchmarked in the DFS and will be updated in the BFS. The tailings reprocessing model has lower geological risk than primary mining, reducing exposure to grade variability.

4.

Country and permitting risk

Risk: The Group's sole asset is in Chile. Changes to mining law, taxation, environmental regulation, or community relations could adversely affect the Project. While the EIA has been approved, ancillary permits for water, power, and construction are still required. The project area includes offshore resources requiring additional access rights.

Mitigation: Chile is the world's largest copper producer with an established mining code. The Company operates through local subsidiaries Minera Playa Verde SpA and Copper Bay Chile SpA, with local management and advisers. ESG commitments to environmental de-toxification, local employment and transparent governance are central to maintaining social licence. All operations will comply with local and international regulations.

5.

Single asset and resource risk

Risk: The Company is currently dependent on a single asset, Playa Verde. Any material adverse event at the Project would significantly impact the Group.

Mitigation: The Company's Project is well advanced having already completed PFS, DFS and JORC Resource and Reserves studies, as well as having an approved EIA. The process flow sheet has been designed based on test work to date. Further metallurgical optimisation is planned as part of the BFS. The stated strategy is to diversify by acquiring additional surface accumulated, metal-rich legacy waste deposits in Chile and potentially other jurisdictions.

6.

Key person and counterparty risk

Risk: The Company has a small executive team and relies on key consultants and contractors for technical delivery. Loss of key personnel or failure of a major contractor could delay the Project.

Mitigation: The Board comprises individuals with expertise in executing industrial natural resources projects, mining, M&A and corporate finance. Critical functions are outsourced to reputable firms. Succession planning and knowledge transfer are reviewed regularly.

7.

Health, Safety & Environmental risk

Risk: Mining and processing operations involve HSE risks. As a tailings reprocessing project, Playa Verde aims to de-toxify a historic liability, but dredging and chemical processing present operational hazards. Failure to meet environmental standards could result in fines, delays or reputational damage.

Mitigation: ESG principles are integrated into operations. The approved EIA sets the framework for environmental management. The Project design includes water treatment and modern SX/EW technology to minimise impact. The Board has oversight of HSE performance.

Going concern

The Directors have prepared cash flow forecasts through to December 2027 and considered the principal risks above. The Directors have a reasonable expectation that the Group has adequate resources to continue for the foreseeable future.

STRATEGIC REPORT

Financial review

The year ended 31 December 2025 marked a pivotal transition for Halo Minerals PLC as the Group repositioned itself around a single, advanced copper development asset in Chile.

Overview

During the period, the Company completed the acquisition of Copper Bay Limited, simplified its capital structure through the conversion of all outstanding loan notes, and laid the groundwork for its subsequent admission to AIM. As a pre revenue development company, the financial results principally reflect project holding costs, technical workstreams and one off corporate transaction expenses relating to both the acquisition of Copper Bay Limited and the Company's LSE AIM IPO.

Income statement performance

The Group recorded a loss before tax of £1,651k (2024: £489k). The increase year on year primarily reflects the absence of the prior period administrative credit arising from the historic write back of Directors' fee accruals, together with increased professional, technical and advisory costs associated with the acquisition of Playa Verde and the Company's capital markets activity. The current year loss also includes a £400k charge for "share based payments" representing an accounting fair value charge for options granted to the Directors in the year and therefore a pure non-cash item.

Administrative expenses totalled £1,241k (2024 £152k credit) , reflecting a normalised cost base for a single asset development company operating a capital light model (again, including the non-cash £400k share based payment charge referenced above). No revenue was generated during the period, as the Project remains in the optimisation and permitting phase. No dividend is proposed.

Balance sheet and capital structure

At 31 December 2025, the Group reported total assets of £4.27 million, comprising predominantly exploration and evaluation assets recognised on acquisition of the Playa Verde project. Cash and cash equivalents at period end were £356k.

Total liabilities were £4.57 million, driven principally by the recognition of $7.5 million of deferred consideration payable in respect of the acquisition of Copper Bay Limited, which is carried in these financial statements at the GBP present value of £3.75m. This consideration is fully contingent, payable only upon the achievement of defined copper production milestones, and requires no cash settlement prior to the commencement of production and achievement of the subsequent copper production milestones.

Accordingly, the Group reported net liabilities of £300k at year end, reflecting its status as a development stage mining waste recovery company. Following the conversion of all outstanding loan notes during the period, the Group was debt free at 31 December 2025 save for the deferred acquisition consideration payable of £3.75m as noted above.

Subsequent to the year end, the Company was admitted to trading on AIM on 30 March 2026 and raised gross proceeds of £4.0 million, materially strengthening the balance sheet and eliminating short term funding risk.

Cash flow and liquidity

Net cash outflow from operating activities was £682k (2024: £238k), broadly consistent with the reported operating loss after adjusting for non cash items, including foreign exchange movements and the unwinding of the discount on deferred consideration. Investing cash outflows of £249k primarily related to investment in exploration and evaluation assets.

Average operating cash burn during the year was approximately £55–60k per month. Following the £4 million fundraise in March 2026, the Group is funded to complete the optimisation of the Definitive Feasibility Study, secure ancillary permits, and progress preparatory work towards a Final Investment Decision.

Going concern

The Directors have prepared cash flow forecasts incorporating the proceeds of the March 2026 AIM admission. These indicate that the Group has sufficient liquidity to meet its obligations as they fall due and to execute its stated work programme. The financial statements have therefore been prepared on a going concern basis. Further detail is provided in note 2 to the financial statements.

Outlook

With a strengthened balance sheet, simplified capital structure and a fully permitted core asset, the Group's financial focus in 2026 is on disciplined capital deployment to complete technical optimisation, advance permitting and finalise a construction funding strategy for Playa Verde. The Board remains committed to rigorous cost control while ensuring that investment is appropriately directed towards de risking the Project ahead of a Final Investment Decision.

STRATEGIC REPORT

Environmental and Social Governance ("ESG")

At Halo Minerals PLC, ESG principles are integral to our business model. Our strategy is to produce strategic and battery metals through the reprocessing of legacy mining waste – inherently improving historic environmental liabilities while supplying copper critical to the global energy transition.

Environmental

Our flagship Playa Verde Project in Chile's Atacama region involves the reprocessing of 53Mt of JORC (2012) compliant copper tailings currently situated on the beach at Chañaral Bay. By recovering copper from this surface resource using a modern SX/EW and flotation plant, we aim to:

1. **De-toxify legacy impact:** Reprocess historic tailings, recovering the copper and gold for sale whilst also reducing the heavy metal and arsenic concentrations in the return sands with the aim of reducing the long-term environmental footprint of past mining activities and upon completion of operations expect to return the beach back to the local municipality in a state suitable for recreational use once again.
2. **Minimise new disturbance:** Utilise existing surface material, requiring no new primary mining or associated land clearance.
3. **Operate efficiently:** Deploy a wheeled electric suction dredge and energy-efficient processing to reduce water and power intensity versus conventional mining. The project design incorporates water treatment and recycling. Consider the use of solar energy as part of the project DFS optimisation.
4. **Comply and monitor:** Operations will be conducted in accordance with the Environmental Impact Assessment approved by the Chilean Ministerial Committee in October 2025, with ongoing monitoring and compliance with all local and international regulations.

Climate-related risks and governance

The Board recognises that climate-related risks are an integral part of the Group's overall risk framework, particularly in relation to the Playa Verde Project in Chile. Oversight rests with the Board, and specifically the executive team of the Company, who ensure that environmental considerations are embedded in strategic and operational decision-making. Climate and environmental risks are identified and assessed through regulatory processes, including engagement with the Chilean environmental assessment service (SEA), alongside ongoing technical evaluation and monitoring.

The Group manages these risks through its voluntary environmental commitment ("VEC"), under which it operates to standards exceeding local regulatory requirements, including defined arsenic thresholds across the Project. These measures are integrated into project planning, permitting and operational processes, with the Board maintaining regular oversight to ensure climate-related risks are actively monitored and managed within the Group's wider risk management framework.

Social

We are committed to creating shared value for our host communities in Chile:

1. **Local employment and procurement:** Prioritise hiring and sourcing from the Atacama region to support economic development.
2. **Community engagement:** Maintain open dialogue with local stakeholders throughout permitting, construction and operations to ensure concerns are addressed and benefits are shared.
3. **Health and safety:** Implement robust health and safety systems for all employees and contractors, with a target of zero harm.

Governance

Strong governance underpins our ability to deliver sustainably:

1. **Board oversight:** The Board has overall responsibility for ESG and ensures alignment of operations with ESG principles. An experienced Board with expertise in natural resources, mining and industrial projects, M&A and corporate finance oversees strategy and risk.
2. **Transparency and ethics:** We are committed to ethical business practices, compliance with the QCA Corporate Governance Code, and transparent reporting of our performance.
3. **Regulatory compliance:** The Company complies with all applicable mining, environmental and corporate laws in the UK and Chile, including environmental impact assessments and mining licences.

Our ESG goals

Halo Minerals aims to set a benchmark for sustainable metal production by:

- Reducing environmental harm through innovative waste reprocessing techniques;
- Empowering local communities through economic development and social initiatives; and
- Maintaining robust governance structures to ensure accountability and long-term value creation.

By integrating these principles into our operations, we seek to contribute to a cleaner, greener future while delivering long-term value for shareholders.

STRATEGIC REPORT

Key Performance Indicators ("KPIs")

The Board uses financial and non-financial Key Performance Indicators to monitor progress against the Group's strategy. For the year ended 31 December 2025, and subsequent to period-end, the Company remained pre-revenue and focused on advancing the Playa Verde project to a Final Investment Decision.

Accordingly, KPIs for the current year are primarily milestone-based. As the Company progresses towards construction and operations, operational and financial KPIs will be introduced.

The Board reviews KPIs quarterly and will report on performance against each indicator in future Annual Reports.

Strategic and development KPIs – 2025/2026

KPI	2025 Performance	2026 Target	Strategic link
Project Milestones	EIA approval received Oct 2025; DFS complete	Complete DFS optimisation; secure ancillary permits	Advance Playa Verde to position where FID can be taken
Corporate Milestones	£0.9m pre-IPO raise; loan notes converted	1,000:1 consolidation completed 7 January 2026, AIM admission completed 30 Mar 2026; £4m raised	Strengthen balance sheet & governance
Capital Efficiency	Cash burn £0.9m EBITDA loss	Maintain normalised G&A <£1.2m p.a. pre-FID	Capital-light model
Resource Growth	JORC Resource 53Mt @ 0.24% Cu	Secure rights to offshore ~100+Mt resource	Extend mine life & portfolio growth
ESG	EIA approved; ESG policy adopted	Publish first ESG baseline report; local hiring plan	Licence to operate

STRATEGIC REPORT

Internal controls and risk management

Audit Committee report

Composition and role

The Audit Committee is a standing committee of the Board and supports it in overseeing financial reporting, internal controls, risk management, and the Company's relationship with its external auditor. During the year, the Committee comprised of Andrew Dennan (CEO) and Frank Jackson (CFO), and post-period under review the Audit Committee is now comprised of David Minchin (Chair) and Daniel Bloor, both independent Non-Executive Directors. The Board considers the Committee members to have appropriate financial and sector experience commensurate with the Company's size and stage of development. The Committee operates under formally approved Terms of Reference, which are reviewed annually.

Meetings

Following the Company's admission to AIM in March 2026, the Committee (David Minchin and Daniel Bloor) met in connection with the 2025 audit and held a private session with the external auditor, without executive management present, to discuss audit planning, audit findings, and auditor independence.

Financial reporting

The Committee reviewed the full year financial statements for the year ended 31 December 2025 and recommended their approval to the Board. In doing so, the Committee focused on areas involving significant judgement and estimation, including the appropriateness of the going concern assumption, the accounting treatment of the Copper Bay Limited acquisition, the valuation and recoverability of exploration and evaluation assets, and the treatment of deferred consideration. The Committee was satisfied that the judgements applied were reasonable, appropriately supported, and clearly disclosed.

Risk management and internal controls

The Committee maintains oversight of the Group's systems of risk management and internal control. Given the Group's size and outsourced operating model, the Committee concluded that the existing control framework and financial processes are appropriate and proportionate, and that the absence of a dedicated internal audit function remains appropriate at this stage. The Committee reviews principal risks and uncertainties on a regular basis, including financial, operational and regulatory risks, and monitors the effectiveness of mitigating actions.

External auditor

The Committee oversees the relationship with the external auditor, Crowe U.K. LLP. It reviews the scope of the audit, key audit risks, audit findings and auditor independence, and assesses the effectiveness of the audit process on an annual basis.

Internal controls and risk management

Board Responsibility

The Board has overall responsibility for the Group's system of internal control and for reviewing its effectiveness. The system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can provide only reasonable, not absolute, assurance against material misstatement or loss.

Risk Management Framework

The Board sets the Group's risk appetite and is responsible for maintaining a sound system of risk management and internal control. Risk is considered in all strategic decisions and formally reviewed by the Board at least twice per year. The principal risks and uncertainties facing the Group, together with mitigating actions, are set out in the Principal Risks and Uncertainties section of this report. These include project development, financing, commodity price, country, single asset, key person and HSE risks associated with the Playa Verde project in Chile.

Day-to-day risk management is delegated to the executive team, with the Board maintaining direct oversight of key operational, financial and compliance matters.

Internal controls

The Group has established a framework of internal controls appropriate to its size and structure, including:

- **Financial controls:** budgeting and forecasting processes, with performance monitored against budget and reviewed regularly by the Board, supported by defined approval limits and outsourced accounting and company secretarial functions.
- **Operational controls:** Board oversight of major technical and project decisions, supported by independent technical consultants and legal review of key contracts.
- **Compliance controls:** adherence to the QCA Code, AIM Rules and MAR requirements, supported by formal policies and oversight from the Company Secretary and local advisers.
- **Information and IT controls:** use of secure cloud-based systems with controlled access and data back-up procedures.

Internal audit

Given the Group's current size and stage of development, the Board does not consider it necessary to establish a separate internal audit function. This position is reviewed annually. Assurance is obtained through Board oversight, external advisers and the external audit process.

Effectiveness review

The Board has reviewed the effectiveness of the Group's risk management and internal control systems for the year ended 31 December 2025 and up to the date of this report. It considers them to be appropriate for the Group's current stage of development. As the Group progresses the Playa Verde project, the control environment will be enhanced to reflect increased operational complexity, including the development of site-level controls, HSE systems and a review of the need for an internal audit function.

STRATEGIC REPORT

Anti-bribery and corruption

The Board of Halo Minerals PLC has a zero-tolerance approach to bribery and corruption. We are committed to conducting business ethically, with integrity, and in compliance with all applicable laws, including the UK Bribery Act 2010 and relevant anti-corruption legislation in Chile and any other jurisdictions in which we operate.

Policy and procedures

The Company has adopted an Anti-Bribery and Corruption Policy which applies to all Directors, employees, consultants, contractors, and any third parties acting on behalf of the Group. The Policy prohibits the offering, giving, soliciting or acceptance of any bribe, whether cash or other inducement, to or from any person or company, public or private, wherever they are situated and whether or not they are a public official.

Key provisions include:

1. **Gifts and hospitality:** May only be given or received if they are proportionate, reasonable, and for legitimate business purposes. All gifts and hospitality above a de minimis threshold must be recorded in a central register and approved in advance.
2. **Facilitation payments:** Are prohibited, except where personal safety is at risk.
3. **Third parties:** Due diligence is undertaken on agents, advisers and contractors, particularly where they interact with government officials or public bodies. Contracts include anti-bribery clauses and rights of audit.
4. **Political and charitable donations:** The Company does not make political donations. Charitable donations require Board approval.

Training and communication

The Policy is communicated to all employees and relevant contractors on induction and annually thereafter. The Board are to receive periodic training to ensure awareness of obligations under the Bribery Act. Given the Group's operations in Chile, specific attention is paid to interactions with regulatory bodies, including those involved in mining and environmental permitting.

Reporting and oversight

Employees and third parties are encouraged to report any concerns or suspected breaches. The Company has a whistleblowing policy which provides for confidential reporting to the Chairman of the Audit Committee. All reports are investigated promptly and appropriate action taken.

The Board has overall responsibility for the Policy and reviews its effectiveness annually. Given the Company's current size, the Board considers these procedures to be appropriate and proportionate. As the Project advances towards construction and operations in Chile, the Board will keep the policy under review and enhance procedures, including supplier due diligence and site-level training, to reflect increased activity.

No incidents of bribery or corruption were reported during the year ended 31 December 2025.

STRATEGIC REPORT

Section 172 (1) statement

The Directors of Halo Minerals PLC ("the Company") have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the matters set out in section 172(1)(a)-(f) of the Companies Act 2006.

a) The likely consequences of any decision in the long term

The Board's primary focus during the year ended 31 December 2025 was delivering the Company's long-term strategy to create value through the reprocessing of legacy mining waste. Key decisions, including the acquisition of Copper Bay Limited and the subsequent admission to AIM and £4 million fundraise on 30 March 2026, were taken to secure a technically de-risked flagship asset and provide the governance and capital framework to advance it to production. In approving these steps, the Directors considered the long-term benefits of converting the Playa Verde DFS-complete project into US dollar-denominated cash flow, versus the risks and capital requirements of primary exploration. All major capital allocation decisions are assessed against their impact on the pathway to Final Investment Decision and sustainable returns.

b) The interests of the Company's employees

The Company operates a lean structure with a small executive team supported by outsourced specialist functions to maintain cost discipline. The Board is committed to treating all employees, consultants and contractors fairly, providing a safe working environment, and ensuring appropriate incentive structures are in place. As activity increases at Playa Verde, health and safety systems will be enhanced and local employment in the Atacama region will be prioritised.

c) The need to foster the Company's business relationships with suppliers, customers and others

The Group depends on strong relationships with technical consultants, advisers, contractors and strategic investors. During the year the Board maintained engagement with long-term natural resource investors who have supported the Company for over four years and appointed advisers to deliver the AIM admission. In Chile, we work through local subsidiaries and advisers to build constructive relationships with regulatory authorities and future suppliers. The Board recognises that reliable, ethical partnerships are critical to achieving FID and eventual offtake agreements and following the Project EIA being approved has initiated the relationships with a number of industrial project financiers who can assist in de-risking the financing of the Project in order to be able to take FID at the appropriate time in future.

d) The impact of the Company's operations on the community and the environment

Reprocessing legacy tailings is central to our ESG strategy. The Project aims to reprocess and de-toxify 53Mt of historic copper tailings at Chañaral Bay while producing copper with no new primary mining disturbance. The Environmental Impact Assessment was unanimously approved by the Chilean Ministerial Committee in October 2025. The Board ensures environmental compliance, water management and community engagement are integrated into all project planning. Further detail is set out in the ESG Statement on page 11.

e) The desirability of the Company maintaining a reputation for high standards of business conduct

The Company has adopted the QCA Corporate Governance Code and maintains policies on anti-bribery and corruption, share dealing, whistleblowing and MAR compliance. The Board requires all Directors, employees and representatives to act with integrity and comply with the UK Bribery Act 2010 and applicable Chilean law. Maintaining high standards is essential to preserve our licence to operate, access to capital, and shareholder trust.

f) The need to act fairly as between members of the Company

The Board seeks to treat all shareholders fairly and keep them informed. Following the year end the Company completed a 1,000:1 share consolidation and converted outstanding loan notes on their existing terms to create a simplified, equitable capital structure. Price-sensitive information is released via RNS in accordance with AIM Rules. The Board engages with shareholders through the AGM, investor presentations and the Company website.

Principal decisions in the year

Material Board decisions in the period included:

1. Acquisition of Copper Bay Limited – to transform the Company with a DFS-level copper asset;
2. AIM admission and £4m fundraise – to strengthen governance and fund development;
3. Change of name to Halo Minerals PLC – to align the Company's identity with its battery-metals-from-waste strategy.

In each case, the Directors considered stakeholder interests, the Company's long-term success, and the risks set out in the *Principal Risks* section before approval.

For and on behalf of the Board of Directors

Andrew Dennan
1 June 2026

Directors' Remuneration report

Remuneration policy

The Board is responsible for determining the remuneration policy for the Company's Directors. The objective of the policy is to ensure that remuneration is appropriate to attract, retain and motivate Directors with the skills and experience required to deliver the Company's strategy, while aligning their interests with those of shareholders.

Given the Company's current stage as a pre revenue development business, the remuneration framework is intentionally simple and cost-conscious. Executive Directors receive fees reflective of their roles and responsibilities, while Non-Executive Directors receive fixed fees and do not participate in performance-related incentive arrangements.

The Company does not currently operate bonus schemes or long-term incentive plans, though these are expected to be initiated in 2026 as the Group progresses towards being in a position to take FID on the Project and moves closer towards the construction and production phase and cash flow generation.

Directors' remuneration for the year

Total Directors' remuneration recognised for the year ended 31 December 2025 was £400k (2024: £200k).

The remuneration of individual Directors was as follows:

Director	2025 (£'000)	2024 (£'000)
Andrew Dennan	171	100
Frank Jackson	171	100
Erick Pegot-Ogier	58	–
Total	**400**	**200**

Share options granted to the directors in the year were as follows:

Director	2025	2024
Andrew Dennan	3.5m	–
Frank Jackson	3.5m	–
Erick Pegot-Ogier	1m	–
Total	**8m**	**–**

The increase in total remuneration reflects the expansion of the executive team during the year, acquisition of Copper Bay Limited and the Company's transition towards an AIM-listed structure.

Fees and payment structure

Directors' fees are primarily accrued rather than paid in cash, reflecting the Company's focus on preserving working capital. During the year, **£30k in total (£10k per Director)** was paid in cash, with the balance accrued. There were no pension contributions, benefits in kind, or performance-related bonuses paid or awarded during the year (2024: none). Post Period under review the Directors took 66% of their accrued fees for the year in new shares of the Company at the IPO price of 18 pence per new share. The Directors took the majority of their accrued fess in shares to further align their interests with shareholders and the shares received are subject to a 12 month lock-up post the IPO event.

Directors' report

The Directors submit their report together with the audited Financial Statements of Halo Minerals PLC a publicly limited company, for the year to 31 December 2025. On 6 January 2026, the company changed its name from Guardian Metals Plc to Halo Minerals PLC.

Results and dividends

The Financial Statements for year to 31 December 2025 are as set out on pages 24 to 45. The Company's loss for the period was £1,651k (2024: £489k). The Company has not recommended the payment of a dividend at this time (2024: £nil).

Significant transactions in the year

The twelve months ended 31 December 2025 was a transformational period for the Company. The Board completed a number of significant transactions to secure the Group's flagship asset, restructure the balance sheet, and prepare the Company for admission to AIM. The principal transactions are summarised below.

1. Acquisition of Copper Bay Limited

In February 2025, the Company signed the share purchase agreement to acquire Copper Bay Limited and in March 2025 completed the acquisition of 100% of the issued share capital of Copper Bay Limited, a UK holding company which owns, through two Chilean subsidiaries, 100% of the Playa Verde copper tailings project in the Atacama region of Chile.

Playa Verde is a technically de-risked, DFS-complete project with a JORC (2012) Mineral Resource Estimate of 53Mt at 0.24% Cu containing approximately 126,000 tonnes of copper. Total consideration for the acquisition is $7.5 million, payable in two equal instalments of $3.75 million each upon the Project achieving 7,500 tonnes and 15,000 tonnes of copper or copper-equivalent production. No upfront cash consideration was paid, aligning vendor and shareholder interests with Project delivery. A security charge over the shares held by Halo in Copper Bay Limited is granted to the vendors in respect of the deferred and contingent consideration owed.

The acquisition was the catalyst for the Company's change of strategy to focus on strategic and battery metals from legacy mining waste.

2. Conversion of Loan Notes to Equity

To simplify the capital structure ahead of AIM admission and to create a debt-free company, the Company converted all outstanding Senior Convertible Loan Notes to equity in accordance with the terms of the relevant agreements. The conversion eliminated all Group debt and associated interest obligations, resulting in the Company being debt free at 31 December 2025. Further details are set out in note 14 to the consolidated financial statements.

3. Pre-IPO Fundraising

In October 2025 the Company completed a pre-IPO fundraising, securing approximately £940k of new equity investment at a pre-money valuation of circa £8 million. The proceeds were used to fund ongoing development of Playa Verde, including technical studies and permitting, and to provide general working capital ahead of AIM admission. The fundraise was supported by strategic natural resource investors.

Future developments

Since the period end, the Company has completed a series of corporate transactions to establish the appropriate platform for delivering its strategy. These developments provide the Group with a simplified capital structure, a clear corporate identity, and the funding required to advance the Playa Verde project.

1. Share Consolidation

On 6 January 2026 (post period under review), the Company completed a 1,000 for 1 consolidation of its ordinary shares. The consolidation reduced the number of shares in issue and established a share price more appropriate for an AIM-quoted company. Following the consolidation, the Company's issued share capital comprised ordinary shares of each £0.001, creating a capital structure suitable for institutional investors.

2. Change of Name to Halo Minerals PLC

On 6 January 2026, the Company changed its name from Guardian Metals Plc to Halo Minerals PLC to reflect its strategic focus on the production of strategic and battery metals through the reprocessing of legacy mining waste. The new name aligns the Company's identity with its long-term growth ambitions in South America where it is focused on the near-term development and production of key strategic and battery metals.

3. Admission to Trading on AIM and £4.0 Million Fundraising

On 30 March 2026, the Company was admitted to trading on the AIM market of the London Stock Exchange. Concurrent with admission, the Company completed a placing and subscription raising gross proceeds of £4 million at 18 pence per share.

The net proceeds of the fundraising will be used to:

1. Complete optimisation of the Definitive Feasibility Study for the Playa Verde copper tailings project in Chile and advance towards a Bankable Feasibility Study;
2. Secure ancillary permits and advance the Project to a Final Investment Decision;
3. Provide general working capital and strengthen the Company's balance sheet.

Outlook

Admission to AIM marks the beginning of the next phase of the Company's development. The Board's focus for the coming year is to progress Playa Verde through the final technical and permitting stages and to finalise a funding package for construction. Subject to securing project finance, the Company anticipates commencing construction in 2027, with first copper production targeted for potentially as soon as 2028.

In parallel, the Company will continue to evaluate opportunities to acquire additional metal-rich, surface-accumulated legacy waste deposits of similar scale, consistent with its strategy to build a portfolio of sustainable metal production assets.

The Directors believe that the transactions completed since the period end have created a strong platform from which to deliver long-term value for shareholders.

Directors' report *(continued)*

Capital structure and significant shareholders

Significant shareholder	Number of Ordinary Shares	Percentage of Enlarged Share Capital (%)
MBD Partners SA	23,415,547	21.14%
Atacama Investments Limited	15,610,365	14.10%
Mr John Bolitho	14,955,963	13.50%
C4 Energy Limited[1]	8,856,113	8.00%
Acorn Finance Limited	3,842,274	3.47%

1. Andrew Dennan, a Director of the Company, is a 25 per cent. shareholder of C4 Energy Limited.

Directors interests

Director	position	Shareholding (31 Dec 2025) pre consolidation	Share Options (31 Dec 2025) pre consolidation
Andrew Dennan	CEO & Director	Nil	3,500,000,000 options (vesting subject to IPO completion)
Francis Jackson	Director	2,000,000 (held via Sustainable Energy Projects Ltd)	3,500,000,000 options (vesting subject to IPO completion)
Erick Pegot-Ogier	Director	Nil	1,000,000,000 options (vesting subject to IPO completion)

Directors meetings attendance

The Directors serving during the year were eligible to attend and attended the following meetings:

Director	Eligible	Attended
Andrew Dennan	17	17
Frank Jackson	17	17
Erick Pegot-Ogier	15	15

Directors remuneration

Fees paid to each Director for the year are set out in note 5 to the Group Financial Statements.

Annual General Meeting

The Company is calling its next Annual General Meeting to be held on the 29 June 2026. A notice of the Annual General Meeting will be issued on the 4 June 2026.

Independent auditors

A resolution to reappoint Crowe U.K. LLP ('Crowe') as the Company's independent auditors will be proposed at the forthcoming Annual General Meeting.

Going concern

The Directors judge it appropriate to adopt the going concern basis in preparing the financial statements.

The Directors have prepared financial projections for the development of the Project and the Group's working capital needs for a period of 12 months from the date of this document. As the Group secured investment subscriptions at the time of its readmission to trading on AIM on 30 March 2026 totalling £4m, the Directors have determined that the Group has sufficient funding to be assured of meeting its financial obligations over this period, such that the preparation of the Group Financial Statements on the going concern basis is considered appropriate.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Disclosure of information to auditors

As far as each Director is aware, there is no relevant audit information of which the Company's Auditors are unaware. In addition, each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

Approved by the Board of Directors on 1 June 2026 and signed on its behalf by

F Jackson
Director

Halo Minerals PLC
Registered number 06370792

Directors' responsibilities statement

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

The Directors have elected to prepare the Group financial statements in accordance with applicable law and UK adopted International Accounting Standards (IAS), and the Company financial statements in accordance with applicable law and FRS 101 (UK GAAP). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for the period for which they are being prepared.

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

- select suitable accounting policies for the Group and Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

These financial statements were approved by the Board on 1 June 2026 and signed on its behalf by:

Frank Jackson
Director

Independent Auditor's Report to the members of Halo Minerals PLC

Opinion

We have audited the financial statements of Halo Minerals plc (the "Parent Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2025, which comprise:

- the Consolidated and Parent Company statements of financial position as at 31 December 2025;
- the Consolidated statement of comprehensive income for the year ended 31 December 2025;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statement of cash flows for the year then ended; and
- the notes to the financial statements, including material accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Assessment of the period covered by the Directors' financial projections;
- Review of forecast expenditure, consideration of the assumptions used and the probability of achieving project milestones as predicted;
- Consideration of the accuracy of the financial projections for mathematical integrity;
- Consideration of the completeness of individual project expenditure included in the financial projections and the accuracy of the forecast consolidated budget and cash flows; and
- Assessment of the sensitivity analysis completed by the Directors over their financial projections to ensure this was accurately performed.

Based on the work we performed, we have not identified any material uncertainties relating to events of conditions that, individually or collectively, may cast significant doubt on the group or company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £85,000, based on approximately 2% of Group Total Assets. Materiality for the Parent Company financial statements as a whole was set at £82,500, based on approximately 1.9% of the Total Assets of the Parent Company.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £59,500 for the Group and £57,750 for the Parent Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and Directors' remuneration.

We agreed with the Directors to report to them all identified errors in excess of £4,250. Errors below that threshold would also be reported if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatements at the Group level. We assessed the risk of misstatement in the financial statements whether due to fraud or error and then designed and performed audit procedures responsive to those risks. In particular, we considered the areas where the Directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we obtained sufficient audit evidence to be able to form an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the Group and Parent Company, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

We performed a scoping exercise of each individual account balance and class of transaction at a Group level to determine the contribution to each significant line item in the Group financial statements from each component. Having excluded the dormant subsidiaries, we considered there to be three components within the Group, one of which was the Parent Company, the second was Copper Bay Limited, and the third comprised the two Chilean subsidiaries, Copper Bay Chile Limitada and Minera Playa Verde Limitada.

For the Parent Company, we performed a full scope audit of its complete financial information. For the other two components we performed analytical review procedures and detailed substantive audit procedures on specific balances and transactions, in line with their contribution towards specific financial statement line items or disclosures that we considered had the potential for the greatest impact to the Group financial statements, either because of the magnitude of these or their risk profile. The audit team also tested the consolidation process and carried out analytical procedures to confirm that there were no significant risks of material misstatement of the aggregated information.

Except for the Chilean subsidiaries, all of the Group operations are managed from the UK remotely by the Directors, and accounted for by an external bookkeeper. Our audit was conducted remotely, and the group audit team conducted the audit of all components of the business, with no component auditors being used during the audit process.

Independent Auditor's Report to the members of Halo Minerals PLC *(continued)*

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key matters and responses are summarised opposite. This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Recoverability of capitalised exploration and evaluation expenditure	
Exploration and evaluation assets (Note 8) of £3,691,000 comprise a single exploration and evaluation asset located in the Chañaral Bay region of Chile. Exploration costs, which have been capitalised in line with IFRS 6 criteria, require regular assessment for indicators of impairment of these assets. This requires management to use their sector experience, apply their specialist expertise and form a conclusive judgement as whether or not, on the balance of evidence, further exploration is justified to determine if an economically viable mining operation can be established in future. Impairment indicators within IFRS 6 need to be met to confirm viability, an objective set of criteria for continued deferral. These assets are the most significant to the consolidated statement of financial position, and the above judgements on impairment indicators are subjective, so we deem this to be a key audit matter.	In respect of the material exploration and evaluation asset, our audit work included the following: ▪ We reviewed management's process for assessment of projects for indicators of impairment to ensure that this assessment had been appropriately completed; ▪ We considered management's assessment as to whether there are any indicators of impairment to identify any errors or potential bias; ▪ We reviewed the approved annual budget and cash flow projections and minutes of board meetings to confirm the intention to continue exploration work on the licence; ▪ We inspected evidence for progress on exploration and evaluation activities at the licence area to assess whether there were indications of a potential impairment trigger.
Valuation of deferred consideration	
The carrying value of the deferred consideration liabilities (Note 10) of £3,751,000, is dependent upon the future cash flows associated with the purchase of Copper Bay Limited and its subsidiaries. The agreed consideration is $7,500,000, payable in two equal instalments of $3,750,000 upon reaching 7,500 tonnes and 15,000 tonnes of copper or copper-equivalent production. In order to value this liability, management are required to use their professional expertise and judgement to determine the most likely times that the performance obligations will be achieved, and the most appropriate discount rate to be used in order to calculate the total present value of the two cash flows. As a result of the magnitude of the liability, and the level of estimation underpinning it, we consider this to be a key audit matter.	Our audit work on this area included the following: ▪ We verified that the terms of the Share Purchase Agreement supported the definition used for the consideration, in terms of both value and performance obligations. ▪ We inspected the calculation prepared by management, to ensure mathematical accuracy. ▪ We assessed the assumptions used by management in preparing the calculation, in order to verify that these were based on a justifiable rationale. We challenged their assumptions by considering alternative plausible scenarios, and assessing the impact of these changes on the stated value of the liability.

Other information

The Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

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

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

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 19, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error and discussed these between audit team members. We then designed and performed audit procedures in response to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations which have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and, where relevant, specific legal compliance required for exploration activities in territories where the Group operates.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journal entries and reviewing accounting estimates for evidence of management bias.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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

Leo Malkin (Senior Statutory Auditor)

For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London, United Kingdom

1 June 2026

Consolidated statement of financial position

£'000	Note	As at 31 December 25	As at 31 December 24
Non-current assets			
Other intangible assets		95	–
Exploration & evaluation assets	*8*	3,691	–
Total non-current assets		**3,786**	**–**
Current assets			
Trade and other receivables		130	12
Cash and cash equivalents		356	14
Total current assets		486	26
Total assets		**4,272**	**26**
Current liabilities			
Loans	*14*	–	190
Trade and other payables	*9*	817	503
Total current liabilities		**817**	**693**
Non-current liabilities			
Loans	*14*	–	500
Deferred consideration payable	*10*	3,751	–
Total non-current		**3,751**	**500**
Total liabilities		**4,568**	**1,193**
Shareholders' equity			
Ordinary share capital	*12*	275	214
Share premium account	*12*	37,589	35,276
Other reserves		3,016	3,016
Share based payment reserve		400	–
Foreign exchange reserve		(252)	–
Accumulated losses		(41,324)	(39,673)
Total equity		**(296)**	**(1,167)**
Total equity and liabilities		**4,272**	**26**

Registration Number: 06370792

The financial statements together with the notes to the financial statements were approved by the Board of Directors and authorised for issue on 1 June 2026. They were signed on its behalf by:

Frank Jackson
Director

Consolidated statement of comprehensive income

£'000	Note	Year ended 31 December 25	Year ended 31 December 24
Project costs		(26)	–
Administrative expenses	*4*	(1,241)	–
Administrative credit*	*4*	–	152
Operating (loss)/profit		**(1,267)**	**152**
Foreign exchange		385	–
Finance costs	*6*	(768)	(641)
Loss before tax		(1,651)	(489)
Taxation	*7*	–	–
Loss after tax		**(1,651)**	**(489)**
Other comprehensive income			
Foreign exchange on translation of overseas subsidiaries		(252)	–
Total comprehensive loss for the year		**(1,903)**	**(489)**
Loss per share (£)	*3*	**(0.05)**	**(0.05)**

**Administrative expenses in the comparative period represent a net credit due to the inclusion of £614,000 of write-backs of Directors' fee accruals incurred in prior periods (see note 4 for further details).*

Consolidated statement of changes in equity

£'000	Ordinary Share Capital	Share Premium Account	C4 Loan reserve	Warrant and Other Reserves	Share based payment reserve	Foreign exchange reserve	Accumulated Losses	Total Equity
Balance, 1 January 2024	**195**	**32,584**	**1,682**	**3,431**	**–**	**–**	**(41,281)**	**(3,389)**
Loss for the period	–	–	–	–	–	–	(489)	(489)
Comprehensive loss	**–**	**–**	**–**	**–**	**–**	**–**	**(489)**	**(489)**
Issue of Ordinary Shares	1	210	–	–	–	–	–	211
Expiry of options/warrants	–	–	–	(415)	–	–	415	–
Conversion of Convertible Loan Note	18	2,482	(1,682)	–	–	–	1,682	2,500
Transactions with owners	**19**	**2,692**	**(1,682)**	**(415)**	**–**	**–**	**2,097**	**2,711**
Balance, 31 December 2024	**214**	**35,276**	**–**	**3,016**	**–**	**–**	**(39,673)**	**(1,167)**
Loss for the period	–	–	–	–	–	–	(1,651)	(1,651)
Foreign exchange on translation of overseas subsidiaries	–	–	–	–	–	(252)	–	(252)
Comprehensive loss	**–**	**–**	**–**	**–**	**–**	**(252)**	**(1,651)**	**(1,903)**
Issue of Ordinary Shares	10	913	–	–	–	–	–	923
Issue of options	–	–	–	–	400	–	–	400
Conversion of Convertible Loan Note	51	1,400	–	–	–	–	–	1,451
Transactions with owners	**61**	**2,313**	**–**	**–**	**400**	**–**	**–**	**2,774**
Balance, 31 December 2025	**275**	**37,589**	**–**	**3,016**	**400**	**(252)**	**(41,324)**	**(296)**

As at 31 December 2025, the balance for warrants and other reserves comprises a deferred shares reserve of £3,016,000 which arose following the share sub-division in November 2019.

Consolidated statement of cash flows

£'000	Note	Year ended 31 December 25	Year ended 31 December 24
Cash flows from operating activities			
Cash used in operations	*11*	(682)	(238)
Net cash used in operating activities		**(682)**	**(238)**
Cash flows from investing activities			
Payments made for exploration & evaluation assets		(275)	–
Cash acquired on acquisition of subsidiaries		26	–
Net cash flows used in investing activities		**(249)**	**–**
Cash flows from financing activities			
Issue of Ordinary Shares		898	–
Proceeds from drawdown of loans		375	250
Net cash flows from financing activities		**1,273**	**250**
Net increase in cash and cash equivalents		342	12
Cash and cash equivalents at the start of the period		14	2
Cash and cash equivalents at the end of the period		**356**	**14**

Major non-cash transactions in the year represent conversion of loans into ordinary shares, see note 14 for further details.

Notes to the Group financial statements

1. General

Corporate information

The Company is a company incorporated in England and Wales on 13 September 2007 and has registered address of C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF and registration number 06370792. The Company is domiciled in the UK for tax purposes.

At the reporting date, the Company held a 100% interest in the following UK incorporated subsidiary companies;

Entity	Jurisdiction	Registered office	Holding	Nature of business
Guardian Africa Limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100%	Dormant
Guardian West Africa Limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100%	Dormant
Guardian Mining Limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100%	Dormant
Copper Bay Limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100%	Intermediate holding company
Copper Bay (UK) limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100% indirect	Intermediate holding company
Copper Bay Chile	Chile	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% indirect	Chilean holding company
Playa Verde	Chile	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% indirect	Chilean operating company

Copper Bay Limited is entitled to exemption from audit under section 479A of the Companies Act 2006. The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Basis of preparation

The Group Financial Statements have been prepared in accordance with UK adopted International Accounting Standards. They are presented in thousand Pounds Sterling (£'000), unless stated otherwise. The Group Financial Statements have been prepared on the historical cost basis, except for certain financial instruments, which are carried as described in the respective sections in the policies below.

The principal accounting policies adopted are set out below.

Basis of consolidation

The Group Financial Statements incorporate the financial information of the Company and entities controlled by the Company, its subsidiaries, made up to 31 December each year.

Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies so as to obtain economic benefits from their activities. Subsidiaries are consolidated from the date on which control is obtained, the acquisition date. They are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group if the acquisition qualifies as a business combination under IFRS 3. Where such an acquisition does not qualify as a business combination, the transaction is accounted for as an asset acquisition. The cost of an acquisition, whether treated as a business combination or asset acquisition, is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs, directly attributable to the acquisition, are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in an acquisition are initially measured at fair value at the acquisition date. Where the acquisition comprises an asset acquisition, the fair value of consideration is allocated to the assets acquired.

Intra-Group transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated on consolidation, except to the extent that intra-group losses indicate an impairment.

2. Material accounting policies

The following accounting policies have been applied consistently throughout the period.

Going concern

It is the responsibility of the Directors to prepare the Group Financial Statements on a going concern basis, unless it is inappropriate to assume that the Group will continue in business.

The Directors have prepared financial projections for the development of the Playa Verde Project and the Group's working capital needs for a period of 12 months from the date of this document. As the Group secured investment subscriptions at the time of its readmission to trading on AIM on 30 March 2026 totalling £4m, the Directors have determined that the Group has sufficient funding to be assured of meeting its financial obligations over this period, such that the preparation of the Group Financial Statements on the going concern basis is considered appropriate.

The Group Financial Statements does not include any adjustments that may arise in the event that the Group is not a going concern.

Foreign currencies

Both the functional and presentational currency of the Group is £. Each Group entity determines its own functional currency and items included in the Group Financial Statements of each entity are measured using that functional currency. The majority of the Group's funding and capital raising activities are denominated in £, and the Directors consider this to be the currency that primarily influences the Group's financing activities and cash flows.

The functional currency of the foreign subsidiaries is CLP. The Company's operations in Chile are primarily conducted in CLP and $.

Transactions in currencies, other than the functional currency of the relevant entity, are initially recorded at the exchange rate, prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities, that are denominated in foreign currencies, are retranslated at the exchange rate, prevailing at the reporting date. Non-monetary assets and liabilities, carried at fair value that are denominated in foreign currencies, are translated at the rates, prevailing at the date, when the fair value was determined.

On consolidation, the assets and liabilities of the Group's overseas operations are translated into the Group's presentational currency at exchange rates, prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates have fluctuated significantly during the year, in which case, the exchange rate at the date of the transaction is used. All exchange differences arising, if any, are recognised as other comprehensive income and are transferred to the Group's foreign currency translation reserve.

Exploration assets and mineral tenements

Exploration assets comprise exploration and evaluation costs, incurred on prospects at an exploratory stage. These costs include the cost of acquisition, exploration, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads, directly associated with those projects. These costs are carried forward in the Statement of Financial Position as non-current intangible assets less provision for identified impairments. Costs associated with an exploration activity will only be capitalised if, in the Directors' opinion, the results from that activity can be associated with finding a specific resource.

The Group adopts the "area of interest" method of accounting whereby all exploration and development costs, relating to an area of interest, are capitalised and carried forward until either abandoned or an indicator of impairment is determined. In the event that an area of interest is abandoned, or if, following determination of an impairment indicator being present, the Directors consider the expenditure to be of no value, accumulated exploration costs are written off in the financial year in which the decision is made. All expenditure, incurred prior to approval of an application, is expensed, with the exception of refundable rent, which is raised as a receivable.

Upon disposal, the difference between the fair value of consideration receivable for exploration assets and the relevant cost within non-current assets is recognised in the Statement of Comprehensive Income.

The Group has a single identified exploration and evaluation asset, being the Playa Verde copper project in Chile. As the asset remains within the evaluation stage of development, with no defined commencement and termination date for production and hence commercial exploitation, it does not presently have a determinable useful economic life. Once the project has been developed to the point of production commencement, all costs capitalised as exploration and evaluation assets will be reclassified as tangible assets (mining properties) and will be amortised on a unit production basis over the useful economic life of the project.

The Group did not have any contractual commitments to undertake exploration or evaluation activity at the reporting date or prior year reporting date.

Notes to the Group financial statements *(continued)*

2. Material accounting policies *(continued)*

Impairment of non-financial assets

The carrying values of assets, other than those to which IAS 36 "Impairment of Assets" does not apply, are reviewed at the end of each reporting period for impairment, when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised immediately in the Statement of Comprehensive Income.

When there is a change in the estimates, used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case, the reversal of the impairment loss is treated as a revaluation increase.

Financial instruments

Financial assets

Financial assets are recognised when the Group becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are offset if there is a legally enforceable right to set off the recognised amounts and interests and it is intended to settle on a net basis. Financial assets which are measured at amortised cost, are measured using the Effective Interest Rate Method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial liabilities and equity

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions, in accordance with IAS 32:

- they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of the Company's own equity instruments. To the extent that this definition is not met, the financial instrument is classified as a financial liability.

As such, financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest of the assets of the Group after deducting all of its liabilities.

Borrowings

Borrowings are recognised initially at the fair value of the proceeds received which is determined using a discount rate which reflects the cost of borrowing to the Company. In subsequent periods borrowings are recognised at amortised costs, using an effective interest rate method. Any difference between the fair value of the proceeds costs and the redemption amount is recognised as a finance cost over the period of the borrowings.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholder's equity, net of income tax effects.

Trade and other payables

Trade and other payables are initially recognised at fair value and are subsequently measured at amortised cost.

Trade payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. Trade and other payables are classified as current liabilities where payment is due within one year or less (or in the normal operating cycle of the business). If not, they are presented as non-current liabilities.

Trade and other payables are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2. Material accounting policies *(continued)*

Equity

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

The warrant and other reserve include share warrants issued to Shareholders in connection with share capital issues that are measured at fair value at the date of issue and treated as a separate component of equity, as well as a deferred shares reserve which arose following the share sub-division in November 2019.

The C4 Loan reserve included the transfer and refinancing of the loan amount with C4, which was released into retained earnings in the prior year ended 31 December 2024, on full conversion of the loan into equity.

Share-based transactions

From time to time, the Group may pay for goods or services through the issue of new Ordinary Shares. The cost of such equity-settled transactions is recognised in the Statement of Comprehensive Income, together with a corresponding increase in equity, in the period during which the goods or services are received. The value of such share-based payments is measured by reference to the fair value of the goods or services received or the market value of the shares issued, whichever value is more readily determinable.

Warrants

From time to time, the Company may issue warrants to suppliers as partial payment for goods or services or to investors or advisers in relation to the raising of new equity finance. When warrants are issued as partial payment for goods or services related to operations, the fair value of those warrants is recognised as a cost in the Statement of Comprehensive Income. When warrants are issued in relation to the raising of new equity finance, the fair value of those warrants is set off against share premium. Warrants issued but not exercised are held in a warrant reserve within equity.

Share-based payments

The Group operates equity-settled share-based compensation arrangements under which options are granted to employees and other eligible participants.

The fair value of options granted is determined at the grant date and recognised as an employee benefit expense, with a corresponding increase in the share-based payment reserve within equity, over the vesting period during which the employees become unconditionally entitled to the awards.

The total amount recognised as an expense is based on the fair value of the options granted, excluding the impact of non-market vesting conditions. Non-market vesting conditions are included in assumptions regarding the number of options expected to vest. At each reporting date, the Group revises its estimates of the number of options expected to vest and recognises the impact of any revision in the consolidated statement of profit or loss, with a corresponding adjustment to equity.

Critical accounting judgements and estimates in applying the Company's accounting policies

The preparation of the Group Financial Statements in conformity with IFRS requires the Directors to make judgements and estimates that affect the reported amounts of assets and liabilities at the reporting date and the reported amounts of expenses during the reporting period. Actual results could differ from those estimates. In the process of applying the Company's accounting policies, the Directors have made the following estimates that may have a significant effect on the amounts recognised in the Group Financial Statements:

Acquisition of the Copper Bay Group

During the year, the Company acquired a 100% interest in the shares of the Copper Bay, which comprises predominantly the Playa Verde Project in Chile. In determining the correct approach for accounting for the Acquisition, the Directors have had to assess whether the acquisition falls within the scope of IFRS 3 *"Business Combinations"*, notably whether the Copper Bay Group qualifies as a *"business"* as defined within IFRS 3 *"Business Combinations"*. In making this assessment, the Directors have had to make certain judgements around the activities within the Copper Bay Group, the extent to which the current activities represent a process generating *"outputs"* from *"inputs"* and whether the value ascribed to the Copper Bay Group can be determined to be allocated across a number of areas of the entities or whether this value is concentrated into a single asset.

Following this assessment, the Directors have determined that the Copper Bay Group does not qualify as a business under IFRS 3 *"Business Combinations"* as there is minimal *"process"* or *"outputs"* given the Playa Verde Project has been held on a care and maintenance basis for a number of years, and given the effective complete concentration of the value ascribed to the Copper Bay Group to the single asset, being the licence to extract and exploit the Playa Verde Project. Consequently, the Acquisition has been treated as an asset acquisition and not a business combination under IFRS 3 *"Business Combinations"*.

See note 18 for further details.

Notes to the Group financial statements *(continued)*

2. Material accounting policies *(continued)*

Determination of Discount Rates

The measurement of deferred consideration recognised within non-current liabilities requires management to exercise judgement in determining the appropriate discount rate used to calculate the present value of future payments. The discount rate is based on current market assessments of the time value of money and risks specific to the liability, taking into account factors such as prevailing interest rates, the Group's incremental borrowing rate, the expected timing of settlement and the credit risk associated with the obligation. Given the absence of directly observable market rates for liabilities with similar characteristics, the selection of the discount rate involves significant judgement. Changes in the assumptions used could result in a material change to the carrying value of the liability and the related finance expense recognised in the Group's financial statements.

Deferred consideration

In determining the fair value of deferred consideration liabilities, management is required to exercise judgement in assessing the expected timing of future cash outflows. The timing of settlement may be subject to uncertainty and management estimates. As the present value of the deferred consideration is sensitive to the expected payment dates, changes in management's assessment of the timing of settlement could result in a material change to the carrying value of the liability. Management has considered all available information at the reporting date in estimating the expected timing of future payments and believes that the assumptions applied are reasonable and supportable.

Recoverability of Carrying Value of Exploration and Evaluation Assets

The carrying amount of exploration & evaluation assets is tested for impairment annually and this process is considered to be key judgement along with determining whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable.

Exploration assets comprise exploration and evaluation costs, incurred on prospects at an exploratory stage. These costs include the cost of acquisition of rights to explore, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads, directly associated with those projects. These costs are carried forward in the Statement of Financial Position as non-current intangible assets less provision for identified impairments. The most significant assumption for the Group is that exploration and evaluation work undertaken to develop the Playa Verde Project will ultimately lead to successful recovery of these costs through production or sale. The Directors believe that these costs are fully recoverable, based on information available as at the date of this document.

New Standards and revisions to existing standards issued that are effective at 1 January 2025

Certain new accounting standards and interpretations have been published that are effective at 1 January 2025:

	Effective Date
Amendments to IAS 21 – Lack of currency exchangeability	1 January 2025
IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2025
IFRS S2 Climate-related Disclosures	1 January 2025

These amendments had no impact on the financial statements of the Company.

New Standards and revisions to existing standards issued that are not yet effective

Certain new accounting standards and interpretations have been published that are not yet effective:

	Effective Date
Amendments to the Classification and Measurement of Financial Instruments (IFRS 7 & 9)	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027

The Company is currently assessing the impact of the amendments to determine the impact they will have on the Company's accounting policy disclosures.

3. Earnings per share

The basic earnings/(loss) per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue. Diluted earnings/(loss) per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.

£'000	Year ended 31 December 25	Year ended 31 December 24
Loss attributable to equity holders of the Parent company (£'000)	(1,651)	(489)
Weighted average number of ordinary shares in issue of £0.001*	34,877,274	10,049,180
Loss per share (£)	**(0.05)**	**(0.05)**

** The weighted average number of ordinary shares used in the calculation of earnings per share has been retrospectively adjusted to reflect the 1-for-1,000 share consolidation completed on 7 January 2026, in accordance with IAS 33 Earnings per Share. As required by IAS 33, the number of shares used in the EPS calculation for the current and comparative periods has been presented as if the share consolidation had occurred at the beginning of the earliest period presented.*

As there were no dilutive instruments in issue at the end of the period or comparative period no diluted earnings per share has been presented.

4. Administration expense

£'000	Year ended 31 December 25	Year ended 31 December 24
Employee benefit (expense)/credit*	868	(414)
Accounting	130	6
Audit	37	18
Legal & professional	173	222
Travel	17	–
Other	16	16
Total administrative expense/(credit)	**1,241**	**(152)**

**Employee benefit expenses in the comparative period represent a net credit due to the inclusion of £614,000 of write-backs of prior years Directors' fee accruals in the prior period.*

**Employee benefit expense in the year includes £400,000 of share based payment charges arising from the recognition of the fair value of options granted to Directors in the year, representing a non-cash expense item.*

Employee benefit expense

£'000	Year ended 31 December 25	Year ended 31 December 24
Directors' fees – current year (note 5)	400	200
Directors' fees – write back of prior periods accrued salaries	–	(614)
Staff costs	68	–
Share based payment – options granted	400	–
Total	**868**	**(414)**

Average number	Year ended 31 December 25	Year ended 31 December 24
Executives/Directors	3	2
Administration	4	–
Total	**7**	**2**

Notes to the Group financial statements *(continued)*

5. Directors' emoluments

Year ended 2025 £ '000	Fees	Share based payment charges – options	Total emoluments expense
Frank Jackson	171	178	349
Andrew Dennan	171	178	349
Erick Pegot-Ogier	58	44	102
Total	**400**	**400**	**800**

Year ended 2024 £ '000	Fees	Share based payment charges – options	Total emoluments expense
Frank Jackson	100	–	100
Andrew Dennan	100	–	100
Erick Pegot-Ogier	–	–	–
Total	**200**	**–**	**200**

Amounts paid to the Directors in the current year totalled £30,000 (£10,000 per Director) (2024: nil). The remainder of Directors' fees in the current and comparative year have been accrued. The Directors took 66% of their fees for the year ended 2025 in new shares of the Company at the point of readmission to AIM on 30 March 2026, at the IPO price of 18 pence per new share and such shares are subject to a 12 month lock-up post IPO.

During the year retirement benefits were accruing to no Directors (2024: nil) in respect of defined contribution pension schemes.

Share based payment charges arising in the current year result from the recognition of the fair value of options granted to Directors in the year, representing a non-cash expense item.

There were no other transactions with key management personnel in the year ended 31 December 2025 (2024: £nil).

6. Finance costs

£'000	Year ended 31 December 25	Year ended 31 December 24
Interest expense	385	638
Fair value change on deferred consideration liability	377	–
Other finance costs	6	3
Total finance costs	**768**	**641**

In January 2024, the Group entered into a £750,000 convertible loan facility with MDB Partners SA, with £250,000 of the loan having been drawn down in the year. The loan attracts a 100% coupon on principal drawn down, matures 24 months following draw down of the facility and is convertible into Ordinary Shares at a price being the lower of 0.0025624 pence per Ordinary Share and the price at which the Company issues new Ordinary Shares to third parties to raise additional funding during the term of the loan, at the election of the noteholder.

In the year ended 31 December 2025, further amounts were drawn on the convertible loan facility with a number of investors, totalling £375,000 and resulting in a further £375,000 in interest charges due to the 100% coupon on the facility.

On 31 March 2025, the Group incurred a deferred consideration payable liability associated with its acquisition of the Copper Bay Group (see note 18 for details). The face value of the liability of $7.5m was present valued on initial recognition based on the Directors' expectations of when this liability will come due for settlement, resulting in an initial recognition fair value of £3.55m. During the nine months from initial recognition to the reporting date, this discount has been unwound by nine months, resulting in a fair value charge of £377,000 in the current year.

7. Taxation

£'000	Year ended 31 December 25	Year ended 31 December 24
Blended rate (UK/Chile)	19.7%	19.0%
Loss for the period	(1,651)	(489)
Income tax at blended rate	(324)	(93)
Effect of disallowable expenses	148	–
Transferred to/from losses	177	93
Total tax	**–**	**–**

A deferred tax asset has not been recognised in respect tax losses due to uncertainty that the potential asset will be recovered. The value of the gross tax losses at 31 December 2025 was £41.3m (2024: £39.7m)

8. Exploration and evaluation assets

£'000	As at 31 December 2025	As at 31 December 2024
b/f	–	–
Acquired in the period	3,620	–
Additions	97	–
Foreign exchange	(26)	–
c/f	**3,691**	**–**

The carrying value of exploration and evaluation assets at the year end is stated at cost, with no impairments of provisions having been recognised since initial recognition.

9. Trade and other payables

£'000	As at 31 December 2025	As at 31 December 2024
Trade payables	56	158
Accruals	760	345
Other Payables	1	–
	817	**503**

10. Non-current liabilities

Deferred consideration liabilities

£'000	As at 31 December 2025	As at 31 December 2024
Initial recognition	3,522	–
Unwinding of discount	377	–
Foreign exchange revaluation adjustment	(148)	–
c/f	**3,751**	**–**

On 31 March 2025, the Group incurred a deferred consideration payable liability associated with its acquisition of the Copper Bay Group (see note 18 for details). The face value of the liability of $7.5m was present valued on initial recognition based on the Directors' expectations of when this liability will come due for settlement, resulting in an initial recognition fair value of £3.55m. During the three months from initial recognition to the reporting date, this time discount has been unwound by three months, resulting in a fair value charge of £377,000 and a gain on revaluation of the $ value of the liability of £148,000 in the current period.

Notes to the Group financial statements *(continued)*

11. Cash used in operations

£'000	Year ended 31 December 25	Year ended 31 December 24
Loss before tax	(1,651)	(489)
Increase/(decrease) in trade and other payables	180	(378)
Increase in receivables	(20)	(12)
Equity settled transactions	25	–
Share based payments	400	–
Foreign exchange	(384)	–
Finance costs	768	641
Cash flows used in operating activities	**(682)**	**(238)**

12. Ordinary Share capital and share premium account

	Ord Shares 0.0001p each	Deferred Shares 0.0999p each	Share Capital £ '000	Share Premium £ '000
As at 1 January 2025	**24,594,332,966**	**189,792,348**	**214**	**35,276**
Allotments – subscriptions	60,502,529,735	–	61	2,313
As at 31 December 2025	**85,096,862,701**	**189,792,348**	**275**	**37,589**

During the year, 60,502,529,735 new Ordinary Shares were issued at a prices ranging from £0.00002808 to £0.00011 per Ordinary Share, giving rise to £60,501 in additional Ordinary Share capital and £2,312,699 in additional share premium reserves. During the prior year, 19,236,082,606 new ordinary shares were issued at a price of £0.00014 per share, giving rise to £19,238 in additional ordinary share capital and £2,691,877 in additional share premium reserves.

The weighted average number of Ordinary Shares in issue during the period was 34,877,274,253 (2024: 10,049,180,092).

As at 31 December 2025, the there were no warrants relating to the Ordinary Share capital in issue (2024: nil).

13. Share-based payments

The Group recognised an expense relating to equity-settled share-based payment transactions of £400k during the year to 31 December 2025 (2024: £nil).

Details of movements in share options during the current and prior period are as follows:

	As at 31 December 25		As at 31 December 24	
	Number of share options	Weighted average exercise price pence	Number of share options	Weighted average exercise price pence
Outstanding at start of period	–	–	180,000,000	0.0625
Granted during the period	8,000,000	5.42	–	–
Lapsed during the period	–	–	(180,000,000)	(0.0625)
Exercised during the period	–	–	–	–
Outstanding at period end	**8,000,000**	**5.42**	**–**	**–**
Exercisable at period end	**–**	**–**	**–**	**–**

13. Share-based payments *(continued)*

Options issued in the year

On 25 August 2025 the Company issued 5,000,000 options over ordinary shares, exercisable for 10 years from grant at a strike price of £0.025624 per share (Tranche A) and 3,000,000 options over ordinary shares, exercisable for 10 years from grant at a strike price of £0.1019 per share (Tranche B). Both tranches of share options vest and become exercisable when the Company has successfully completed a fundraising and readmission to trading on the AIM market of the London Stock Exchange.

The below table provides details on the assumptions used in arriving at the calculation of Fair Value for each of the above tranches of share options issued in the year and prior year, using the Black Scholes method.

Date of grant	Tranche	Number of Options	Assumed Exercise date	Risk free rate (%)	Volatility (%)	FV
25 August 2025	A	5,000,000	25 August 2035	4.72	60	£454,800
25 August 2025	B	3,000,000	25 August 2035	4.72	60	£224,100

The valuation approach detailed above assumed an expected dividend yield of nil and assumed the future volatility expectations based on an assessment of market volatility for analogous entities within similar sectors, stages of development and risk profiles. Historical volatility for the Company has not been used as an analogue to expected future volatility due to the Company having not been listed at the time of the grant of the options, and therefore the absence of effective historic volatility data.

As the above options vest and become exercisable on the readmission of the Company to trading on the AIM market of the London Stock Exchange, an event which took place on 30 march 2026, the fair value of both tranches of options have been charged to comprehensive income prop rata over the period form grant on 25 August 2025 to vesting on 30 March 2026, resulting in a total fair value charge in the current year of £400,000 (2024: nil).

As at 31 December 2025 the weighted average exercise price of the 8m share options in issue was 5.42 pence (2024: nil) and weighted average remaining life was 9.65 years (2024: nil).

14. Loans

£ '000	YA Global	C4 Loan	CLN	Total
Balance 1 January 2024	**(190)**	**(2,112)**	**–**	**(2,302)**
Drawndown – cash	–	–	(250)	(250)
Effective interest charge – non-cash	–	(388)	(250)	(638)
Converted – non-cash	–	2,500	–	2,500
Balance 31 December 2024	**(190)**	**–**	**(500)**	**(690)**
Drawndown – cash	–	–	(375)	(375)
Effective interest charge – non-cash	(10)	–	(375)	(385)
Converted – non-cash	200	–	1,250	1,450
Balance 31 December 2025	**–**	**–**	**–**	**–**

During the prior year, a convertible loan note instrument held by C4 with a par value of £2,500,000, was converted into ordinary shares during the year ended 31 December 2024. The notes were converted into 17,712,227,064 new Ordinary Shares at an effective price of £0.00014 per Ordinary Share.

Settlement of the loan owed to C4 is considered a related party transaction by virtue of the entities having a common Director.

The Group also held a loan with YA Global. On 20 November 2025, the YA Global loan was fully converted into 1,786,156,922 Ordinary Shares at a conversion price of 0.0112 pence per Ordinary Share.

On 12 January 2024, the Group entered into an agreement with various investors to raise up to £750,000 of funding for the purpose of working capital and Acquisition transaction costs, via the issuance of a convertible loan note maturing 24 months from the date of issue, bearing a coupon of 100% of principal payable on maturity and convertible on the earliest of the election of the noteholder or the execution of an Share Purchase Agreement for the acquisition of a suitable project as defined in the agreement, with such conversion resulting in the issuance of Ordinary Shares equating to 50% of the issued share capital of the Company at such time.

The funding under this agreement has made available to the Group in tranches, with the first tranche of £250,000 having been drawn on execution of the agreement in January 2024 and the second tranche of £375,000 having been drawn down in the year of report.

On 30 October 2025, the entirety of the convertible loan note principal and coupon of £1.25m was fully converted into 49,782,391,508 Ordinary Shares at a conversion price of 0.00256 pence per Ordinary Share.

Notes to the Group financial statements *(continued)*

15. Financial instruments

The Group's principal financial instruments comprise cash, trade and other receivables, trade and other payables and accruals, which are set out in the Statement of Financial Position. The carrying values of the Group's financial instruments approximate their fair values due to the short-term maturity and normal trade credit terms of these instruments.

Financial instruments issued by the Group are treated as equity only to the extent they meet the relevant conditions in accordance with IAS 32.

Specific financial risk exposures and management

The main risks the Group is exposed to through its financial instruments are credit risk and market risk, consisting of interest rate risk, liquidity risk, equity price risk and foreign exchange risk.

Credit Risk

Exposure to credit risk, relating to financial assets, arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial liability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound creditworthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Directors have otherwise cleared as being financially sound.

Trade and other receivables, that are neither past due nor impaired, are considered to be of high credit quality.

There are no amounts of collateral held as security in respect of trade and other receivables.

The consolidated Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated Group.

Liquidity Risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- Monitoring any undrawn credit facilities;
- Obtaining funding from a variety of sources; and
- Maintaining a reputable credit profile.

The Directors are confident that adequate resources exist to finance operations and that controls over expenditures are carefully managed. All financial liabilities are due to be settled within the next twelve months with the exception of deferred consideration payable for the acquisition of the Copper Bay Group, which is to be settled from operational cash flows generated from the commencement of revenue in the Group's main asset in Chile, and so is not considered to present a significant liquidity risk (see note 18 for further details).

Interest Rate Risk

The Company is not exposed to any material interest rate risk because the Group has no interest bearing debts.

Equity Price Risk

Price risk relates to the risk that the fair value, or future cash flows of a financial instrument, will fluctuate because of changes in market prices, largely due to demand and supply factors for commodities, but also include political, economic, social, technical, environmental and regulatory factors.

Foreign Exchange Risk

The Group's transactions are carried out in a variety of currencies, including United Stated Dollars, Chilean Peso and United Kingdom Pounds Sterling. To mitigate the Group's exposure to foreign currency risk, non-Sterling cash flows are monitored. Fluctuation of +/- 10% in currencies, other than UK Sterling, would not have a significant impact on the Group's net assets or annual results.

The Group does not enter forward exchange contracts to mitigate the exposure to foreign currency risk as amounts paid and received in specific currencies are expected to largely offset one another.

16. Related party transactions

The C4 loan is considered to be a related party transaction by virtue of the entities having a common Director. Full details of the transaction relating to this loan are given in note 14. There were no other related party transactions in the year beyond key management remuneration and transactions between wholly owned Group entities.

17. Events subsequent to period end

On 6 January 2026, the Company changed its name from Guardian Metals PLC to Halo Minerals PLC.

On 7 January 2026, the Company undertook a 1 for 1,000 share consolidation, with every 1,000 Ordinary Shares of 0.0001 pence each in issue on that date being replaced with a single Ordinary Share of 0.1 pence each. The share consolidation has had no impact on the level of share capital or share premium reserves in issue.

On 30 March 2026 the Company completed its admission to trading on AIM alongside the allotment of 22,222,223 new ordinary shares to various institutional investors at a price of 18 pence per share, raising £4m in new equity funding (before expenses) for application towards the Group's project development and corporate costs. The Company further issued 1,960,020 new ordinary shares to various suppliers in settlement of fees and 1,465,640 new ordinary shares to Directors in partial settlement of accrued fees to the date of readmission, both priced at 18 pence per share. Furthermore, on readmission the Company issued 9,147,197 warrants over new ordinary shares with strike prices ranging from 18p to 25p.

18. Acquisition of the Copper Bay Group

On 31 March 2025, the Company acquired a 100% interest in the shares of Copper Bay, a company incorporated in the UK and itself owning a 100% interest in the following subsidiaries:

Entity	Registered office	Holding	Nature of business
Copper Bay (UK)	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100%	Intermediate holding company
Copper Bay Chile	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% (99% direct, 1% indirect)	Chilean holding company
Playa Verde	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% (1% direct, 99% indirect)	Chilean operating company

The key asset within the acquired group is the Playa Verde Project in Chile.

Consideration for the Acquisition took the form of a deferred cash payable of US$7.5m, being payable in two equal tranches of $3.75m on the following two operation milestones having been met:

1 once an aggregate of 7,500 tonnes of copper has been produced from the Project; and
2 once an aggregate of 15,000 tonnes of copper has been produced from the Project.

The Directors have produced operational projections for the development and operation of the Playa Verde Project and have formed the assessment that these two milestones will be met in May 2028 and May 2029, respectively. Consequently, the recognition of this deferred consideration payable has been discounted at the point of acquisition, at a discount rate of 15%, to arrive at a present value of $4.56m (£3.52m) at the date of Acquisition.

Following assessment of the appropriate accounting treatment of the Acquisition, the Directors have determined that the Copper Bay Group does not meet the criteria of a business under IFRS 3 "Business Combinations" as it does not operate a "process" to produce "outputs" from a series of "inputs", having been effectively dormant on a "care-and-maintenance" footprint for a number of years. As such, the Acquisition has been determined to fall outside the scope of IFRS 3 "Business Combinations" and has been accounted for as an asset acquisition for consolidation.

The Acquisition date values of the assets acquired, liabilities assumed and consideration value transferred were as follows:

£'000	As at 31 March 2025
Mining properties	64
Exploration & evaluation assets	3,620
Trade & other receivables	2
Cash	26
Trade & other payables	(13)
Net assets acquired	**3,699**
Consideration paid and transaction costs	**3,699**

Company statement of financial position

£'000	Note	As at 31 December 25	As at 31 December 24
Non-current assets			
Investments in subsidiaries	*C2*	3,699	–
Amounts receivable from subsidiaries	*C3*	178	–
Total non-current assets		**3,877**	**–**
Current assets			
Trade and other receivables		128	12
Cash and cash equivalents		341	14
Total current assets		**469**	**26**
Total assets		**4,346**	**26**
Current liabilities			
Loans		–	190
Trade and other payables	*C4*	808	503
Total current liabilities		**808**	**693**
Non-current liabilities			
Loans		–	500
Deferred consideration payable		3,751	–
Total non-current		**3,751**	**500**
Total liabilities		**4,558**	**1,193**
Shareholders' equity			
Ordinary share capital		275	214
Share premium account		37,589	35,276
Share based payment reserve		400	–
Other reserves		3,016	3,016
Accumulated losses		(41,493)	(39,673)
Total equity		**(213)**	**(1,167)**
Total equity and liabilities		**4,346**	**26**

Company statement of comprehensive income

As permitted by Section 408 Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income. The Company's total comprehensive loss for the financial year was £1,820,000 (2024: loss of £489,000).

The financial statements together with the notes to the financial statements were approved by the Board of Directors and authorised for issue on 1 June 2026. They were signed on its behalf by:

Frank Jackson
Director

Company statement of changes in equity

£'000	Ordinary Share Capital	Share Premium Account	C4 Loan reserve	Share based payment reserve	Warrant and Other Reserves	Accumulated Losses	Total Equity
Balance, 1 January 2024	**195**	**32,584**	**1,682**	**–**	**3,431**	**(41,281)**	**(3,389)**
Loss for the period	–	–	–	–	–	(489)	(489)
Comprehensive loss	**–**	**–**	**–**	**–**	**–**	**(489)**	**(489)**
Issue of Ordinary Shares	1	210	–	–	–	–	211
Expiry of options/warrants	–	–	–	–	(415)	415	–
Conversion of Convertible Loan Note	18	2,482	(1,682)	–	–	1,682	2,500
Transactions with owners	19	2,692	(1,682)	–	(415)	2,097	2,711
Balance, 31 December 2024	**214**	**35,276**	**–**	**–**	**3,016**	**(39,673)**	**(1,167)**
Loss for the period	–	–	–	–	–	(1,820)	(1,820)
Comprehensive loss	**–**	**–**	**–**	**–**	**–**	**(1,820)**	**(1,820)**
Issue of Ordinary Shares	10	913	–	–	–	–	923
Issue of options	–	–	–	400	–	–	400
Conversion of Convertible Loan Note	51	1,400	–	–	–	–	1,451
Transactions with owners	**61**	**2,313**	**–**	**400**	**–**	**–**	**2,774**
Balance, 31 December 2025	**275**	**37,589**	**–**	**400**	**3,016**	**(41,493)**	**(213)**

As at 31 December 2025, the balance for warrants and other reserves comprises a deferred shares reserve of £3,016,000 which arose following the share sub-division in November 2019.

Company statement of cash flows

£'000	Note	Year ended 31 December 2025	Year ended 31 December 2024
Cash flows from operating activities			
Cash used in operations	*C6*	(768)	(238)
Net cash used in operating activities		**(768)**	**(238)**
Cash flows from investing activities			
Funds provided to subsidiaries		(178)	–
Net cash flows used in investing activities		**(178)**	**–**
Cash flows from financing activities			
Issue of Ordinary Shares		898	–
Proceeds from drawdown of loans		375	250
Net cash flows from financing activities		**1,273**	**250**
Net increase in cash and cash equivalents		**327**	**12**
Cash and cash equivalents at the start of the period		14	2
Cash and cash equivalents at the end of the period		**341**	**14**

Major non-cash transactions in the year represent conversion of loans into ordinary shares, see note 14 to the Consolidated Financial Statements for further details

Notes to the Company financial statements

C1. Accounting Policies and Basis of Preparation

The Company is a company incorporated in England and Wales on 13 September 2007 and has registered address of C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF and registration number 06370792. The Company is domiciled in the UK for tax purposes.

The Company's principal activities are the development of its copper project in Chile.

Company law requires the Directors to prepare Financial Statements for each financial period. Under that law, the Directors have prepared the Company Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework") and applicable law. None of the exemptions available under FRS 101 have been taken in preparing these Company financial statements. Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

The accounting policies for the Company financial statements are the same as those of the Group, as detailed in note 2 of the Group financial statements.

Investments in subsidiaries

Investments in subsidiaries are recognised initially at cost and subsequently measured at cost less any accumulated impairment losses in accordance with IAS 27 Separate Financial Statements.

A subsidiary is an entity over which the Company has control. Control exists when the Company is exposed, or has rights, to variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee.

The carrying amounts of investments in subsidiaries are reviewed for indicators of impairment at each reporting date. Where indicators of impairment exist, the recoverable amount of the investment is estimated and an impairment loss is recognised where the carrying amount exceeds the recoverable amount. Recoverable amount is determined with reference to the underlying value of the subsidiary and the expected future economic benefits to be derived from the investment.

Loans to subsidiaries

Loans to subsidiaries are recognised initially at fair value and subsequently measured at amortised cost.

The Company's loans to subsidiaries are long-term strategic funding arrangements provided to support the development and execution of the underlying projects undertaken by those subsidiaries. The loans are capital in nature and are not managed with the objective of collecting contractual cash flows over a defined repayment profile. Recovery of these balances is dependent upon the ultimate value creation and successful realisation of the underlying projects and is not expected through short-term contractual repayment.

Accordingly, management considers such balances to be, in substance, part of the Company's net investment in subsidiaries, where settlement is neither planned nor likely in the foreseeable future. The recoverability of these balances is therefore assessed with reference to the carrying value, underlying performance and long-term prospects of the relevant subsidiary, including expected future project outcomes and value realisation.

Given the long-term equity-like nature of these arrangements and the manner in which the balances are managed, the Company does not apply a mechanical expected credit loss ("ECL") model to such balances. Instead, impairment is assessed based on indicators of impairment and the expected recoverable amount of the underlying investment. Any impairment loss identified is recognised in profit or loss.

The remaining accounting policies for the Company financial statements are the same as those of the Group, as detailed in Note 2 of the Group financial statements.

Going concern

Please see the disclosures in note 2 of the consolidated financial statements for details on the Directors' assessment of the application of the going concern principal in preparing these Company financial statements.

Notes to the Company financial statements *(continued)*

C1. Accounting Policies and Basis of Preparation *(continued)*

Critical accounting estimates and judgements

The preparation of the Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas of judgement that have the most significant effect on the amounts recognised in the Financial Statements are as follows:

Impairment assessment of investment in and loans to subsidiaries

In preparing the parent company Financial Statements, the Directors apply their judgement to decide if the Company's investment in and loan to its subsidiary undertakings should be impaired.

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

The Directors do not believe an impairment is appropriate in relation to the other investments or loans.

C2. Company investment in subsidiary undertakings

£'000	Year ended 31 December 25	Year ended 31 December 24
b/f	–	–
Acquisition of subsidiary in the year	3,699	–
c/f	**3,699**	–

On 31 March 2025, the Company acquired a 100% interest in the shares of Copper Bay, a company incorporated in the UK and itself owning a 100% interest in the following subsidiaries:

Entity	Jurisdiction	Registered office	Holding	Nature of business
Copper Bay (UK) limited	UK	C/O Orana Corporate LLP, 25 Eccleston Place, London SW1W 9NF	100% direct	Intermediate holding company
Copper Bay Chile	Chile	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% (99% direct, 1% indirect)	Chilean holding company
Playa Verde	Chile	Ebro 2740, Oficina 603, Las Condes, Santiago, Chile	100% (1% direct, 99% indirect)	Chilean operating company

A full list of all Company subsidiaries can be found in note 1 to these consolidated financial statements.

See note 18 to the Consolidated Financial Statements for further details.

C3. Company loans to subsidiary undertakings

£'000	Year ended 31 December 25	Year ended 31 December 24
b/f	–	–
Additions in the year	178	–
c/f	**178**	**–**

C4. Trade and other payables

£'000	As at 31 December 2025	As at 31 December 2024
Trade payables	49	158
Accruals	759	345
	808	**503**

C5. Financial instruments

The Group's principal financial instruments comprise cash, trade and other receivables, trade and other payables and accruals and loan amounts owed, which are set out in the Statement of Financial Position. The carrying values of the Group's financial instruments approximate their fair values due to the short-term maturity and normal trade credit terms of these instruments.

Financial instruments issued by the Group are treated as equity only to the extent they meet the relevant conditions in accordance with IAS 32. Credit risk and expected credit losses on receivables is considered negligible.

Credit risk on liquid funds is considered limited as the Group counterparty exposure is to a UK and international bank with an investment grade credit rating. Credit risk and expected credit losses on receivables is considered negligible. Liquidity risk implies maintaining sufficient funds to meet the Group's liabilities when they fall due. The Directors have been disciplined in managing the Group's cash and commitment positions actively engaging with creditors and advisors to ensure committed credit lines are agreed and reasonable and through their regular review of the Group's cash flow projections. The exposure of financial instruments to liquidity risk is considered negligible.

C6. Cash flows used in operating activities

£'000	Year ended 31 December 25	Year ended 31 December 24
(Loss)/profit before tax	**(1,820)**	**(489)**
Increase/(decrease) in trade and other payables	121	(378)
Increase in receivables	(116)	(12)
Equity settled transactions	25	–
Share based payments	400	–
Foreign exchange	(146)	–
Finance costs	768	641
Cash flows used in operating activities	**(768)**	**(238)**

C7. Related party transactions

Related party transactions for the Company are the same as those disclosed for the Group. See note 16 to the Consolidated Financial Statements for further details.

Corporate information

Directors
Andrew Dennan, *Chief Executive Officer*
Frank Jackson, *Chief Financial Officer*
Erick Pegot-Ogier, *Chief Operating Officer*
David Minchin, *Non-Executive Director (appointed 13 January 2026)*
Daniel Bloor, *Non-Executive Director (appointed 13 January 2026)*

Registered office
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Solicitors
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Bankers
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Auditor
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Registrars
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Corporate stockbroker
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Nominated advisor
Cairn Financial Advisors
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Incorporation details
The Company is incorporated and registered in England and Wales with registered number 06370792

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