

Cadence Minerals PLC

Annual Report and Accounts For the year ended 31 December 2025

CADENCE MINERALS PLC
COMPANY INFORMATION
For the year ended 31 December 2025

Company registration number:	05234262
Registered office:	c/o Hill Dickinson LLP The Broadgate Tower Primrose Street London EC2A 2EW
Directors:	Andrew Suckling (Non-Executive Chairman) Kiran Morzaria (Chief Executive Officer) Donald Strang (Executive Finance Director) Adrian Fairbourn (Non-Executive Director)
Secretary:	Donald Strang
Nominated adviser and Nominated broker:	Zeus Capital Ltd 125 Old Broad Street London EC2N 1AR
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Bankers:	Barclays Bank Plc 1 Churchill Place London E14 5HP
Solicitors:	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Auditors:	PKF Littlejohn LLP, Statutory Auditor 30 Churchill Place London E14 5RE

CADENCE MINERALS PLC

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Forward-looking Statement

This annual report contains 'forward-looking information', which may include but is not limited to statements with respect to the future financial and operating performance of Cadence Minerals, the estimation of mineral resources, the realisation of mineral resource estimates, costs of production, capital and exploration expenditures, costs and timing of the development of new deposits, requirements for additional capital, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, licenses, environmental risks, title disputes or claims.

Often, but not always, forward-looking statements can be identified by the use of words such as 'plans', 'expects', 'is expected', 'budget', 'scheduled', 'estimates', 'forecasts', 'intends', 'anticipates' or 'believes', or variations (including negative variations) of such words and phrases, or state that specific actions, events or results 'may', 'could', 'would', 'might' or 'will' be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Cadence and/or its subsidiaries, investment assets and/or its affiliated companies to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements.

Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities; conclusions of economic evaluations and studies; fluctuations in the value of UK Pounds Sterling relative to the United States Dollar, and other foreign currencies; changes in project parameters as plans continue to be refined; future prices of products; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; political instability, adverse weather conditions, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

Although Cadence has attempted to identify important factors that could cause actual actions, events, or results to differ materially from those described in forward-looking statements, other factors may well cause them to differ from those currently anticipated, estimated, or intended.

Forward-looking statements contained herein are made as of the date of this annual report. Cadence disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements due to the inherent uncertainty therein. Nothing in this annual report should be construed as a profit forecast.

CADENCE MINERALS PLC

STRATEGIC REPORT

For the year ended 31 December 2025

OUR BUSINESS AND INVESTMENT STRATEGY

Cadence Minerals is an AIM-listed investment and development company focused on mineral assets where disciplined capital, technical oversight and active engagement can support value creation.

Our strategy is to identify mineral assets with strategic advantages, clear development pathways and the potential to deliver capital growth for shareholders. We focus on assets where the Board believes Cadence can influence outcomes without necessarily taking operational control.

Cadence invests across private project interests and listed mining equities. Our private investments are typically held through joint venture companies or licences, working with in-country partners who have the local expertise required to advance projects. Where Cadence holds an active position, we seek board, shareholder or contractual rights that allow us to provide oversight, protect our investment and support disciplined project development.

A key element of our strategy is staged development. At Amapá, we chose to advance Azteca as the first operating stage because it provides the shortest path to operating cash flow while preserving the long-term value of the Amapá DR Project. This approach is intended to reduce upfront capital requirements, shorten the path to production and establish operating cash flow before committing capital to the larger redevelopment.

In our listed equity portfolio, we invest selectively in mining companies that the Board considers undervalued relative to their assets or development potential. These positions may be held for short- to medium-term capital gain and are reviewed regularly against the Group's capital priorities.

Across all investments, Cadence seeks to manage risk through fundamental due diligence, active monitoring and a clear understanding of each asset's economics, jurisdiction, permitting pathway, partners and management team. Capital is directed toward opportunities where the Board believes risk can be understood, mitigated and appropriately rewarded.

Near-term capital allocation is therefore focused on milestones that move Azteca toward first production, rather than expanding project scope.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I present the Company's Annual Report and Audited Financial Statements for the year ended 31 December 2025.

The year under review was one of measured progress for Cadence, set against continued uncertainty in commodity and capital markets. The Company remained pre-production at year end, and I recognise that progress has taken longer than shareholders would have wished. During the year the Board made one important strategic decision. Rather than pursuing the full redevelopment of Amapá as a single project, we prioritised Azteca as the first operating stage. That decision reduced initial capital requirements and established a more practical route toward operating cash flow.

Commodity conditions were mixed. Iron ore proved relatively resilient, particularly where product quality was higher, while lithium experienced a more pronounced correction. These cycles are part of the sector. The Board's response was to concentrate capital on assets with clearer near-term value drivers and to maintain financial discipline. On those measures, I believe Cadence ended the year in a stronger position than it began.

For reporting purposes, Amapá is presented as two related stages: Azteca, the near-term restart project, and the Amapá DR Project, the larger redevelopment opportunity.

During the year, Cadence completed several defined Azteca milestones. We defined the production plan, agreed heads of terms for a prepayment offtake structure and subsequently executed a binding agreement. Cadence funded its participation in the Azteca restart through equity while the balance of project funding is provided through the binding prepayment offtake structure. The Board remains mindful of dilution; however, this funding enabled the Company to maintain momentum at a critical stage of the Azteca restart and moved the project from planning toward refurbishment.

At the period end, Azteca had a defined production plan, secured funding structure and identified feed material. Commercial production remained dependent upon completion of refurbishment, commissioning and receipt of the Operating Licence. For the Amapá DR Project, work during the year strengthened the longer-term development case, including reductions in projected mining costs. This was a significant achievement, improving the cost framework for the larger development while preserving the pathway toward a 5.5 Mtpa direct reduction grade operation. That development remains dependent on further technical work, financing and regulatory approvals.

Post-period, Azteca received both the Preliminary Environmental Licence and Installation Licence. These approvals allow execution of the approved refurbishment programme and represent an important step in the restart pathway. The remaining critical-path items are refurbishment, commissioning and receipt of the Operating Licence required before commercial operations can commence.

The Sonora Lithium Project remained subject to concession cancellation and legal proceedings. No operational progress was recorded during the year, and the Company's focus remains on pursuing legal remedies. Post period, non-recourse litigation funding was made available to support the Company's claims, subject to the terms of the relevant funding agreement.

Cadence has stated its intention to pursue claims under the UK-Mexico BIT. This provides a funded route to pursue the claim, although the timing and outcome of the arbitration process remain uncertain.

CHAIRMAN'S STATEMENT (CONTINUED)

Looking ahead, Cadence enters the new financial year with a defined set of near-term milestones at Amapá. The immediate priority is to complete Azteca refurbishment, commission the plant and obtain the Operating Licence. Subject to completion of refurbishment, commissioning activities, satisfaction of licence conditions and receipt of the required operating approvals, Azteca is intended to provide the initial step toward production.

Progression of the Amapá DR Project will continue in parallel, but remains dependent on further study, financing and regulatory approvals. The Board's priority is straightforward: complete the Azteca restart steps, preserve funding flexibility and maintain risk control.

Finally, I would like to thank my fellow Board members, our partners and advisers, and all shareholders for their continued support and patience during the year.

Andrew Suckling

Non-Executive Chairman

26 June 2026

CHIEF EXECUTIVE OFFICER'S COMMENTARY

At the beginning of 2025, Amapá had a clear technical case but an uncertain route to production. During the year we changed the development sequence. We prioritised Azteca because it provides a lower-capital route to initial production and the opportunity to establish operating cash flow before committing capital to the larger Amapá DR Project. Those steps did not eliminate execution risk, but they reduced uncertainty around how the project moves toward operations.

Timelines did move. Additional regulatory and technical work was required, particularly around archaeological clearance, water-related approvals and tailings permitting. This extended the path to commissioning beyond earlier expectations. These items extended the timetable and increased the importance of disciplined cash and funding management during the restart phase. The important distinction is that, over the period and post-period, the nature of the remaining risk changed. The workstreams became more defined, the regulatory pathway narrowed, and the immediate focus moved from project definition to execution readiness.

Post-period, receipt of the Preliminary Environmental Licence and Installation Licence completed the principal permitting milestones required before execution of the refurbishment programme. These approvals do not remove all remaining risk. Azteca still requires licence-compliant refurbishment, commissioning and receipt of the Operating Licence before commercial operations can commence.

The objective remains straightforward: complete refurbishment, commissioning and operating approval, establish Azteca as the first operating platform at Amapá and, subject to successful execution, use that platform to support the broader Amapá development pathway.

Executive Summary

- We prioritised Azteca as the first operating phase within the Amapá development strategy.
- We established the funding and regulatory pathway required to move Azteca into refurbishment.
- Post-period, refurbishment commenced following receipt of the Preliminary Environmental Licence and Installation Licence.
- The remaining critical-path items are refurbishment, commissioning and receipt of the Operating Licence required before commercial operations.
- Capital was directed toward activities expected to shorten the path to first production rather than expanding project scope.
- The commissioning timetable moved beyond the earlier end-June 2026 target, extending the period before Azteca is expected to contribute operating cash flow.
- We advanced Sonora into a funded arbitration process, moving it into a legal recovery track.

CHIEF EXECUTIVE OFFICER'S COMMENTARY (CONTINUED)

What Changed During the Year

Strategy changed from full redevelopment to staged restart | At the start of the year, Amapá was technically defined but still broad in scope and dependency. By year end, the focus had narrowed to Azteca and the steps required to restart operations.

Regulatory uncertainty reduced | Licensing took longer than expected. However, the remaining work became better defined, with a clearer regulatory pathway and fewer unknowns.

Funding aligned to development milestones | We moved away from a single large funding requirement toward a staged approach, with Azteca funded through a defined structure linked to milestones.

Capital and management focus concentrated on Amapá | The Company's effort is now concentrated on Amapá. Other assets are being managed appropriately, but near-term delivery is focused on Amapá.

Amapá Iron Ore Project

The Amapá Project remains the cornerstone of Cadence's strategy. The immediate focus is Azteca. The larger Amapá DR Project remains the longer-term redevelopment opportunity. For clarity, Amapá should now be considered as two related but distinct development projects.

Azteca is the near-term restart project. It is based on the refurbishment of the existing plant and the processing of already mined or partly processed material stored on site. Its purpose is to create the first operating platform at Amapá, subject to completion of works, commissioning and operating approval.

The Amapá DR project is the larger, long-term redevelopment project. It is based on the mine, beneficiation plant, rail and port infrastructure and targets production of 5.5 Mtpa of DR-grade concentrate. It remains subject to further studies, financing, infrastructure work and additional approvals.

Azteca is not a substitute for the larger Amapá DR project. It is the first stage in the pathway toward it. During the year, Azteca progressed from concept toward an execution-ready project. It now has a defined feed source, production plan and funding framework, subject to completion of the remaining steps required for operation. These include licence-compliant works, plant refurbishment, commissioning and the receipt of the relevant operating licence.

The larger Amapá DR project continues to be supported by prior technical work, including the updated PFS and cost optimisation initiatives. During the period, revised mining cost assumptions improved the project's cost position. However, progression of this larger project remains dependent on further studies, financing and additional approvals.

Subject to successful commissioning, Azteca is intended to establish the Company's first operating cash flow and provide a platform from which the broader DR Project can be advanced.

Funding and Capital Structure

A key development during the year was the establishment of a binding funding structure for Azteca.

The Company entered into a binding prepayment offtake arrangement to support the restart of the plant, together with securing its own participation funding. This structure is intended to fund licensing, refurbishment, commissioning and initial working capital requirements, while reducing, but not eliminating, the need for additional equity funding.

The objective was to fund only those activities that moved Azteca closer to production while limiting further shareholder dilution.

CHIEF EXECUTIVE OFFICER'S COMMENTARY (CONTINUED)

Current Status

At the date of approval of this report, Azteca has moved beyond project definition and permitting into execution. Mobilisation has been completed; refurbishment activities are underway and execution workstreams are progressing across the plant. The commissioning timetable moved beyond the earlier targeted end-June 2026 date and is now dependent on completion of the refurbishment programme, commissioning works and receipt of the Operating Licence required before commercial operations can commence. In parallel, DEV continues to assess infrastructure, environmental and operational readiness requirements associated with the transition toward commercial operations.

The principal milestones that remain are execution of the refurbishment programme, successful commissioning and receipt of the Operating Licence. Subject to successful completion of these activities, Azteca is intended to become the first operating stage within the broader Amapá development strategy.

Sonora Lithium Project

Cadence continues to hold a 30% interest in the Sonora Lithium Project. During the period, Sonora remained subject to concession cancellation and associated legal proceedings. There was no change to the operational status of the project.

Subsequent to the period end, arbitration funding was secured, providing access to non-recourse funding to support the Company's legal claims, subject to the terms of the funding arrangements. Any outcome remains dependent on legal process and determination.

Risk and Outlook

The Company's principal risks are now operational rather than developmental. The key remaining milestones are completion of refurbishment, commissioning and receipt of the Operating Licence.

Additional environmental, tailings, infrastructure or operating requirements may arise during refurbishment and commissioning. These could increase costs, defer first production or require additional funding. Delays to commissioning or ramp-up would defer the point at which Azteca contributes operating cash flow and may increase the Company's reliance on additional equity funding.

At Sonora, risks relate to the outcome and duration of legal proceedings.

Looking ahead, the Company's immediate priority is to progress Azteca through refurbishment, commissioning and operating approval, subject to completion of the required steps. Beyond this, the focus remains on advancing the longer-term Amapá DR Project in a disciplined manner. The priorities are clear: complete refurbishment, commission the plant, obtain the Operating Licence and establish operating cash flow.

Kiran Morzaria
Chief Executive Officer
26 June 2026

INVESTMENT REVIEW

As outlined in the section “Our Business and Investment Strategy,” Cadence operates an investment strategy that involves investing in private projects through a combination of private and public equity models. In both investment classes, we take either an active or passive role. We have reported in these segments below.

PRIVATE INVESTMENTS, ACTIVE

The Amapá Iron Ore Project, Brazil

Interest - 34.7% at 31/12/2025 and 36.2% at 31/05/2026

Amapá is a previously operating integrated iron ore asset comprising a mine, beneficiation plant, railway and port infrastructure. The project operated from 2007 until 2014, when operations were suspended following a port-related incident. For reporting purposes, Amapá is presented as two related projects:

- *Azteca Project* — restart of production from existing processed and partly processed material.
- *Amapá DR Project* — larger redevelopment targeting DR-grade iron ore concentrate.

Azteca Project

The Azteca plant is an existing processing facility within the Amapá site. It is designed to process tailings and stored material, including material associated with Dyke 5, using magnetic and gravity separation. Key parameters for Azteca are:

- targeted production of approximately **380,000 tonnes per annum**;
- target product of approximately **65% Fe concentrate**;
- estimated pre-production capex of approximately **US\$3.5 million**;
- estimated operating cost of approximately **US\$37/dmt FOB**.

Engineering and technical work advanced during the period. The plant assessment covered structural integrity, process equipment and utilities. The refurbishment programme includes mechanical and electrical works, procurement of long-lead items, commissioning and licence compliance. Production timing remains conditional on completion of refurbishment works, commissioning and receipt of the required Operating Licence. Subsequent to the reporting period, the Preliminary Environmental Licence and Installation Licence were granted. These approvals allow approved refurbishment and implementation activities to proceed and represent the transition of Azteca from a development and permitting focus toward execution of the restart programme.

Management's focus is now directed toward completion of refurbishment works, commissioning activities and progression toward the Operating Licence required before commercial operations and shipments can commence.

Funding for Azteca is structured through a **US\$4.6 million prepayment offtake facility**. The facility is intended to fund licensing, refurbishment, commissioning and initial working capital. Cadence's contribution was limited to the Tranche 1 amount of US\$391,000 (approximately 8.5% of the facility), with the balance provided by the offtake partner. Repayment is linked to future iron ore shipments.

Amapá DR Project

PFS-level work previously announced indicates that the larger Amapá DR Project targets approximately 5.5 Mtpa of 67.5% Fe DR-grade concentrate over an estimated 15-year mine plan. Key project metrics include:

- post-tax NPV of approximately **US\$1.97 billion**;
- post-tax IRR of approximately **56%**;
- estimated FOB cash cost of approximately **US\$27.28/dmt**; and
- estimated CFR China cash cost of approximately **US\$55.46/dmt**.

INVESTMENT REVIEW (CONTINUED)

The revised cost base reflects a reassessment of mining costs, which reduced estimated mining costs from US\$17.65/dmt to US\$11.17/dmt. The DR-grade flowsheet includes magnetic separation and flotation to produce a high-grade concentrate suitable for direct reduction steelmaking. These economics are derived from previously announced study work and remain subject to further engineering, financing assumptions, market conditions and future technical studies.

Further development of the Amapá DR Project remains subject to engineering, DFS work, financing, construction planning and regulatory approvals. Cadence and its partners continue to assess funding options, including strategic partners, project finance and offtake-linked structures. No assumption is made at this stage as to the timing, form or availability of such funding.

Licensing and Permitting

The Amapá licensing pathway comprises the Preliminary Environmental Licence, Installation Licence and Operating Licence. Post-period, the Preliminary Environmental Licence and Installation Licence were granted. The Installation Licence authorises approved works; an Operating Licence remains required before commercial operations and shipments.

PRIVATE INVESTMENTS, PASSIVE

SONORA LITHIUM PROJECT, MEXICO

Interest - 30% on 31/12/2025 and 31/05/2026

Cadence holds a 30% interest in the Sonora Lithium Project in Mexico through Mexalit and Megalit, alongside Ganfeng Lithium. The project remains subject to concession cancellation and related legal proceedings. No operational development activity was reported during the period.

Cadence has stated its intention to pursue claims under the UK-Mexico BIT. Post-period, non-recourse arbitration funding was secured to support the legal process, subject to the terms of the funding arrangements. No assumption is made as to the outcome or timing of the proceedings.

INVESTMENT REVIEW

PUBLIC EQUITY

The movement in public portfolio values during the year is summarised below.

Portfolio Value	Commentary	£,000
Portfolio value on 31 December 2024		473
Disposal of public investments during the year	Net proceeds were applied in accordance with the Group's capital priorities, including Amapá.	(205)
Realised and Unrealised loss on portfolio value for the year	Most of this loss was due to a realised loss on disposal	(262)
Portfolio value on 31 December 2025		6

As of 31 December 2025, our public equity stakes consisted of the following:

Company	31-Dec-25	31-Dec-24	31-Dec-23
	£,000	£,000	£,000
European Metals Holding Ltd	-	-	2,339
Evergreen	-	469	1,481
Hasting Technology Metals	-	-	321
Miscellaneous	6	4	21
Total	6	473	4,162

FINANCIAL REVIEW

Total comprehensive income for the year attributable to equity holders was a loss of £1.71m (2024: £3.33m loss). This decrease in loss from the previous year of approximately £1.62m is mainly due to the reduced amount of realised and unrealised losses for the year of approximately £1.86m relating to our share investment portfolio (listed financial investments) held during the year. Administrative expenses and share-based payments increased by £0.30m.

Basic negative earnings per share was 0.526p (2024: 1.651p).

The net assets of the Group at the end of the period were £18.62 million (2024: £17.21 million). This increase of approximately £1.4 million reflects the reduction in debt, further investment in Amapá, and shares issued during the year.

The Board continued to concentrate capital on activities expected to accelerate the transition from a pre-production investment company to a business capable of generating operating cash flow. The Group remains pre-production and continues to rely on external funding until Azteca begins generating operating cash flow.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group operates in the natural resources sector, where outcomes are inherently uncertain and subject to market, regulatory, technical and funding risks.

During the year, the Group's risk profile evolved from broad investment risk toward more specific development, execution and funding risk centred on the Amapá Iron Ore Project. This reflects the Board's decision to focus capital and management time on the Company's principal active investment.

The Board monitors these risks on an ongoing basis and focuses on actions that reduce critical path uncertainty, preserve funding flexibility and support the staged route to production.

PRINCIPAL RISKS

Risk	Why it matters	Mitigation	Residual uncertainty
Amapá concentration	Amapá is the Group's principal asset and primary value driver. Delays in development, execution or operating performance would materially affect the Group's valuation and future cash flow expectations.	Active Board oversight, staged development, partner engagement, disciplined capital allocation and regular review of development priorities.	The Group remains substantially dependent on the successful advancement of a single core asset.
Delivery of Azteca restart	The Group has entered the execution phase of the Azteca restart programme. Progress toward commercial operations depends on successful completion of refurbishment works, commissioning activities, operational readiness and satisfaction of applicable licence conditions. As the Project advances, additional infrastructure, environmental and operational requirements may arise, including enhanced tailings management, monitoring and infrastructure works. These could increase costs or affect project schedules.	Detailed engineering, phased refurbishment, contractor management, operational oversight and utilisation of existing infrastructure.	Plant performance, commissioning outcomes, ramp-up timing, operating costs and compliance with licence conditions remain to be demonstrated under operating conditions.

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

PRINCIPAL RISKS (CONTINUED)

Risk	Why it matters	Mitigation	Residual uncertainty
Operating Licence and licence compliance	The Azteca Project has received the Preliminary Environmental Licence and Installation Licence. Commercial operations remain subject to satisfaction of licence conditions and receipt of the Operating Licence.	Ongoing engagement with regulators, implementation of licence conditions, environmental monitoring, compliance management and execution planning aligned with the approved development programme.	Timing of Operating Licence approval, regulatory review processes and compliance verification may affect project schedule and commencement of commercial operations.
Funding and dilution	Advancement of Azteca may require further access to capital and the broader Amapá development pathway will require ongoing access to capital.	Preference for non-dilutive or low-dilution structures, including offtake and strategic funding.	Future funding may not be available on acceptable terms, and further equity funding may be required.
Commodity prices	Iron ore and lithium prices affect economics, asset values and investor appetite.	Focus on higher-grade product, cost discipline and staged capital deployment.	Commodity prices remain outside the Group's control.
Partner and counterparty risk	Cadence relies on joint venture partners, DEV, contractors, regulators and offtake counterparties to advance and execute its development plans.	Legal agreements, direct project management, regular reporting and commercial alignment.	Third parties may miss timelines, budgets or performance expectations.
Country and regulatory risk	Assets are outside the UK and subject to local law, policy, taxation and administrative processes.	In-country partners, local advisers, regulatory engagement and structured protections.	Political or administrative change may affect timing, rights or economics.
Sonora legal recovery	Sonora is now a legal recovery matter rather than an active development project.	External legal advisers and non-recourse litigation funding.	Outcome, timing, enforceability and recovery value remain uncertain.
Environmental, TSF and community	Amapá has legacy infrastructure, environmental obligations and community expectations.	Monitoring, technical studies, licence-condition compliance and stakeholder engagement.	Additional compliance requirements, remediation measures, time or cost may be required.
Public equity and liquidity	Listed investments remain exposed to volatility and liquidity constraints.	Portfolio rationalisation and focus on core assets.	Remaining holdings may fluctuate or be difficult to realise.
Key personnel	The Group is small and relies on directors, advisers and technical specialists.	Use of experienced consultants, advisers and partner expertise.	Loss of key individuals could slow delivery.

RISK OUTLOOK

The Group's risk profile has shifted from permitting and project definition toward execution, commissioning and operating readiness. The Board's near-term focus is on completing remaining licensing and compliance steps, executing Azteca refurbishment and commissioning, and securing appropriate funding for the next stage of Amapá.

If these steps are delivered, the risk profile is expected to move from development and funding risk toward operational performance, working capital management and cash-flow delivery. That transition remains conditional on regulatory, execution, market and financing outcomes. In particular, delays to commissioning or slower-than-expected ramp-up would defer operating cash flow from Azteca and may increase the Group's reliance on additional equity funding.

DIRECTORS' SECTION 172 STATEMENT

The following disclosure describes how the Directors have had regard to the matters set out in section 172(1)(a) to (f) and forms the Directors' statement required under section 414CZA of The Companies Act 2006.

The matters set out in section 172(1) (a) to (f) are that a Director must act in the way 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, and in doing so have regard (amongst other matters) to:

- the likely consequences of any decisions in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers/customers and others;
- the impact of the Company's operations on the community and environment;
- the Company's reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

As set out above in the Strategic Report the Board remains focused on providing for shareholders through the long term success of the Company. The means by which this is achieved is set out further below.

Likely consequences of any decisions in the long-term;

The Chairman's Statement, the Chief Executive Officer's Commentary and the Strategic Review set out the Company's strategy. In applying this strategy, particularly in seeking new Project Investments and strategic holdings in other public companies, the Board assesses the long term future of those companies with a view to shareholder return. The approach to general strategy and risk management strategy of the group is set out in the Statement of Compliance with the Quoted Companies Alliance ("QCA") Corporate Governance Code (the "QCA Code") (Principles 1 and 4) on pages 17-19.

Interest of Employees;

The Group has a very limited number of employees, and all have direct access to the Executive Directors on a daily basis and to the Chairman, if necessary. The Group has a formal Employees' Policy manual which includes process for confidential report and whistleblowing.

Need to foster the Company's business relationships with suppliers/customers and others;

The nature of the Group's business is such that the majority of its business relationships are with joint venture partners, the boards of directors of the companies in which the Group has strategic stakes to the extent that such relationships are permitted, and with suppliers for services. As the success of the business primarily depends on its relationship with its partners and investees, the Executive Directors manage these relationships on a day-to-day basis. Where possible, the Group will take a board, or similar appointment, in strategic investees to ensure that there is a close and successful ongoing dialog between the parties. Service providers are paid within their payment terms and the Group aims to keep payment periods under 30 days wherever practical.

Impact of the Company's operations on the community and environment;

The Group takes its responsibility within the community and wider environment seriously. Its approach to its social responsibilities is set out in the Statement of Compliance with the QCA Code (Principle 4) on page 19.

DIRECTORS' SECTION 172 STATEMENT (CONTINUED)

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

The Directors are committed to high standards of business conduct and governance and have adopted the QCA Code which is set out on pages 17 to 26. Where there is a need to seek advice on particular issues, the Board will consult with its lawyers and nominated advisors to ensure that its reputation for good business conduct is maintained.

The need to act fairly between members of the Company;

The Board's approach to shareholder communication is set out in the Statement of Compliance with the (Principle 3) on page 18. The Company aims to keep shareholders fully informed of significant developments in the Group's progress. Information is disseminated through Stock Exchange announcements, website updates and, where appropriate video/web casts. During the year the Company issued various RNS and videos to update shareholders. All information is made available to all shareholders at the same time and no individual shareholder, or group of shareholders, is given preferential treatment.

The Directors present their annual report together with the audited financial statements of the Company for the Year Ended 31 December 2025.

Principal activity

The Company is an investment entity. The principal activity of the Company is that of holding assets involved in the identification, investment and development of mineral resources.

Domicile and principal place of business

Cadence Minerals plc is domiciled in the United Kingdom, which is also its principal place of business.

Business review and Future Development

The results of the Company are shown on page 35.

Results and Dividends

The Directors do not recommend the payment of a dividend (2024: £nil). A review of the performance of the Company and its future prospects is included in the Strategic Report on pages 1 to 12.

Key Performance Indicators

Given the Company's current stage of development, the Board monitors a combination of financial and operational indicators that it considers most relevant to the creation of long-term shareholder value. These include cash management, capital allocation, advancement of the Azteca restart programme, progression of regulatory approvals, achievement of key development milestones and the carrying value of investments.

The Board reviews these indicators regularly to assess progress against the Company's strategy and to ensure that capital is directed toward activities that advance the Group's principal assets along their development pathway.

The Directors review and manage the Group's cash flow monthly. The Company's financial strategy is to maintain sufficient resources to fund corporate activities and priority investment programmes while preserving flexibility and minimising unnecessary dilution. Management remains focused on securing funding on terms that support shareholder value and maintaining appropriate financial discipline.

Progress at Amapá is assessed against defined operational and regulatory milestones, including permitting, project execution and advancement of the Azteca restart programme. Investments are monitored on an ongoing basis, with regular assessment of carrying values, development progress and alignment with the Group's strategic objectives.

The Company has maintained flexibility within its corporate and investment expenditure programmes, enabling expenditure to be deferred or reduced if market conditions or funding availability require a greater emphasis on cash preservation.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are specified on pages 9 to 10.

Financial risk management objectives and policies

The Company's principal financial instruments are available for sale assets, trade receivables, trade payables, loans and cash at bank. The main purpose of these financial instruments is to fund the Company's operations.

It is, and has been throughout the period under review, the Company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the Company's financial instruments are liquidity

risk and interest rate risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. Further information is available in Note 14.

Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of equity and its cash resources. Further details of this are provided in the principal accounting policies, headed 'going concern' and Note 14 to the financial statements.

Interest rate risk

The Company only has borrowings at fixed coupon rates and therefore minimal interest rate risk, as this is deemed its only material exposure thereto. The Company seeks the highest rate of interest receivable on its cash deposits whilst minimising risk.

Market risk

The Company is subject to market risk in relation to its investments in listed Companies held as available for sale assets.

Foreign exchange risk

The Company operates foreign currency bank accounts to help mitigate the foreign currency risk, and currently has little exposure except through its investments.

Political Donations and Expenditure

No charitable or political contributions were made during the current or previous year.

Directors

The membership of the Board is set out below. All directors served throughout the period unless otherwise stated.

Andrew Suckling
Kiran Morzaria
Donald Strang
Adrian Fairbourn

Substantial shareholdings

Interests in excess of 3% of the issued share capital of the Company which had been notified as at 10 June 2026 were as follows:

	Number of Ordinary shares held	Percentage of capital %
Hargreaves Lansdown (Nominees) Limited (Des:15942)	60,930,503	14.25%
Interactive Investor Services Nominees Limited (Des:SMKTISAS)	41,223,042	9.64%
Hargreaves Lansdown (Nominees) Limited (Des:VRA)	36,478,733	8.53%
Lynchwood Nominees Limited (Des:2006420)	28,460,067	6.66%
Barclays Direct Investing Nominees Limited (Des:CLIENT1)	25,788,563	6.03%
Hargreaves Lansdown (Nominees) Limited (Des:HLNOM)	22,193,208	5.19%
HSDL Nominees Limited (Des:MAXI)	20,714,559	4.84%
Winterflood Client Nominees Limited (Des:JTCTWAIV)	18,380,000	4.30%
Redmayne (Nominees) Limited (Des:PENSUN)	16,535,568	3.87%
Vidacos Nominees Limited (Des:IGUKCLT)	16,143,235	3.78%
Interactive Investor Services Nominees Limited (Des:SMKTNOMS)	16,051,683	3.75%
Lawshare Nominees Limited (Des:SIPP)	15,035,055	3.52%

Payment to suppliers

It is the Company's policy to agree appropriate terms and conditions for its transactions with suppliers by means ranging from standard terms and conditions to individually negotiated contracts and to pay suppliers according to agreed terms and conditions, provided that the supplier meets those terms and conditions. The Company does not have a standard or code dealing specifically with the payment of suppliers.

Trade payables at the year end all relate to sundry administrative overheads and disclosure of the number of days purchases represented by year end payables is therefore not meaningful.

Events after the Reporting Period

Events after the Reporting Period are outlined in Note 17 to the Financial Statements.

Going concern

The Directors have prepared cash flow forecasts for the period ending 30 June 2027 which take account of the current cost structure, investment activities and expected development plans of the Company, as described further on page 40.

The Company's cost structure comprises a high proportion of discretionary expenditure and, accordingly, should cash flows become constrained, management has the ability to reduce, defer or reprioritise expenditure in order to operate within available funding resources.

Subsequent to the year end, the Azteca restart programme progressed into execution following receipt of the Preliminary Environmental Licence and Installation Licence. The Directors have updated the Company's cash flow forecasts to reflect the current execution schedule, including the revised timing of commissioning and commencement of commercial operations and the resulting timing of anticipated operating cash flows.

The Directors have also considered downside scenarios, including further delays to commissioning, slower-than-expected ramp-up, lower-than-forecast operating cash generation and additional operational, environmental or infrastructure-related requirements as the Project advances toward commercial operations. These downside scenarios would require additional funding. In addition, the Directors have considered the flexibility available to defer, reduce or reprioritise discretionary expenditure should market conditions or funding availability require a greater emphasis on cash preservation.

The Directors recognise that the revised commissioning timetable extends the period before Azteca is expected to generate operating cash flow. As a result, the Company remains dependent on external funding until that milestone is achieved. These conditions give rise to the material uncertainty relating to going concern described in the going concern accounting policy and the auditor's report. Nevertheless, after considering available funding options, downside scenarios and discretionary expenditure controls, the Directors continue to conclude that preparation of the financial statements on a going concern basis remains appropriate.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Company financial statements in accordance with UK adopted International Accounting Standards (IAS). 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 and profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

In so far as each of the Directors are aware:

- there is no relevant audit information of which the Company's auditors are unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Auditors

PKF Littlejohn LLP offer themselves for re-appointment as auditor in accordance with Section 489 of the Companies Act 2006.

ON BEHALF OF THE BOARD

Kiran Morzaria
Chief Executive Officer
26 June 2026

Introduction to Governance

The Directors recognise that good corporate governance is a key foundation for the long-term success of the Company. As the Company is listed on the AIM market of the London Stock Exchange and it is subject to the continuing requirements of the AIM Rules. The Board has therefore adopted the principles set out in the Corporate Governance Code for small and midsize companies published by the Quoted Companies Alliance (“QCA Code”). The principles are listed below.

While building a strong governance framework, we also try to ensure that we take a proportionate approach and that our processes remain fit for purpose as well as embedded within the culture of our organisation. We continue to evolve our approach and make ongoing improvements as part of building a successful and sustainable company.

In November 2023 a revised QCA code was released, the key updates include:

- Wider Stakeholder Interests: Enhanced focus on ESG responsibilities and stakeholder engagement (Principle 4).
- Board Composition: Stricter requirements for board independence and diversity (Principles 6 and 7).
- Succession Planning: Emphasis on clear succession strategies (Principle 8).
- Remuneration Policy: New guidelines to align remuneration with long-term value creation (Principle 9).

1. Establish a purpose, strategy and business model which promote long-term value for shareholders

Our strategy is to identify undervalued assets with irreplaceable strategic advantages that will deliver capital growth to our shareholders. We invest in these assets and where required help deliver capital growth. To meet long-term demand, we believe the metals and mining sectors require focused investment capital from knowledgeable investors that understand the substantial risk of the mineral resource sector and how to mitigate these risks to maximise potential returns for our investors.

A more detailed description of its Strategy and Business Model is available on page 1. Details on the principal risks and uncertainties which the Company faces are specified on pages 9 to 10. The Company seeks to share this vision and details of the implementation of its strategy through internal dialogue with employees as well as external communications by way of public announcements and dissemination of information through this website and the annual report and accounts.

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

The Company has a strong ethical culture, which is promoted by the actions of the Board and Executive team. These include the following key policies which govern its ethical culture.

- Equal opportunities policy
- Code of conduct
- Whistleblowing policy
- Health and safety policy
- Email and internet policy
- Social media policy

The Company has an anti-bribery policy and has implemented adequate procedures described by the Bribery Act 2010. The Company reports on its compliance to the Board on an annual basis. The Company has undertaken a review of its requirements under the General Data Protection Regulation, implementing appropriate policies, procedures and training to ensure it is compliant.

3. Seek to understand and meet shareholder needs and expectations

The Board is committed to maintaining an open dialogue with shareholders. Communication with shareholders is coordinated by the CEO. Cadence encourages two-way communication with institutional and private investors. The Company's major shareholders maintain an active dialogue and ensure that their views are communicated fully to the Board. Where voting decisions are not in line with the Company's expectations the Board will engage with those shareholders to understand and address any issues. The Company Secretary is the main point of contact for such matters.

The Company seeks out appropriate platforms to communicate to a broad audience its current activities, strategic goals and broad view of the sector and other related issues. This includes but is not limited to media interviews, website videos in-person investor presentations and written content. Communication to all stakeholders is the direct responsibility of the Senior Management team. Managers work directly with professionals to ensure all inquiries (through established channels for this specific purpose such as email or phone) are addressed in a timely matter. Managers also ensure that the Company communicates with clarity on its proprietary internet platforms. The Board routinely reviews the Company communication policy and programmes to ensure the quality communication with all stakeholders.

The Board believes that the Annual Report and Accounts, and the Interim Report published at the half-year which can be found on the Company's website, play an important part in presenting all shareholders with an assessment of the Company's position and prospects. All reports and press releases are published under the "Investors" tab of the Company's website.

4. Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board recognises its prime responsibility under UK corporate law is to promote the success of the Company for the benefit of its members as a whole. The Board also understands that it has a responsibility towards employees, partners, customers, suppliers and to the community and environment it operates in as a whole. As an investment company focused on natural resources projects, the Board is conscious that environmental and social factors – including licence-to-operate, community relations, environmental compliance and climate-related considerations – are critical to the long-term value of the Company's interests.

Communication with and feedback from these various groups is achieved in a variety of ways. The Executive Directors hold investor roadshows and webcasts on a regular basis, at which feedback from shareholders is sought. Regular dialogue is maintained with employees through regular discussion and updates given by the Executive Directors. Stakeholder views and key ESG developments are reported to the Board at scheduled meetings, and the Board considers these when reviewing strategy, capital allocation and risk appetite.

The nature of Cadence's business as an investment company means that, although it has limited direct impact on the working environments and communities of the companies it invests in, it nonetheless liaises with the management of its investee companies to understand their approach to stakeholder engagement, environmental and social responsibilities and climate-related risk, which form part of its investment criteria. Material topics for the Company and its portfolio include regulatory and permitting compliance, community and Indigenous engagement, environmental stewardship and climate-related transition and physical risks; these are monitored through investee reporting, project milestones and the Company's risk management processes.

5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board has an established Audit Committee, whose roles and responsibilities are set out on the corporate governance webpage. The Committee reviews the Group's risk management and internal control framework on behalf of the Board, ensuring that Cadence has appropriate policies and processes in place to identify, assess and, where possible, mitigate the principal and emerging risks to the Company.

Internal Controls

The Directors acknowledge their responsibility for the Company's system of internal control and for reviewing its effectiveness. The system is designed to safeguard the Company's assets and to ensure the reliability of financial information for both internal use and external publication, recognising that no system can provide absolute assurance against material misstatement or loss. Key elements of the control environment include defined authorities and approval levels, budgeting and forecasting processes, project and investment evaluation procedures, regulatory and compliance controls and financial reporting and treasury controls. The Board receives regular reports from management and the Audit Committee on the operation of these controls and considers recommendations arising from external audit and other assurance work.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. Senior management regularly reviews forecasts, project milestones and timelines, and the Company maintains a register of risks and publishes an overview of significant risks and uncertainties in its Annual Report, including principal risks such as regulatory and compliance obligations, environmental requirements, commodity price, interest rate, liquidity and volatility risks, and political and country risks where appropriate. Emerging risks – including changes in regulation, evolving stakeholder and climate expectations, technological developments and macro-economic trends – are monitored through horizon scanning, engagement with advisers and periodic Board discussions.

Climate-related risks and opportunities are integrated into the Company's risk framework on a proportionate basis, reflecting the nature and scale of Cadence's investments. Transition risks (for example, changes in environmental regulation, carbon pricing or investor expectations) and physical risks (such as more frequent extreme weather events affecting project infrastructure) are considered when assessing project viability, capital deployment and portfolio resilience, and are reflected in the relevant entries in the risk register and principal risks disclosures.

The Company receives regular feedback from its external auditors on the state of its internal controls. The Board maintains a register of risks and publishes an annual summary of the significant risks and uncertainties in the Annual Report.

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

The Board is comprised of Andrew Suckling the Non-Executive Chairman, a Non-Executive Director and two Executive Directors. The CEO, Kiran Morzaria, is engaged to work a minimum of a 27-hour week and is an employee of the Company. The Finance Director, Donald Strang, is engaged to work a minimum of a 27-hour week.

The Board deemed that given the stage and development of the Company, it would be more cost efficient to employ a full-time accountant which along with the finance director ensure that Company's financial systems are robust, compliant, and support current activities and future growth.

The service agreements of the Non-Executive Directors anticipate that the Non-Executive Chairman should spend 5 working days per month and the Non-Executive Director 3 working days per month. All Directors dedicate such time as required to effectively perform their roles.

The roles of the Chairman and CEO are clearly separated. The Directors ensure the skills required to undertake their roles are kept current through training and consultation with subject matter experts as required.

The CEO is responsible for the operational management of the business of Cadence and for the implementation of strategy and policies as agreed by the Board. The non-executive Chairman is responsible for the leadership and effective working of the Board, for setting the Board agenda, and ensuring that Directors receive accurate, timely and clear information.

The Non-Executive Directors are not considered independent under the QCA Code as they hold options in the Company. However, the Board considers that the Non-Executive Directors are independent of management under all other measures and are able to exercise independence of judgement. Whilst conflicts of interest are fully disclosed and understood, as appropriate Non-Executive Directors exercise independence of judgement.

No Director is involved in discussions or decisions where he has a conflict of interest. An Audit Committee and a Remuneration Committee support the Board.

Cadence intends that the Board endeavours to hold full board meetings at least 3 times each year. The attendance of Board members for meetings during the current financial year is as follows:

Andrew Suckling	8 of 10
Adrian Fairbourn	5 of 10
Kiran Morzaria	9 of 10
Donald Strang	9 of 10

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

Directors who have been appointed to the Company have been chosen because of the skills and experience they offer. The Board continually strives to ensure that it has the right balance of knowledge, skills, experience and contacts across the sectors in which it operates. This is evaluated in line with Cadence's business model as it changes.

It is of primary importance that the Board's knowledge is kept up to date in a rapidly changing mining and metals marketplace. This is achieved by maintaining a broad network of contacts across the industry and ensuring regular dialogue is held and feedback obtained by both the executive and non-executive directors as appropriate.

As necessary, Directors receive externally provided refresher and update training specific to their individual roles.

The Company Secretary advises the Board members on their legal and corporate responsibilities and matters of corporate governance.

Biographical details of each of the Directors are given on page 24 and the website.

Details of the Company's corporate governance arrangements are provided within this Corporate Governance section of the Annual Report and Accounts. The Board considers the appropriateness of these arrangements against the size and complexity of the Company as it evolves over time.

The Chairman leads the Board and is responsible for ensuring its effectiveness in all aspects of its role. The Chairman promotes a culture of openness and debate, in particular by ensuring the Non-Executive Directors provide constructive challenge to the Executive Directors.

The matters reserved for the board are:

- Definition of the strategic goals for the Company, sets corporate objectives to enable the goals to be met, and measures performance against those objectives;
- Ensuring that the necessary financial and human resources are in place to both meet its obligations to all stakeholders and to provide a platform for profitable growth;
- Recommending any interim and final dividends;
- Approving all mergers and acquisitions and all capital expenditure greater than £200,000;
- Receiving recommendations from the Audit Committee in relation to the reporting requirements and the appropriate accounting policies for the Company, the appointment of auditors and their remuneration, and the identification and management of risk;
- Receives recommendations from the Appointments Committee concerning the appointment of executive directors, and from the Remuneration Committee concerning the remuneration of the executive directors;
- Determination of the fees paid to the Non-Executive Directors.

The CEO has the overall responsibility for creating, planning, implementing, and integrating the strategic direction of the Company. This includes responsibility for all components and departments of a business. The CEO also ensures that the organisation's leadership maintains constant awareness of both the external and internal competitive landscape, opportunities for expansion, customer base, markets, new industry developments and standards.

The Finance Director works alongside the CEO and has overall control and responsibility for all financial aspects of company strategy. The Finance Director takes overall responsibility of the Company's accounting function and ensures that Company's financial systems are robust, compliant and support current activities and future growth. The Finance Director will co-ordinate corporate finance and manage company policies regarding capital requirements, debt, taxation, equity and acquisitions as appropriate.

The Board is supported by two committees being the Audit Committee and Remuneration Committee. The Audit Committee advises the Board on the reporting requirements and the appropriate accounting policies for the Company, the appointment of auditors and their remuneration, and the identification and management of risk. The Remuneration Committee advises the Board on all matters pertaining to the remuneration of the Executive Directors.

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

On 28 September 2018, the Company adopted the QCA Code. Prior to this point, given the nature and the development of the Company, it did not set Key Performance Indicators.

The Company now measures its performance, and therefore, inherently, the performance of the Board as a unit, against Key Performance Indicators. Given the strategic importance of Amapá, advancement of the Azteca restart programme and progression of the broader Amapá development pathway are the Company's primary operational performance indicators.

The performance of the Executive Directors is monitored and regularly reviewed by the Non-Executive Directors. Such review considers both the KPIs outlined above, The Board intends to introduce qualitative performance measurements for the Executive Directors to ensure that the right degree of focus is applied to the strategic direction as well as the current financial performance of the business.

9. Establish remuneration policies which are supportive of long-term value creation and the company's purpose, strategy and culture.

The Remuneration Committee ensure the remuneration policy is supportive of long-term value creation. The remuneration committee reviews the performance of the executive directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

The Remuneration Committee are committed to the company's purpose, strategy and culture. Any remuneration offered would be ensured to be compliant with their principles.

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

The Company encourages two-way communication with both its institutional and private investors and responds quickly to all significant queries received. The "Investors" tab of our website contains all required regulatory information together with other information which shareholders may find useful.

The AGM is an important forum for shareholder engagement, and the directors are always available immediately after the AGM to listen to the views of any shareholders in attendance and to provide them with an update on the business.

BOARD MEMBERS

The Board comprises of a Non-Executive Chairman, one Non-Executive Director and two Executive Directors.

Andrew Suckling, Non-Executive Chairman

Andrew has over 25 years' experience in the commodity industry. He began in 1994 as a trader on the London Metal Exchange and subsequently became a founding partner, research analyst and trader with the multi-billion fund management group Ospraie. Andrew is a graduate of Brasenose College, Oxford University, earning a BA (Hons) in Modern History in 1993 and an MA in Modern History in 2000. Andrew is the chair of the Audit and Remuneration Committee.

Kiran Morzaria, Chief Executive Officer

Kiran Morzaria is a qualified engineer with more than 25 years' experience across mining, finance, geology, project development and corporate management. Kiran holds a Bachelor of Engineering in Industrial Geology and an MBA in Finance. The first four years of his career were spent in exploration, mining and civil engineering, after which he was involved in the acquisition, recommissioning and eventual sale of the Vatukoula Gold Mine. Kiran was appointed as CEO of Cadence in 2015 and is a Non-Executive Director of European Metals Holdings and a proposed director of Talon Resources.

Donald Strang, Finance Director

Donald is a member of the Australian Institute of Chartered Accountants and has over 20 years of experience in both publicly listed and private enterprises in Australia, Europe and Africa. He has considerable corporate and international expertise, and over the past decade, has focused on mining and exploration activities.

Adrian Fairbourn, Non-Executive Director

Adrian began his career as an investment analyst before moving to build and manage the highly successful alternative fund-of-funds operation at the Bank of Bermuda. Adrian has co-managed a multi-family office in London, responsible for hedge fund investments, direct investments and also asset-raising for co-investment opportunities. He has successfully assisted in over \$US1 billion of structuring, capital and fundraising projects for private companies and alternative funds. Adrian is a member of the Audit and Remuneration Committee.

The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day-to-day management is devolved to the Executive Directors, who are charged with consulting the Board on all significant financial and operational matters. The Board retains ultimate accountability for governance and is responsible for monitoring the activities of the executive team.

The roles of Chairman and Chief Executive Officer are split in accordance with best practice. The Chairman has the responsibility of ensuring that the Board discharges its responsibilities. The Chairman is responsible for the leadership and effective working of the Board, for setting the Board agenda, and ensuring that Directors receive accurate, timely and clear information. No one individual has unfettered powers of decision.

The two Executive Directors are comprised of a Chief Executive Officer ("CEO") and Finance Director. The CEO has the overall responsibility for creating, planning, implementing, and integrating the strategic direction of the Company. This includes responsibility for all components and departments of a business. The CEO also ensures that the organisation's leadership maintains constant awareness of both the external and internal competitive landscape, opportunities for expansion, customer base, markets, new industry developments and standards.

The non-executive directors are not considered independent under the Financial Reporting Council's Corporate Governance Code (April 2016) ("FRC Code") as they both have options in the Company. However, the Board considers that both non-executives are independent of management under all other measures and able to exercise independence of judgement.

The Committees

Audit Committee

The Audit Committee consists of two non-executive members of the board and meet at least once a year.

The principal duties and responsibilities of the Audit Committee include:

- Overseeing the Company's financial reporting disclosure process; this includes the choice of appropriate accounting policies
- Monitor the Company's internal financial controls and assess their adequacy
- Review key estimates, judgements and assumptions applied by management in preparing published financial statements
- Assess annually the auditor's independence and objectivity
- Make recommendations in relation to the appointment, re-appointment and removal of the company's external auditor

Remuneration Committee

The Remuneration Committee consists of two non-executive members of the board and meet at least once a year.

The principal duties and responsibilities of the Remuneration Committee include:

- Setting the remuneration policy for all Executive Directors
- Recommending and monitoring the level and structure of remuneration for senior management
- Approving the design of, and determining targets for, performance related pay schemes operated by the company and approve the total annual payments made under such schemes
- Reviewing the design of all share incentive plans for approval by the Board and shareholders
- None of the Committee members have any personal financial interest (other than as shareholders and option holders), conflicts of interest arising from cross-directorships or day-to-day involvement in the running of the business. No director plays a part in any financial decision about his or her own remuneration.

Principle and Approach of the Board

Cadence is committed to achieve and maintain high standards of governance. As such, the Board has chosen to adopt the Quoted Companies Alliance Corporate Governance Code for Small and Mid-Size Quoted Companies 2023 ("the QCA Code"). Detailed above is how the Board applies the ten principles of Corporate Governance, which form part of the QCA code.

Internal Controls

The Directors acknowledge their responsibility for the Company's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Company and to ensure the reliability of financial information for both internal use and external publication. While they are aware that no system can provide absolute assurance against material misstatement or loss, in light of increased activity and further development of the Company, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by Senior Management to forecasts. Project milestones and timelines are reviewed regularly.

Business Risk

The Board regularly evaluates and reviews any business risks when reviewing project timelines. The types of risks reviewed include:

- regulatory and compliance obligations
- environmental requirements
- commodity price, interest rate, liquidity and volatility risks
- political and country risks where appropriate.

Insurance

The Company maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company.

Treasury Policy

The Company finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Company. Decisions regarding the management of these assets are approved by the Board.

Securities Trading

The Board has adopted a Share Dealing Code that applies to Directors, Senior Management and any employee who is in possession of 'inside information'. All such persons are prohibited from trading in the Company's securities if they are in possession of 'inside information'. Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the individual has received the appropriate prescribed clearance.

CADENCE MINERALS PLC
REPORT ON REMUNERATION
For the year ended 31 December 2025

On behalf of the Board, I am pleased to present the Directors' Remuneration Report, summarising the Company's remuneration policy and providing information on the Company's remuneration approach and arrangements for Executive Directors, Non-Executive Directors and Senior Executive Management for the year ended 31 December 2025.

This report is prepared in accordance with the QCA Remuneration Committee Guide for small and mid-sized quoted companies, revised in 2023. A summary of the Remuneration Committee's role, membership and relevant qualifications can be found in the corporate governance section. Remuneration Committee meetings are held at least once a year, with the primary focus of setting goals for the coming period and then assessing the results at the end of that period. During the year, the

Remuneration Committee met twice and:

- benchmarked the Board's remuneration, both fixed and variable and as a whole, against AIM-listed companies of a similar market capitalisation;
- reviewed the above comparisons and considered short, medium and long-term incentive arrangements for recommendation to the Board; and
- reviewed the performance of the Board against its targets for the reporting period.

The Board recognises that Directors' remuneration is of legitimate concern to shareholders. The Company operates within a competitive environment; its performance depends on the individual contributions of the Directors and employees, and the Board believes in rewarding vision and innovation.

Policy on executive Directors' Remuneration

The Board's policy is to provide remuneration packages sufficient to attract, motivate and retain Directors of the necessary calibre and to reward them for enhancing shareholder value, while avoiding paying more than is necessary. Remuneration reflects the Directors' responsibilities and includes incentives to deliver the Company's objectives

Salary and Fees

The Committee reviewed an independent benchmarking analysis of AIM-quoted natural-resources companies of comparable market capitalisation. Against this peer group, the Chief Executive's base salary sits above the median and below the upper quartile, and the Finance Director's salary is at or below the median. The Non-Executive Chairman and Director fees are above the comparator median, reflecting the time commitment and the technical and regulatory complexity of the Company's projects. As the Company operates no annual bonus, total Chief Executive remuneration is below the peer median, which the Committee considers appropriate to the Company's stage of development.

Share Awards (Share Incentive Plan)

Under the Share Incentive Plan established in September 2014, the Company maintains an Employee Benefit Trust ("EBT") to incentivise the Board. No new Ordinary Shares were issued under the EBT during the year (2024: nil). The Committee intends to introduce performance-based share awards under the EBT during the current year, linked to specified performance measures; none had been granted as at the date of this report.

Pensions

The Company only operates a basic pension scheme for its directors and employees as required by UK legislation. The Company made the following pension contributions in the year: K Morzaria £7,085 (2024: £3,669).

Benefits in kind

No benefits in kind were paid during the year to 31 December 2025 or the year ended 31 December 2024.

CADENCE MINERALS PLC
REPORT ON REMUNERATION
For the year ended 31 December 2025

Notice periods

Andrew Suckling, Kiran Morzaria, Donald Strang and Adrian Fairbourn each have a 12 month rolling notice period.

Share option incentives

At 31 December 2025, each Director held 5,480,000 (31 December 2024: 1,800,000) options. Of these, 1,800,000 options are exercisable at any time before 30 April 2026 at an exercise price of 29p. The remaining 3,680,000 options are exercisable at any time before 31 December 2030 at an exercise price of 2p. No options were exercised by Directors during the period (2024: None).

The remuneration of the Directors was as follows:

	A Fairbourn	A Suckling	K Morzaria	D Strang	Total
	£	£	£	£	£
Year to 31 December 2025					
Salary	-	-	232,500	-	232,500
Fees	48,000	120,000	-	120,000	288,000
Total	48,000	120,000	232,500	120,000	520,500
Year to 31 December 2024					
Salary	-	-	172,500	-	172,500
Fees	48,000	120,000	-	120,000	288,000
Total	48,000	120,000	172,500	120,000	460,500

At 31 December 2025 £109,000 (2024: £142,000) was outstanding to directors.

The high and low share price for the year were 5.55p and 1.50p respectively (year ended 31 December 2024: 5.75p and 1.60p). The share price at 31 December 2025 was 3.30p (31 December 2024: 1.65p).

Andrew Suckling
Non-Executive Chairman,
26 June 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CADENCE MINERALS PLC

Opinion

We have audited the financial statements of Cadence Minerals Plc (the 'company') for the year ended 31 December 2025 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to the going concern accounting policy in the financial statements, which indicates that the company incurred a net loss of £1.7m during the year ended 31 December 2025 and is dependent on future equity fundraises to meet its obligations as they fall due. As stated in the accounting policy, these events or conditions, along with the other matters as set forth in the going concern accounting policy, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the 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 company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining and evaluating management's going concern assessment, including their assumptions, key risks and uncertainties, and any available supporting documentation.
- Assessing the historical forecasting accuracy and consistency of the going concern assessment with the information obtained from other areas of the audit, such as our audit procedures on management's impairment assessments.
- Evaluating whether the assumptions made by management are reasonable and appropriately conservative, considering the relevant principal risks and uncertainties for the company. We challenged the assumptions and estimates made by management.
- Evaluating the adequacy of working capital, including assessing the reasonableness of assumptions used in the cash flow forecasts and budgets and any plans to address potential shortfalls, including the feasibility of planned equity fundraises.
- Performing sensitivity analysis on management's assumptions, including removing any non-contractual cash inflows from the projected production of the Amapa project.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CADENCE MINERALS PLC

Our application of materiality

The scope of our audit was influenced by our application to materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the financial statements was set at £372,000 (2024: £344,200), with performance materiality set at £261,000 (2024: £240,900).

Materiality has been calculated at 2% (2024: 2%) of the benchmark of net assets, which we have determined, in our professional judgement, to be one of the principal benchmarks within the financial statements relevant to members of the Company in assessing financial performance.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £18,600 (2024: £17,200).

We applied the concept of materiality both in planning and performing the audit, and in evaluating the effect of misstatement.

Our approach to the audit

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. We addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represents a risk of material misstatement due to fraud. In particular, we looked at areas involving significant accounting estimates and judgements by the directors and considered future events that are inherently uncertain, such as the fair value of unquoted investments and the value of the share options scheme.

In addition, we focused our audit on the significant risk areas including the Key Audit Matters, as outlined below.

A full scope audit was performed on the complete financial information of the company.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
Carrying Value of Financial Assets (refer to note 7)	
The company held investments with a carrying value of £14.1m as at 31 December 2025. These are valued in accordance with IFRS 13 <i>Fair Value Measurement</i> and classified under IFRS 9 <i>Financial Instruments</i> at fair value through profit or loss. There is a risk that these investments are not measured at fair value under IFRS 13 <i>Fair Value Measurement</i> and that impairment has not been correctly recognised. Investments which fall under Tier 3 of the fair value hierarchy are subject to significant management	Our audit work included: • Ensuring the company has full title to the investments held; • Ensuring that all asset types are categorised according to UK adopted IAS, including the accounting disclosures as required under IFRS 9; • Agreeing additions to supporting documentation to ensure correctly accounted for under IFRS 9;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CADENCE MINERALS PLC

estimate, which increases the risk of material misstatement. Given the value of the investment is material at the year end significant judgement is needed when valuing level 3 investments, we have assessed valuation of investments as a key audit matter.	• Agreeing disposals to supporting documentation to ensure correctly accounted for under IFRS 9; • Ensuring any movements in fair value are adequately supported by management and challenging management on their assumptions related to the fair value; • Ensuring that appropriate disclosures surrounding the estimates made in respect of any valuations are included in the financial statements; and • Reviewing forecasts associated with the Amapa project to assess whether future cashflows support the fair value of the investment.
Carrying value and classification of loans receivable from Investee (refer to note 9)	
The company has loan receivables from investees of £3.9m as at 31 December 2025, which relate to the loan given to REM Mexico. There is a risk that the loan amounts are not recoverable given that no repayments were made by the investee for the loans outstanding. There is also a risk that Expected Credit Losses should have been recorded on the loan balance in accordance with IFRS 9, <i>Financial Instruments</i>. This has been assessed as a Key Audit Matter due to the uncertainty, significant judgement and estimates associated with the recoverability of £3.9 million in loans to REM Mexico. The balance has not moved since the previous year. Disputes have been ongoing with the Mexican government under the UK-Mexico Bilateral Investment Treaty around the project on the Sonora site, since the concessions held by REM Mexico were cancelled in May 2023. Cadence announced on 25 March 2026 that it had secured non-recourse litigation funding for claims relating to the Sonora Lithium Project and that it intended to commence international arbitration against Mexico under UK-Mexico BIT. It is possible that this amount is not recoverable if this situation is not resolved.	Our audit work included: • Obtaining and reviewing the loan agreement for additional funds advanced in the year to ascertain the key terms of the loan agreement; • Obtained a confirmation from REM Mexico of the balance outstanding; • Reviewing the arbitration funding agreement and obtaining details of the key terms and its impact on the future plans for the case; • Discussing with management their rationale for not recognising an IFRS 9 expected credit loss charge during the year, and challenging the key assumptions applied in assessing the recoverability of the loan; and • Reviewing forecasts associated with the Sonora project to assess whether future cashflows support the recoverability of the loan in accordance with IFRS 9. The case is still ongoing with the Mexican government. During the post year end period, the company secured non-recourse litigation funding to help them commence international arbitration against the United Mexican States. The recovery of the loan from REM Mexico is dependent on the success of the litigation. If the concessions are not granted back and compensation is not received from the Mexican government for concessions, a full impairment of the loan may be required. Further details are disclosed in the critical accounting estimates and judgements note.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CADENCE MINERALS PLC

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, and application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from Companies Act 2006, AIM listing rules, GDPR, QCA compliance, UK-adopted International Accounting Standards and tax legislation within the United Kingdom.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to:
 - Discussions with management
 - Review of minutes of board meetings
 - Review of legal and professional expenditure.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was in the valuation of investments. We addressed the risk by challenging the assumptions and judgements made by management when auditing that significant accounting estimate.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CADENCE MINERALS PLC

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.

Nicholas Joel (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

26 June 2026

30 Churchill Place
London
E14 5RE

CADENCE MINERALS PLC
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2025

Continuing operations	<i>Note</i>	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Income			
Unrealised gain/(loss) on financial investments	7	2	(1,023)
Realised loss on financial investments	7	(264)	(1,102)
		(262)	(2,125)
Share based payments		(256)	-
Impairment of financial assets		(40)	(93)
Other administrative expenses		(1,135)	(1,099)
Total administrative expenses		(1,431)	(1,192)
Operating loss	1	(1,693)	(3,317)
Finance cost	3	(5)	(2)
Finance income	4	1	-
Foreign exchange (loss)		(10)	(6)
Loss before taxation		(1,707)	(3,325)
Taxation	5	-	-
Loss attributable to the equity holders of the Company		(1,707)	(3,325)
Total comprehensive earnings for the year, attributable to the equity holders of the company		(1,707)	(3,325)
Earnings per ordinary share			
Basic earnings per share (pence)	6	(0.526)	(1.651)
Diluted earnings per share (pence)	6	(0.526)	(1.651)

The accompanying principal accounting policies and notes form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

		31 December 2025	31 December 2024
ASSETS	Note	£'000	£'000
Non-current			
Financial Assets	7	14,125	13,329
		14,125	13,329
Current			
Offtake Agreement	8	63	-
Trade and other receivables	9	3,905	3,994
Financial Assets	7	6	473
Cash and cash equivalents		1,063	655
Total current assets		5,037	5,122
Total assets		19,162	18,451
LIABILITIES			
Current			
Trade and other payables	10	453	483
Borrowings	11	89	755
Total current liabilities		542	1,238
Non-current			
Borrowings	11	-	-
Total liabilities		542	1,238
EQUITY			
Issued share capital	12	4,573	3,376
Share premium	12	40,252	38,591
Share based payment reserve		479	236
Investment in own shares		(64)	(64)
Retained earnings		(26,620)	(24,926)
Equity attributable to equity holders of the Company		18,620	17,213
Total equity and liabilities		19,162	18,451

The financial statements were approved by the Board on 26 June 2026, and signed on their behalf by;

Kiran Morzaria
Director
Company number 05234262

Donald Strang
Director

The accompanying principal accounting policies and notes form an integral part of these financial statements.

CADENCE MINERALS PLC
STATEMENT OF CHANGES IN EQUITY
As at 31 December 2025

	Share capital	Share premium	Share based payment reserve	Investment in own shares	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2023	2,226	37,654	258	(64)	(21,623)	18,451
Transfer on lapse of warrants	-	-	(22)	-	22	-
Share issue	1,150	1,125	-	-	-	2,275
Share issue costs	-	(188)	-	-	-	(188)
Transactions with owners	1,150	937	(22)	-	22	2,087
Loss for the period	-	-	-	-	(3,325)	(3,325)
Total comprehensive earnings for the period	-	-	-	-	(3,325)	(3,325)
Balance at 31 December 2024	3,376	38,591	236	(64)	(24,926)	17,213
Transfer on lapse of warrants	-	-	(13)	-	13	-
Share based payments	-	-	256	-	-	256
Share issue	1,197	1,846	-	-	-	3,043
Share issue costs	-	(185)	-	-	-	(185)
Transactions with owners	1,197	1,661	243	-	13	3,114
Loss for the period	-	-	-	-	(1,707)	(1,707)
Total comprehensive earnings for the period	-	-	-	-	(1,707)	(1,707)
Balance at 31 December 2025	4,573	40,252	479	(64)	(26,620)	18,620

The accompanying principal accounting policies and notes form an integral part of these financial statements.

CADENCE MINERALS PLC
STATEMENT OF CASH FLOWS
For the year ended 31 December 2025

	Year ended 31 December 2025	Year ended 31 December 2024
	£'000	£'000
Cash flow from operating activities		
Continuing operations		
Operating loss	(1,707)	(3,317)
Loss on disposal of financial assets	262	2,125
Finance cost	5	-
Finance income	(1)	-
Impairment of financial assets	40	93
Share based payments	256	-
Payments of creditors made in shares	-	125
Decrease in trade and other receivables	64	18
(Decrease)/increase in trade and other payables	(30)	136
Net cash outflow from operating activities from continuing operations	(1,111)	(820)
Cash flows from investing activities		
Payments for non-current financial assets	(925)	(1,762)
Receipts on sale of current financial assets	205	1,564
Net cash outflow from investing activities	(720)	(198)
Cash flows from financing activities		
Proceeds from issue of share capital	3,043	1,981
Share issue costs	(185)	(35)
Net loans made	(62)	-
Receipt of borrowings	121	79
Repayment of borrowings	(674)	(576)
Net finance cost	-	(2)
Net cash inflow from financing activities	2,243	1,447
Net change in cash and cash equivalents	412	429
Foreign exchange movements on cash and cash equivalents	(4)	11
Cash and cash equivalents at beginning of period	655	215
Cash and cash equivalents at end of period	1,063	655

Material non-cash transactions

There were no material non-cash transactions in 2025. In 2024 were the payments of creditors made in shares of £125,000 and amounts deducted from proceeds of share issues for issue costs of £69,000.

The accompanying principal accounting policies and notes form an integral part of these financial statements.

PRINCIPAL ACCOUNTING POLICIES
GENERAL INFORMATION

Cadence Minerals plc is a company incorporated and domiciled in the United Kingdom. The Company's shares were solely listed on AIM of the London Stock Exchange. In April 2024, the company withdrew its ordinary shares from trading on the AQSE Growth Market, operated by the AQSE in order to improve operational and financial efficiencies.

The Financial Statements are for the year ended 31 December 2025 and have been prepared under the historical cost convention, except for the measurement to fair value of financial assets, and in accordance with UK adopted International Accounting Standards (UK-IAS) in conformity with the requirements of the Companies Act 2006. These Financial Statements (the "Financial Statements") have been prepared and approved by the Directors on 26 June 2026 and signed on their behalf by Donald Strang and Kiran Morzaria.

The accounting policies have been applied consistently throughout the preparation of these Financial Statements, and the financial report is presented in Pound Sterling (£) and all values are rounded to the nearest thousand pounds (£'000) unless otherwise stated.

INVESTING POLICY

The Company is an investment entity. The Company's investing policy, which was approved at a General Meeting on 29 November 2010, is to acquire a diverse portfolio of direct and indirect interests in exploration and producing rare earth minerals and/or other metals projects and assets ('Investing Policy'). In light of the nature of the assets and projects that will be the focus of the Investing Policy, the Company will consider investment opportunities anywhere in the world.

The Directors have considerable investment experience, both in structuring and executing deals and in raising funds. Further details of the Directors' expertise are set out on the Company website. The Directors will use this experience to identify and investigate investment opportunities, and to negotiate acquisitions. Wherever necessary, the Company will engage suitably qualified technical personnel to carry out specialist due diligence prior to making an acquisition or an investment. For the acquisitions that they expect the Company to make, the Directors may adopt earn-out structures with specific performance targets being set for the sellers of the businesses acquired and with suitable metrics applied.

The Company may invest by way of outright acquisition or by the acquisition of assets – including the intellectual property – of a relevant business, partnership or joint venture arrangement. Such investments may result in the Company acquiring the whole or part of a company or project (which, in the case of an investment in a company, may be private or listed on a stock exchange, and which may be pre-revenue), and such investments may constitute a minority stake in the company or project in question. The Company's investments may take the form of equity, joint venture, debt, convertible documents, licence rights, or other financial instruments such as the Directors deem appropriate.

The Company may be both an active and a passive investor depending on the nature of the individual investments in its portfolio. Although the Company intends to be a long-term investor, the Directors will place no minimum or maximum limit on the length of time that any investment may be held.

INVESTING POLICY (CONTINUED)

There is no limit on the number of projects into which the Company may invest, or on the proportion of the Company's gross assets that any investment may represent at any time, and the Company will consider possible opportunities anywhere in the world.

The Directors may offer new ordinary shares in the capital of the Company by way of consideration as well as cash, thereby helping to preserve the Company's cash for working capital and as a reserve against unforeseen contingencies including, by way of example and without limit, delays in collecting accounts receivable, unexpected changes in the economic environment and unforeseen operational problems. The Company may, in appropriate circumstances, issue debt securities or otherwise borrow money to complete an investment. There are no borrowing limits in the Articles of Association of the Company. The Directors do not intend to acquire any cross holdings in other corporate entities that have an interest in the ordinary shares.

GOING CONCERN

The Directors note the losses and cash outflows that the Company has made for the year ended 31 December 2025. The Directors have prepared cash flow forecasts for the period ending 30 June 2027 which take account of the current cost, operational structure and external funding of the Company. The forecasts include assumptions regarding the timing of expected receipts from the Azteca restart programme together with, where considered appropriate, potential future equity funding. The Directors have also considered downside scenarios, including further delays to commissioning, slower-than-expected ramp-up and lower-than-forecast operating cash generation, together with the flexibility available to defer or reduce discretionary expenditure if required.

At 31 December 2025, the Company had cash and cash equivalents of £1,063,000, current financial assets of £6,000 and borrowings of £89,000. The Company is dependent on securing additional funding and on achieving forecast cash inflows from its projects, including Azteca. The Directors recognise that the revised commissioning timetable for Azteca increases the Company's reliance on external funding until operating cash flows are established. These factors, together with the losses incurred in the year and the uncertainties inherent in project execution, market conditions and funding availability, represent events and conditions that may cast significant doubt on the Company's ability to continue as a going concern and therefore give rise to a material uncertainty relating to going concern.

Nevertheless, after considering the forecasts, sensitivities and mitigating actions available to management, the Directors have a reasonable expectation that the Company will be able to continue in operational existence for at least twelve months from the date of approval of these financial statements and have therefore prepared the financial statements on a going concern basis..

STATEMENT OF COMPLIANCE WITH IAS

The Company's financial statements have been prepared under the historical cost convention except for the measurement to fair value of financial assets as described in the accounting policy below, and the financial statements have been prepared in accordance with UK adopted International Accounting Standards (IAS) in conformity with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out below.

TAXATION

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, which are unpaid at the balance sheet date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable result for the period. All changes to current tax assets or liabilities are recognised as a component of tax expense in the income statement.

Deferred income taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amounts of assets and liabilities in the financial statements with their respective tax bases. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be offset against future taxable income. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Most changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement. Only changes in deferred tax assets or liabilities that relate to a change in value of assets or liabilities that is charged directly to equity are charged or credited directly to equity.

FINANCIAL ASSETS

The Company's financial assets include cash, other receivables and financial assets. Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 9, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

FINANCIAL ASSETS (CONTINUED)

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements would apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial Investments

Non-derivative financial assets comprising the Company's strategic financial investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. These assets are classified as financial assets at fair value through profit or loss. They are carried at fair value with changes in fair value recognised through the income statement. Where there is a significant or prolonged decline in the fair value of a financial investment (which constitutes objective evidence of impairment), the full amount of the impairment is recognised in the income statement.

Due to the nature of these assets being unlisted investments or held for the longer term, the investment period is likely to be greater than 12 months and therefore these financial assets are shown as non-current assets in the Statement of financial position, unless their disposal is likely to occur within the forthcoming year. Listed investments are valued at closing bid price on 31 December 2025. For measurement purposes, financial investments are designated at fair value through income statement. Gains and losses on the realisation of financial investments are recognised in the income statement for the period. The difference between the market value of financial instruments and book value to the Company is shown as a gain or loss in the income statement for the period.

FINANCIAL ASSETS (CONTINUED)

Impairment of financial assets

The Company considers trade and other receivables individually in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

FAIR VALUE MEASUREMENT

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Company uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Company. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

OFFTAKE AGREEMENT

The Company, together with its joint venture partners Pedra Branca Alliance Pte Ltd (“PBA”) and DEV Mineração S.A. (“DEV”), entered into a binding Prepayment Offtake Agreement with a selected offtake and logistics partner (the “Offtaker”) in relation to the Amapá Iron Ore Project in Brazil. As part of this agreement the Company is participating as an Offtaker, contributing 10-15% of the total amounts advanced. Amounts advanced by the Company bear interest at 13% per annum.

Repayment of advances, together with accrued interest, is intended to be satisfied through deductions from future proceeds arising from the sale of iron ore product under the offtake arrangements. Where production, delivery or sale of product does not occur, the agreement provides for repayment in cash from future free cash flow and/or monetisation events, including asset disposals, equity transactions or other revenue-generating activities.

The amount advanced by the Company under the offtake agreement is considered to be a current financial asset in the Statement of financial position financial asset as repayment is expected within one year, with accrued interest being treated as interest receivable in the income statement for the period. It is measured at amortised cost and impaired according to the Company’s policy on impairment of financial assets.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and in hand, bank deposits repayable on demand, and other short term highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, less advances from banks repayable within three months from the date of advance if the advance forms part of the Company's cash management.

EQUITY

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

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

The share based payment reserve represents the cumulative amount which has been expensed in the income statement in connection with share based payments, less any amounts transferred to retained earnings on the exercise of share options.

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

Employee Benefit Trusts ("EBTs") are accounted for under IFRS 10 and are consolidated on the basis that the parent has control, thus the assets and liabilities of the EBT are included on the Company balance sheet and shares held by the EBT in the Company are presented as a deduction from equity.

FOREIGN CURRENCIES

The financial statements are presented in Sterling, which is also the functional currency of the Company.

In the financial statements of the Company, foreign currency transactions are translated into the functional currency of the Company entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognised in profit or loss.

SHARE BASED PAYMENTS

The Company issues equity-settled share-based payments to certain employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

Fair value is measured using the Black-Scholes model, as the options have no market related conditions. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised, if there is any indication that the number of share options expected to vest differs from previous estimates.

No adjustment is made to the expense or share issue cost recognised in prior periods if fewer share options are, ultimately exercised than originally estimated. Upon exercise of share options, the proceeds received net of any directly attributable transaction costs up to the nominal value of shares issued are allocated to share capital with any excess being recorded as share premium.

SHARE BASED PAYMENTS (CONTINUED)

Warrants

The Group has also issued equity settled share-based payments in respect of services provided by debt holders in the form of warrants. The share-based payment is measured at fair value of the services provided at the grant date, or if the fair value of the services cannot be reliably measured using the Black-Scholes model. The expense is allocated over the vesting period.

FINANCIAL LIABILITIES

The Company's financial liabilities include trade and other payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities are recognised initially at fair value, net of direct issue costs. After initial recognition, trade and other payables are subsequently measured at amortised cost using the effective interest rate ('EIR method'). Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Comprehensive Income.

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Sources of Estimation and Key Judgements

The preparation of the Financial Statements requires the Company to make estimates, judgements and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The Directors base their estimates on historic experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis of making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Significant judgments and estimates

The preparation of financial statements requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reported period. The estimates and associated judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources.

- The estimates and underlying judgments are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Significant judgments and estimates (continued)

- In the preparation of these financial statements, estimates and judgments have been made by management concerning calculating the fair values of the assets acquired on business combinations, and the assumptions used in the calculation of the fair value of the share options. Actual amounts could differ from those estimates.
- Management has made the following estimates that have the most significant effect on the amounts recognised in the financial statements.

Unlisted investments

The Company is required to make judgements over the carrying value of investments in unquoted companies where fair values cannot be readily established and evaluate the size of any impairment required. It is important to recognise that the carrying value of such investments cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately. The fair value of unquoted investments of the Company at 31 December 2025 was £14,125,000 (2024: £13,329,000). Management have assessed each unlisted investment and concluded that Hesperian required an impairment of £40,000. Further information regarding the Group's unquoted investments is provided in the investment review of the Strategic Report and in Note 7.

Sonora Lithium Project License

As stated in the strategic report, In April 2022 and May 2023, the Mexican Government changed its Mining Law, which included prohibiting lithium concessions, declaring lithium as a strategic sector, and giving exclusive rights for lithium mining operations to a state-owned entity. These changes were not meant to affect existing concessions, such as those held by Mexilit and Megalit. Ganfeng and Cadence believe the reforms should not impact their project's concessions because they were granted before the Mining Law Reform. This aligns with the principles of legality and non-retroactivity of laws outlined in the Constitution of Mexico.

While Ganfeng was in discussions with the Secretary of Economy, the General Directorate of Mines ("DGM") started reviewing nine lithium concessions held by Mexican subsidiaries, including those owned by Mexilit and Megalit.

The DGM warned that the concessions could be cancelled if the Mexican subsidiaries did not provide enough evidence within a specified timeframe to prove their compliance with minimum investment obligations for developing lithium concessions from 2017 to 2021. In May 2023, Mexilit and Megalit had submitted extensive evidence of their timely compliance with the minimum investment obligations for the lithium concessions. However, in August 2023, the DGM issued a formal decision notice to the Mexican subsidiaries, cancelling nine lithium concessions, including those owned by Mexilit and Megalit.

The cancellations for the lithium concessions issued by the DGM are not final and are subject to ongoing appeals. Ganfeng and Cadence believe that the Mexican Subsidiaries have complied with their minimum investment obligations, as Mexican law requires. The mine development investment by the Mexican Subsidiaries has significantly exceeded the minimum investment obligations, and the Mexican Subsidiaries regularly submitted annual reports detailing their operations within the prescribed period annually. Ganfeng and Cadence have filed administrative review recourses before the Secretary of Economy against the resolutions cancelling the concessions, as they believe these resolutions violate Mexican and international law and infringe upon their fundamental due process rights.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Sonora Lithium Project License (continued)

In November 2023, Cadence issued a Request for Consultations and Negotiations ("Request") to the Government of Mexico under the United Kingdom-Mexico Bilateral Investment Treaty ("BIT"). The Request pertains to the alleged revocation of the mining concessions for the Sonora Lithium Project (the "Project") by the Mexican General Directorate of Mines, as announced by Cadence on 31 August 2023, and related acts and omissions by Mexico.

The affected concessions include those granted to Mexilit S.A. de CV ("Mexilit") and Minera Megalit S.A. de CV ("Megalit"), which are joint venture companies in which Cadence holds a 30% stake through REMML.

In their Request, Cadence and REMML have identified various BIT obligations that Mexico has breached, including Mexico's obligation not to unlawfully expropriate the investments of UK investors such as Cadence and REMML and its obligation to treat such investments fairly and equitably.

In accordance with Article 10 of the BIT, Cadence and REMML have requested consultations and negotiations with Mexico to resolve the dispute amicably. The BIT provides for disputes to be resolved by international arbitration if they cannot be resolved through consultation and negotiation.

Recoverability of loan due from REM Mexico

In April 2022 and May 2023, the Mexican Government changed the Mexican Mining Legislation, which included prohibiting new lithium concessions, declaring lithium as a strategic sector, and giving exclusive rights for lithium mining operations to a state-owned entity. These changes were not meant to affect existing concessions, such as those held by Mexilit and Megalit.

In May 2023, the General Directorate of Mines ("DGM") began reviewing and subsequently cancelled nine lithium concessions, including those owned by Mexilit and Megalit. The cancellations are not final, and Ganfeng has filed an administrative review before the Secretary of Economy against the resolutions cancelling the concessions (including those owned in part by Cadence), as they believe these resolutions violate Mexican and international law and infringe upon their fundamental due process rights.

The Directors, having considered the current status of the proceedings, legal advice received and the ongoing actions being pursued by Ganfeng, do not believe that an expected credit loss provision is required in the current period. The matter remains ongoing and the Directors continue to support the recoverability of the balances recognised in relation to REM Mexico.

However, the ultimate outcome of the administrative review process and/or any subsequent arbitration proceedings cannot presently be determined with certainty. Should the legal and arbitration processes ultimately be unsuccessful, this could result in a material reduction in the recoverable value of the related investment and loan balances in a future reporting period.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

Adoption of New or Amended IFRS

New standards, amendments and interpretations adopted by the Company

There were no new or amended accounting standards that required the company to change its accounting policies for the year period commencing 1 January 2025 and no new standards, amendments or interpretations were adopted by the Company.

New standards, amendments and interpretations not yet adopted

The IASB has issued the following standards and amendments which are not yet effective and have not been early adopted by the Company:

- Amendments to IFRS 9 and IFRS 7 – Financial Instruments (effective 1 January 2026) clarify aspects of classification, derecognition and related disclosures. The amendments are not expected to have a material impact on the Company's financial statements.
- IFRS 18 *Presentation and Disclosure in Financial Statements* (effective for annual periods beginning on or after 1 January 2027); replaces IAS 1 and introduces new requirements relating to the presentation of the income statement and enhanced disclosure requirements. The Company is assessing the impact of IFRS 18, which is expected to primarily affect presentation and disclosure.

Segment reporting

Segmental analysis is not applicable as there is only one operating segment of the continuing business – investment activities.

1. PROFIT BEFORE TAXATION AND SEGMENTAL INFORMATION

Profit before taxation - continuing operations

The loss before taxation is attributable to the principal activities of the Company.

The loss before taxation is stated after charging:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Share based payment charge	256	-
Directors' fees and consulting (see Note 2)	521	461
Fees payable to the Company's auditor for the audit of the financial statements	57	59

Segment reporting

The Company operates a single primary activity to invest in businesses so as to generate a return for the shareholders. The performance and position are therefore as stated in the primary statements.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Unrealised gain/(loss) on financial investments	2	(1,023)
Realised loss on financial investments	(264)	(1,102)
	(262)	(2,125)

2. EMPLOYEE REMUNERATION

Employee benefits expense

The expense recognised for employee benefits, including Directors' emoluments, is analysed below:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Short-term benefits		
Wages, salaries and consulting fees	632	572
Employers NI	48	35
	<u>680</u>	<u>607</u>

The average number of employees (including directors) employed by the Company during the period was:

	2025 No.	2024 No.
Directors	4	4
Other	2	2
	<u>6</u>	<u>6</u>

Included within the above are amounts in respect of Directors, who are considered to be the key management personnel, as follows:

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Short-term benefits		
Wages, salaries and consulting fees	521	461
	<u>521</u>	<u>461</u>

Details of Directors' emoluments are included in the Report on Remuneration on pages 26 to 28.

CADENCE MINERALS PLC
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2025

3. FINANCE COSTS

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Loan interest	5	1
Bank interest	-	1
	<u>5</u>	<u>2</u>

4. FINANCE INCOME

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Offtake interest	1	-
	<u>1</u>	<u>-</u>

5. TAXATION

The tax assessed for the period differs from the standard rate of corporation tax in the UK as follows:

	Year ended 31 December 2025 £'000	2025 %	Year ended 31 December 2024 £'000	2024 %
(Loss) before taxation	(1,707)		(3,325)	
(Loss) multiplied by standard rate of corporation tax in the UK	(427)	25.0	(831)	25.0
Effect of:				
Deferred tax asset not recognised	283		271	
Remeasurement of deferred tax for changes in tax rates	-		-	
Other permanent differences	-		-	
Chargeable gains	-		-	
Income not taxable	-		-	
Expenses not deductible for tax purposes	145		561	
Total tax charge for year	<u>-</u>		<u>-</u>	

The Company has tax losses in the UK of £32.28m (2024: £30.58m), subject to His Majesty's Revenue and Customs approval, available for offset against future operating profits. The Company has not recognised any deferred tax asset in respect of these losses, due to there being insufficient certainty regarding its recovery.

The unrecognised deferred tax asset is £7.36m (2024: £7.08m). The main rate of UK corporation tax increased to 25% from 1 April 2023 and remained at this rate throughout 2024 and 2025, resulting in an effective tax rate of 25% for the years ended 31 December 2024 and 31 December 2025.

6. EARNINGS PER SHARE

The calculation of the basic earnings per share is calculated by dividing the consolidated profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the period. The weighted average number of shares excludes shares held by an Employee Benefit Trust (see Note 12) and has been adjusted for the issue of shares during the period.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
(Loss) attributable to owners of the Company	(1,707)	(3,325)
	2025	2024
	Number	Number
Weighted average number of shares in issue	330,749,668	207,824,407
Less: shares held by the Employee Benefit Trust (weighted average)	(6,380,000)	(6,380,000)
Weighted average number of shares for calculating basic earnings per share	324,369,668	201,444,407
Share options and warrants exercisable	n/a	n/a
Weighted average number of shares for calculating diluted earnings per share	n/a	n/a
	2025	2024
	Pence	Pence
Basic earnings per share	(0.526)	(1.651)
Diluted earnings per share	(0.526)	(1.651)

The impact of the share options is considered anti-dilutive when the Company's result for a period is a loss.

7. FINANCIAL INVESTMENTS

Financial assets at fair value through profit or loss:	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Fair value at 31 December 2023	4,162	-	11,660	15,822
Additions	-	-	1,762	1,762
Fair value changes	(1,023)	-	-	(1,023)
Impairment of assets	-	-	(93)	(93)
Loss on disposals	(1,102)	-	-	(1,102)
Disposal	(1,564)	-	-	(1,564)
Fair value at 31 December 2024	473	-	13,329	13,802
Additions	-	-	1,038	1,038
Fair value changes	2	-	-	2
Impairment of assets	-	-	(40)	(40)
Loss on disposals	(264)	-	-	(264)
Disposal	(205)	-	(202)	(407)
Fair value at 31 December 2025	6	-	14,125	14,131
Loss on investments held at fair value through profit or loss				
Fair value loss on investments	2	-	-	2
Realised loss on disposal of investments	(264)	-	-	(264)
Net loss on investments held at fair value through profit or loss	(262)	-	-	(262)
Financial assets	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Non-current	-	-	14,125	14,125
Current	6	-	-	6
	6	-	14,125	14,131

Level 1 represents those assets, which are measured using unadjusted quoted prices for identical assets.

Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices). Level 3 applies inputs, which are not based on observable market data.

Level 1 assets comprise investments in listed securities which are traded on stock markets throughout the world and are held by the Company as a mix of strategic and short term investments. These are classified as current assets by virtue of their liquidity. The listed investments have been valued at bid price, as quoted on their respective Stock Exchanges, at 31 December 2025. During the year ended 31 December 2025 the company disposed of a variety of its shareholdings.

Level 3 assets comprise of investment in exploration costs where licences are not 100% owned by the Company, and investments in other companies.

The Directors conducted an impairment review as at 31 December 2025 and determined that an impairment of £40,000 was necessary for the investment in Hesperian.

During 2025, £1,038,000 was invested in exploration costs by the Company (2024: £1,762,000).

8. OFFTAKE AGREEMENT

The Company, together with its joint venture partners Pedra Branca Alliance Pte Ltd (“PBA”) and DEV Mineração S.A. (“DEV”), entered into a binding Prepayment Offtake Agreement with a selected offtake and logistics partner (the “Offtaker”) in relation to the Amapá Iron Ore Project in Brazil.

Under the agreement, the Company’s participation is limited to the initial Tranche 1 funding of up to US\$391,000, with no obligation to participate in subsequent Tranche 2 or working capital funding rounds. Amounts advanced by the Company bear interest at 13% per annum.

Repayment of advances, together with accrued interest, is intended to be satisfied through deductions from future proceeds arising from the sale of iron ore product under the offtake arrangements. Where production, delivery or sale of product does not occur, the agreement provides for repayment in cash from future free cash flow and/or monetisation events, including asset disposals, equity transactions or other revenue-generating activities.

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Current		
Offtake Funding Advance	62	-
Interest accrued	1	-
	63	-

The balance is denominated in United States Dollars and has been translated at the closing exchange rate at the reporting date.

9. TRADE AND OTHER RECEIVABLES

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Current		
Other receivables	13	75
Amounts owed by subsidiaries	3,883	3,883
Prepayments and accrued income	9	36
	3,905	3,994

As at 31 December 2025, the balance included in other receivables relates to an office rental deposit for the following financial year. All unpaid share capital from the December 2024 equity issue was fully settled in January 2025.

There is no credit loss provision in respect of receivables, and no amounts are past due at 31 December 2025 or 31 December 2024.

The fair value of these financial assets is not individually determined as the carrying amount is a reasonable approximation of fair value.

10. TRADE AND OTHER PAYABLES

	Year ended 31 December 2025 £'000	Year ended 31 December 2024 £'000
Trade payables	352	364
Tax and social security	31	-
Accruals and deferred income	70	119
	453	483

The fair value of trade and other payables has not been disclosed as, due to their short duration, management considers the carrying amounts recognised in the balance sheet to be a reasonable approximation of their fair value.

11. BORROWINGS

	31 December 2025 £'000	31 December 2024 £'000
Loan Notes	82	753
Interest accrued	7	2
	89	755

During the year ended 31 December 2023, the Company entered into a Mezzanine Loan Facility of \$2m to finance its investment in the Amapá Project with a final repayment date of November 2025.

During the year ended 31 December 2025, £674,000 (\$898,000) in capital and interest was repaid. During the year ended 31 December 2024, £841,000 (\$1,065,000) in capital and interest were repaid. The borrowing costs (and resulting fx) have been capitalised under IAS23, in both years, as the sole purpose of the loan was to finance the Amapá Project.

Although the balance of £89,000 (\$120,000) is technically overdue, the lenders agreed that Cadence should retain this amount as it intends to exercise its warrants and this amount will be utilised towards the warrant payment. No further interest is due on this amount.

Additionally, during the year ended 31 December 2024, a second short term loan agreement for \$250,000 was entered into, of which £79,000 (\$100,000) was drawn down by 31 December 2024, and the remaining £121,000 (\$150,000) was drawn down in January & February 2025. The loan carried a 15% interest rate, and was repaid March 2025, through the transfer of the Ferro Verde asset to the lender.

12. SHARE CAPITAL

	31 December 2025	31 December 2024
Allotted, issued and fully paid	£'000	£'000
173,619,050 deferred shares of 0.24p	417	417
415,631,038 ordinary shares of 1p (31 December 2024: 295,971,038 ordinary shares of 1p)	4,156	2,959
	4,573	3,376

	Ordinary shares No.	Ordinary Share Capital £'000	Share Premium £'000
Allotted and issued			
At 31 December 2023	180,971,037	1,809	37,654
Issue of shares during the year	115,000,001	1,150	1,125
Share issue costs	-	-	(188)
At 31 December 2024	295,971,038	2,959	38,591
Issue of shares during the year	119,660,000	1,197	1,846
Share issue costs	-	-	(185)
At 31 December 2025	415,631,038	4,156	40,252

During the year ended 31 December 2025 the following shares were issued: On 14 July 2025, 31,660,000 shares were issued at a placing price of approximately £0.0127 per share, generating proceeds of £402,082. This was followed by a placing on 8 October 2025, in which 78,000,000 shares were issued at £0.0300 per share for proceeds of £2,340,000. Subsequently, on 16 October 2025, a further 10,000,000 shares were issued at £0.0300 per share, raising £300,000.

As at 31 December 2025, there was no amount outstanding in respect of unpaid share capital (31 December 2024: £75,000).

Investment in Own Shares

At 31 December 2025 the Company held in Trust 6,380,000 (2024: 6,380,000) of its own shares with a nominal value of £63,800 (2024: £63,800). The Trust has waived any entitlement to the receipt of dividends in respect of its holding of the Company's ordinary shares. The market value of these shares at 31 December was £0.21m (2024: £0.11m). In the current period nil were repurchased (2024: nil) and nil were transferred into the Trust (2024: nil), with nil (2024: nil) reissued on award of shares to directors.

The deferred shares have no voting rights and are not eligible for dividends.

13. SHARE BASED PAYMENTS

Share Options

The Company operates share option schemes for certain employees (including directors). Options are exercisable at the option price agreed at the date of grant. The options are settled in equity once exercised. The expected life of the options varies between 1 and 6 years. All options issued in the prior years vested immediately, with no vesting requirements.

Details of the number of share options and the weighted average exercise price (WAEP) outstanding during the period are as follows:

	31 December 2025		31 December 2024	
	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	7,200,000	0.290	7,200,000	0.290
Issued during the year	16,020,000	0.020	-	-
Outstanding at the end of the year	23,220,000	0.104	7,200,000	0.290
Exercisable at year end	23,220,000		7,200,000	

The share options outstanding at the end of the period have a weighted average remaining contractual life of 3.47 years (31 December 2024: 1.33 years) and have the following exercise prices and fair values at the date of grant:

First exercise date (when vesting conditions are met)	Grant date	Exercise price	Fair value	31 December 2025	31 December 2024
		£	£	Number	Number
30 April 2021	30 April 2021	0.29	0.02742	7,200,000	7,200,000
17 January 2025	17 January 2025	0.02	0.01281	16,020,000	-
				23,220,000	7,200,000

At 31 December 2025 23,220,000 options were exercisable (31 December 2024: 7,200,000).

For those options and warrants granted where IFRS 2 “Share-Based Payment” is applicable, the fair values were calculated using the Black-Scholes model. The inputs into the model for share based payments recognised in the current and prior year were as follows:

	Risk free rate	Share price volatility	Expected life	Share price at date of grant
30 April 2021	0.19%	21.6%	5 years	£0.2375
17 January 2025	4.35%	86.3%	6 Years	£0.0185

Expected volatility was determined by calculating the historical volatility of the Company’s share price for five years prior to the date of grant. The expected life used in the model has been adjusted, based on management’s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Company recognised total expenses of £217,000 (year ended 31 December 2024: £Nil).

13. SHARE BASED PAYMENTS (CONTINUED)

Warrants

Details of the number of warrants and the weighted average exercise price (WAEP) outstanding during the period are as follows:

	31 December 2025		31 December 2024	
	Number	WAEP £	Number	WAEP £
Outstanding at the beginning of the year	26,075,241	0.08281	10,208,574	0.10665
Issued	4,749,000	0.01700	16,666,667	0.05000
Exercised	-	-	-	-
Lapsed	(17,824,017)	(0.06006)	(800,000)	(0.20000)
Outstanding at the end of the year	13,000,224	0.01427	26,075,241	0.08281
Exercisable at year end	13,000,224		26,075,241	

The warrants outstanding at the end of the period have a weighted average remaining contractual life of 2.71 years (31 December 2024: 1.03 years) and have the following exercise prices and fair values at the date of grant:

First exercise date (when vesting conditions are met)	Grant date	Exercise price £	31 December 2025 Number	31 December 2024 Number
25 February 2022	25 February 2022	0.2050	-	1,157,350
1 May 2023	1 May 2023	0.0127	8,251,224	8,251,224
5 April 2024	5 April 2024	0.0500	-	16,666,667
14 July 2025	31 December 2030	0.0170	4,749,000	-
			13,000,224	26,075,241

For those warrants granted where IFRS 2 “Share-Based Payment” is applicable, the fair values were calculated using the Black-Scholes model. The warrants issued on 1 May 2023 were repriced with a new exercise price of 1.27p as a result of the share issue on 14 July 2025, with the resulting increase in the fair value being charged in 2025. The inputs into the model for share based payments recognised in the current were as follows:

	Risk free rate	Share price volatility	Expected life	Share price at date of grant
14 July 2025	3.82%	76.4%	1.86 years	£0.016

The Company recognised total expenses of £39,000 (year ended 31 December 2024: £Nil) relating to equity-settled share-based payment transactions during the period.

14. FINANCIAL INSTRUMENTS

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Board is responsible for co-ordinating the Company's risk management and focuses on actively securing the Company's short to medium term cash flows. Long term financial investments are managed to generate lasting returns.

The Company has purchased shares in Companies which are listed on public trading exchanges such as the LSE, TSX and ASX, and these shares are held as an available-for-sale asset. The most significant risks to which the Company is exposed are described below:

a Credit risk

The Company's credit risk will be primarily attributable to its trade receivables. At 31 December 2025 and 31 December 2024, the Company had no trade receivables and therefore minimal risk arises.

Generally, the Company's maximum exposure to credit risk is limited to the carrying amount of the financial assets recognised at the balance sheet date, as summarised below:

	31 December 2025				31 December 2024			
	Investments (carried at fair value)	Loans and receivables (carried at amortised cost)	Derivative financial assets	Statement of Financial position total	Investments (carried at fair value)	Loans and receivables (carried at amortised cost)	Derivative financial assets	Statement of financial position total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investments (carried at fair value)	6	-	-	6	473	-	-	473
Other long term financial assets	14,125	-	-	14,125	13,329	-	-	13,329
Offtake Agreement	-	63	-	63	-	-	-	-
Other receivables	-	13	-	13	-	75	-	75
Receivables from investee companies	-	3,883	-	3,883	-	3,883	-	3,883
Prepayments and accrued income	-	9	-	9	-	36	-	36
Cash and cash equivalents	-	1,063	-	1,063	-	655	-	655
Total	14,131	5,030	-	19,161	13,802	4,649	-	18,451

Financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

14. FINANCIAL INSTRUMENTS (CONTINUED)

- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgement and considers factors specific to the investment.

Investments

The Company's investment in shares in Listed Companies are included as a financial investment and has been classified as Level 1, as market prices are available, and the market is considered an active, liquid market.

The Company's investment in exploration costs where licences are not 100% owned by the Company, and investments in other companies are classified as non-current Level 3.

The credit risk on liquid funds is limited because the Company only places deposits with leading financial institutions in the United Kingdom.

a Liquidity risk

The Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The Directors prepare rolling cash flow forecasts and seek to raise additional equity funding whenever a shortfall in funding is forecast. Details of the going concern basis of preparing the financial statements are included in the principal accounting policies.

b Market risk

The amount and quality of minerals available and the related costs of extraction and production represent a significant risk to the Company. The Company is exposed to fluctuating commodity prices in respect of the underlying assets. The Company seeks to manage this risk by carrying out appropriate due diligence in respect of the projects in which it invests.

The Company is exposed to the volatility of the stock markets around the world, on which it holds shares in various listed entities, and the fluctuation of share prices of these underlying companies. The Company manages this risk through constant monitoring of its investments share prices and news information but does not hedge against these investments.

c Interest rate risk

The Company only has borrowings at fixed coupon rates and therefore minimal interest rate risk, as this is deemed its only material exposure thereto.

d Foreign exchange risk

The Company had borrowings of £89,000 (USD\$120,000) at 31 December 2025, which are subject to exchange rate fluctuations. The Company had borrowings of £755,000 (USD\$945,000) at 31 December 2024. The Company operates foreign currency bank accounts to help mitigate the foreign currency risk.

12. FINANCIAL INSTRUMENTS (CONTINUED)

Exposure to currency risk Currency risk sensitivity to a +/- 10% change in the exchange rate is shown for the net currency position per currency. The summary of quantitative data relating to the Group's exposure to currency risk as reported to the Group management is as follows.

GBP thousand	USD	AUD	BRL
Exposure	(27)	(74)	1
Sensitivity Analysis (+/-10%)	3	7	-

e Financial liabilities

The Company's financial liabilities are classified as follows:

	31 December 2025			31 December 2024		
	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000	Other financial liabilities at amortised cost £'000	Liabilities not within the scope of IAS 39 £'000	Total £'000
Trade payables	352	-	352	364	-	364
Accruals and deferred income	-	70	70	-	119	119
Tax and social security	31	-	31	-	-	-
Other payables	-	-	-	-	-	-
Borrowings	89	-	89	755	-	755
Total	472	70	542	1,119	119	1,238

Maturity of financial liabilities

All financial liabilities at 31 December 2025 mature in less than one year. 31 December 2024 mature in less than one year.

Borrowing facilities for the period ended 31 December 2025

The Company had no committed and undrawn borrowing facilities at 31 December 2025 (31 December 2024: £Nil).

The Company had no committed undrawn facilities at 31 December 2025 or 31 December 2024.

12. FINANCIAL INSTRUMENTS (CONTINUED)

f Capital risk management

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for the shareholders;
- to support the Company's stability and growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure, to ensure an optimal capital structure, and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes.

15. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Short-term borrowings	Long-term borrowings	Total
1 January 2025	755	-	755
Cash-flows:			
- Loans received	121	-	121
- Interest charged	131	-	131
- Repayments	(674)	-	(674)
Non-cash:			
- Transfer to current	-	-	-
- Amount settled by transfer of asset	(202)	-	(202)
- Adjustment to amount settled through shares	6	-	6
- Unrealised Foreign exchange movement	(48)	-	(48)
31 December 2025	89	-	89

	Short-term borrowings	Long-term borrowings	Total
1 January 2024	933	302	1,235
Cash-flows:			
- Loans received	79	-	79
- Interest charged	265	-	265
- Repayments	(841)	-	(841)
Non-cash:			
- Transfer to current	302	(302)	-
- Unrealised Foreign exchange movement	17	-	17
31 December 2024	755	-	755

16. RELATED PARTY TRANSACTIONS

The Company was charged rent totalling £29,553 by Gunsynd Plc, a company of which Don Strang is a director (2024: £28,221). Of this, £Nil (2024: £11,805) was accrued and £12,360 (2024: £13,833) remained unpaid at 31 December 2025. In addition, £1,200 was recharged at cost in respect of UK entertainment expenses. This agreement was terminated as of 31 December 2025, and the Company has entered into its own lease arrangements thereafter.

Key Management Personnel are considered to be the Company Directors only, and their fees and remuneration are disclosed in the Directors Remuneration on pages 26 to 28, and within Note 2 to the financial statements. As at 31 December 2025, Trade and other payables included amounts totalling £109,000 that were outstanding and payable to the Directors. This comprised £24,000 due to Mr A. Fairbourn, £45,000 due to Mr A. Suckling, and £40,000 due to Mr D. Strang.

17. EVENTS AFTER THE END OF THE REPORTING PERIOD

On 6 January 2026, the State of Amapá environmental authority ("SEMA/AP") granted a Preliminary Environmental Licence ("LP") for the Amapá Iron Ore Project in Brazil, confirming the environmental feasibility of the project at its planned 5.5 Mtpa production capacity and covering the Azteca processing plant and associated mine infrastructure.

On 13 March 2026, the Company announced that detailed engineering studies for the Azteca Plant had been completed and that procurement and contractor mobilisation planning were in place to support the planned refurbishment programme.

On 25 March 2026, LCM Funding SG Pty Ltd issued a Funding Confirmation Notice under the Arbitration Funding Agreement entered into with the Company and its wholly owned subsidiary, REM Mexico Limited, in relation to legal claims concerning the Sonora Lithium Project in Mexico under the UK-Mexico BIT. The funding arrangement provides non-recourse litigation funding for legal fees and disbursements associated with the arbitration proceedings.

On 10 April 2026, the Company issued 12,000,000 ordinary shares of 1 pence each to the Rare Earth Minerals Employee Benefit Trust ("EBT") at par value for total consideration of £120,000 in connection with the Group's employee share incentive arrangements.

On 5 May 2026, DEV Mineração S.A., owner and operator of the Amapá Iron Ore Project in Brazil, received Installation Licence No. 006/2026 from SEMA/AP, authorising refurbishment, construction and installation works at the Amapá site, including the recommissioning of the Azteca processing plant.

On 6 May 2026, the Company granted 21,280,000 share options to directors and PDMRs under its share option scheme, exercisable at 6 pence per share and expiring on 31 December 2031.

18. ULTIMATE CONTROLLING PARTY

In the opinion of the directors, there is no controlling party.