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Firering Strategic Minerals PLC
29 June 2022

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29 June 2022

Firering Strategic Minerals plc

("Firering" or "the Company")

2021 Final Results and Notice of AGM

Firering Strategic Minerals plc, an exploration company focusing on critical minerals, is pleased to release its Final Results for the year ended 31 December 2021 . The Company also gives notice that its Annual General Meeting ('AGM') will be held at Hill Dickinson LLP, The Broadgate Tower, 20 Primrose Street, London EC2A 2EW on 26 July 2022 at 1.00pm BST. The Notice of AGM and Annual Report & Accounts will be sent to shareholders and will also made available to download later today on the Company's website www. fireringplc .com .

Operational and Corporate Highlights

· Successful listing in November 2021 on the London Stock Exchange's Alternative Investment Market ("AIM") raising £4 million.

· Appointment of contractors to support a comprehensive exploration programme at the Atex Lithium-Tantalum Project in Côte d'Ivoire ('Atex' or 'the Project').

· Start of a two-year exploration programme at Atex Lithium-Tantalum Project to determine the extent and depth of the potentially lithium bearing pegmatites and define potential coltan resources with the arrival of the first auger drill on site in December 2021.

· Acquisition of 51% of Alliance Minerals Corporation SARL issued share capital expanding the Company's mineralised footprint and consolidating its position in this region of Cote d'Ivoire.

Post Period Highlights

· Completion of first phase of exploration work, which included detailed geological mapping of the Atex licence area, auger drilling, trenching and soil sampling at, around and along strike from Spodumene Hill confirming a pegmatite zone of at least 13 km x 4 km (NNE-SSW-oriented field), much larger than anticipated.

· Appointment of Diamond Drilling Contractor to spearhead core drilling campaign at Atex targeting the pegmatites.

· Commencement of drilling programme at Atex in late June 2022.

· Acquisition of Toura Nickel-Cobalt Licence, Côte d'Ivoire, which is in line with the Company's strategy to focus on critical metals.

Yuval Cohen, Chief Executive of Firering, said:

"The last seven months have been transformational for the Company. The funds raised when we listed in November 2021 have been instrumental to the significant progress made on the ground. We wasted no time in putting these funds to good use by engaging contractors and starting, what will be a two-year long exploration campaign at Atex.

"Auger drilling, soil sampling and mapping work completed during these last seven months confirmed what we suspected: the presence of a much larger pegmatite field and the potential for a significant lithium resource. Looking ahead, the Company is now commencing the first of two planned diamond drilling campaigns targeting these pegmatites. Demand for our metals, particularly lithium, continues to grow, led by the EV market. We remain well positioned to capitalise on this demand and very much look forward to a busy and successful 2022."

Chairman's Statement

It is safe to say that 2021 was the most pivotal and momentous year yet in our short life, since Firering was founded in 2019. We spent the majority of 2021 preparing for our listing on AIM in November 2021 and our life as a public company got off to a flying start, raising £4 million to fund our flagship Atex Lithium-Tantalum Project.

Our successful debut in London was a clear reflection of the whetted appetite investors now have for strategic minerals crucial for the Net Zero transition including lithium, nickel, tantalum and niobium. Cote d'Ivoire is an African nation which is underexplored but offers huge mineral potential with a stable government and strong rule of law.

Swiftly in the wake of our successful IPO, we pushed ahead with a two-year exploration campaign at our flagship Atex Lithium-Tantalum Project, which included detailed geological mapping of the Atex licence area, auger drilling, and trenching and soil sampling at and along strike from Spodumene Hill confirming a pegmatite zone of at least 13 km x 4 km (NNE-SSW-oriented field), much larger than anticipated. This marked a follow up from our exploratory work at Atex conducted earlier in 2021, where grab samples showed high-grade lithium oxide up to 4.91% and tantalum up to 1,610 ppm.

Phase 1 of our inaugural drilling programme at Atex marked a huge milestone for us - starting off, in December 2021, with an auger drilling campaign carried out by Royal Mining and which was completed during Q1 2022. This is now being followed by the commencement of a 3,000m core drilling campaign in July 2022 carried out by FOREMI. A Phase 2 campaign is planned for later in 2022. This work will help determine the extent and depth of the pegmatites at Atex and assist in defining a maiden lithium and coltan resource. A total of 2,579 metres of auger drilling were completed and 2,814 samples were sent to Intertek Laboratories in Yamoussoukro and Perth for sample preparation and assaying. Assay and geological mapping results were used to define the diamond drill targets.

Intertek assay results confirmed the presence of pegmatite mineralisation, reinforcing the board's firm belief that Atex has the potential to become Africa's next significant lithium pegmatite and coltan resource.

On 9 December 2021, we finalised the acquisition of 51% of Alliance Minerals Corporation SARL ("Alliance") for FCFA150,000,000 (€230,000) - securing a controlling stake in the licence application adjacent to Atex, which is partially contiguous. This 365 km2 area helps to consolidate our position and offers the potential of an extension to the Atex pegmatites or a secondary deposit.

Although our focus is on Atex for now, Firering has other licences under application throughout the underexplored Cote d'Ivoire, which when granted, will be pursued in the future. A plethora of other new and exciting opportunities in the strategic metals space exists across the country, which Firering is actively exploring. Building a strong portfolio of producing mineral assets in West Africa is our core aim.

There is no doubt that the transition to clean energy is the immediate future, driven by an increasing demand in battery-powered vehicles and the implementation of clean energy technologies. And, as a result, the world will see an increase in demand for critical minerals such as lithium, tantalum, nickel and niobium to help build the necessary infrastructure and green technology to deliver this urgent transition to a cleaner, zero carbon future. Firering hopes to play a key role in this transition and we look forward to updating the market on our successful exploration at Atex and in our additional licence areas.

Youval Rasin

Non-Executive Chairman

Non-Executive Chairman

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	31 December 2021	31 December 2020
		Euros in thousands	
CURRENT ASSETS			
Cash and cash equivalents		3,384	380
Other receivables		30	1
Total current assets		3,414	381
NON-CURRENT ASSETS			
Intangible assets	7	2,073	642
Property, plant and equipment	8	305	314
Total non-current assets		2,378	956
Total assets		5,792	1,337

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	31 December 2021	31 December 2020
		Euros in thousands	
CURRENT LIABILITIES			
Trade payables		150	14
Other payables		102	442
Convertible loan notes	9	-	723
Lease liabilities		-	21
Capital note		214	475
Total current liabilities		466	1,675
NON-CURRENT LIABILITIES			
Accrued severance pay, net		8	-
Capital notes	10	514	-
Loan from non-controlling interest in subsidiary	11	92	(*)218
Liability to non-controlling interest in subsidiary	6	130	-
Total non-current liabilities		744	218
Total liabilities		1,210	1,893
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	12		
Share capital		87	1
Share premium		6,878	-
Warrants		20	-

Accumulated deficit	(2,973)	(697)
Shares to be issued	-	50
Capital reserve	327	-
	4,339	(646)
Non-controlling interests	243	90
Total equity	4,582	(556)
Total liabilities and equity	5,792	1,377

(*) Reclassified

The accompanying notes form an integral part of the consolidated financial statements.

June 28, 2022.			
Date of approval of the financial statements	Yuval Rasin Director and Chief Executive Officer	Yuval Cohen CEO	Timothy Daniel CFO

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Note	**Year ended 31 December**	
		2021	**2020**
	Note	**Euros in thousands (except per share amounts)**	
General and administrative expenses	13	(929)	(491)
Operating loss		(929)	(491)
Financial expenses	14	(1,373)	(7)
Loss before taxes on income		(2,302)	(498)
Taxes on income	15	-	-
Net loss		(2,302)	(498)
Other comprehensive loss		-	(8)
Total comprehensive loss		(2,302)	(506)
Net loss attributable to:			
Equity holders of the Company		(2,276)	(454)
Non-controlling interests		(26)	(44)
		(2,302)	(498)
Total comprehensive loss attributable to:			
Equity holders of the Company		(2,276)	(462)
Non-controlling interests		(26)	(44)
		(2,302)	(506)

	Note		
Loss per share (euro)	16	(0.06)	(0.00)

The accompanying notes form an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company								
	Share capital	Share Premium	Warrants	Shares to be issued	Reserves (*)	A accumulated deficit	Total	Non-controlling interests	Total Equity
	Euros in thousands								
As at 1 January 2020	1	-	-	50		(235)	(184)	134	(50)
Loss for the period	-	-	-	-		(454)	(454)	(44)	(498)
Other comprehensive income	-	-	-	-		(8)	(8)	-	(8)
As at 31 December 2020	1			50		(697)	(646)	90	(556)
Loss for the period	-	-	-	-		(2,276)	(2,276)	(26)	(2,302)
Issuance of shares (Note 15)	71	3,962	20	(50)			4,003		4,003
Conversion to equity of convertible loan notes (Note 10)	15	2,216	-	-	-	-	2,231	-	2,231
Share-based compensation (Note 12)	-	700	-	-		-	700	-	700
Contribution to equity (Note 11)	-	-	-	-	327		327	31	358
Non-controlling interests arising from initially consolidated subsidiary (Note 6)	-	-	-	-	-	-	-	148	148
As at 31 December 2021	87	6,878	20	-	327	(2,973)	4,339	243	4,582

(*) See Note 12d for details of reserves.

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year ended 31 December	
	2021	2020
	Euros in thousands	
Cash flows from operating activities:		
Net loss	(2,302)	(498)
Adjustments to the profit or loss items:		
Depreciation	151	82
Share-based compensation	700	-
Accrued interest on convertible loan notes	111	-
Change in fair value of conversion option of convertible loan notes	669	-
Accrued interest on capital note and Loans from non-controlling interest in subsidiary	17	-
Decrease (Increase) in other receivables	(29)	-
Increase (decrease) in trade payables	145	-
Increase (decrease) in other payables	(156)	273
Increase in severance pay	8	-
	1,616	355
Net cash used in operating activities	(686)	(143)
Cash flows from investing activities:		
Net cash outflow from acquisition of subsidiaries	(289)	-
Additions to property, plant and equipment	(142)	(70)
Additions to intangible assets	(863)	(87)
Net cash used in Investing activities	(1,294)	(157)
Cash flows from financing activities:		
Issuance of shares	4,004	-
Payments on leases		(8)
Proceed (Repayment) of loans from shareholders	254	(35)
Proceeds from the issue of convertible loans	726	723
Net cash provided by financing activities	4,984	680
Net change in cash and cash equivalents	3,004	380
Cash and cash equivalents at beginning of year	380	-
Cash and cash equivalents at end of year	3,384	380

Supplemental disclosure of non-cash activities:	
Issuance of shares in consideration for conversion of convertible loan notes	2,231
Discount on loans from shareholders and non-controlling interests accounted for as contributions to equity	358

The accompanying notes are an integral part of the consolidated financial statements.

NOTE 1:- GENERAL INFORMATION

Firering Strategic Minerals PLC (formerly "Firering Holdings Limited") ("The Company") is a holding company for a group of exploration and development companies set up to focus on developing assets towards the ethical production of critical metals. The Company was incorporated on 8 May 2019 in Cyprus. The address of its registered office is Ioanni Stylianou 6, 2nd Floor, Office 202, 2003, Nicosia, Cyprus.

The Company owns 75% of the issued share capital of Bri Coltan SARL ("Bri Coltan") a company incorporated in Cote d'Ivoire. The principal activity of the subsidiary is the exploration and development of mineral projects (in particular, columbite- tantalite).

On 1 March 2021, the Company purchased 51% of the issued share capital of Atex Mining Resources SARL ("Atex") a company incorporated in Cote d'Ivoire. The principal activity of Atex is the exploration and development of mineral projects (in particular, lithium and columbite-tantalite). Details of the acquisition are set out in Note 6.

On 22 November 2021, the Company purchased 80% of the issued share capital of Alliance Minerals Corporation SARL ("Alliance"). A company incorporated in Cote d'Ivoire. Alliance holds an exploration license request at an area bordering Atex. Details of the acquisition are set out in Note 6.

On 12 November 2021, the Company completed its Initial Public Offering ("IPO") and admission to trading on the AIM, a market operated by the London Stock Exchange ("the AIM"), by issuing 30,769,230 Ordinary shares at a price of £ 0.13 per share for a total cash consideration of € 4.68 million (£ 4 million). The net proceeds after expenses were €4.25 million (£ 3.63 million).

Going concern

The Group's operations are at an early stage of development and the continuing success of the Group will depend on the Group's ability to manage its mineral projects. Presently, the Group has no projects producing positive cash flow and the Group is likely to remain cash flow negative in the near future. The Group's ultimate success will depend on its ability to generate positive cash flow from active mining operations in the future and its ability to secure external funding for its development requirements. However, there is no assurance that the Group will achieve profitability or positive cash flow from its operating activities,

The Board of Directors and Group management have assessed the ability of the Group to continue as a going concern. Based on a review of the Group's budget and forecast cash flows, there is a reasonable expectation that the Group will have adequate resources to continue in operational existence and meet its obligations as they become due for at least a period of twelve months from the date of approval of the financial statements. Thus, the going concern basis of accounting has continued to be applied in preparing these financial statements.

The recent outbreak of COVID-19 had no significant impact on the Company's operations during 2021. The outbreak of COVID-19 may resume its negative effect on economic conditions regionally as well as globally, disrupt operations situated in countries particularly exposed to the contagion, affect the Company's suppliers or business practices previously applied by those entities, or otherwise impact the Company's activities. Governments in affected countries have imposed travel bans, quarantines and other emergency public safety measures. Those measures, though apparently temporary in nature, may continue and increase depending on developments in the COVID-19 pandemic. The ultimate severity of the COVID-19 outbreak is uncertain at this time and therefore the Company cannot reasonably estimate the impact it may have on its end markets and its future revenues, profitability, liquidity and financial position.

Definitions:

The Company	-	Firering Strategic Minerals PLC (formerly "Firering Holdings Limited")	
Subsidiaries	-	Companies that are controlled by the Company - Bri Coltan SARL; Atex Mining Resources SARL & Alliance Minerals Corporation SARL	-
The Group	-	The Company and its subsidiaries	

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been applied consistently in the financial statements for all periods presented, unless otherwise stated.

a. <u>Basis of preparation of the financial statements</u>

These financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

The financial statements have been prepared on a cost basis, except for financial liability (embedded loan conversion option) which is presented at fair value through profit or loss.

The Group has elected to present the profit or loss items using the function of expense method.

b. Consolidation

Subsidiaries are all entities over which the Group has control.The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power over the entity. Subsidiaries are

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of the Company and of the subsidiaries are prepared as of the same dates and periods. The consolidated financial statements are prepared using uniform accounting policies by all companies in the Group. Significant intragroup balances and transactions and gains or losses resulting from intragroup transactions are eliminated in full in the consolidated financial statements.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as a change in equity by adjusting the carrying amount of the non-controlling interests with a corresponding adjustment of the equity attributable to equity holders of the Company less / plus the consideration paid or received.

c. Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquire on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Direct acquisition costs are recorded in profit or loss as incurred.

d. Functional currency, presentation currency and foreign currency:

1. <u>Functional and presentation currency</u>

The local currency used in Cote d'Ivoire is the West African CFA Franc ("FCFA"), which has a fixed exchange rate with the Euro (Euro 1 = FCFA 655.957). A substantial portion of the Group's expenses and expenditures for acquisitions is incurred in or linked to the FCFA or the Euro. The Group obtains certain debt financing in FCFA, or Euro and the funds of the Group are held in FCFA. Therefore, the Company's management has determined that the Euro is the currency of the primary economic environment of the Company and its subsidiaries, and thus its functional currency. The presentation currency is Euro.

2. <u>Transactions, assets and liabilities in foreign currency</u>

Transactions denominated in foreign currency are recorded upon initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at each reporting date into the functional currency at the exchange rate at that date. Exchange rate

differences, other than those capitalized to qualifying assets or accounted for as hedging transactions in equity, are recognized in profit or loss. Non-monetary assets and liabilities denominated in foreign currency and measured at cost are translated

at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined.

e. Cash equivalents:

Cash equivalents are considered as highly liquid investments, including unrestricted short-term bank deposits with an original maturity of three months or less from the date of investment or with a maturity of more than three months, but which are redeemable on demand without penalty and which form part of the Group's cash management.

f. Property, plant and equipment

Property, plant and equipment are measured at cost, including directly attributable costs, less accumulated depreciation, accumulated impairment losses and any related investment grants and excluding day-to-day servicing expenses. Cost includes spare parts and auxiliary equipment that are used in connection with plant and equipment.

The cost of an item of property, plant and equipment comprises the initial estimate of the costs of dismantling and removing the item and restoring the site on which the item is located.

Depreciation is calculated on a straight-line basis over the useful life of the assets at annual rates as follows:

	%
Plant and equipment	18%
Motor vehicles	33%

The useful life, depreciation method and residual value of an asset are reviewed at least each year-end and any changes are accounted for prospectively as a change in accounting estimate. Depreciation of assets is discontinued the earlier of the date on which the asset is classified as held for sale, or the date on which the asset is derecognized.

g. Impairment of non-financial assets:

The Group evaluates the need to record an impairment of non-financial assets whenever events or changes in circumstances indicate that the carrying amount is not recoverable.

If the carrying amount of non-financial assets exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the higher of fair value less costs of sale and value in use. In measuring value in use, the expected future cash flows are discounted using a pre-tax discount rate that reflects the risks specific to the asset. The recoverable amount of an asset that does not generate independent cash flows is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in profit or loss.

An impairment loss of an asset, other than goodwill, is reversed only if there have been changes in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. Reversal of an impairment loss, as above, shall not be increased above the lower of the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior years and its recoverable amount. The reversal of impairment loss of an asset presented at cost is recognized in profit or loss.

h. Intangible assets

The Group has adopted the provisions of IFRS 6 Exploration for and Evaluation of Mineral Resources.

The Group capitalizes expenditures incurred in exploration and evaluation activities as project costs, categorized as intangible assets (exploration and evaluation assets), when those costs are associated with finding specific mineral resources. The Group has a policy to expense to the statement of income all short term (i.e., less than 12 months) rental of tools and other equipment, in the same period in which the relevant equipment is used. Expenditure included in the initial measurement of project costs and which are classified as intangible assets relate to the acquisition of rights to explore. Capitalization of pre-production expenditure ceases when the mining property is capable of commercial production. Project costs are recorded and held at cost and no amortization is recorded prior to commencement of production.

An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalize and carry forward project costs in relation to that area of interest, in accordance with the indicators of impairment as set out in IFRS 6. Accumulated capitalized project costs in relation to (i) an expired permit (with no expectation of renewal), (ii) an abandoned area of interest and / or (iii) a joint venture over an area of interest which is now ceased, will be

written off in full as an impairment to the statement of income in the year in which (i) the permit expired, (ii) the area of interest was abandoned and / or (iii) the joint venture ceased.

Other intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating

units). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

i. Financial instruments:

1. Financial assets:

Financial assets are measured upon initial recognition at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets, except for financial assets measured at fair value through profit or loss in respect of which transaction costs are recorded in profit or loss.

The Group classifies and measures debt instruments in the financial statements based on the

The Group classifies and measures debt instruments in the financial statements based on the following criteria:

- The Group's business model for managing financial assets; and

- The contractual cash flow terms of the financial asset.

Debt instruments are measured at amortized cost when:

The Group's business model is to hold the financial assets in order to collect their contractual cash flows, and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial recognition, the instruments in this category are measured according to their terms at amortized cost using the effective interest rate method, less any provision for impairment.

On the date of initial recognition, the Group may irrevocably designate a debt instrument as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency, such as when a related financial liability is also measured at fair value through profit or loss.

2. Impairment of financial assets:

The Group evaluates at the end of each reporting period the loss allowance for financial debt instruments which are not measured at fair value through profit or loss.

The Group has short-term financial assets such as trade receivables in respect of which the Group applies a simplified approach and measures the loss allowance in an amount equal to the lifetime expected credit losses. An impairment loss on debt instruments measured at amortized cost is recognized in profit or loss with a corresponding loss allowance that is offset from the carrying amount of the financial asset.

3. Financial liabilities:

a) Financial liabilities measured at amortized cost:

Financial liabilities are initially recognized at fair value less transaction costs that are directly attributable to the issue of the financial liability.

After initial recognition, the Group measures all financial liabilities at amortized cost using the effective interest rate method, except for financial liabilities measured at fair value through profit or loss.

Financial liabilities measured at profit or loss include an embedded derivative (loan conversion option). At initial recognition, the Group measures these financial liabilities at fair value. Transaction costs are recognized in profit or loss. After initial recognition, changes in fair value are recognized in profit or loss.

4. Derecognition of financial instruments:

a) Financial assets:

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire.

b) Financial liabilities:

A financial liability is derecognized when it is extinguished, that is when the obligation is discharged or cancelled or expires.

j. Borrowing costs:

The capitalization of borrowing costs commences when expenditures for the asset are incurred, the activities to prepare the asset are in progress and borrowing costs are incurred and ceases when substantially all the activities to prepare the qualifying asset for its intended use or sale are complete. The amount of borrowing costs capitalized in a reporting period includes specific borrowing costs and general borrowing costs based on a weighted capitalization rate.

Exploration and evaluation assets can be qualifying assets. However, they generally do not meet the "probable economic benefits" test. Therefore, any related borrowing costs are generally recognized in profit or loss in the period incurred.

k. Share capital

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

l. Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Fair value measurement is based on the assumption that the transaction will take place in the asset's or the liability's principal market, or in the absence of a principal market, in the most advantageous market.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities measured at fair value or for which fair value is disclosed are categorized into levels within the fair value hierarchy based on the lowest level input that is significant to the entire fair value measurement:

Level 1	-	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2	-	inputs other than quoted prices included within Level 1 that are observable either directly or indirectly.
Level 3	-	inputs that are not based on observable market data (valuation techniques which use inputs that are not based on observable market data).

m. Provisions

The Group provides for the costs of restoring a site where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. All provisions are discounted to their present value.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

n. Taxes on income

Current or deferred taxes are recognized in profit or loss, except to the extent that they relate to items which are recognized in other comprehensive income or equity.
1. Current taxes:

The current tax liability is measured using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period as well as adjustments required in connection with the tax liability in respect of previous years.

2. Deferred taxes

Deferred taxes are computed in respect of temporary differences between the carrying amounts in the financial statements and the amounts attributed for tax purposes.

Deferred taxes are measured at the tax rate that is expected to apply when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is not probable that they will be utilized. Temporary differences for which deferred tax assets had not been recognized are reviewed at each reporting date and a respective deferred tax asset is recognized to the extent that their utilization is probable.

Taxes that would apply in the event of the disposal of investments in investees have not been taken into account in computing deferred taxes, as long as the disposal of the investments in investees is not probable in the foreseeable future.
Also, deferred taxes that would apply in the event of distribution of earnings by investees as dividends have not been taken into account in computing deferred taxes, since the distribution of dividends does not involve an additional tax liability or since it is the Company's policy not to initiate distribution of dividends from a subsidiary that would trigger an additional tax liability.

o. Revenue recognition

The Group had no sales or revenue during the years ended 31 December 2021 and 2020.

p. Leases

The Group leases various offices, equipment and vehicles. Rental contacts are typically made for fixed periods of 12 months but may have extension options. As of 31 December 2021, all Group leases are for terms of up to 12 months or for which the underlying asset is of low value. For these leases, the Group has elected to recognize the lease payments as an expense in profit or loss on a straight-line basis over the lease term.

q. Share-based payment transactions:

The Company's employees and other service providers are entitled to remuneration in the form of equity-settled share-based payment transactions and certain employees and other service providers are entitled to remuneration in the form of cash-settled share-based payment transactions that are measured based on the increase in the Company's share price.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Equity-settled transaction

The cost of equity-settled transactions with employees is measured at the fair value of the equity instruments granted at grant date. The fair value is determined using an acceptable option pricing model.

As for other service providers, the cost of the transactions is measured at the fair value of the goods or services received as consideration for equity instruments granted.

The cost of equity-settled transactions is recognized in profit or loss together with a corresponding increase in equity during the period which the performance and/or service conditions are to be satisfied ending on the date on which the relevant employees become entitled to the award ("the vesting period"). The cumulative expense recognized for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether the market condition is satisfied, provided that all other vesting conditions (service and/or performance) are satisfied.

If the Company modifies the conditions on which equity-instruments were granted, an additional expense is recognized for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee/other service provider at the modification date.

If a grant of an equity instrument is canceled, it is accounted for as if it had vested on the cancelation date and any expense not yet recognized for the grant is recognized immediately. However, if a new grant replaces the canceled grant and is identified as a

replacement grant on the grant date, the canceled and new grants are accounted for as a modification of the original grant, as described above.

r. Earnings (loss) per share:

Earnings per share are calculated by dividing the net income attributable to equity holders of the Company by the weighted number of Ordinary shares outstanding during the period.

Potential Ordinary shares are included in the computation of diluted earnings per share when their conversion decreases earnings per share from continuing operations. Potential Ordinary shares that are converted during the period are included in diluted earnings per share only until the conversion date and from that date in basic earnings per share. The Company's share of earnings of investees is included based on its share of earnings per share of the investees multiplied by the number of shares held by the Company

NOTE 3:- FINANCIAL RISK MANAGEMENT

a. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk and credit risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management is carried out by the management team under policies approved by the Board of Directors.

1. Market risk

The Group is exposed to market risk, primarily relating to interest rate, foreign exchange and commodity prices. The Company does not hedge against market risks as the exposure is not deemed sufficient to enter into forward contracts. The Company has not sensitized the figures for fluctuations in interest rates, foreign exchange or commodity prices as the Directors are of the opinion that these fluctuations would not have a significant impact on the consolidated financial statements of the Company at the present time. The Directors will continue to assess the effect of movements in market risks on the Group's financial operations and initiate suitable risk management measures where necessary.

2. Credit risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. To manage this risk, The Company periodically assesses the financial reliability of customers and counterparties.

The amount of exposure to any individual counterparty is subject to a limit, which is assessed by the Board of Directors.

The Company considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

b. Capital risk management

The Company's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to enable the Company to continue its material development activities, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the issue of shares or sell assets to reduce debts.

The Company defines capital based on the total equity of the Company. The Company monitors its level of cash resources available against future planned operational activities and may issue new shares in order to raise further funds from time to time.

NOTE 4:- SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS USED IN THE PREPARATION OF THE FINANCIAL STATEMENTS

a. Judgments:

In the process of applying the significant accounting policies, the Group has made the following judgments which have a significant effect on the amounts recognized in the financial statements:

Determining the fair value of share-based payment transactions:

The fair value of share-based payment transactions is determined upon initial recognition by an acceptable option pricing model. The inputs to the model include share price, exercise price and assumptions regarding expected volatility, expected life of share option and expected dividend yield.

b. Estimates and assumptions:

The preparation of the financial statements requires management to make estimates and assumptions that have an effect on the application of the accounting policies and on the reported amounts of assets, liabilities, revenues and expenses. Changes in accounting estimates are reported in the period of the change in estimate.

Significant items subject to such estimates and assumptions are as follows:

Intangible assets - exploration and evaluation assets

An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalize and carry forward project costs in relation to that area of interest in accordance with the indicators of impairment as set out in IFRS 6. The annual review includes an assessment of budgeted and planned expenditures and indications of whether sufficient data exist to determine recovery of accumulated capitalized project costs.

NOTE 5:- DISCLOSURE OF NEW STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION

a. Amendment to IAS 16, "Property, Plant and Equipment":

In May 2020, the IASB issued an amendment to IAS 16, "Property, Plant and Equipment" ("the Amendment"). The Amendment prohibits a company from deducting from the cost of property, plant and equipment ("PP&E") consideration received from the sales of items produced while the company and equipment ("PP&E") consideration received from the sales of items produced while the company is preparing the asset for its intended use. Instead, the company should recognize such consideration and related costs in profit or loss.

The Amendment is effective for annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. The Amendment is to be applied retrospectively, but only to items of PP&E made available for use on or after the beginning of the earliest period presented in the financial statements in which the company first applies the Amendment. The company should recognize the cumulative effect of initially applying the Amendment as an adjustment to the opening balance of retained earnings at the beginning of the earliest period presented.

The Company estimates that the application of the Amendment is not expected to have a material impact on the financial statements.

NOTE 5:- DISCLOSURE OF NEW STANDARDS IN THE PERIOD PRIOR TO THEIR ADOPTION (Cont.)

b. Amendment to IAS 37, "Provisions, Contingent Liabilities and Contingent Assets":

In May 2020, the IASB issued an amendment to IAS 37, regarding which costs a company should include when assessing whether a contract is onerous ("the Amendment"). According to the Amendment, costs of fulfilling a contract include both the incremental costs (for example, raw materials and direct labor) and an allocation of other costs that relate directly to fulfilling a contract (for example, depreciation of an item of property, plant and equipment used in fulfilling the contract).

The Amendment is effective for annual periods beginning on or after January 1, 2022 and applies to contracts for which all obligations in respect thereof have not yet been fulfilled as of January 1, 2022. Early application is permitted.

The Company estimates that the application of the Amendment is not expected to have a material impact on the financial statements.

c. Amendment to IAS 1, "Presentation of Financial Statements":

In January 2020, the IASB issued an amendment to IAS 1, "Presentation of Financial Statements" ("the Amendment") regarding the criteria for determining the classification of liabilities as current or non-current.

The Amendment includes the following clarifications:

· What is meant by a right to defer settlement;
· That a right to defer must exist at the end of the reporting period;
· That classification is unaffected by the likelihood that an entity will exercise its deferral right;
· That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The Amendment is effective for annual periods beginning on or after January 1, 2023 and must be applied retrospectively. Early application is permitted

The Company is evaluating the possible impact of the Amendment on its current loan agreements.

NOTE 6: - ACQUISITION OF SUBSIDIARIES

A. Acquisition of Atex Mining Resources SARL

On 1 March 2021, the Company purchased 51% of the issued share capital of Atex Mining Resources SARL ("ATEX") for a total consideration of 40m FCFA (€61 thousands). Atex holds a license that covers exploration rights for lithium in a certain area in Cote d'Ivoire. The license which was granted in 2017 was renewed in 2021 for a period ending in 2024.

In addition, the Company was granted an option to acquire a further total 39% of the issued share capital of Atex in two stages. The first stage is an option to acquire a further 16% during the 12 months following the acquisition for a total consideration of 210m FCFA (€320 thousand). The second stage is an and additional option to acquire a further 23% during the 24 months following the acquisition for a total consideration of 300m FCFA (€450 thousand).
Pursuant to the agreement, it has been agreed that the Company will procure that the Seller is paid a net smelter royalty equal to 0.5% of net smelter returns, such royalty to be paid each trimester
These royalties will be recorded when production commences, and the project generates net smelter returns.

Non-current assets	
Intangible Assets	120
Current liabilities	
Trade and other payables	(1)
Net Assets	119

At the date of acquisition, the exploration license and related capitalized exploration costs are the sole asset of Atex. Atex had no employees. Accordingly, the purchase transaction is accounted for as an acquisition of an intangible asset.

The Company has determined that as of the acquisition date the fair value of the options to acquire an additional 39% interest in Atex is immaterial and accordingly no portion of the consideration paid has been attributed to these options.

Pursuant to IFRS 3, the Company records the intangible asset and liability at them
fair value on date of acquisition. Details of the net assets acquired, and the non-controlling interests are as follows:

Intangible asset	120
Liabilities acquired	(1)
Net assets acquired	119
Non-controlling interest (49%)	(58)
Total purchase cost and cash paid	61

NOTE 6: - ACQUISITION OF SUBSIDIARY (Cont.)

B. Acquisition of Alliance Minerals Corporation SARL

On 22 November 2021, the Company purchased 51% of the issued share capital of Alliance Minerals Corporation SARL ("Alliance") for a total consideration of €228 thousand, executing the first stage of the purchase agreement with Alliance Minerals Corporation SARL ("Alliance") and setting out the Company's commitment to purchase a total of 80% of the entire issued share capital of Alliance. The payments for the acquisition of shares will take place in four stages as follows:

- 51% of the entire issued share capital of Alliance for a total consideration of 150 million FCFA (€228 thousand) to be paid within 10 days of Admission. As mentioned above, this stage was executed on 22 November 2021.
- 7.25% of the issued share capital of Alliance for 100 million FCFA (€152 thousands) following the analysis at least 1,000 tons of coltan, calculated based on the Auger drilling program.
- 7.25% of the issued share capital of Alliance for 100 million FCFA (€152 thousands) following the analysis at least 1,000 tons of coltan, calculated based on the RC drilling program.
- 14.5% of the issued share capital of Alliance for 200 million FCFA (€304 thousands) following a commercial reserve.

Pursuant to the agreement, it has been agreed that the Company will procure that the Seller is paid a net smelter royalty equal to 0.5% of net smelter returns, such royalty to be paid each trimester.
These royalties will be recorded when production commences, and the project generates net smelter returns.

Alliance has applied for an exploration license adjacent to the Atex project. At the date of acquisition, the license application is the sole asset of Alliance. Alliance has no employees. Accordingly, the purchase transaction is accounted for as an acquisition of an intangible asset.

The Company is accounting for the commitment to purchase the additional 29% interest in Alliance as a forward purchase contract. Accordingly, a liability in the amount of €130 thousand has been recorded at the acquisition date based on the estimated timing of the future payments discounted at a rate of 24% (level 3 of the fair value hierarchy).
Pursuant to IFRS 3, the Company records the intangible asset at its
fair value on date of acquisition as follows:

Intangible asset	448
Non-controlling interests (20%)	(90)
Total purchase cost	358
Comprised of:	
Cash consideration	228

Liability for forward purchase	130
Total	358

The Company has agreed that it will fund the exploration activities of Alliance for a period of 24 months following completion of the share purchase agreement and receiving the exploration license in the estimated amount of 550 million FCFA (€836 thousand)

NOTE7: - INTANGIBLE ASSETS

Intangible assets relate to project costs capitalized as at 31 December 2021 and 2020.

	31 December	
	2021	2020
	Euros in thousands	
As at 1 January	642	555
Acquired through business combinations (Note 6)	568	-
Additions (see below)	863	87
As at 31 December	2,073	642

Additions were all in respect of exploration and evaluation activities.

NOTE 8: - PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment	Motor vehicles	Computers, peripheral equipment & furniture	Right of use assets	Total
	Euros in thousands				
Cost					
As at 1 January 2020	319	7	-	-	326
Additions	40	-	-	30	70
As at 31 December 2020	359	7	-	30	396
Additions	17	100	25	-	142
As at 31 December 2021	376	107	25	30	538
Depreciation					
As at 1 January 2020	-	-	-	-	-
Charge for the year	74	7	-	1	82
As at 31 December 2020	74	7	-	1	82
Charge for the year	116	2	4	29	151
As at 31 December 2021	190	9	4	30	233
Net carrying amount					
As at 31 December 2021	186	98	21	-	305
As at 31 December 2020	285	-	-	29	314

NOTE 9: - CONVERTIBLE LOAN NOTES

On 2 November 2020 the Company executed a convertible loan note instrument pursuant to which the Company was authorized to issue up to £1,000,000 unsecured loan notes for general working capital purposes and to advance the Company's proposed IPO. The Company also executed a supplement loan note instrument on 4 February 2021 constituting a further £300,000 of convertible loan notes on the same terms (together the "Loan Note Instruments"). Interest accrues in respect of the Loan Notes at the rate of 10% per annum, compounded on a daily basis.
As at the date of the IPO and admission to trading the Company had issued €1,441 thousands (£1,231 thousands) pursuant to the Loan Note Instruments. The Loan Notes shall be converted into fully paid New Ordinary Shares on Admission at an issue price equal to the Placing Price less 30%.

On admission date, the Loan Notes and accumulated interest totaling to €1,562 thousand (£1,334 thousand) were converted to 14,660,746 Ordinary shares of the Company with a market value of € 2,231 thousand based on preferred conversion price of £0.091 per share that represents 30% discount to the share price on admission. The fair value of the conversion option equivalent to €699 thousand (£572 thousands) was recorded as financial expense in 2021 (see also Note 18).

As of 31 December 2020, the Company had issued €717 thousand pursuant to the Loan Note Instruments. The present value of the liability was calculated using cash flows discounted at a rate based on a borrowings rate of 11%, estimated as being a market value interest for similar loans without the conversion option. The difference between the book value and present value is
immaterial and as such no amount was recognized in equity in respect of the conversion option.

NOTE 10: - CAPITAL NOTES

The capital notes are comprised of two notes in the face amounts of €393 thousand and €350 thousand, which do not bear interest and for which the repayment terms commencing from November 2021 are as follows:

Capital note of €393 thousand - (i) no repayment shall take place within two years of Admission (ii) repayment can only be made after the Company has achieved a market capitalization of £50 million (iii) the Company must have minimum cash on hand of 5x the outstanding debt, with sufficient funds for the Company to operate for a two-year period and (iv) any repayment will be subject to final approval of the Directors of the Company.

Capital note to shareholders and officers for services during the period from 1 June 2019 until 30 June 2021 totaling to €350 thousand (i) no repayment shall take place within two years of Admission (ii) the Company must have minimum cash on hand of 5x the outstanding debt, with sufficient funds for the Company to operate for a two-year period and (iii) any repayment will be subject to final approval of the Directors of the Company.

The combined carrying amount of the capital notes as of November 2021is €507 thousand which amount reflects the estimated timing of the future repayments discounted at a rate of 10% (level 3 of the fair value hierarchy). The difference in the amount of €236 thousand between the face amount of the capital notes and the carrying amount as of November 2021 has been recorded as a contribution to equity. In 2021 interest expense on the loan (unwinding of discount) amounted to €6 thousand.

NOTE 11: - LOAN FROM NON-CONTROLLLING INTERESTS

Loan in the face amount of € 205 thousand from the minority interests of Bri Coltan upon acquisition of Bri Coltan. It was agreed that the loan will be repaid from up to 5% of the yearly net earnings of Bri Coltan following publication of its annual financial report. As of 31 December 2021, the carrying amount of the loan is €93 thousand which amount reflects the estimated timing of future repayments discounted at a rate of 12% (level 3 of the fair value hierarchy). The difference in the amount of €122 thousand between the face amount of the loan and the carrying amount on 1 January 2021 has been recorded as a contribution to equity. In 2021 interest expense on the loan (unwinding of discount) amounted to €10 thousand.

NOTE 12: - EQUITY

a. Composition of share capital:

	31 December		31 December	
	2021	2020	2021	2020
	Authorized		Issued and outstanding	
	Number of shares			
Ordinary shares of € 0.001 par value each	100,000,000	100,000,000	86,885,360	30,000,000

Since incorporation and until 31 December 2020, the Company's authorized, issued and outstanding capital structure comprised 1,000 Ordinary shares at a par value of €1 and there were no other securities on issue and outstanding.
Prior to admission in 2021, the Company issued 6,822,000 Ordinary shares to its funders to represent their holdings at incorporation, increased its share capital and performed a share split such that the authorized share capital increased to 100 million Ordinary shares of €0.001 par value each. Share and per share amounts in these financial statements have been adjusted retroactively to reflect the share split.

In 2021, the Company issued 3,377,000 Ordinary shares to certain investors in convertible loan notes for no additional consideration. The fair value of these shares on date of issuance amounted to € 514 thousand and was recorded as finance expense.

In 2021, the Company issued 827,000 Ordinary shares to certain consultants for their services. The fair value of these shares on date of issuance amounted to € 126 thousand and was recorded as share-based compensation in Contractors & service providers expenses.

On 12 November 2021, the Company completed its Initial Public Offering ("IPO") on the AIM, a market operated by the London Stock Exchange ("the AIM"), by issuing 30,769,230 Ordinary shares at a price of £ 0.13 per share for a total consideration of € 4.68 million (£ 4 million) and
net proceeds of €4.25 million (£ 3.63 million).

In 2019, an agreement was signed with a subcontractor to provide services in relation to due diligence. As part of the agreement, a total of €50k was payable in shares in respect of certain services provided by the subcontractor. On admission the expense was settled by issuing 314,000 Ordinary shares of the company. On 31 December 2020, these shares had not been issued and were included as 'Shares to be issued' within equity

In 2021 the Company issued 115,384 Ordinary shares to certain brokers in consideration for services provided. The fair value of the shares issued amounting to €18 thousand was recorded in general and administrative expenses

NOTE 12: - EQUITY (Cont.)

Issuance of 14,660,746 Ordinary shares upon conversion of convertible loan notes - see Note 11.

b. Share option plan:

On admission, 12 November 2021, the Company adopted a share option plan under which it granted a total of 6,950,832 options to directors, employees and consultants of the Company.
Each option is exercisable to one Ordinary share at an exercise price of £ 0.13. The options vested immediately upon grant. The options expire 5 years after date of grant. As of 31 December 2021, all of the options are outstanding.
The fair value of the options granted calculated based on Black-Scholes option pricing model was approximately €61 thousand.

The following table lists the inputs used in the measurement of the fair value of options, in accordance with the Black and Scholes option pricing model, with respect to the above grants:

Risk-free interest rate (%)	0.58%
Dividend yield (%)	0%
Expected volatility (%)	70%
Expected term (in years)	5

c. Warrants

On admission, 12 November 2021, the Company granted a total of 2,599,622 warrants to some service providers of the Company as part of their compensation for the services provided in the initial public offering process. Each warrant is exercisable to one Ordinary share at an exercise price of £ 0.13.
868,854 warrants expire 5 years after date of grant, and 1,538,461 warrants expire 3 years after date of grant.
The remaining 192,307 warrants expire f 3 years after date of grant with 50% vesting once the 5 day volume-weighted average price ("VWAP") of the Company's shares has traded at a 100% premium to the Placing Price (£ 0.13) and 50% vesting once the 5 day VWAP of the Company's shares has traded at a 200% premium to the Placing Price.
The fair value of the Warrants granted calculated based on Black-Scholes option pricing model was approximately €20 thousand.

The following table lists the inputs used in the measurement of the fair value of the warrants, in accordance with the Black and Scholes pricing model:

	Warrants for 5 years	**Warrants for 3 years**
Risk-free interest rate (%)	0.58%	0.50%
Dividend yield (%)	0%	0%
Expected volatility (%)	70%	70%
Expected term (in years)	5	3

The fair value of the warrants was recorded as part of the IPO fund-raising costs and deducted from share premium in equity.

NOTE 12: - EQUITY (Cont.)

d. Other reserves

Other reserves are comprised of the following:

	Year ended 31 December	
	2021	2020
	Euros in thousands	
Reserve for transactions with non-controlling interests (Note 11)	91	-
Reserve for transactions with principal shareholders (Note 10)	236	-
	327	-

NOTE 13:- GENERAL AND ADMINISTRATIVE EXPENSES

	Year ended 31 December	
	2021	2020
	Euros in thousands	
Salaries & employee related expenses	414	250
Contractors & service providers	210	33
Travel & transportation	63	24
Legal and professional	124	31
Office rent	-	7
Nomad & broker fees	23	-
Public relations	24	-
Insurance	3	-
Share based compensation	61	-
Depreciation	-	82
Overhead costs	7	64
Total administrative expenditure	929	491

NOTE 14:- FINANCIAL EXPENSES

	2021	2020
	Euros in thousands	
Interest on convertible loan notes	111	6
Interest on capital notes and loan from non-controlling interest	17	-
Change in fair value of conversion option of convertible loan notes	669	-
Financial expenses settled by share based compensation	514	
Bank fees	62	1
	1,373	7

NOTE 15:- TAXES ON INCOME

a. Tax rates applicable to the income of the Company and its subsidiaries:

The Company and its subsidiaries, Firering Strategic Minerals PLC was incorporated in Cyprus and are taxed according to Cyprus tax laws. The statutory tax rate is 12.5%

are taxed according to Cyprus tax laws. The statutory tax rate is 12.5%.

The carryforward losses of the Company are approximately €12 thousands

The subsidiary, FH Colton CI-II, was incorporated in Cote d'Ivoire and is taxed according to Cote d'Ivoire tax laws. The statutory tax rate is 25%.

The subsidiary, Bri Coltan SARL, was incorporated in Cote d'Ivoire and is taxed according to Cote d'Ivoire tax laws. The statutory tax rate is 25%.

The subsidiary, Atex Mining Resources SARL, was incorporated in Cote d'Ivoire and is taxed according to Cote d'Ivoire tax laws. The statutory tax rate is 25%.

The subsidiary Alliance Minerals Corporation SARL Ltd was incorporated in Cote d'Ivoire and is taxed according to Cote d'Ivoire tax laws. The statutory tax rate is 25%.

b. Tax assessments:

As of 31 December 2021, the Company and all its other subsidiaries had not yet received final tax assessments

NOTE 16: - EARNINGS PER SHARE

The calculation of the basic and fully diluted loss per share attributable to the equity shareholders is based on the following data:

	Year ended 31 December	
	2021	**2020**
	Euros in thousands	
Net loss attributable to equity shareholders	(2,276)	(454)
Average number of shares for the purpose of basic and diluted earnings per share	38,320,172	30,000,000

Share options and warrants are excluded from the calculation of diluted loss per share as their effect is antidilutive.

NOTE 17:- RELATED PARTIES

		Year ended 31 December	
		2021	2020
		Euros in thousands	
a.	Balances:		
	Other payables	206	40
	Capital note	242	280
b.	Compensation of key management personnel of the Company:		
	Short-term employee benefits	443	250
	Share-based compensation	61	-
b.			
c.	Interest on capital note (see also Note 13)	3	-
c.			

A Director and the CEO of the Company was entitled to €84 thousands which increased, with effect from Admission, to €120 thousands per annum and shall be entitled to certain bonuses upon the Company achieving certain milestones.

In addition, the CEO is entitled to additional benefits including medical insurance, school fees for his family (capped at €84 thousands per annum), accommodation in Cote d'Ivoire (capped at €1.2 thousands per month) as well as travel costs for himself and his family to have home leave.

NOTE 18:- FINANCIAL INSTRUMENTS

Foreign exchange risk:

The Company is exposed to foreign exchange risk resulting from the exposure to different currencies, mainly, USD and GBP. Since the FCFA is fixed to the Euro, the Group is not exposed to foreign exchange risk in respect of the FCFA. As of 31 December 2021, the foreign exchange risk is immaterial.

Liquidity risk:

The table below summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments):

31 December 2021

	Less than one year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
	Euros in thousands						
Trade payables	150	-	-	-	-	-	150
Other payables	102	-	-	-	-	-	102
Capital note	214	-	-	743			957
Loan from non-controlling interest in subsidiary	-	-	-	-	-	205	205
Liability to non-controlling interest in subsidiary	-	-	-	-	-	608	608
	466	-	-	743	-	813	2022

NOTE 18:- FINANCIAL INSTRUMENTS (Cont.)

31 December 2020

	Less than one year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	> 5 years	Total
	Euros in thousands						
Trade payables	14	-	-	-	-	-	14
Other payables	442	-	-	-	-	-	442
Convertible loan note	723						723

Convertible loan note	725	-	-	-	-	-	725
Lease liability	21	-	-	-	-	-	21
Capital note	475	-	-	-	-	-	475
Loan from non-controlling interest in subsidiary	-	-	-	-	-	218	218
	1,675	-	-	-	-	218	1,893

NOTE 19:- EVENTS AFTER THE REPORTING DATE

On 14 March 2022 the Company purchased 100% interest in Altar Resources Limited ("Altar"), a company incorporated in Seychelle. Altar is the 100% owner of Apalex SARL, an Ivorian incorporated company which has an application for a nickel-cobalt mineral prospecting license with an area of approximately 168 sq km, in western Côte d'Ivoire.

The consideration for the purchase is comprised of €15,000 in cash on completion and a Gross Revenue Royalty ("GRR") of up to 1.0% on nickel and cobalt sales from the Project.

The GRR will be calculated as a percentage of the gross proceeds received from sales from the Project less transportation costs. The GRR will be subject to a separate agreement, which will be entered into between the Company and Altus, within six months of the grant of the Application.
Firering will pay to Altus a GRR from the Project, linked to the United States dollar nickel price (as quoted per ton by the London Metal Exchange) at the time of the metal sales as follows:

- When the nickel price is less than or equal to US$12,000/t: no royalties will be payable;
- when the nickel price is between US$12,000/t and US$18,000/t Firering will pay to Altus a 0.5% GRR; and
- when the nickel price is higher than US$18,000/t Firering will pay to Altus a 1.0% GRR.

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***** ENDS *****

For further information and updates on Firering's exploration programme, visit www.fireringplc.com or contact the following:

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Notes to Editors:

Firering Strategic Minerals

Firering Strategic Minerals plc is an AIM-quoted mining company focused on exploring and developing a portfolio of mines producing critical minerals in the Côte d'Ivoire including lithium and Tantalum to support the global transition to net zero emissions. It operates the Atex Lithium-Tantalum Project in northern Côte d'Ivoire, which is prospective for both lithium and tantalum. Firering intends to advance development at Atex with a view to establishing a maiden Lithium resource and a pilot scale production of ethical tantalum and niobium production within 18 months to generate early revenues and support further exploration work. A large-scale Tantalum production facility will be developed following pilot results, which will be supported by a debt facility of FCFA 5,057,000,000 (approximately €7,500,000) currently under negotiation to fund the entire scale-up plan to develop a portfolio of ethically sourced mineral projects in the Côte d'Ivoire, supplying EV batteries, high tech electronics and other fast-growing end markets.

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