

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the FSMA.**

This Document comprises a prospectus relating to Cloudbreak Discovery plc prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of FSMA and approved by the FCA under section 87A of FSMA.

This Document has been approved by the FCA, as competent authority under the Prospectus Regulation ((EU) 2017/1129), as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended) and the UK Prospectus Regulation. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is, or the quality of securities that are, the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This Document has been drawn up as part of a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129.

As at the date of this Prospectus the Existing Ordinary Shares are admitted to listing on the Standard List. In accordance with United Kingdom Listing Rules Instrument 2024 (FCA 2024/23) and with effect from 29 July 2024, the current Listing Rules will be replaced by the UKLR under which the existing Standard Listing category will be replaced by the Equity Shares (Transition) category under Chapter 22 of the UKLR.

**THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES AS SET OUT IN THE SECTION ENTITLED 'RISK FACTORS' SET OUT IN THIS DOCUMENT.**

The Company, and each of the Directors, whose names appear on page 29 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company, and each Director, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

---

## **CLOUDBREAK DISCOVERY PLC**

*(Incorporated and registered in England & Wales under the Companies Act 1985 with registered number 06275976)*

### **Prospectus relating to the issuance of**

**16,652,055 Ordinary Shares pursuant to the conversion of Convertible Loan Notes,  
305,832,210 Ordinary Shares to be issued pursuant to the conversion of Company Debt,  
81,380,671 Ordinary Shares to certain creditors**

**and**

### **Admission of the New Ordinary Shares to the Official List**

**(by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities**

**NOVUM**

Novum Securities Limited  
Financial Adviser

---

This Document does not constitute an offer to sell, or the solicitation of an offer or invitation to buy or subscribe for, New Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Group.

The New Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the “**Securities Act**”), or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the New Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, Australia, the Republic of South Africa, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for New Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Group. The New Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States. The Group has not been and will not be registered under the US Investment Company Act of 1940 (“**US Investment Company Act**”) pursuant to the exemption provided by Section 3(c)(7) thereof, and investors will not be entitled to the benefits of the US Investment Company Act. None of the New Ordinary Shares have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the merit of the offer of the New Ordinary Shares or the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Novum is authorised and regulated in the United Kingdom by the FCA and is acting as a financial adviser for the Group and for no-one else in connection with Admission and it will not be responsible to anyone other than the Group for providing the protections afforded to customers of Novum (as applicable) or for affording advice in relation to the contents of this document or any matters referred to herein. Novum is not responsible for the contents of this Document. This does not exclude any responsibilities which Novum may have under FSMA or the regulatory regime established thereunder.

Oberon is authorised and regulated in the United Kingdom by the FCA and is acting as a broker for the Group and for no-one else in connection with Admission and it will not be responsible to anyone other than the Group for providing the protections afforded to customers of Oberon (as applicable) or for affording advice in relation to the contents of this document or any matters referred to herein. Oberon is not responsible for the contents of this Document. This does not exclude any responsibilities which Oberon may have under FSMA or the regulatory regime established thereunder.

**Application will be made for the New Ordinary Shares to be admitted by way of a Standard Listing on the Official List. A Standard Listing (and, with effect from the Transition Date, the Equity Shares (transition) category, being the new rules applicable to the Company under Chapter 22 of the UKLR) will afford investors in the Group a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, (and, with effect from the Transition Date, the ESCC), which are subject to additional obligations under the Listing Rules (and, with effect from the Transition Date, the UKLR).**

**It should be noted that the UKLA will not have authority to (and will not) monitor the Group's compliance with any of the Listing Rules which the Group has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Group to so comply. It is expected that Admission will become effective and that unconditional dealings in the New Ordinary Shares will commence on 31 July 2024.**

## CONTENTS

	<i>Page</i>
<b>SUMMARY</b>	<b>5</b>
<b>RISK FACTORS</b>	<b>10</b>
<b>CONSEQUENCES OF A STANDARD LISTING</b>	<b>22</b>
<b>IMPORTANT INFORMATION</b>	<b>24</b>
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	<b>28</b>
<b>ADMISSION STATISTICS</b>	<b>28</b>
<b>DIRECTORS, SECRETARY AND ADVISERS</b>	<b>29</b>
<b>PART I INFORMATION ON THE GROUP</b>	<b>30</b>
<b>PART II FINANCIAL INFORMATION</b>	<b>42</b>
<b>PART III TAXATION</b>	<b>43</b>
<b>PART IV ADDITIONAL INFORMATION</b>	<b>46</b>
<b>PART V DEFINITIONS</b>	<b>60</b>

## SUMMARY

<b>1 Introduction</b>
<i>Name and ISIN of securities</i>
Ticker for the Ordinary Shares: CDL International Securities Identification Number (ISIN): GB00B44LQR57.
<i>Identity and contact details of the issuer</i>
Name: Cloudbreak Discovery Plc (incorporated and registered in England & Wales with company number 125419) Registered office: 6 Heddon Street, London, W1B 4BT Business address: 6 Heddon Street, London, W1B 4BT Telephone number: +44 7926 397 675 Legal Entity Identifier (LEI): 213800ZLZVEPOS7YID88.
<i>Identity and contact details of the competent authority</i>
Name: Financial Conduct Authority Address: 12 Endeavour Square, London, E20 1JN
<i>Date of approval of Prospectus</i>
25 July 2024.
<i>Warnings</i>
This summary should be read as an introduction to this document. Any decision to invest in the securities should be based on a consideration of the prospectus as a whole by the prospective investor. The investor could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.
<b>2 Key Information on the Issuer</b>
<i>Who is the issuer of the securities?</i>
<b><i>Domicile and legal form, LEI, applicable legislation and country of incorporation</i></b> The Company is a public company incorporated in England & Wales on 11 June 2007 and was and remains listed on the London Stock Exchange (Standard List) since 3 June 2021. The Company operates in accordance with the Companies Act 1985. The Company's LEI is 213800ZLZVEPOS7YID88.
<b><i>Principal activities</i></b> The Group is focused on building a specialist early-stage natural resource investment prospect generator and development business. The Group acquires, develops and manages a diverse portfolio of mineral assets across the natural resources sector. The Group is positioning itself to take advantage of the next commodity super cycle by diversifying its portfolio across early-stage exploration commodities and cash-flowing projects across North America, South America, Europe, Australia and Asia. This strategy is intended to be a targeted but flexible approach, where the team will source opportunities with low capital investment but with high potential internal rates of return.

### **Major Shareholders**

The Company's major Shareholders as at the date of this Document are:

Shareholder	As at the date of this Document		As at the date of Admission	
	Number of Ordinary Shares	Percentage of issued ordinary share capital	Number of Ordinary Shares	Percentage of Enlarged Share Capital
The Galleon 2023 Ltd.	112,717,328	15.46%	112,717,328	9.95%
Logic Nominees Ltd.	69,748,897	9.56%	126,271,617	11.14%
Crestmont Invest Ltd.	44,405,480	6.09%	106,478,885	9.40%
Crescita Capital LLP	35,560,560	4.88%	35,560,560	3.14%
Clariden Capital Ltd.	24,959,653	3.42%	75,931,688	6.70%
Thomas Solomon	—	—	50,972,035	4.50%

There are no differences between the voting rights enjoyed by the above persons and those enjoyed by the other holders of Ordinary Shares.

### **Controlling Shareholder, if any**

The Company is not aware of any person who, either as at the date of this Document or immediately following Admission, exercises, will exercise, or could exercise, directly or indirectly, jointly or severally, control over the Company.

### **Directors**

The Company's directors are Andrew Male, Emma Kinder Priestley and Paul Gurney.

### **Statutory Auditors**

The Company's statutory auditors are PKF Littlejohn LLP of 15 Westferry Circus, Canary Wharf, London E14 4HD.

### **What is the key financial information regarding the issuer?**

Selected historical financial information for the Company is set out below which has been extracted from information incorporated by reference within this Document:

### **Consolidated Statement of Comprehensive Income**

	6 Months ended 31 December 2023 Unaudited £	6 Months ended 31 December 2022 Unaudited £	Year ended 30 June 2023 Audited £
Other income	—	—	—
Operating loss	(352,595)	(2,303,900)	(3,722,574)
Loss before income tax	(365,705)	(2,858,367)	(3,985,721)
Loss for the year	(365,705)	(2,858,367)	(3,997,899)
Basic and Diluted Earnings Per Share during the period (expressed in pence per share)	(0.001)p	(0.01)p	(0.01)p

**Statement of Financial position**

	<b>6 Months ended 31 December 2023 Unaudited £</b>	<b>Year ended 30 June 2023 Audited £</b>
Total Assets	3,436,277	3,703,895
Total Equity	1,624,572	1,999,458
Total Liabilities	1,811,705	1,704,437

**Statement of Cash flows**

	<b>6 Months ended 31 December 2023 Unaudited £</b>	<b>6 Months ended 31 December 2022 Unaudited £</b>	<b>Year ended 30 June 2023 Audited £</b>
Net cash used in operating activities	(764,109)	(1,673,858)	(2,293,158)
Net cash generated used in investing activities	153,341	(438,688)	136,363
Net cash generated from financing activities	526,993	1,915,852	2,090,291
Net decrease/(increase) in cash and cash equivalents	(83,775)	(196,694)	(66,504)
Cash and cash equivalents at beginning of year	244,074	310,578	310,578
Cash and cash equivalents at end of year	160,299	113,884	244,074

**Description of the nature of any qualifications in the audit report on the historical financial information**

The Company's auditors included a material uncertainty relating to going concern in their audit report for the year ended 30 June 2023. The opinion is summarised as follows:

*"We draw attention to note 2.4 in the financial statements, which indicates that the group will need to raise additional funds either through debt or equity during the going concern period in order to fund exploration expenditure and to meet its liabilities as they fall due. As stated in note 2.4, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*

Notwithstanding the material uncertainty disclosed above, the Directors have reviewed the working capital position of the Company for the next 12 months and are satisfied that a clean working capital statement is appropriate. The Company now receives monthly cash inflows from its interest in G2 Energy Corp. and has reduced its corporate overheads such that any monthly cashflow shortfall can be covered by the disposal of its readily realisable listed shareholdings.

**What are the key risks that are specific to the issuer?**

- There is typically no reliable liquid market available for the purposes of valuing the Company's early-stage assets.
- There can be no guarantee that any mineralisation discovered through its acquisitions or development will result in proven and probable reserves or go on to be an operating mine.
- There can be no assurance that due diligence will reveal all material issues related to a potential asset or interest, joint venture or counterparties which might be necessary or helpful in evaluating a potential acquisition.
- The Company may face competition from other resource companies as well as third party financiers.
- The Company may fail to complete further suitable acquisitions.
- The Company is dependent upon the Directors to identify potential assets, interests and acquisition opportunities and to execute transactions and the loss of the services of the Directors could materially adversely affect it.

- The Group's assets and interests may not produce anticipated revenues or returns.
- The Company is largely reliant on third parties for operational activity.
- Challenges to the contractual terms of Royalty interests may disrupt the Group's business and growth.
- The ability of the Group to recover from Partners for defaults under its ownership rights with them may be limited.

### **3 Key information on the securities**

*What are the main features of the securities?*

#### ***Type, class and ISIN of securities***

The securities being admitted to trading on the Main Market of the London Stock Exchange with a Standard Listing are New Ordinary Shares with a nominal value of £0.001 each.

The New Ordinary Shares will be registered with ISIN GB00B44LQR57 and SEDOL number B44LQR5.

#### ***Currency, denomination and par value of securities***

The Ordinary Shares are denominated in pounds sterling and have a nominal value of £0.001 each.

#### ***Number of securities issued***

The Company has 729,210,696 Ordinary Shares in issue and fully paid as at the date of this Document. 403,864,936 New Ordinary Shares will be issued.

#### ***Rights attached to the securities***

The New Ordinary Shares rank equally with the Existing Ordinary Shares for voting purposes. On a show of hands, each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held. The Ordinary Shares rank equally for dividends declared and for any distributions on a winding-up. The Ordinary Shares rank equally in the right to receive a relative proportion of shares in the case of a capitalisation of reserves.

#### ***Seniority of the securities in the event of insolvency***

There are no other securities issued by the Company other than the Ordinary Shares and so no class of securities ranks ahead of, or alongside, the Ordinary Shares in the event of an insolvency.

#### ***Restrictions on free transferability of the securities***

All Ordinary Shares are freely transferable and are not subject to any encumbrances.

#### ***Dividend or payout policy, if any***

The Company intends to pay dividends on the Ordinary Shares (if any) and in such amounts (if any) as the Board determines appropriate. The Company will only pay dividends to the extent that to do so is in accordance with the Act and all other applicable laws.

*Where will the securities be traded?*

#### ***Application for admission to trading***

Application will be made for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities.

#### ***Key risks relating to the Company's securities***

- The Company may require additional capital which will dilute Shareholders' interests
- There is a risk that the Company could remain in the Equity Shares (transition) category because it is not eligible to transfer to another listing category, which is then ultimately wound down
- The market price for the Ordinary Shares may be affected by fluctuations and volatility in the price of Ordinary Shares
- Investors may not be able to realise returns on their investment in the New Ordinary Shares within a period that they would consider to be reasonable



- The Group is unable to predict whether substantial amounts of Ordinary Shares will be sold in the open market following Admission. Such sales might occur could materially adversely affect the market price of the Ordinary Shares.
- Dividend payments on the Ordinary Shares are not guaranteed

#### **4 Key information on admission to trading on a regulated market**

*Under which conditions and timetable can I invest in this security?*

##### **General terms and conditions of the Issue**

This document does not constitute an offer or an invitation to any person to subscribe for or purchase any Ordinary Shares in the Company. No new Ordinary Shares are being offered to the public.

##### **Expected timetable of the Admission**

Date of this Document	25 July 2024
Admission and commencement of unconditional dealings in the New Ordinary Shares	8.00 a.m. on 31 July 2024

##### **Details of the admission to trading on a regulated market, if any**

The Existing Ordinary Shares are currently listed on the Standard Listing segment of the Official List and traded on the London Stock Exchange's Main Market for listed securities.

Applications will be made (i) to the FCA for the New Ordinary Shares to be admitted to listing on the Standard Listing segment of the Official List and (ii) to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities.

With effect from the Transition Date, the Ordinary Shares will be admitted to the Official List by way of a listing in the Equity Shares (transition) category.

##### **Amount and percentage of dilution resulting from the Issue**

The issue of the New Ordinary Shares will result in the Ordinary Share capital held by the Shareholders at the date of this Document being diluted by 35.6 per cent.

##### **Estimate of total expenses of the Issue**

Estimated expenses in respect of the preparation and publication of this Prospectus are expected to be £75,000 (inclusive of VAT).

*Why is this prospectus being produced?*

##### **Reasons for Issue and Admission**

This Document is being produced to provide the Company with the ability to issue further Shares under the Prospectus Regulation Rules related to the following:

- 16,652,055 Ordinary Shares to be issued pursuant to the conversion of Convertible Loan Notes;
- 305,832,210 Ordinary Shares to be issued pursuant to the conversion of Company Debt; and
- Issue of 81,380,671 Ordinary Shares to certain creditors.

##### **Use and estimated amount of Net Proceeds**

No funds are being raised.

##### **Underwriting**

There are no underwriting arrangements.

##### **Most material conflicts of interest pertaining to Admission**

There are no material conflicts of interest pertaining to the offer or admission to trading.

## RISK FACTORS

Investment in the Group and the New Ordinary Shares carries a significant degree of risk, including risks in relation to the Group's business strategy, acquisitions, exploration and development projects, potential conflicts of interest or related party transactions, as well as joint venture partners, ownership and the various management and operatorship of assets and projects with which the Group derives an ownership interest in. This also includes risks relating to taxation and risks relating to the New Ordinary Share ownership. Prospective investors should carefully consider risk factors associated with any investment in the New Ordinary Shares, together with all other information contained in this Document specifically including the risk factors described below.

Prospective investors should note that the risks relating to the Group, its proposed sector of activity and the New Ordinary Shares summarised in the section of this Document headed "Summary" are the risks that the Group and the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Ordinary Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Group, and the Directors consider to be the material risks relating to the Group. However, there may be additional risks that the Group and the Directors do not currently consider to be material or of which the Group and the Directors are not currently aware that may adversely affect the Group's business, financial condition, results of operations or prospects. Investors should review this Document carefully and, in its entirety, and consult with their professional advisers before acquiring any New Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Group could be materially adversely affected. If that were to be the case, the trading price of the New Ordinary Shares and/or the level of dividends or distributions (if any) received from the New Ordinary Shares could decline significantly. Further, investors could lose all or part of their investment.

### **RISKS RELATED TO THE GROUP'S BUSINESS AND STRATEGY**

#### ***There is typically no reliable liquid market available for the purposes of valuing the Group's early-stage unlisted assets***

The Group's assets comprise of assets and interests in the natural resource sector, some of which are unlisted. There is typically no reliable liquid market for unlisted early-stage assets in the natural resource sector and the valuation of such investments involves the Board exercising its judgement. There can be no guarantee that the basis of calculation of the value of the Group's assets and interests reflect the true realisable value of those assets and interests. The internal valuation of the Group's unlisted assets and interests and potential acquisition values will be based upon a blended process of geotechnical review and analysis, financial modelling, consultation of technical sector experts and existing market reference points including the potential future value of commodities. The risk to the Group is if it needs to sell unlisted assets, there may not be a readily available market to monetise its early-stage assets and finding a buyer can take time impacting the liquidity of the company. Whilst the Directors are satisfied that the Group has sufficient access to working capital for 12 months from the date of this Prospectus, in the event that the Group tries to dispose of certain unlisted assets but is unable to do so, it may need to seek additional sources of funding after the working capital period covered by this Prospectus.

#### ***There is no guarantee that mineralisation discovered will result in reserves or to become an operating mine***

The Group's ability to successfully exploit its exploration assets is influenced by a number of global factors, principally supply and demand which in turn is a key driver of global mineral prices; these factors are beyond the control of the Group. Exploration is a high-risk business and there can be no guarantee that any mineralisation discovered will result in proven and probable reserves or go on to be an operating mine. At every stage of the exploration process, the projects in which the Group has an interest are rigorously reviewed to determine if the results justify the next stage of exploration

expenditure ensuring that funds are only applied to high priority targets. In the event that exploration on a particular project is unsuccessful, the relevant assets may have a value of zero.

***Material facts or circumstances not revealed in the due diligence process***

Prior to negotiating and subsequently making an acquisition in accordance with its business strategy, the Group will undertake legal, financial, commercial and technical due diligence on potential assets and any joint venture or counterparties to a level considered reasonable and appropriate by the Group. Whilst efforts will be taken to uncover all material facts relating to each prospect, given that every due diligence exercise involves subjective analysis and is susceptible to human error, there will be a risk that a pertinent piece of information remains undiscovered and this may have a material adverse effect upon the value of the asset or interest. As such, there can be no assurance that due diligence will reveal all material issues related to a potential asset or interest, joint venture or counterparties which might be necessary or helpful in evaluating a potential acquisition, which may result in the value of the asset being severely impaired.

***The Group may face competition from other resource companies as well as third party financiers***

When suitable acquisitions are identified, the Group is likely to be in competition with other resource companies as well as but not limited to private equity funds, mezzanine funds, investment banks, equity and non-equity based investment funds, and other sources of financing, including the public capital markets. Of the competition faced, it is likely that some of its competitors will have greater levels of financial resources, thus, they may have lower cost of funds and access to alternative funding sources and structures not available to the Group.

In addition, the risk profile of the Group in relation to its choice of assets may not allow the Group to consider as wide a variety of assets as some of the Group's competitors which may have higher risk tolerances or different risk assessments. This might result in competitors establishing relationships and building their market shares to the detriment of the Group. There is no assurance that the competitive pressures that the Group faces will not have a material adverse effect on its business, financial condition and results of operations. Also, because of this competition, the Group may not be able to take advantage of attractive opportunities and there can be no assurance that it will be able to identify and complete acquisitions that satisfy its business objectives or that will enable it to meet its acquisition and development criteria.

***The Group may fail to complete further suitable acquisitions***

The growth of the Group is dependent on its ability to successfully identify and acquire further suitable assets. The availability of potential assets will depend, *inter alia*, on the state of the global economy, general business conditions, the availability of alternative sources of finance and financial markets generally. The Group may be unable to identify targets at valuations that the Board believes will deliver sufficient returns for Shareholders. Even if the Group successfully identifies targets, the process remains subject to execution risk and there is no guarantee that acquisitions will complete. The Group can offer no assurance that it will be able to identify or complete acquisitions that are consistent with its strategy or that it will be able to fully deploy its available capital. In such circumstances, the Group will not be able to execute its strategy in full which may have an adverse impact on shareholder value.

***Dependence on members of the Board, external advisers and technical consultants***

The Group's ability to provide returns to Shareholders is dependent to a large extent upon the performance of the members of the Board, external advisers and technical consultants who have and will continue to be engaged by the Group to provide key services such as the identification, acquisition and disposal of assets and interest through sale, joint venture or trailing ownership structure and the determination of any required financing arrangements. The Group will depend to a significant extent on the experience, diligence, skill and network of business contacts of such persons.

Failure by such persons to carry out their obligations to the Group in accordance with the terms of their appointment could have a material adverse effect on the operation of the Group, including, without limitation, on the Group's ability to achieve its investment and business objectives. In addition, if any of the members of the Board, external advisers and technical consultants depart from, or cease to be engaged by, the Group, there is a risk that suitable and effective replacements may not be found. Therefore, the Group's business, financial condition and results of operations

may be adversely affected, if the services of the members of the Board and external advisers, consultants and/or third-party providers cease to be available to the Group.

***The Group may be subject to liability for hazard that cannot be insured against***

The Group, as a participant in exploration and development programmes, may become subject to liability for hazards that cannot be insured against or third-party claims that exceed the insurance cover. The Group may also be disrupted by a variety of risks and hazards that are beyond control, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards and adverse weather conditions.

**RISKS RELATED TO THE GROUP'S RELIANCE ON THIRD PARTIES**

***The Group's assets and interests may not produce anticipated revenues or returns***

Numerous factors may affect the financial performance of an asset or interest held by the Group and, in particular, the quantum of any distribution made to shareholders by the Group, or the ability of the Group to meet its business plan, will be subject to any downturn in its industry or negative economic conditions. Deterioration in any of the Group's Partner's financial condition and prospects may also be accompanied by a material reduction in the asset development completed by the Partners.

The success of the Group's assets and interests will, in part, be based on the accuracy of assumptions regarding the estimates of resources and the production estimates of operators or asset counterparties as well as the Group's ability to make accurate assumptions regarding the valuation, timing and amount of revenues to be derived from the Group's assets.

Until resources are actually produced, the amount and quality of resources must be considered as estimates only and therefore any value formulated by management is an estimate of market value. Any material change in the amount or quality of reserves may affect the economic viability of the Group's assets or interests. Fluctuation in commodity prices, results of drilling and production and the evaluation of development plans subsequent to the date of any estimate may require revisions of such estimates. The quality and volume of resources and production rates may not be the same as anticipated at the time of investment by the Group. Additionally, production estimates are subject to change, and actual production may vary materially from such estimates. No assurance can be given that any estimates of future production and future production costs with respect to any of the fields or assets underpinning the Group's assets or interests will be achieved and this could have a material impact on the Company's financial position

***The Group is largely reliant on third parties for operational activity***

The Group has no operational workforce and will be reliant on third party providers and suppliers to provide the services and equipment required for some of, if not all the Group's early-stage work programs and there can be no assurance that such third parties will be able to provide such services in the time scale and at the cost anticipated by the Group. Whilst it is not unusual for early-stage exploration companies to subcontract exploration activity to third parties, absent an operational workforce of its own the Group will be dependent and reliant upon such third parties and may be in competition with other parties for those services, which may impact the Group's estimates of timing and planning of its activities and, in turn, may threaten the ability of the Group to meet minimum work requirements which are conditions attached to its resource licences and concessions.

***The Group may be dependent on Partners over which it may lack control and information***

The Group is likely to be dependent on the operation and management of its assets, relevant Partners and through the various material interests it has entered with them. The revenue generated through such material interests, and therefore the ability to realise value uplift for Shareholders is likely to depend on the success of its Partners.

Where the Group enters into an option, sale, Royalty agreement, trailing ownership structure or deferred ownership following completion of early-stage exploration and development, it may not hold a direct interest in the minerals or projects themselves, rather, prior to making the acquisitions, the Group will seek to negotiate certain information rights and consent matters into the terms of each agreement to ensure that it will have sufficient information rights in relation to the interest being acquired in order to comply with its obligations under the DTRs. However, there is no guarantee

that Partners will concede to such requests. Even with information rights and consent matters, the Group may not have significant influence over of its Partners or their operations nor the ability to exercise control over such Partners. As a result, it may be difficult for the Group to ensure that the Partners operate in the Group's best interest.

While it is anticipated that the Group will have certain information rights in such circumstances, the Group may otherwise have limited access to information, data and disclosure regarding the Partners. The Group may not have the ability to independently verify such information or provide assurance that such third-party information is complete or accurate which may affect the Group's ability to assess the underlying performance. As a result, the Group may be dependent on each Partner for the accuracy of fiscal and project reporting to meet the Group's reporting and disclosure requirements as well as updates on assets and interests.

To the extent that a Partner is a private company, there will generally be little or no publicly available information, including audited or other financial information, about such Partners. Similarly, the boards of directors and or management of these companies may not be subject to the same governance and disclosure requirements as are applicable to public companies. Therefore, although all Partners will be required to provide the Group with regular technical, financial and operating information pursuant to the Group's assets and interests, the Group may not be able to obtain all the technical, financial and operational information it deems necessary to monitor the Partner. This could affect the Group's ability to assess the performance of any relevant asset or interest.

#### ***Partners may have repurchase rights which may be exercised***

In a number of existing agreements with the Group, Partners have repurchase rights in respect of their Royalty agreements with the Group, and it is anticipated that this may be the case for new acquisitions and assets the Group engages in. While the exact terms of these repurchase rights will be negotiated on a case by case basis, it is anticipated that the Partners will, if certain conditions are met, be able to buyback or redeem portions of the Group's interests by paying the applicable cash consideration. Although the Board believes that the buyback or redemption price would adequately compensate the Group for the foregone trailing interests or Royalty payments, it may be required to reinvest the cash received into further assets or interests or possibly investing in its own shares through the repurchase and cancellation of Ordinary Shares. There is no assurance that the Group would be able to successfully identify and complete any such alternative acquisitions or investments or complete any such share repurchase.

### **RISKS RELATED TO THE LEGAL AND REGULATORY STATUS OF ROYALTY INTERESTS**

#### ***Challenges to the contractual terms of Royalty interests may disrupt the Group's business and growth***

Royalty interests are private agreements which are governed by applicable contract law. Problems concerning the existence, validity, enforceability, terms or geographic extent of the Group's Royalty interests could adversely affect its business and revenues, and the Group's interests may similarly be materially and adversely impacted by change of control, or the insolvency of its Partners.

Defects in or disputes relating to the Royalty interests the Group holds or acquires may prevent us from realising the anticipated benefits from these interests and could have a material adverse effect on its business, results of operations, cash flows and financial condition. Material changes could also occur that may adversely affect management's estimate of the carrying value of the Group's Royalty interests and could result in impairment charges. Whilst the Group seeks to confirm the existence, validity, enforceability, terms and geographic extent of the Royalty interests it acquires, there can be no assurance that disputes or other problems concerning these and other matters or other problems will not arise. Confirming these matters is complex and is subject to the application of the laws and regulations of each jurisdiction to the particular circumstances of each parcel of mining property and to the agreement reflecting the Royalty interest. Similarly, in many jurisdictions, Royalty interests are contractual in nature, rather than interests in land, and therefore may be subject to risks resulting from change of control, insolvency or insolvency of operators, and the Group's Royalty interests could be materially restricted or set aside through judicial or administrative proceedings. The Group often does not have the protection of security interests that could help it recover all or part of the Group's investment in a Royalty interest in the event of a Partner's insolvency which may result in a loss of royalty revenue.

***Challenges to our Royalty interests under local laws and regulations may have an adverse effect on the Group's business***

Royalty interests are generally subject to uncertainties and complexities arising from the application of contract and property laws in the jurisdictions where the mining projects are located. The Group's Partners and other parties to the agreements governing the Group's existing or future Royalty or other interests may interpret the Group's interests in a manner adverse to the Group or otherwise may not abide by their contractual obligations, and the Group could be forced to take legal action to enforce its contractual rights. The Group may or may not be successful in enforcing its contractual rights, and its revenues relating to any challenged Royalty interests may be delayed, curtailed or eliminated for the duration of any such dispute or in the event the Group's position is not upheld, which could have a material adverse effect on our business, results of operations, cash flows and financial condition. Disputes could arise challenging, among other things, methods for calculating the Royalty interest, various rights of the operator or third parties in or to the Royalty interest or the underlying property, the obligations of a current or former Partner to make payments on Royalty interests, and various defects or ambiguities in the agreement governing a Royalty interest.

**RISKS ASSOCIATED WITH CLAIMS AND LITIGATION**

***The ability of the Group to recover from Partners for defaults under its ownership rights with them may be limited***

Fractional and trailing ownership rights and agreements are largely contractual in nature unless mineral rights are purchased in specific instances. Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. Such parties may not have sufficient cash flow at a particular payment date to honour the contractual terms or they may enter insolvency, bankruptcy or other analogous or similar processes in the jurisdictions in which the Partners are incorporated or conduct their operations. Additionally, the Partners may breach their representations, warranties or covenants or may not comply with their obligations to provide information or to allow the Group to exercise any applicable information or audit rights. To the extent Partners do not abide by their contractual obligations, the Group would be required to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success or that the Partner will have sufficient assets to cover the Group's loss. If Partners do not honour their contractual obligations, either by choice or due to financial difficulties or bankruptcy, or if the Group is unable to enforce its contractual rights, it may have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Furthermore, the failure of any Partner to fulfil its distribution obligations to the Group could also materially adversely affect its financial condition and cash flows. While it is currently anticipated that any fractional or trailing ownership rights and agreements the Group will enter into with its Partners will provide for remedies in the event of non-payment of revenues or royalties by the relevant Partner and that the Group may in certain circumstances, have security over the assets of its Partners, the Group's rights and, where applicable, its security interests may be subordinated to the payment rights and security interests of a Partner's commercial lenders.

***Litigation against the Group or its Partners may disrupt its strategy and growth***

It is also possible that the Group and/or any Partners will be named as parties to litigation or become involved in regulatory inquiries, which could cause substantial reputational damage to the Group and/or Partners. Such litigation or regulatory inquiries will disrupt the Group's strategy, businesses or potential growth and therefore have an adverse effect on returns to Shareholders.

***Potential litigation affecting the assets underpinning the Group's assets and interests could have an adverse effect on the Group***

Potential litigation or other third-party claims may arise on an asset underpinning one of the Group's assets or interests which, if successful, could impair development and/or operations or limit its counterparties' ability to enforce its title or rights with respect to the relevant asset. As the holder of an interest, the Group will not generally have any influence on the litigation and may not have access to non-public information concerning such litigation. Any such litigation that results in the cessation or reduction of production from an asset underpinning one of the Group's assets or interests (whether temporary or permanent) or results in the counterparty no longer having legal ownership of the resources or assets could have a material adverse effect on the Group's revenue,

financial condition and ability to pay a dividend and, consequently, the market price of the Ordinary Shares.

## **RISKS RELATED TO THE GROUP'S INDUSTRY**

### ***Global supply and demand could affect commodity prices***

Widespread trading activities by market participants, seeking either to secure access to commodities or to hedge against commercial risks, affects commodity prices as well. Consequently, commodity prices are subject to substantial fluctuations and cannot be accurately predicted. Government intervention, as evidenced by the government of Panama, ordering the closure of the Cobre Panama mine in 2023, demonstrated the increasing sovereign and political risk to mining assets globally. The Group tries to operate in jurisdictions in which the rule of law, including property rights is sacrosanct and protected by a legal framework. However, with any change in government, there is a possibility that assets can be nationalised or the rules of mining investing changed which may result in the Group's properties and/or royalties being impaired. The Group seeks to mitigate this risk by operating a diverse set of assets across multiple geographies with key assets currently in tier 1 jurisdictions like Canada and the U.S.

### ***Commodity Prices***

The value of the Group's assets and interests as well as potential earnings may be affected by fluctuations in commodity prices and exchange rates, such as the US\$ and GBP denominated zinc, lead, gold, silver, copper and barite prices, and the GBP / US\$ exchange rate. These prices can significantly fluctuate and are exposed to numerous factors beyond the control of the Group such as world demand for precious and other metals, forward selling by producers, and production cost levels in major metal producing regions. Other factors include expectations regarding inflation, the financial impact of movements in interest rates, global economic trends, and domestic and international fiscal, monetary and regulatory policy settings. The Group's financial performance will be highly dependent on commodity prices and exchange rates.

### ***The Group's Mineral Interests from time to time will be exposed to risks of changes in government regulation and changing political attitudes and stability in the countries in which they are situated***

The Group may from time to time own Mineral Interests where the properties' mining, processing, sales, exploration and future development activities are subject to various laws governing prospecting, mining, development, production, royalties and taxes, export licences, import tariffs, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. The Group also may, in the future, own interests in a number of jurisdictions where the government may seek to be a significant owner of the mineral property or may seek to appropriate the property outright without compensation.

Amendments to current laws and regulations governing operations at the mineral properties from time to time or more stringent implementation thereof could have a substantial adverse impact on the Group's mineral properties from time to time and cause increases in exploration expenses, capital expenditures, production costs, tariffs or taxes or reduction in levels of production at producing properties or require abandonment or delays in development of new mining assets. Additionally, from time to time certain of the Group's Mineral Interests could be statutory rather than contractual and to the extent the statutes applicable to such interests are amended, this could impact the level of payments or other amounts received from the relevant Mineral Interest.

Failure to comply with applicable laws, regulations, agreements and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of Mineral Interests may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Although the Directors intend that all mining activities in connection with its Mineral Interests from time to time are currently carried out in accordance with all applicable rules and regulations, the Directors may not be able to directly influence such matters and therefore no assurance can be given that its mineral properties' activities will be carried out in accordance with all applicable rules

and regulations, or that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development of the mineral properties which could have a material adverse effect on the Group's Royalty related income, business, results of operations, financial condition and ability to pay a dividend.

The Group's mineral properties, interests and operations from time to time will require various government approvals, licences and permits, and delays or a failure to obtain, maintain or comply with the terms of any such property rights, permits and licences, could result in interruption or closure of operations, exploration or development on the properties. Many of the mineral rights, interests and agreements of the Group and its mineral properties from time to time will be subject to government approvals, licences and permits. Further, such licences and permits are subject to change in various circumstances. In addition, the granting, renewal and continued effectiveness of such approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the Group and its mineral properties will be successful in maintaining any or all of the various approvals, agreements, licences and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained, the Group's mineral properties from time to time may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties, which could have a material adverse effect on the Group's income, business, results of operations, financial condition and ability to pay a dividend.

***Safety, health and environmental exposures and related regulations may expose the Group to increased litigation, compliance costs, interruptions to operations, unforeseen environmental remediation expenses and loss of reputation***

The natural resources sector involves extractive enterprises. These endeavours often make the sector a hazardous industry. The industry is highly regulated by health, safety, and environmental laws. The Group's operations may be subject to these kinds of governmental regulations in any region in which it operates including laws regulating the removal of natural resources from the ground and the discharge of materials into the environment. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Operations are subject to general and specific regulations and restrictions governing drilling and production, mining and processing, land tenure and use, environmental requirements (including site specific environmental licences, permits and remediation requirements), workplace health and safety, social impacts and other laws. The Group's operations may create environmental risks including dust, noise or leakage of polluting substances from its operations. The Group's mineral properties from time to time may need to address contamination at their properties in the future, either for existing environmental conditions, or for leaks or discharges that may arise from its ongoing operations or other contingencies. Contamination from hazardous substances, either at the mineral properties from time to time, or other locations for which the Group's mineral properties may be responsible may subject the operator and others to liability for the investigation and remediation of contamination, as well as for claims seeking to recover for related property damage, personal injury or damage to natural resources. Non-compliance with any environmental laws or regulations could result in the loss of permits or licences necessary for the operation of the mineral properties. Failing to adequately manage environmental risks or to provide safe working environments could cause harm to the Group's employees or the environment surrounding the operations site. Facilities are subject to closure by governmental authorities and the Group may be subject to fines and penalties, liability to employees and third parties for injury, statutory liability for environmental remediation and other financial consequences, which may be significant. The Group may also suffer impairment of reputation, industrial action or difficulty in recruiting and retaining skilled employees. Subsequent changes in regulations, laws or community expectations that govern the Group's operations could result in increased compliance and remediation costs. Any of the foregoing developments could have a materially adverse effect on the Group's results of operations, cash flows or financial condition.

Environmental legislation is evolving to mandate stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees.

There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Group and its Royalty and stream properties' operations from time to time. There is no



guarantee that the Group will not become subject to liability for environmental issues as a party with an interest in a mineral property. Environmental hazards, which are unknown at the present time and which have been caused by previous or existing owners or operators of properties, may exist on mineral properties or the properties on which the Group's mineral properties from time to time hold interests, and such hazards may cause the Group's mineral properties' to incur significant costs that could have a material adverse effect upon the Group's income, business, results of operations, financial performance and ability to pay a dividend.

***The Group's industrial activities involve a number of operating risks and hazards, many of which are outside of the Group's control.***

The Group's assets, interests and acquisitions are or will be, subject to numerous operating risks and hazards normally associated with the development and operation of natural resource projects, many of which are beyond the Group's control. These operating risks and hazards include unanticipated variations in grade and other geological problems, seismic activity, climatic conditions such as flooding or drought, metallurgical and other processing problems, technical failures, unavailability of materials and equipment, interruptions to power supplies, industrial actions or disputes, industrial accidents, labour force disruptions, unanticipated logistical and transportation constraints, tribal action or political protests, force majeure factors, environmental hazards, fire, explosions, vandalism and crime. These risks and hazards could result in damage to, or destruction of, properties or production facilities, may cause production to be reduced or to cease at those properties or production facilities, may result in a decrease in the quality of the products, may result in personal injury or death, environmental damage, business interruption and legal liability and may result in actual production differing from estimates of production. The realisation of such operating risks and hazards and the costs associated with them could materially adversely affect the Group's business, results of operations and financial condition, including by requiring significant capital and operating expenditures to abate the risk or hazard, restore their property or third-party property, compensate third parties for any loss and/or pay fines or damages.

***The Group's mineral properties from time to time may be subject to evolving regulations related to climate change***

A number of governments or governmental bodies have introduced, or are contemplating, regulatory changes in response to the potential impacts of climate change. Legislation and increased regulation regarding climate change could impose significant costs on the operators of the Group's mineral properties (in particular, Royalty interests that the Group may hold in oil and gas assets) from time to time, including increased energy, capital equipment, environmental monitoring and reporting and other costs required in order to comply with such regulations. If an operator of a Royalty and stream property is forced to incur significant costs to comply with climate change regulation or becomes subject to environmental restrictions that limit its ability to continue or expand operations, the Group's revenues from that property could be reduced, delayed or eliminated.

***Certain of the Royalty and stream properties from time to time may be subject to the rights of indigenous peoples***

Various international and national laws, codes, resolutions, conventions, guidelines, and other materials relate to the rights of indigenous peoples. Certain of the mineral properties from time to time may be located in some areas presently or previously inhabited or used by indigenous peoples. Many of these materials impose obligations on government and/or asset owners to respect the rights of indigenous people. In particular there may be a requirement for consultation with indigenous peoples regarding proposed actions which may affect them, including actions to approve, grant or renew mining rights or permits. The obligations of government and private parties under the various international and national materials pertaining to indigenous people continue to evolve and be defined. The mineral properties' operations may be subject to a risk that one or more groups of indigenous people may oppose the continued operation, further development, or new development of those or other mineral properties. Such opposition may be directed through legal or administrative proceedings or protests, roadblocks or other forms of public expression against the mineral properties or the operators' activities. Opposition by indigenous people to such activities may require modification of, operation of or preclude operation of projects, or may require the entering into of agreements with indigenous people. Such actions may result in a delay or reduction in the income earned by the Group from such Royalty and stream properties.

***The Group's assessment and estimation of the amount of reserves recoverable through the asset, interest or acquisition may be more than actually recovered***

The Group may estimate or hire third party experts to estimate an asset, interest or acquisition target's resources and reserves. These estimations are subject to a number of assumptions, including the price of commodities, production costs and recovery rates. Variations in the market realities underlying the Group's or third-party expert's estimates and assumptions may result in material changes to its reserve estimates. Such changes may have a materially adverse impact on the financial condition and prospects of the Group.

**RISKS RELATING TO THE GROUP'S RELATIONSHIP WITH THE DIRECTORS AND CONFLICTS OF INTEREST**

***The Group is dependent upon the Directors to identify potential assets, interests and acquisition opportunities and to execute the transactions and the loss of the services of the Directors could materially adversely affect it***

The Group will rely heavily on a small number of key individuals, in particular the Directors, to identify potential assets and interests and to execute any transactions. The retention of their services cannot be guaranteed. Accordingly, the loss of any such key individual may have a material adverse effect on the Group's ability to identify potential acquisition opportunities and to execute the transactions. In addition, there is a risk that the Group will not be able to recruit executives of sufficient expertise or experience to identify and maximise any opportunity that presents itself, or that recruiting and retaining those executives is costlier or takes longer than expected. The failure to attract and retain those individuals may adversely affect the Group's ability to complete the transactions.

***The Directors will allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Group's affairs, which could have a negative impact on the Group's ability to complete any transactions***

None of the Directors are required to commit their full time or any specified amount of time to the Group's affairs, which could create a conflict of interest when allocating their time between the Group's operations and their other commitments. The Directors are engaged in other business endeavours. If the Directors' other business affairs require them to devote substantial amounts of time to such affairs, it could limit their ability to devote time to the Group's affairs and could have a negative impact on the Group's ability to consummate any transactions. In addition, although the Directors must act in the Group's best interests and owe certain fiduciary duties to the Group, they are not necessarily obligated under England and Wales law to present business opportunities to the Group.

***One or more Director may negotiate employment or consulting agreements with a target company or business in connection with any transactions. These agreements may provide for such Directors to receive compensation following any transaction and as a result, may cause them to have conflicts of interest in determining whether a particular acquisition is the most advantageous for the Group***

The Directors may negotiate to remain with the Group after the completion of any transaction on the condition that the target company or business asks the Directors to continue to serve on the board of directors of the combined entity. Such negotiations would take place simultaneously with the negotiation of any transactions contemplated and could provide for such individuals to receive compensation in the form of cash payments and/or the securities in exchange for services they would render to it after the completion of any transaction. The personal and financial interests of such Directors may influence their decisions in identifying and selecting a target company or business. Although the Group believes the ability of such individuals to negotiate individual agreements will not be a significant determining factor in the decision to proceed with any transactions, there is a risk that such individual considerations will give rise to a conflict of interest on the part of the Directors in their decision to proceed with any transactions. The determination as to whether any of the Directors will remain with the combined company and on what terms will be made at or prior to the time of any transaction.

***The Directors may in the future enter into related party transactions with the Group, which may give rise to conflicts of interest between the Group on the one hand and the Directors on the other hand***

The Directors and one or more of their affiliates may in the future enter into other agreements with the Group that are not currently under contemplation. While the Group will not enter into any related party transaction without the approval of a majority of the non-conflicted Directors, it is possible that the entering into of such an agreement might raise conflicts of interest between the Group and the Directors.

***Historical results of prior business activities associated with, the Directors and their affiliates may not be indicative of future performance of an investment in the Group***

Investors are cautioned that historical results of prior businesses associated with, the Directors and their affiliates may not be indicative of the future performance of an investment in the Group or the returns the Group will, or is likely to, generate going forward.

***The Directors are or may in the future become affiliated with entities, including other special purpose acquisition vehicles, engaged in business activities similar to those intended to be conducted by the Group***

The Directors are or may in the future become affiliated with entities, including other special purpose acquisition vehicles, engaged in business activities similar to those intended to be conducted by the Group, which may include entities with a focus on target companies or businesses similar to those being sought by the Group.

## **RISK FACTORS SPECIFIC AND MATERIAL TO THE GROUP'S FINANCIAL SITUATION AND EARLY-STAGE BUSINESS**

***The Group is not currently generating positive cashflow revenue and may not do so in the near term***

The Group is a natural resource focused prospect generator and seeks to exit equity positions to realise returns in the form of equity or trailing financial interests in order to provide working capital for the Group. Whilst the Group has liquid equity positions to sell on public exchanges, any such sale is dependent on liquidity in the market. Accordingly given the concentrated equity positions that the Group will seek to exit, is not possible to give any assurance that the Group will ever be capable of generating positive cash flow at the current time. This has resulted in the audit opinion for the year ended 30 June 2023 containing a material uncertainty with respect to going concern, however the Directors are satisfied that the Group has sufficient access to working capital for the 12 months from the date of this Prospectus.

***Whilst the Group has raised capital in £ Sterling, it will incur costs in Canadian Dollars and other currencies.***

The Group will incur certain costs in Canadian Dollars and other currencies, but it has raised capital in £ Sterling. Fluctuations in exchange rates of the Canadian dollar and other currencies to which it has been exposed against £ Sterling may materially affect the Group's translated results of operations. In addition, given the relatively small size of the Group, it may not be able to effectively hedge against risks associated with currency exchange rates at commercially realistic rates. Accordingly, any significant adverse fluctuations in currency rates could have a material adverse effect on the Group's business, financial condition and prospects to a much greater extent than might be expected for a larger enterprise.

## **RISKS RELATING TO TAXATION**

***Changes in tax law and practice may reduce any net returns for Investors***

The tax treatment of shareholders of the Group, any special purpose vehicle that the Group may establish and any company which the Group may acquire are all subject to changes in tax laws or practices in England and Wales or any other relevant jurisdiction. Any change may reduce any net return derived by Investors from a shareholding in the Group.

***There can be no assurance that the Group will be able to make returns for Shareholders in a tax-efficient manner***

It is intended that the Group will structure the Group, , to maximise returns for Shareholders in as fiscally efficient a manner as is practicable. The Group has made certain assumptions, in conjunction with advice from paid consultants, regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Group's assets, or the Group may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Group does not envisage the payment of, at least in the short to medium term). In addition, the Group may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

**RISKS RELATED TO THE GROUP'S LISTING AND ORDINARY SHARES**

***The New Ordinary Shares will dilute Shareholders' interests. Also, the Company may require future capital which may dilute Shareholders interest.***

The Group will issue 403,864,936 New Ordinary Shares in aggregate. The dilutive effect will result in an overall dilution of 35.6% of existing holdings.

The Group may require additional financial resources in the future for further acquisitions after the working capital period covered by this Prospectus. The Group may therefore in the future seek to raise additional funds. No assurance can be given that any such additional financing will be available or that, if available, it will be available on terms favourable to the Group or the Shareholders. Any such fundraising(s) may also have a dilutive effect on existing Shareholders.

***The Standard Listing Category has been closed to new applicants***

Companies already within the standard listing segment before the new Listing Rules are implemented will join a new Equity Shares (transition) category and will continue to be subject to the same continuing obligations as currently apply to issuers in the standard segment. The FCA have stated that the proposed Equity Shares (transition) category would have no end date at the point of implementation, so there will be no deadline for issuers to transfer out of the category. Instead, they can apply to transfer to the proposed ESCC category, the shell companies category or the secondary listing category as relevant when and if they are ready and eligible to do so. Given the Company's current market capitalisation, the Company is currently not suitable for the ESCC category nor is it suitable for the shell companies category or the secondary listing category. Therefore, there can be no guarantee that the Company will be eligible to transfer to one of the newly proposed listing categories and therefore the Company could remain in the Equity Shares (transition) category indefinitely. The FCA have stated that the Equity Shares (transition) category would have no end date at the point of implementation and no deadline for issuers to transfer out of the category, but instead they would keep it under review. Whilst the FCA will consult if and when they consider removing this category and have confirmed that they would also provide sufficient time for any remaining issuers to consider their options, there is a risk that the Company could remain in the Equity Shares (transition) category because it is not eligible to transfer to another listing category, which is then ultimately wound down, in which case the Company may have no option but to de-list or seek an alternative market.

***The market price for the Ordinary Shares may be affected by fluctuations and volatility in the price of Ordinary Shares***

Stock markets have from time to time experienced severe price and volume fluctuations, a recurrence of which could adversely affect the market price for the Ordinary Shares. The market price of the Ordinary Shares may be subject to wide fluctuations in response to many factors, some specific to the Group and some which affect listed companies generally, including variations in the operating results of the Group, divergence in financial results from analysts' expectations, changes in earnings estimates by stock market analysts, general economic, political or regulatory conditions, overall market or sector sentiment, legislative changes in the Group's sector and other events and factors outside of the Group's control.

***Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable***

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile share price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.

***Ordinary Shares available for future sale***

The Group is unable to predict whether substantial amounts of Ordinary Shares will be sold in the open market following Admission. Any sales of substantial amounts of Ordinary Shares in the public markets or the perception that such sales might occur could materially adversely affect the market price of the Ordinary Shares and the market capitalisation of the Group.

***The Group may fail to pay dividends***

The declaration, payment and amount of any future dividends of the Group are subject to the discretion of the Shareholders or, in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Group's earnings, financial position, cash requirements, availability of profits, as well as provisions for relevant laws or generally accepted accounting principles from time to time. As such, there can be no assurance as to the level of future dividends.

## CONSEQUENCES OF A STANDARD LISTING

The Ordinary Shares are admitted to a listing on the standard segment of the Official List, and an application will be made for the New Ordinary Shares to be admitted to a listing on the standard segment of the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings, and for such Ordinary Shares to be admitted to trading on the London Stock Exchange's Main Market for listed securities. With effect from the Transition Date, the Company will have its listing transferred to a listing in the Equity Shares (transition) category, and as a result, Chapter 22 of the UKLR will apply to the Company. Hence, a significant number of the Listing Rules (or from the Transition Date, the UKLR) will not apply to the Company. Shareholders will therefore not receive the full protection of the Listing Rules associated with a Premium Listing (or, with effect from the Transition Date, an ESCC).

The Company complies with Listing Principles 1 and 2 as set out in Chapter 7 of the Listing Rules (or Chapter 2 of the UKLR, from the Transition Date), as required by the FCA and (notwithstanding that they only apply to companies with a Premium Listing (or to an ESCC)) the Premium Listing Principles set out in Chapter 7 of the Listing Rules.

An applicant that is admitted to the Standard Listing of equity securities must comply with all the requirements listed in Chapters 2 and 14 of the Listing Rules (or Chapters 2 and 22 of the UKLR with effect from the Transition Date), which specify the requirements for listing for all securities. Where an application is made for the admission to the Official List of a class of shares, at least 10 per cent. of the shares of the class must be distributed to the public. Listing Rule 14.3 sets out the continuing obligations applicable to companies with a Standard Listing (or UKLR 22.2 with effect from the Transition Date) and requires that such companies' listed equity shares be admitted to trading on a regulated market at all times. Such companies must have at least 10 per cent. of the shares of any listed class in public hands at all times and the FCA must be notified as soon as possible if these holdings fall below that level.

The continuing obligations under Chapter 14 of the Listing Rules (or Chapter 22 of the UKLR with effect from the Transition Date) also include requirements as to:

- the forwarding of circulars and other documentation to the FCA for publication through to the National Storage Mechanism, and related notification to a regulatory information service authorised by the FCA ("**RIS**");
- the provision of contact details of appropriate persons nominated to act as a first point of contact with the FCA in relation to compliance with the Listing Rules and the Disclosure and Transparency Rules;
- the form and content of temporary and definitive documents of title;
- the appointment of a registrar;
- notifying an RIS in relation to changes to equity and debt capital; and
- compliance with, in particular, Chapters 4, 5 and 6 of the Disclosure and Transparency Rules.

As a company with a Standard Listing, the Company, is not required to comply with, among other things, the provisions of Chapters 6 and 8 to 13 of the Listing Rules (or from the Transition Date, Chapters 4 and 6 to 10 of the UKLR), which set out more onerous requirements for issuers with a Premium Listing of equity securities (or, from the Transition Date, an ESCC Listing). These include provisions relating to certain listing principles, the requirement to appoint a sponsor, various continuing obligations, significant transactions, related party transactions, dealings in own securities and treasury shares and contents of circulars.

The Company notes that in the case of an acquisition, the reverse takeover provisions set out in Listing Rule 5.6 (or, with effect from the Transition Date, UKLR 22.3) may be triggered. The Company does not currently anticipate making any acquisitions.

The Company complies with Chapter 5 of the Listing Rules (suspending, cancelling and restoring listing and Reverse Takeovers) (or Chapter 21 of the UKLR with effect from the Transition Date). If the Company undertakes a Reverse Takeover, the Company's listing in the Equity Shares (transition) category will be cancelled but the Company would not be eligible for re-admission to the Equity Shares (transition) category. The Company would therefore need to apply for an ESCC Listing or a listing on another appropriate securities market or stock exchange. The granting of an ESCC Listing

or a listing on another appropriate securities market or stock exchange following a Reverse Takeover cannot be certain as it would need to meet the relevant eligibility criteria of the ESCC listing category at that time. The Company may have its listing suspended in the event of a Reverse Takeover.

As mentioned above, while the Company has a Standard Listing (or with effect from the Transition Date, a listing in the Equity Shares (transition) category, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules (or Chapter 5 of the UKLR) containing additional requirements for the listing of equity securities, which are only applicable for companies with a Premium Listing (or a ESCC Listing with effect from the Transition Date);
- Chapter 8 of the Listing Rules (or Chapter 4 of the UKLR) regarding the appointment of a listing sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters;
- Chapter 9 of the Listing Rules (or Chapter 6 of the UKLR) regarding continuing obligations for a company with a Premium Listing (or a ESCC Listing), which includes, *inter alia*, requirements relating to further issues of shares, the ability to issue shares at a discount in excess of 10 per cent. of market value, notifications and contents of financial information;
- Chapter 10 of the Listing Rules (or Chapter 7 of the UKLR) relating to significant transactions meaning any subsequent additional acquisitions by the Company, will not require Shareholder approval under this Chapter (although such approval may be required for the purposes of facilitating the financing arrangements or for other legal or regulatory reasons);
- Chapter 11 of the Listing Rules (or Chapter 8 of the UKLR) regarding related party transactions. However, the Company is obliged to comply with DTR7.3 relating to related party transactions. DTR7.3 requires the Company to establish and maintain adequate procedures, systems and controls to enable it to assess whether a transaction or arrangement with a related party is in the ordinary course of business and has been concluded on normal market terms, and: to (i) make an announcement; (ii) gain Board approval; and (iii) ensure the related party or their associates do not vote on any resolution, relating to material related party transactions;
- Chapter 12 of the Listing Rules (or Chapter 9 of the UKLR) regarding purchases by the Company of its Ordinary Shares; and
- Chapter 13 of the Listing Rules (or Chapter 10 of the UKLR) regarding the form and content of circulars to be sent to Shareholders.

**IT SHOULD BE NOTED THAT THE FCA WILL NOT HAVE THE AUTHORITY TO AND WILL NOT MONITOR THE COMPANY'S COMPLIANCE WITH ANY OF THE PREMIUM LISTING (OR ESCC CATEGORY) PRINCIPLES WHICH THE COMPANY HAS INDICATED IN THIS DOCUMENT THAT IT INTENDS TO COMPLY WITH ON A VOLUNTARY BASIS, NOR TO IMPOSE SANCTIONS IN RESPECT OF ANY FAILURE BY THE COMPANY TO SO COMPLY. HOWEVER, THE FCA WOULD BE ABLE TO IMPOSE SANCTIONS FOR NON-COMPLIANCE WHERE THE STATEMENTS REGARDING COMPLIANCE IN THIS DOCUMENT ARE THEMSELVES MISLEADING, FALSE OR DECEPTIVE.**

## IMPORTANT INFORMATION

### NOTICE TO INVESTORS

In deciding whether or not to invest in the New Ordinary Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Group or the Directors. Without prejudice to the Group's obligations under FSMA, the UK Prospectus Regulation Rules, the Listing Rules, UK MAR and the Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this Document or that the information contained herein is correct as at any time after its date of publication.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Group, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" in this Document should be read as an introduction to this Document. Any decision to invest in the New Ordinary Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read the section headed 'Key Information on the Issuer' and 'Key Information on the Securities' of the Summary, together with the risks set out in the section headed "Risk Factors" in this Document.

This Document is being furnished by the Group in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider the purchase of the New Ordinary Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the New Ordinary Shares hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any New Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document in certain jurisdictions may be restricted. Accordingly, persons outside the UK who obtain possession of this Document are required by the Group and the Directors to inform themselves about, and to observe any restrictions as to the distribution of this Document under the laws and regulations of any territory in connection with any applications for the New Ordinary Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Group or the Directors that would permit a public offering of the New Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Group nor the Directors accept any responsibility for any violation of any of these restrictions by any person.

The New Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, the Republic of South Africa, Canada or Japan. Subject to certain exceptions, the New Ordinary Shares may not be offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, the Republic of South Africa, Australia, Canada or Japan or to any national, resident or citizen of the United States, Australia, the Republic of South Africa, Canada or Japan.

**The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.**



Investors may be required to bear the financial risk of an investment in the New Ordinary Shares for an indefinite period. Prospective investors are also notified that the Group may be classified as a passive foreign investment company for US federal income tax purposes. If the Group is so classified, the Group may, but is not obliged to, provide to US holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Ordinary Shares for any year in which the Group is a passive foreign investment company.

### **Available information**

The Group is not subject to the reporting requirements of section 13 or 15(d) of the Exchange Act. For so long as any New Ordinary Shares are “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act, the Group will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide, upon written request, to Shareholders and any owner of a beneficial interest in New Ordinary Shares or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

### **Data protection**

The Group may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Group (or any third party, functionary or agent appointed by the Group) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Group and the administering of interests in the Group;
- meeting the legal, regulatory, reporting and/or financial obligations of the Group in the United Kingdom or elsewhere; and/or
- disclosing personal data to other functionaries of, or advisers to, the Group to operate and/or administer the Group.

Where appropriate it may be necessary for the Group (or any third party, functionary or agent appointed by the Group) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Group to provide services to prospective investors; and/or
- transfer personal data outside of the UK to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the UK.

If the Group (or any third party, functionary or agent appointed by the Group) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

### **Investment considerations**

In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Group, this Document and the terms of the Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the New Ordinary Shares;

- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the New Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the New Ordinary Shares or distributions by the Group, either on a liquidation and distribution or otherwise.

Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Group and an investment therein.

An investment in the Group should be regarded as a long-term investment. There can be no assurance that the Group's objective will be achieved over any given time period.

It should be remembered that the price of the New Ordinary Shares and any income from such New Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the New Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, which investors should review.

### **Forward-looking statements**

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should", "could" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Group and the Board concerning, among other things: (i) the Group's objective and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to an investment. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Group's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Group's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective investors should carefully review the "Risk Factors" section of this Document for a discussion of additional factors that could cause the Group's actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 7 of Part IV of this Document.

Forward-looking statements contained in this Document apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules and UK MAR, the Group undertakes no obligation publicly to update or review any forward-looking statements, whether as a result of new information, future developments or otherwise.

### **Third party data**

Where information contained in this Document has been sourced from a third party, the Group and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Where third party information has been used in this Document, the source of such information has been identified.

**Currency presentation**

Unless otherwise indicated, all references in this Document to “pounds sterling”, “British pound sterling”, “sterling”, “£”, or “pounds” are to the lawful currency of the UK.

Unless stated otherwise, the following exchange rate have been applied within this Document:

CAN\$ to GBP – \$1: £0.56

**No incorporation of website**

Except to the extent expressly set out in this document, neither the content of the Company’s website or any other website nor the content of any website accessible from hyperlinks on the Company’s website or any other website is incorporated into, or forms part of, this document.

**Definitions**

A list of defined terms used in this Document is set out in “Definitions” in Part V of this Document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	25 July 2024
Admission and commencement of dealings of the New Ordinary Shares	8.00 a.m. on 31 July 2024
CREST members' accounts credited	8.00 a.m. on 31 July 2024

*All references to time in this Document are to London time unless otherwise stated.  
Each of the above dates is subject to change at the absolute discretion of the Group.*

## ADMISSION STATISTICS

Number of Existing Ordinary Shares	729,210,696
Number of new Ordinary Shares pursuant to the conversion of Convertible Loan Notes	16,652,055
Number of new Ordinary Shares to be issued pursuant to the conversion of Company Debt	305,832,210
Number of new Ordinary Shares to certain creditors	81,380,671
Total Number of New Ordinary Shares	403,864,936
Enlarged Share Capital	1,133,075,632
Percentage of Enlarged Share Capital represented by the New Ordinary Shares	35.6%

## DEALING CODES

<b>ISIN</b>	GB00B44LQR57
<b>SEDOL</b>	B44LQR5
<b>TIDM</b>	CDL

## DIRECTORS, SECRETARY AND ADVISERS

<b>Directors</b>	Andrew Male (Interim Chief Executive Officer) Emma Kinder Priestley (Non-Executive Director) Paul Gurney (Non-Executive Director)
<b>Registered office</b>	6 Heddon Street London W1B 4BT
<b>Head office and business address</b>	6 Heddon Street London W1B 4BT
<b>Company Secretary</b>	Westend Corporate LLP 6 Heddon Street London W1B 4BT
<b>Financial Adviser</b>	Novum Securities Limited 2 <sup>nd</sup> Floor, 7-10 Chandos St London W1G 9DQ
<b>Broker to the Company</b>	Oberon Investements Group Nightingale House 65 Curzon St London W1J 8PE
<b>Legal advisers to the Company</b>	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP
<b>Auditors</b>	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD
<b>Registrars</b>	Share Registrars Ltd The Courtyard 17 West Street Farnham Surrey GU9 7DR
<b>Principal banker</b>	HSBC Bank PLC 94 Kensington High Street London W8 4SH

# PART I

## INFORMATION ON THE GROUP

### 1. Introduction

The Company was incorporated on 11 June 2007 as a public limited company under the name Latam Resources plc and with registered number 06275976. The Company initially remained dormant until it changed its name to Imperial Minerals PLC on 24 April 2010 and was admitted to the AQSE (then called PLUS Markets) on 24 November 2010. It was admitted to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange's Main Market for listed securities on 3 June 2021 and the change to its current name became effective on 21 June 2021.

The Group is focused on building a specialist early-stage natural resource investment and development business. The Group acquires, develops and manages a diverse portfolio of mineral assets across the natural resource sector.

The Group is positioning itself to take advantage of the next commodity super cycle by diversifying its portfolio across early-stage exploration commodities and cash-flowing projects across North America, South America, Europe, Australia and Asia.. This strategy is intended to be a targeted but flexible approach, where the team will source opportunities with low capital investment but with high potential internal rates of return.

### 2. Group Strategy

The Group aims to spread its risk by gaining exposure to diverse markets and regulatory environments. This diversification also helps to mitigate geopolitical uncertainties and reduce the impact of any one country.

The Director's believe that the Group's strategy is well-aligned with the current global economic conditions and the emerging trends in the commodities market, positioning it to benefit from opportunities presented by the ongoing commodity super cycle.

The Group's strategy enables the acquisitions of royalties or similar ownership structures in exchange for investments for exploration or development capital. Royalties can provide a stream of income over the life of a resource operation, offering a potentially attractive investment opportunity for the Group and its shareholders.

With these type of investments the Directors' believe the Group can effectively participate in the upside potential of exploration and mining projects while minimising upfront costs.

The Group's focus is acquiring:

- in transitioning assets from exploration to development, which will underscore the commitment to realising value throughout the project lifecycle, for the royalty stream, and
- in assets that require improvement and expansion of mines and plants, including but not limited to mining fleets, beneficiation plants and tailings processing, which will help enhance recovery methods. This demonstrates an overall approach to asset development, with an emphasis on establishing and optimising operational efficiencies in order to improve the cash-flow of the asset.

The Group aims to deliver tangible and sustainable returns to its shareholders with the goal of creating value in a timely manner.

The Group aims to acquire positions of influence within its projects, even if it doesn't result in 100% ownership, reflecting a hands-on approach to enhance the value of its investments. By maintaining influence over its acquired assets, the Group can actively participate in decision-making processes and strategic direction, thereby safeguarding its interests and enhancing the potential for value creation.

Overall, this approach reflects a balanced strategy that prioritises value creation while remaining responsive to market dynamics and opportunities. By continually assessing and optimising its asset portfolio and capital structure, the Group aims to position itself to adapt to changing market conditions and maximise long-term shareholder value.

### 3. Current Portfolio of Assets

As at the date of this Document, the Group owns the following portfolio of assets directly and indirectly through wholly owned subsidiaries, details of which are set out below:

The Group owns equity positions in:

- Lithos Group Ltd. (formerly Alchemist Mining Incorporated) 330,500 common equity units
  - Alchemist Mining Incorporated (“**Alchemist Mining**”) is a publicly listed entity (CBOE: LITS), focused on developing the early-stage mineral assets. Lithos has a valuation of C\$21.15 million (£11.93 million).
  - Alchemist Mining’s primary asset is the Rhodes Marsh project, an early stage project in Nevada, USA.
- Buscando Resources Corp. 550,000 common equity units
  - Buscando Resources Corp. (“**Buscando**”) is a publicly listed entity (CSE: BRCO), focused on developing early-stage mineral assets.
  - Buscando is an early stage exploration company located in British Columbia.
  - The Group owns 3.9% of the issued and outstanding equity in Buscando.
  - Buscando presently halted.
- Linceo Media Group 4,000 common equity units
  - Linceo Media Group Inc. (“**Linceo**”) is a private entity, headquartered in Vancouver, Canada.
  - Linceo is an exploration and development company of Industrial Minerals, focused on alumina silicate and high-grade silica, important feedstocks for cement production. Its PEM 100 quarry asset is located in British Columbia, a focal point for the Canadian and Pacific North West building materials sector. The PEM 100 quarry is currently in care and maintenance and Linceo is seeking to move the asset back in to production after a capital raise, which is expected to take place in the near term
  - Previous Management sold position, position due to be replenished with anniversary timeframe passing.
- Power Group Projects Corp. 15,350,000 common equity units
  - Power Group Projects Corp. (“**Power Group Projects**”) is a publicly listed entity (TSX-V: PGP – OTCPK: PGPGF), focused on developing the early-stage mineral assets centred around energy metals such as Cobalt. Power Group Projects has a valuation of C\$0.25 million (£0.14 million).
  - PGP has optioned three properties from Cloudbreak, Atlin West, Rizz and Ice Fall.
  - The Group owns 12.84% of the issued and outstanding equity in Power Group Projects.
- Smackover Resources LLC. 2,000,000 common equity units
  - Smackover Resources LLC, a wholly owned subsidiary of Lonestar Lithium Inc. (“Lonestar”) acquired the Company’s proprietary database of lithium targets, which includes regional modelling and data compilation, in the State of Texas.
  - In addition, the Company has a 0.5% Royalty on all lithium produced on each Property of Merit in order to qualify for a Canadian listing
  - The Company will be paid a fee of US\$25,000 each time a Qualifying Transaction property is generated from the database.

The Group owns Royalty positions and/or leases on the following properties:

- Caribou 2.0% NSR
  - The Caribou is an early-stage exploration property which is located approximately 35km West of Smithers, British Columbia. The property is underlain by interbedded sedimentary and volcanic rocks of jurassic and cretaceous age and eocene and cretaceous plutonic rocks. The property has not been explored to a great extent, with

work which includes trenching, rock sampling programs, soil geochemistry surveys, induced polarization geophysics surveys, mapping and drilling. Significant copper and silver mineralisation has been found in bedrock on the property including a trench which yielded 4.93% copper and 242.5 g/t silver in a 7.6 meter trench in the A zone in 1968. Trenching of 7.40% copper and 362.8 g/t silver over 3m of chip samples were taken in 1987. The most interesting with mineralisation comprised of Copper Sulphides in fractures and calcite veinlets from soil anomalies across an area of 1500m x 500m. Drilling denoted porphyry style alterations in volcanics. The property is prospective for copper and silver mineralisation in quartz veins, as well as volcanic redbed copper. The aforementioned soil anomaly and bedrock mineralisation are the most significant mineralisation found on the property to date and there are no resources or reserves on the property.

- The NSR relates to any material produced on Caribou.
- Information in respect of the acquisition of the Royalty position in Caribou is included in paragraph 11.11 of Part IV of this Document.
- Gold Vista 0.5% NSR
  - The Gold Vista property is located 65 kilometres north north-east of Smithers, British Columbia and immediately NNW of the Silver Vista property.
  - The NSR relates to any material produced on Gold Vista.
- Rupert 2.0% NSR
  - The Rupert property is located in northern Vancouver Island to the east of BHP's past producing Island Copper Mine. The property has had limited exploration work to date but consist of coincident geophysical signatures and muted soil anomalies of Copper and Molybdenum. The property is under significant till cover and exposure is limited. The exploration target is Mesozoic intrusions and related mineralized breccias resulting in a copper porphyry, similar to the Island copper mine's deposit or NorthIsle Copper and Gold's Hushamu deposit. There are no resources or reserves on the property.
  - The NSR relates to any material produced on Rupert.
- South Timmins 0.5% NSR
  - The South Timmins property is a large grassroots prospect located approximately 40km south of Timmins, Ontario. The property is part of the Abitibi Greenstone Belt.
  - The NSR relates to any material produced on South Timmins.
- Silver Switchback 1.0% NSR
  - The Silver Switchback property is located 55 kilometres east-southeast of Terrace, British Columbia, in the Stikine terrane. The property is underlain by volcanosedimentary rocks that host copper and silver mineralisation as both fine-grain disseminated copper and silver minerals within volcanic stratigraphy as well as mineralized quartz veins. To date, only limited reconnaissance programs have been conducted on the property, which have started to define a small, anomalous for copper and silver anomaly in soil samples over the northern portion of the Switchback showing. The outcrop sampling includes samples that returned 626.3 grams per tonne Ag and 4.39 per cent Cu. The property is prospective for copper and silver mineralisation in quartz veins, as well as volcanic redbed copper deposit types. This project is an early-stage exploration project and does not contain resources or reserves.
  - The NSR relates to any material produced on Silver Switchback.
- Silver Vista 1.0% NSR
  - The Silver Vista property is located 55 kilometres north-east of Smithers, British Columbia. Malachite and azurite staining was originally discovered in outcrop in 1990. The work conducted since has delineated Ag-Cu mineralized sandstone that is 300 meters long by 50m wide and 3 to 150 m deep. The mineralisation is observed to be weak to strong carbonate-quartz alteration characterized by matrix replacement by carbonate +- quartz and quartz-carbonate veining and local brecciation. Local Ag-Cu



mineralisation is patchy and in veins. Drill hole MR92-02 contained a 1-2 cm thick semi-massive sulfide vein containing 569 g/t Ag and 14.7% Cu as chalcocite and trace bornite at 193.68m depth. Most Ag-Cu mineralisation is very fine grained with no apparent vein or fracture control. Mineralisation can be difficult to estimate visually and an XRF or similar machine should be used to guide drilling and prospecting. Total sulfide concentrations are low ranging from trace up to 2% with an approximate average of 0.5%. Drilling has intercepted multiple, stacked zones of finely disseminated mineralisation in Hazelton Group sedimentary rocks, which appear to be stratabound to moderately dipping sandstone horizons. The property is an early-stage prospect with limited outcrop and not contain any resources or reserves.

- The NSR relates to any material produced on Silver Vista.
- West Atlin 2.0% NSR
  - The West Atlin property is located in NW British Columbia. The property is The Atlin West Project is underlain by undivided sedimentary and volcanic rocks of the Cache Creek Complex, which have been subsequently intruded by late Cretaceous felsic volcanic and intrusive rocks. The area is bounded by the Nahlin fault and crosscut by east-west and northwest trending faults. The project targets gold, silver and copper deposits. It is an early-stage exploration project and does not contain any resources or reserves.
  - The NSR relates to any material produced on West Atlin.
- Yak 2.0% NSR
  - The Yak project is located in the Northwest mining region of the province of British Columbia, approximately 80km south of Whitehorse, Yukon Territory, and immediately south of the Yukon border in British Columbia. The geologic setting for the property has been interpreted to be the southern portion of the Bennett Lake structural dome and thick succession of pyroclastic and epiclastic rocks of the Sloko Group Volcanic Assemblage. The property offers newly exposed prospective ground resulting from receding glaciers. The project targets copper, gold and silver porphyry and epithermal deposits. The Yak area is an early-stage target. It is an early-stage exploration project and does not contain any resources or reserves.
  - The NSR relates to any material produced on Yak.
- Appalachian Lithium
  - The Group has acquired initial leases comprising of 435 acres in an area of high priority lithium brines targets. The Group compiled data to advance the exploration and target areas of high priority and then built a dataset using third party contractors and consultants to establish the area of interest. The data set and leases comprise a “Regional Basin Scale” project opportunity and the Group is seeking an exploration and / or production partner.

#### 4. Trends

##### *Metals and Minerals*

<sup>1</sup>BHP's February 2024 Economic and Commodity outlook provides a positive backdrop for some commodities like copper, while remaining bearish on the near-term prospects for nickel. BHP expects a deficit in refined copper due to robust Chinese demand and the abrupt closure of Cobre Panama by the Government of Panama. The material surplus in nickel units is expected to continue but is expected to come more into balance following destocking of the battery supply chain and curtailments across installed nickel units. The iron ore and met coal markets are expected to stay broadly in balance. Investment across multiple commodities remains attractive as cost-curves are steepening due to resource nationalism, continuing supply chain inflation and a focus on lower-carbon projects.

<sup>1</sup> World Bank, Commodity Markets Outlook, October 2023  
<https://openknowledge.worldbank.org/server/api/core/bitstreams/27189ca2-d947-4ca2-8e3f-a36b3b5bf4ba/content>

The longer-term macro backdrop remains even more supportive of investment in key commodities as BHP expects “Over the course of the 2020s we expect: global population to expand by 0.8 billion to 8.5 billion; urban population to also expand by 0.8 billion to 5.2 billion; nominal world GDP to expand by \$78 trillion to \$165 trillion; and the capital spending component of GDP to expand by \$15 trillion to \$38 trillion. Each of these fundamental indicators of resource demand are expected to increase by more in absolute terms than they did across the 2010s.”

There are three trends which provide an ongoing tailwind for future commodity prices:

#### 1. Resource Nationalism

The best opportunities in resources are often in some of the more exotic locations in the world, however building and maintaining a social license is critical to have a license to operate. In 2023, the commodity sector was reminded once again that even with the best laid plans, once the capital is invested in country, the company could be at the whim of the government. For example, in December 2023, the Panamanian government abruptly ordered First Quantum to shut down its producing mine after the Supreme Court intervened and annulled a new contract First Quantum had to run the mine.<sup>2</sup> Cobre Panama is one of the world's largest copper mines and was responsible for nearly half of First Quantum's revenue in 2023. According to Reuters<sup>3</sup>, the company has spent about \$10 billion developing the mine over the last 10 years. Other regions like West Africa have experienced a series of military coups, while the formerly peaceful Ecuador struggled with lawlessness and cartel led violence. While other countries like Chile threatened to nationalise entire commodities. With the uptick in countries looking for a bigger piece of the resource pie, the willingness to spend large amounts of capital on megaprojects is diminishing. And this further pushes out bringing on much needed supply in commodities like copper.

#### 2. Capex Inflation

While capex inflation is abating, it remains an ever-present issue for the mid-cap and junior mining sectors. According to S&P Global, “capex across the top 30 miners globally is expected to grow 6.2% in 2023 to an estimated \$109.2B, following an increase of 13.8% in 2021 and 16.3% in 2022”.<sup>4</sup> The capex spent is still well below the peak of the last major cycle in 2012 and 2013, and demonstrates the restraint of the top miners when it comes to bringing new projects online (see chart below). The risk of capex blow-outs in the junior space was front and centre with London-listed Horizonte Minerals which noticed an increase from its previous budget of \$537m to over \$1B. This for a project already well into the construction process with mechanical completion not expected now until Q1 2026 (depending on funding of course). This experience sends shivers down the spine of investors and demonstrates why many are reluctant to fund single project mid and small cap companies. And as mining.com reported “A review of 132 development projects requiring more than \$1 billion of capital investment showed nearly one in five faced cost overruns, with an average blowout of \$500 million.”<sup>5</sup> The increases and technical risks mean many projects will be delayed or abandoned altogether, further constraining the amount of supply expected to come online. As finding, permitting, funding and constructing a mine can often be a ten year plus timeline, there is no easy fix here once markets get tight. As can now be seen with the squeeze on Uranium prices<sup>6</sup>, driven by under investment in the sector since the price collapse in 2011.

<sup>2</sup> Panama's next government can't ignore mining: First Quantum CEO | Financial Post

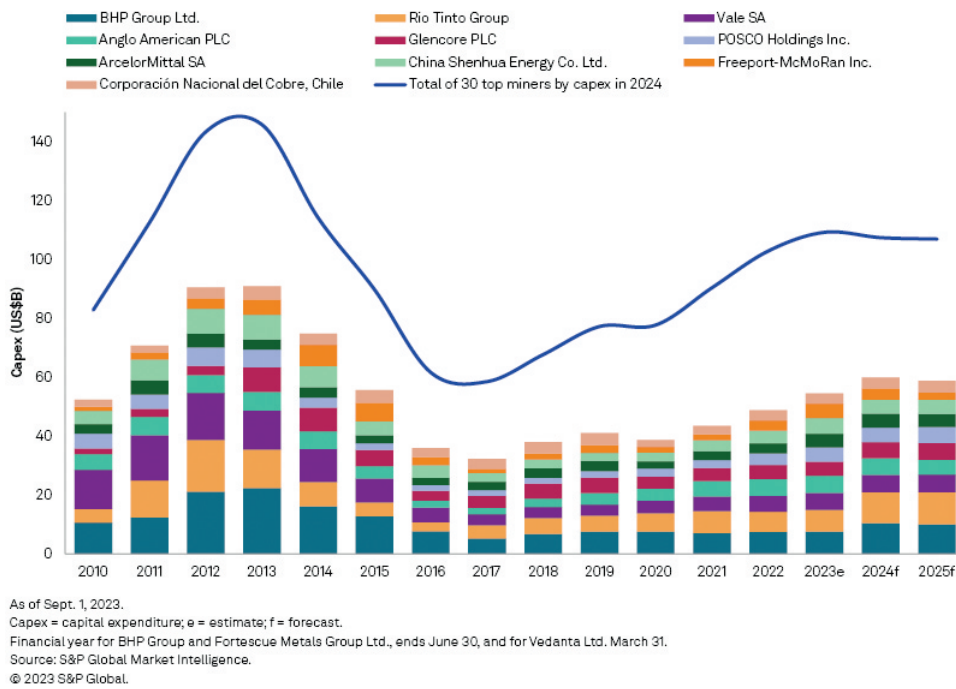
<sup>3</sup> Panama president directs First Quantum to shut copper mine after court ruling | Reuters

<sup>4</sup> Capex of top 30 miners to grow 6.2% in 2023, but decline over next two years — report — MINING.COM

<sup>5</sup> source: Raising capital now biggest risk to mining companies after ESG — MINING.COM

<sup>6</sup> source: 'The squeeze is on.' Uranium prices hit new record and industry watchers see further to go — MarketWatch

### Capex by highest spending miners, 2010–25



### 3. Permitting timelines

In the US and Canada, permitting timelines have lengthened significantly, further stretching already protracted timelines to build a mine. For example, the US Bureau of Land Management (BLM) has a permitting backlog of more than 280 projects<sup>7</sup> “In 2020, the White House’s Council on Environmental Quality found it took on average of 4.5 years to complete an environmental impact statement. Just one of the many documents and permits required by State, Federal and local permitting process.”<sup>8</sup> It’s not much better in Canada, where it currently takes up to 15 years to permit a new mine<sup>9</sup>. This means any project that starts permitting today will likely see multiple financial cycles before it is even ready for construction. Other jurisdictions in South America and Africa are much quicker but introduce a higher level of geopolitical risk to the equation. The big pushback to permitting mines in the Western world, will continue to make it harder to bring new supply to the market. This further increases the chances of supply shocks which cannot be easily rectified.

#### Precious Metals

Gold has recently eclipsed all-time highs as potential US rate cuts, geopolitical tensions, and increased central bank buying push the metal higher. FX Empire<sup>10</sup> forecasts a peak of \$2,300/oz by mid-2024 with silver potentially hitting \$26/oz on increased industrial demand (in particular from use in solar panels). The gold and silver equities remain unloved and have yet to participate meaningfully in the recent price rally. There are few tier 1 development projects globally, making existing production attractive and the ability to get leverage through production expansion by providing capital via equity or a royalty arrangement.

#### Energy

According to the IEA Oil Market Report (OMR) for February 2024, global oil demand is beginning to lose momentum with annual gains easing from 2.8 mb/d in 3Q23 to 1.8 mb/d in 4Q23. With the pace set to drop further in 2024, to 1.2 mb/d led by gains in China, India and Brazil. On the supply-side. Non-OPEC+ supply is set to increase by 1.6 mb/d in what looks like a fairly balanced market, to one that may be in a slight surplus. However, global oil markets did tighten in January due to extreme weather conditions and some voluntary output curbs by some OPEC+ countries.

<sup>7</sup> source: How Mine Permitting Delays Impact the Transition to a Green Economy (visualcapitalist.com)

<sup>8</sup> source: How Mine Permitting Delays Impact the Transition to a Green Economy (visualcapitalist.com)

<sup>9</sup> source: Permitting and Authorizations – Mining Association of BC

<sup>10</sup> source: Gold, Silver, Copper Daily Forecast: Precious Metals Poised for Dynamic Changes in 2024 | Nasdaq

Increasing tensions in the Red Sea make U.S. onshore oil production even more attractive, as a near-term resolution to the disruption does not seem likely.

The U.S. Energy Information Association (EIA) expects relatively flat crude prices in 2024 and 2025 with Brent prices at \$82/barrel in 2024 with West Texas Intermediate (WTI) slightly lower. The increase in demand over the last two years was driven by economic growth and the return to pre-pandemic travel pattern norms. As these are steady state now, most forecasting agencies see a balanced market for oil in 2024 and 2025 and benign price performance.<sup>11</sup>

The IEA outlook for global gas demand is positive with the expectation of 2.5% growth or 100 billion cubic metres (bcm).<sup>12</sup> The sharp fall in natural gas prices since 2022 is supporting the recovery in gas demand. On the supply side, gas remains surprisingly tight as global LNG production fell short of expectations. The U.S. is going strong though with the country accounting for over 80% of the additional LBG supply in 2023. LNG supply is only expected to grow by 3.5% this year.

The US EIA expects the US benchmark Henry Hub spot price to average higher in 2024 and 2025 than in 2023, but to remain lower than \$3.00per MMBtu.<sup>13</sup>

## 5. ESG Analysis

The Board recognises its responsibility to protect the environment and is fully committed to conserving natural resources and striving for environmental sustainability, by ensuring that its facilities are operated to optimise energy usage; minimise waste production; and protect nature and people. The Group is committed to the highest environmental, social and governance standards both internally within the Group and externally with its partners. The Group is committed to being a responsible entity in terms of the community and the wider environment.

The Board takes its ethical responsibilities to the communities and environment in which it works seriously. It abides by the local and relevant UK laws on anti-corruption and bribery. Wherever possible, local communities are engaged in the geological operations and support functions required for field operations, providing much needed employment and wider economic benefits to the local communities.

In addition, the Group follows international best practise on environmental aspects of our work. Its goal is to meet or exceed standards, in order to ensure it obtains and maintains the social licence to operate from the communities with which it interacts.

The Group has historically focused on investing in exploration efforts of resource projects and has no direct extraction operations. It supports its contractors, sub-contractors and investment companies in their efforts to adhere to a best practices approach towards ESG in all aspects of their operations.

The Group is committed to continually reviewing and updating its ESG policy and approach to ESG matters on a regular basis.

## 6. Reasons for the Prospectus

This prospectus is being produced to provide the Company with the ability to issue further Ordinary Shares under the Prospectus Regulation Rules related to the following matters:

- (a) 16,652,055 new Ordinary Shares to be issued relating to a conversion that took place on 22 May 2024, where the conversion price was incorrectly calculated requiring additional Ordinary Shares to be issued, further details of which are set out in paragraph 11.5 of Part IV of this document ("**CLN Conversion**");
- (b) 305,832,210 new Ordinary Shares to be issued pursuant to the conversion of Company Debt, further details of which are set out in paragraph 11.3 of Part IV of this document ("**Debt Conversion**"); and

<sup>11</sup> EIA expects relatively flat crude oil prices in 2024 and 2025 – U.S. Energy Information Administration (EIA)

<sup>12</sup> Global gas demand set for stronger growth in 2024 despite heightened geopolitical uncertainty – News – IEA

<sup>13</sup> What is the outlook for the natural gas spot price in 2024 and 2025? – U.S. Energy Information Administration (EIA)

- (c) 81,380,671 new Ordinary Shares to be issued to certain creditors of the Company to capitalise amounts owed to them for their provision of services to the Company ("**Creditor Share Issue**"). The Creditor Share Issue includes:
- (i) the issue of 40,882,416 new Ordinary Shares to Andrew Male for the conversion of part of the outstanding fees owed to him by the Company, incurred through the provision of his services as a director of the Company and the provision of his services as a consultant to the Company aggregating £121,339 to be converted into equity at the Issue Price;
  - (ii) the issue of 19,878,706 new Ordinary Shares to Emma Priestley for the conversion of part of the outstanding fees owed to her by the Company, incurred through the provision of her services as a director of the Company aggregating £59,000 to be converted into equity at the Issue Price;
  - (iii) the issue of 2,088,552 new Ordinary Shares to Paul Gurney for the conversion of part of the outstanding fees owed to him by the Company, incurred through the provision of his services as a director of the Company aggregating £6,199 to be converted into equity at the Issue Price;
  - (iv) the issue of 18,530,997 new Ordinary Shares to certain other service providers of the Company for the conversion of outstanding amounts owed to them by the Company for the provision of such services aggregating £55,000 to be converted into equity at the Issue Price.

## **7. CREST**

CREST is the system for paperless settlement of trades in listed securities. CREST allows securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer in accordance with the CREST Regulations.

The Articles permit the holding of Ordinary Shares in uncertificated form under the CREST system. Application has been made for the New Ordinary Shares to be admitted to CREST with effect from Admission. It is anticipated that the New Ordinary Shares will be delivered in uncertificated form and settlement and dealings will take place through CREST on Admission. No temporary documents of title will be issued.

Accordingly, settlement of transactions in the New Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and holders of New Ordinary Shares who wish to receive and retain share certificates will be able to do so.

## **8. Dividend policy**

The Group intends to pay dividends on the Ordinary Shares and in such amounts (if any) as the Board determines appropriate notwithstanding that the Board may retain future distributable profits from the business, to the extent any are generated, to reinvest to achieve long term capital growth for its Shareholders.

The Group will only pay dividends to the extent that to do so is in accordance with the Act and all other applicable laws.

## **9. The Board and the Directors**

Details of the Directors are set out below:

### **Andrew Male, Interim CEO (Age 57)**

Andrew, based in the UK, is an experienced Director holding senior positions at international public and private investment and operational companies. He is an Associate of Columbus Energy Partners, an incubator and accelerator of companies in the energy sector, a Director of Global UAV Technologies Ltd., a geotechnical drone services company, a Non-Executive Director of Graph Blockchain Inc. and Managing Director of a privately held Corporate Finance & Investment entity. He also works closely with several Family Offices that seek access to an array of transformational opportunities and is also a former founder and CEO of a TSX Venture Exchange Top 50 Company.

### **Emma Kinder Priestley, Non-Executive Director (Age 51)**

Emma Priestley has some 25 year's experience in mining and financial services having worked with GVA Grimley and IMC Mackay & Schnellmann with contracts held at PT Anneka Tambang and PT Bukit Assam in Indonesia and with the World Bank in Central America and Africa. In 2000 she was appointed as Mining Analyst with investment bank Credit Suisse First Boston, before moving to the mining financial advisors VSA Resources, and Ambrian Partners, where she worked as corporate broker and adviser. In 2005, Emma was appointed to the main board of Lonrho Plc, which focussed on the development of business opportunities in infrastructure, transportation, support services and natural resources in Africa. Her role developed from analysing business opportunities and attracting investors to them, to acting as the Director on the ground until its successful takeover in 2014. She is currently CEO of Goldstone Resources Ltd, an operational gold mine in Ghana, and Non-executive Director to Cloudbreak Discoveries Plc CrossInvest Global Management Services Limited in Mauritius Corporate Financial Advisory an Investment Management to the general market. Emma is a graduate of Camborne School of Mines, is a Chartered Mining Engineer and Chartered Mineral Surveyor.

### **Paul Gurney, Non-Executive Director (Age 47)**

Paul has more than 17 years' of experience in capital markets, working for a large Canadian bank, the Bank of Montreal (BMO) and currently as a Managing Director of Beacon Securities International Capital Markets Business in London. For over a decade, Paul led BMO's coverage of large institutional equity clients in Europe and Asia-Pacific. BMO is a top 10 bank in North America, with a strong capital markets business and significant exposure to the public markets. Prior to BMO, Paul spent seven years as a senior salesperson at IBM. Throughout his career, Paul has had experience in researching companies, syndicating transactions, structuring deals and providing value-added advice to institutional and corporate clients across multiple sectors. Paul has extensive knowledge of the gold, copper, cobalt, nickel, iron ore, lithium and other battery metals markets, built over a decade of marketing companies in Europe and Asia-Pacific. Paul received a Bachelor of Science in Computer Science from the University of Western Ontario and an MBA from the University of Toronto.

## **10. Corporate governance**

With a Standard Listing (and with effect from the Transition Date, as a company with a listing in the Equity Shares (transition) category), the Group is not required to comply with the provisions of the UK Corporate Governance Code. The Directors are committed to maintaining high standards of corporate governance and have adopted and so far is practicable given the Group's size and nature, comply with, the QCA Code. .

The Group hold timely board meetings as issues arise which require the attention of the Board. The Board is responsible for the management of the business of the Group, setting the strategic direction of the Group and establishing the policies of the Group. It is the Directors' responsibility to oversee the financial position of the Group and monitor the business and affairs of the Group, on behalf of the Shareholders, to whom they are accountable. The primary duty of the Directors is to act in the best interests of the Group at all times. The Board also addresses issues relating to internal control and the Group's approach to risk management and has formally adopted an anti-corruption and bribery policy.

The Directors have established an audit committee, a nomination committee and a remuneration committee with formally delegated duties and responsibilities.

Emma Priestley and Paul Gurney are considered by the Board to be independent Non-Executive Directors.

### ***Audit committee***

The audit committee, which currently comprises Paul Gurney (chairperson) and Emma Priestley has the primary responsibility for monitoring the quality of internal control and ensuring that the financial performance of the Company is properly measured and reported on and for reviewing reports from the Company's auditors relating to the Company's accounting and internal controls. The committee is also responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring the financial performance of the Company is properly monitored and reported. The audit committee meets not less than three times a year.

### **Remuneration committee**

The remuneration committee, which currently comprises Emma Priestley (chairperson) and Paul Gurney, is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Company.

### **Nomination committee**

The nomination committee, which currently comprises Emma Priestley (chairperson) and Paul Gurney.

### **Market Abuse Regulation**

The Company has adopted a share dealing policy which sets out the requirements and procedures for the Board and applicable employees' dealings in any of its Ordinary Shares in accordance with the provisions of UK MAR.

## **11. Capitalisation and Indebtedness**

The following table shows the Company's capitalisation and indebtedness as at 31 May 2024 and has been extracted without material adjustment from the Company's unaudited management accounts.

	<b>31 May 2024</b>
<b>Total Current Debt</b>	<b>(£)</b>
Guaranteed	—
Secured	—
Unguaranteed and Unsecured	445,161
<b>Total Debt</b>	<b>445,161</b>
	<hr/>
<b>Shareholder Equity</b>	<b>(£)</b>
Share Capital (including deferred shares)	900,166
Share premium	17,239,349
Other Reserves (share option and warrant reserve)	227,765
<b>Total shareholder equity</b>	<b>18,367,280</b>
	<hr/>

As at 24 July 2024, being the latest practicable date prior to the publication of this Document, there has been no material change in the capitalisation of the Company since 31 May 2024.

The following table sets out the unaudited net funds of the Company as at 31 May 2024 and has been extracted without material adjustment from the Company's unaudited management accounts.

	<b>31 May 2024</b>
	<b>(£)</b>
A. Cash	120,080
B. Cash equivalent	
C. Other current financial assets	210,335
	<hr/>
D. Liquidity (A) + (B) + (C)	<b>330,415</b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	885,274
F. Current portion of non-current debt	—
G. Current Financial Debt (E) + (F)	<b>885,274</b>
H. Net Current Financial Indebtedness (G) – (D)	<b>554,859</b>
	<hr/>
I. Non-current financial debt (excluding current portion and debt instruments)	—
J. Debt instruments	—
K. Non-current trade and other payables	—
L. Non-current Financial Indebtedness (I) + (J) + (K)	—
M. Net Financial Indebtedness (H) + (L)	554,859
N. Non-current Financial Indebtedness (K) + (L) + (M)	<b>554,859</b>
	<hr/>
O. Net Financial Indebtedness (J) + (N)	<b>554,859</b>
	<hr/>

## **12. Regulatory Disclosures**

Summaries of the announcements made by the Company under the MAR in the twelve months preceding the date of this Document are set out below:

### **12.1 Cloudbreak Completes Issuance of Equity for Debt**

On 22 May 2024 the Company announced that it had completed the issuance of equity in exchange for debt. The total number of shares issued was 121,532,891 at a premium to the current share price. This represented a total of £599,809.96 of debt converted.

### **12.2 Investment G2 Energy Sees Record Production**

On 09 April 2024 the Company announced that G2 Energy Corp (“G2”) had seen record oil production in March 2024. The Company holds a US\$2.0m convertible debenture in G2 and 4,225,400 common shares and both Andrew Male and Paul Gurney have been appointed to the Board of G2.

### **12.3 Interim Results**

On 28 March 2024, the Company announced its Interim Results for the six months ended 31 December 2023.

### **12.4 Cloudbreak Board Members Join G2 Energy**

On 20 March 2024, the Company announced that Andrew Male and Paul Gurney had joined the Board of G2 Energy Ltd.

### **12.5 G2 Energy Amending Agreement**

On 4 March 2024, the Company announced that it had signed an amending agreement for its secured convertible debenture with G2 Energy Corp. and its wholly-owned subsidiary G2 Energy TX1 Inc..

### **12.6 Agreement with Lonestar Lithium Inc.**

On 27 February 2024, the Company announced that it had signed an exploration agreement for the acquisition of its proprietary database of lithium targets in the State of Texas.



### **12.7 Result of General Meeting**

On 19 February 2024, the Company announced that at the general meeting held earlier that day, all resolutions had duly passed.

### **12.8 Update on Assets and Projects**

On 22 January 2024, the Company provided an update on its portfolio of assets and projects and to redefine its strategic focus in the energy related minerals sector, with focus on:

- Near term revenue or project pivots
- Transition finance
- Project generation

### **12.9 Settlement Agreements Completion**

On 28 Decemeber 2023 the Company announced that, further to the Company Update annouced on 15 November 2023, the agreements with certain former directors and management had concluded in full.

### **12.10 Result of AGM**

On 24 November 2023, the Company announced that at the Annual General Meeting held earlier that day, all resolutions had duly passed.

### **12.11 Company Update**

On 15 November 2023, the Company announced that the Board had agreed to enter into a number of Settlement Agreements with former management, Cronin Capital Ltd and Cronin Services Ltd.

Under the Purchase and Assignment of Debt Agreement, the Company's existing liability of £907,710 to the Cronin Parties were to be purchased and assigned to its investors, who have agreed to pay £136,156.50 in consideration for the assignment. The investors also agreed to subsequently convert the liability into ordinary shares in the Company. Andrew Male (CEO) and Paul Gurney (NED) were announced as participating investors, representing a Material Related Party Transaction which was approved by Emma Priestley as the sole independent director for the purposes of the transaction.

Under the share purchase agreement, Cronin Capital and Cronin Services, owning 91,626,928 and 21,090,400 ordinary shares in the Company, respectively, will sell 100% of their shares in Cloudbreak, in the second of a two-stage process.

### **12.12 Publication of Accounts**

On 2 November 2023, the Company announced the publishing of its report and accounts for the year ended 30 June 2023.

### **12.13 Final Results and Notice of AGM**

On 25 October 2023, the Company announced its final results for the year ended 30 June 2023, as well as a notice for an Annual General Meeting to be held on 24 November 2023 at 1 Heddon Street, London, W1B 4BD at 3:00 pm GMT.

**PART II**

**FINANCIAL INFORMATION ON THE COMPANY**

**HISTORICAL FINANCIAL INFORMATION**

This Document should be read and construed in conjunction with the annual report and accounts of the Company for the financial year ended 30 June 2023 together with the audit report on them and the unaudited interim report and accounts of the Company for the six months ended 31 December 2023 (“the **Accounts**”).

The table below sets out the sections of the Accounts which are incorporated by reference and form part of this Document. Only the parts of the Accounts identified in the table below are incorporated into and form part of this Document.

The parts of the Accounts which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Document. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information will not form part of this Document.

Reference document	Information incorporated by reference into this Document	Page numbers
The Company’s Unaudited Interim Report and Accounts for the 6 months ended 31 December 2023.  This can be viewed on the Company’s website at: <a href="https://wp-cloudbreakdiscovery-2023.s3.eu-west-2.amazonaws.com/media/2024/04/231231-Cloudbreak-Interim-Accounts-v11-FINAL.pdf">https://wp-cloudbreakdiscovery-2023.s3.eu-west-2.amazonaws.com/media/2024/04/231231-Cloudbreak-Interim-Accounts-v11-FINAL.pdf</a>	Chairmans review of interim period	1
	Consolidated Statement of Financial Position	3
	Consolidated Statement of Comprehensive Income	4
	Consolidated Statement of Changes in Equity	5
	Consolidated Statement of Cash Flows	6
	Notes to the Consolidated Financial Statements	7
The Company’s Audited and Accounts Report for the year ended 30 June 2023.  This can be viewed on the Company’s website at: <a href="https://wp-cloudbreakdiscovery-2023.s3.eu-west-2.amazonaws.com/media/2023/11/230630-Cloudbreak-Discovery-Plc-v14-CLEAN.pdf">https://wp-cloudbreakdiscovery-2023.s3.eu-west-2.amazonaws.com/media/2023/11/230630-Cloudbreak-Discovery-Plc-v14-CLEAN.pdf</a>	Company Information	2
	Interim CEO’s Report	3
	Strategic Report	5
	Directors’ Report	9
	Directors’ Remuneration Report	12
	Statement of Directors’ Responsibilities	15
	Corporate Governance Report	16
	Independent Auditor’s Report	21
	Statements of Financial Position	27
	Consolidated Comprehensive Income Statement	28
	Consolidated Statement of Changes in Equity	29
	Company Statement of Changes in Equity	30
	Statements of Cash Flows	31
Notes to the Financial Statements	32	

## PART III

### TAXATION

#### 1. TAXATION

##### 1.1 Taxation in the United Kingdom

The following information is based on UK tax law and HM Revenue and Customs (“HMRC”) practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

An investment in the Company involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Group has assets or in the United Kingdom (or in any other country in which a subsidiary of the Company through which an acquisition is made, is located), or changes in tax treaties negotiated by those countries, could adversely affect the returns from the Company to Investors.

Prospective Investors should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence including the consequences of distributions by the Company, either on a liquidation or distribution or otherwise.

##### 1.1.1 Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- (i) who intend to acquire or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- (ii) who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- (iii) who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

##### 1.1.2 Dividends

Where the Company pays dividends no UK withholding taxes are deducted at source, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

***UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.***

Dividend income received by UK tax resident individuals will have a £500 per annum dividend tax allowance. Dividend receipts in excess of £500 will be taxed at 8.75% for

basic rate taxpayers, 33.75% for higher rate taxpayers, and 39.35% for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

### **1.1.3 Disposals of Shares**

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

***The corporation tax rate applicable to taxable profits is currently 25% applying to profits over £250,000. A small profits rate applies for companies with profits of £50,000 or less so that these companies pay corporation tax at 19%. Companies with profits between £50,000 and £250,000 pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate.***

### **1.1.4 Further information for Shareholders subject to UK income tax and capital gains tax “Transactions in securities”**

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

### **1.1.5 Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

No UK stamp duty or SDRT will be payable on the allotment and issue of ordinary shares.

Most investors will purchase existing ordinary shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5% where ordinary shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and SDRT position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

### **1.1.6 Inheritance tax**

Shareholders regardless of their tax status should seek independent professional advice when considering any event which may give rise to an inheritance tax charge.

Ordinary Shares beneficially owned by an individual Shareholder will be subject to UK inheritance tax on the death of the Shareholder (even if the Shareholder is not domiciled or deemed domiciled in the UK); although the availability of exemptions and reliefs may mean that in some circumstances there is no actual tax liability. A lifetime transfer of assets to another individual or trust may also be subject to UK inheritance tax based on the loss of value to the donor, although again exemptions and reliefs may be relevant. Particular rules apply to gifts where the donor reserves or retains some benefit.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

## PART IV

### ADDITIONAL INFORMATION

#### 1. RESPONSIBILITY STATEMENT

- 1.1 The Company and each of the Directors, whose names appear on page 29 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and each Director the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

#### 2. COMPETENT AUTHORITY APPROVAL

This Document has been approved by the FCA, as competent authority under the UK Prospectus Regulation. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the issuer or the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

#### 3. INCORPORATION AND STATUS

- 3.1 The Company was incorporated and registered in England & Wales as a public company limited by shares on 11 June 2007 under the Companies Act 1985, with the name Latam Resources plc, and registered number 06275976 and LEI is 213800ZLZVEPOS7YID88. The Company is domiciled in the UK.
- 3.2 The Company changed its name from Latam Resources plc to Bristol City Football Investments plc on 11 April 2008, then changed its name to Imperial Minerals plc on 19 April 2010, then to Imperial X plc on 7 January 2019 and from Imperial X plc to Cloudbreak Discovery Plc on 21 June 2021.
- 3.3 The current legal and commercial name of the Company is Cloudbreak Discovery plc.
- 3.4 The Company's registered office is at 6 Heddon Street, London, W1B 4BT. The head office and principal place of business of the Company, and the business address of each of the Directors, is at 6 Heddon Street, London, W1B 4BT. The telephone number of the Company's head office and principal place of business is +44 7926 397 675. The address of the Company's website is currently [www.cloudbreakdiscovery.com](http://www.cloudbreakdiscovery.com).
- 3.5 The Company was admitted to the FCA's Official List, by way of a Standard Listing, and to trading on the Main Market of the London Stock Exchange on 3 June 2021.
- 3.6 The Company is not regulated by the FCA or any financial services or other regulator. The Company is subject to the Listing Rules and the Disclosure and Transparency Rules (and the resulting jurisdiction of the UK Listing Authority), to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules (and as a company listed on the Equity Shares (transition) category with effect from the Transition Date).
- 3.7 The principal legislation under which the Company was incorporated is the Companies Act 1985 and under which the Company operates is the Act and regulations made under the Act.
- 3.8 As at the date of this Document, the Company has three wholly owned subsidiaries or subsidiary undertakings, as set out below:

<i>Name</i>	<i>Registered Office and country of incorporation/residence</i>	<i>Field of activity</i>	<i>% of share capital owned by the Company</i>
Imperial Minerals (UK) Limited	England and Wales	Intermediate holding company	100%
Cloudbreak Discovery (Canada) Ltd.	British Columbia, Canada	Mineral Prospect Generation	100%
Cloudbreak Discovery (US) Ltd.	Delaware, United States of America	Dormant holding company	100%

#### 4. SHARE CAPITAL HISTORY

- 4.1 The Company's share capital consists of one class of Ordinary Shares with equal voting rights (subject to the Articles). All Shareholders have the same voting rights, and no Shareholder has any different voting rights from the other Shareholders.
- 4.2 The New Ordinary Shares will rank, upon allotment and issue, *pari passu* in all respects with the Ordinary Shares in issue on the date of the allotment and issue of the New Ordinary Shares.
- 4.3 The Ordinary Shares are freely transferable ordinary shares of £0.001 each and are denominated in UK Sterling, subject to the Act and the Articles.
- 4.4 The Ordinary Shares carry the following rights:
- 4.4.1 On a show of hands, each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held.
- 4.4.2 The Ordinary Shares rank equally for dividends declared and for any distributions on a winding-up.
- 4.4.3 The Ordinary Shares rank equally in the right to receive a relative proportion of shares in the case of a capitalisation of reserves.

#### Reason for Issue

- 4.5 This Document is being produced to provide the Company with the ability to issue further Shares under the Prospectus Regulation Rules as follows:
- 4.5.1 16,652,055 new Ordinary Shares to be issued pursuant to the CLN Conversion;
- 4.5.2 305,832,210 new Ordinary Shares to be issued pursuant to the Debt Conversion; and
- 4.5.3 81,380,671 new Ordinary Shares to be issued pursuant to the Creditor Share Issue.
- 4.6 The issued and fully paid up Ordinary Share capital of the Company, as at the date of this document and as it is expected to be immediately following Admission, is as follows:

	Amount fully paid up	
	(£)	Number
<b>As at the date of this Document</b>		
Ordinary Shares	0.001	729,210,696
<b>As at the date of Admission</b>		
Ordinary Shares	0.001	1,133,075,632

- 4.7 Each New Ordinary Share to be issued pursuant to the CLN Conversion, the Debt Conversion and the Creditor Share Issue will rank *pari passu* in all respects with each existing Ordinary Share and will have the same rights including voting and dividend rights and rights on a return of capital.

- 4.8 Pursuant to resolutions passed at the Company's annual general meeting held on 24 November 2023, it was resolved that the Directors were authorised to allot generally and unconditionally authorised to exercise all powers of the Company, pursuant to Section 551 of the Act, to allot equity securities (within the meaning of Section 560 of the Act) up to an aggregate nominal amount of:
- 4.8.1 £21,750, provided that this power shall be limited to the allotment of equity securities in connection with the grant of outstanding options;
  - 4.8.2 £18,245, provided that this power shall be limited to the allotment of equity securities in connection with the grant of outstanding warrants;
  - 4.8.3 £68,000, provided that this power shall be limited to the allotment of equity securities in connection with the existing Convertible Loan Notes;
  - 4.8.4 £30,000, provided that this power shall be limited to the allotment of equity securities in connection with the issue of the settlement of existing Directors, Management and Consultants fees;
  - 4.8.5 £33,867, provided that this power shall be limited to the allotment of equity securities in connection with the settlement of Crescita top up shares; and
  - 4.8.6 £2,200,000, provided that this power shall be limited to the allotment of equity securities in connection with the future financings and acquisitions,
- such authorities expiring (unless previously renewed, revoked, varied or extended) at the commencement of the Company's next annual general meeting or 31 December 2024, whichever is the earlier. These authorities are in substitution for all previous authorities conferred upon the Directors pursuant to Section 551 of the Act, but without prejudice to the allotment of any equity securities already made or to be made pursuant to such authorities.
- 4.9 Pursuant to resolutions passed at a general meeting of the Company held on 19 February 2024, it was resolved that the Directors were empowered in accordance with Section 570 of the Act to allot equity securities (within the meaning of Section 560 of the Act) wholly for cash pursuant to the authority conferred on them pursuant to the resolutions at 4.6 above as if Section 561(1) of the Act or any pre-emption provisions contained in the Articles did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £2,371,862 and provided that this authority shall expire (unless previously renewed, revoked, varied or extended) at the conclusion of the Company's next annual general meeting or 31 December 2024, whichever is the earlier. This authority is in addition to all previous authorities conferred upon the Directors pursuant to Section 551 of the Act, and without prejudice to the allotment of any equity securities already made or to be made pursuant to such authorities.

### **Major Shareholders**

- 4.10 As at the date of this Document and, in so far as is known to the Company, no person or persons, other than as set out in the table below, has an interest, (directly or indirectly), in voting rights representing three per cent. or more of the Company's Ordinary Shares (being the threshold set out in Chapter 5 of the Disclosure Guidance and Transparency Rules). Any person who is directly or indirectly interested in three per cent. or more of the Company's issued share capital, will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.



<i>Name</i>	<b>As at the date of this Document</b>		<b>As at Admission</b>	
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Share Capital	Number of Ordinary Shares	Percentage of Enlarged Share Capital
The Galleon 2023 Ltd.	112,717,328	15.46%	112,717,328	9.95%
Logic Nominees Ltd.	69,748,897	9.56%	126,271,617	11.14%
Crestmont Invest Ltd.	44,405,480	6.09%	106,478,885	9.40%
Crescita Capital LLP	35,560,560	4.88%	35,560,560	3.14%
Clariden Capital Ltd.	24,959,653	3.42%	75,931,688	6.70%
Thomas Solomon	—	—	50,972,035	4.50%

There are no differences between the voting rights enjoyed by the above persons and those enjoyed by the other holders of Ordinary Shares.

#### **Other Securities**

4.11 There are the following convertible securities, exchangeable securities, or other rights over securities in the Company:

##### **4.11.1 Share Options**

The Company has granted the following Share Options which are all outstanding as at the date of this Document:

- (a) 2,050,000 options over Ordinary Shares, each of which may be exercised at £0.025 per share at any time until the tenth anniversary of the date of vesting; and
- (b) 3,100,000 options over Ordinary Shares, each of which may be exercised at £0.030 per share at any time until the fourth anniversary of the date of vesting.
- (c) 3,500,000 options over Ordinary Shares, each of which may be exercised at £0.0225 per share at any time until the 05 August 2025.

Further details of these Share Options are as follows:

<i>Optionholder</i>	<i>Number of Ordinary Shares under option</i>	<i>Exercise Price</i>	<i>Issue Date</i>	<i>Exercise Period</i>	<i>Vesting Period/ Condition</i>
James Hamilton	400,000	£0.025	28 May 2020	10 years from vesting date	Options vested upon Listing
Russell Hardwick	400,000	£0.025	28 May 2020	10 years from vesting date	Options vested upon Listing
Emma Priestley	500,000	£0.025	28 May 2020	10 years from vesting date	24 equal monthly instalments from 1 June 2020
Rod Whyte	350,000	£0.025	28 May 2020	10 years from vesting date	24 equal monthly instalments from 1 June 2020
John Campbell Smyth	400,000	£0.025	28 May 2020	10 years from vesting date	24 equal monthly instalments from 1 June 2020
Rory Kutluoglu	1,750,000	£0.030	25 August 2021	4 years from vesting date	Options vested upon Listing
Kurt Burke	150,000	£0.030	25 August 2021	4 years from vesting date	Options vested upon Listing
Andrew Male	600,000	£0.030	25 August 2021	4 years from vesting date	Options vested upon Listing
Emma Priestley	600,000	£0.030	25 August 2021	4 years from vesting date	Options vested upon Listing
Rory Kutluoglu	1,250,000	£0.0225	09 August 2022	Up to 5 August 2025	Options vested on issue
Andrew Male	750,000	£0.0225	09 August 2022	Up to 5 August 2025	Options vested on issue
Emma Priestley	750,000	£0.0225	09 August 2022	Up to 5 August 2025	Options vested on issue
Paul Gurney	750,000	£0.0225	09 August 2022	Up to 5 August 2025	Options vested on issue

#### 4.11.2 Convertible Loan Notes

On 11 July 2023 the Company issued Convertible Loan Notes providing for gross proceeds of £340,000 with a maturity of 31 January 2024 at an interest rate of 12% per annum. The noteholders may convert at any time following the publication of an FCA approved Prospectus by the Company at a conversion rate of the lesser of 5-day VWAP or £0.005. As at the date of this Document, £40,000 of the Convertible Loan Notes remains outstanding, plus interest.

4.12 Other than the existing admission to trading to the Official List, by way of a Standard Listing, and to trading on the Main Market, the Ordinary Shares are not admitted to dealings on any

other recognised investment exchange, nor has any application for such admission been made, nor are there intended to be any other arrangements in place for there to be such dealings in the Ordinary Shares.

- 4.13 Save as otherwise disclosed in this Document, no person has any acquisition right over, and the Company has incurred no obligation over, the Company's authorised but unissued share capital or given any undertaking to increase the Company's capital.
- 4.14 Other than in respect of Ordinary Shares which may be issued pursuant to the deeds granting the Share Options:
- 4.14.1 no unissued share or loan capital of any member of the Company is proposed to be issued or is under option or agreed, conditionally or unconditionally, to be put under option;
- 4.14.2 no share capital or loan capital of the Company is in issue and no such issue is proposed;
- 4.14.3 there are no acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital;
- 4.14.4 no persons have preferential subscription rights in respect of any share or loan capital of the Company; and
- 4.14.5 there is no present intention to issue any share capital of the Company nor is there an undertaking to increase the capital of the Company at the date of this Document.

## 5. DIRECTORSHIPS AND INTERESTS

5.1 The Directors are:

<b>Name</b>	<b>Position</b>
Emma Priestley	Non-Executive Director
Andrew Male	Executive Director and Interim Chief Executive Officer
Paul Gurney	Non-Executive Director

5.2 The Directors hold or have held the following directorships or have been partners in the following partnerships within the five years prior to the date of this Document in addition to the Company:

<i>Position</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships</i>
Andrew Male	Global UAV Technologies Inc. Cacique Precious Metals Ltd. Roseridge Capital Corp.	Clarity Gold Corp. Dunsmore Capital Limited Great Life Group Limited Love Hemp Group plc (formerly World High Life plc) Singularity Sportsbook Technologies Inc. Datametrex A.I. Ltd. Graph Blockchain Limited Manstone Resources plc Dreamfield Education Inc.
Emma Kinder Priestley	Akorkerri Ashanti Mines Limited Associated African Nickel Resources Limited Camborne School of Mines Association Ltd CrossInvest Global Management Services Ltd Earlbourne Trading Limited GoldStone Resources Limited Mining Education Training and	African Lion Agriculture (UK) Limited African Resources Capital Ltd

<i>Position</i>	<i>Current directorships and partnerships</i>	<i>Previous directorships and partnerships</i>
	Learning Limited Santon Consultancy Services Limited Oracle Power Plc	
Paul Gurney	WAVC Limited Windy Apple Ventures Limited	Retisentia Limited CBD of Denver, Inc.

5.3 Andrew Male was a director of Love Hemp plc (“Love Hemp”) until 21 December 2022 when he resigned due to his disagreement with a proposed financial restructuring. Following his resignation, Love Hemp pursued the restructuring and as a direct result on 4 April 2023 it entered a creditors voluntary liquidation with an amount of £860,374 owed to creditors.

5.4 Except as disclosed in paragraph 5.3 above, as at the date of this Document, none of the Directors have:

5.4.1 any convictions in relation to fraudulent offences within the previous five years prior to the date of this Document;

5.4.2 been declared bankrupt or has been a director of a company or been a member of an administrative, management or supervisory body or a senior manager of a company within the previous five years prior to the date of this Document which has entered into any bankruptcy, receivership or liquidation proceedings;

5.4.3 been the subject of any official public incrimination and/or sanction by any statutory or regulatory authority (including any designated professional body) within the previous five years prior to the date of this Document;

5.4.4 been disqualified by a court from acting as a director of any company or as a member of the administrative, management or supervisory bodies of any company or from acting in the management or conduct of the affairs of an company within the previous five years prior to the date of this Document;

5.4.5 any family relationship with any of the other Directors;

5.4.6 had any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by or to the Company, or any such interest in any contract or arrangement subsisting at the date of this Document and which is significant to the business of the Company; or

5.4.7 any conflict of interest in performing his duties as a Director of the Company.

5.5 Save as disclosed in this Document, there are no potential conflicts of interest between any duties owed by the Directors or senior managers to the Company and their private interests and/or other duties.

5.6 The interests of the Directors and their respective Connected Persons (within the meaning of section 252 of the Companies Act) in the issued share capital of the Company, on Admission, all of which are beneficial, are as follows:

<i>Name</i>	<b>As at the date of this Document</b>		<b>As at Admission</b>	
	Number of Existing Ordinary Shares	Percentage of Existing Ordinary Share Capital	Number of Ordinary Shares	Percentage of Enlarged Share Capital
Andrew Male	12,146,012	1.67%	104,000,463	9.18%
Emma Priestley	2,000,000	0.27%	21,878,706	1.93%
Paul Gurney	1,634,261	0.22%	54,694,848	4.83%

- 5.7 As at the date of this Document, the Directors and their respective connected persons hold the following Options over unissued Ordinary Shares of the Company:

<i>Name</i>	<b><i>As at the date of this Document</i></b>	
	<i>Number of Options</i>	<i>Exercise Price</i>
Emma Kinder Priestley	500,000	£0.025
Emma Kinder Priestley	600,000	£0.030
Emma Kinder Priestley	750,000	£0.0225
Andrew Male	600,000	£0.030
Andrew Male	750,000	£0.0225
Paul Gurney	750,000	£0.0225

- 5.8 The Board shall at all times use its reasonable endeavours to keep available sufficient authorised but unissued Ordinary Shares to satisfy the exercise of all Options which the Board has determined will be satisfied by the issue of New Ordinary Shares.
- 5.9 Save as disclosed in this paragraph 5, as at the date of this Document, neither the Directors nor senior managers or members of the administrative, management or supervisory bodies of the Company have any interests in options or warrants or in the existing Ordinary Shares.
- 5.10 The Directors have no interests, whether direct or indirect, in any transaction which is or was unusual in its nature or conditions or significant to the business of the Company taken as a whole and which was effected by the Company during the current financial year, or since incorporation, and which remains in any respect outstanding or unperformed.
- 5.11 The Company is not aware of any person who exercises, or could exercise, directly or indirectly, jointly or severally, Control over the Company.
- 5.12 There are no arrangements known to the Company, the operation of which may at a subsequent date result in a Change of Control of the Company.

## **6. DIRECTORS CONTRACTS**

### *Executive Directors*

#### 6.1 Andrew Male

Andrew Male entered into a letter of appointment with the Company dated 1 July 2023, under the terms of which he has agreed to act as an Executive Director of the Company with effect from the date of that letter. The appointment was for an initial term of two years (subject to re-election by Shareholders as required by the Articles) and is terminable earlier by the Company in various specified circumstances and in any event by either party on two (2) months prior written notice.

The Company has agreed that Mr Male shall receive a monthly fee of £2,000 for his services as an Executive Director. In addition, Mr Male receives an additional management consulting fee of £3,000 per month.

The letter of appointment is governed by English law.

### *Non-Executive Directors*

#### 6.2 Emma Priestley

Emma Priestley entered into a letter of appointment with the Company dated 01 April 2022 under the terms of which she agreed to act as a Non-Executive Director of the Company. The appointment was for an initial term of twelve (12) months (subject to re-election by Shareholders as required by the Articles) and is terminable earlier by the Company in various specified circumstances and in any event by either party on three (3) months' prior written notice.

The letter of appointment was varied by a deed of variation dated 01 July 2023 pursuant to which Md Priestley was to receive an annual fee of £36,000 gross for her services as a

Non-Executive Director. However, pursuant to a meeting of the Company's remuneration committee on 16 June 2024, it was agreed that Ms Priestley's fees would be reduced to £2,000 per month, effective from 01 April 2024.

The letter of appointment is governed by English law.

### 6.3 Paul Gurney

Paul Gurney entered into a letter of appointment with the Company dated 14 April 2022 under the terms of which he agreed to act as a Non-Executive Director of the Company. The appointment has no set term, but his role is subject to re-election by Shareholders as required by the Articles and is terminable by the Company in various specified circumstances and in any event by either party on three (3) months' prior written notice.

The letter of appointment was varied by a deed of variation dated 01 July 2023 pursuant to which Mr Gurney was to receive an annual fee of £36,000 gross for his services as a Non-Executive Director. However, pursuant to a meeting of the Company's remuneration committee on 16 June 2024, it was agreed that Mr Gurney's fees would be reduced to £2,000 per month, effective from 01 April 2024.

The letter of appointment is governed by English law.

## 7. **WORKING CAPITAL**

The Company is of the opinion that the working capital available to the Group, is sufficient for its present requirements, that is for at least 12 months from the date of this Document.

## 8. **SIGNIFICANT CHANGE**

There has been no significant change in either the financial position or financial performance of the Group since 31 December 2023, being the date to which the last Group financial information has been published, to the date of this Document.

## 9. **LITIGATION**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company or any company within the Group, is aware) during the period covering at least the previous 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company and/or the Group.

## 10. **TAKEOVER CODE, MANDATORY BIDS, SQUEEZE-OUT AND SELL-OUT RULES RELATING TO ORDINARY SHARES**

### 10.1 Takeover Code

10.1.1 Other than as provided by the Takeover Code and Chapter 28 CA 2006, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules that apply to the Ordinary Shares.

10.1.2 The Takeover Code is issued and administered by the Takeover Panel.

10.1.3 The Takeover Code applies to the Company and Shareholders are entitled to the protection afforded by the Takeover Code.

10.1.4 There have been no public takeover bids for the Company's shares.

### 10.2 Mandatory bids

Under Rule 9 of the Takeover Code, if an acquisition of an interest in Ordinary Shares were to increase the aggregate holding of the acquirer and persons acting in concert with it to interests in shares carrying 30 per cent. or more of the voting rights in the Company, the acquirer and, depending on the circumstances, the persons acting in concert with it would be required (except with the consent of the UK Panel on Takeovers and Mergers) to make a cash offer for all of the remaining Ordinary Shares not held by that party (or those parties). Any such offer must be in cash (or accompanied by a cash alternative) at not less than the highest price paid by the acquirer or any person acting in concert with it for an interest in shares in the Company during the previous 12 months.

A similar obligation to make a mandatory cash offer would also arise on an acquisition of an interest in Ordinary Shares in the Company by a person who (together with persons acting in concert with it) is interested in shares which in the aggregate carry between 30 per cent. and 50 per cent. of the voting rights in the Company if the effect of the acquisition were to increase the percentage of shares carrying voting rights in the Company in which that person is interested.

## **11. MATERIAL CONTRACTS**

The following is a summary of each material contract (other than contracts entered into in the ordinary course of business) to which any member of the Group (including any entity that had been amalgamated into any member of the Group) is a party, for the two years immediately preceding the publication of this Document, and each other contract (not being a contract entered into in the ordinary course of business) entered into by the Group which contains any provisions under which the Group has an obligation or entitlement which is material to the Group as at the date of this Document:

### **11.1 Exploration Agreement**

On 27 February 2024, the Company entered into a three year exploration agreement with Smackover Resources LLC, a wholly owned subsidiary of Lonestar Lithium Inc. (“**Lonestar**”), for the acquisition of the Company’s proprietary database of lithium targets, which includes regional modelling and data compilation, in the State of Texas. Pursuant to the terms of the exploration agreement, the Company:

- has acquired 2 million shares in Lonestar;
- will be paid a fee of US\$25,000 each time a Qualifying Transaction property is generated from the database (as defined in the exploration agreement); and
- has a 0.5% Royalty on all lithium produced on each Qualifying Transaction property (as defined in the exploration agreement).

### **11.2 Novum Financial Adviser Engagement Letter**

On 15 December 2023 the Company entered into an engagement letter with Novum pursuant to which Novum was appointed as the Company’s financial adviser in connection with the publication of this Document. Under the terms of this engagement letter, Novum will, amongst other things, provide advice and guidance to the Company in relation to the preparation and publication of this Document. In consideration of its services, Novum is entitled to all reasonably incurred costs, expenses and disbursements.

### **11.3 Purchase and Assignment of Debt Agreement**

On 21 November 2023, the Company entered into a Purchase and Assignment of Debt Agreement with former management of the Company and their related consulting companies Cronin Capital and Cronin Services (together “the **Cronin Parties**”). The Company had an existing liability in its books of £907,710 (“**Company Debt**”) to the Cronin Parties in relation to outstanding management charges incurred over the previous two years. Under the terms of the Purchase and Assignment of Debt Agreement, it was agreed that all outstanding amounts owed to the Cronin Parties would be purchased and assigned to certain investors of the Company. Two of the investors are Andrew Male, interim CEO and Director, and Paul Gurney, Director. The investors agreed to pay the Cronin Parties £136,156.50 in consideration for the assignment of the Company Debt. The investors agreed with the Company that following the annual general meeting on 24 November 2023, the Company Debt would be converted into ordinary shares in the Company. This conversion of the Company Debt is the Debt Conversion as outlined further in this document. The Debt Conversion will be able to proceed following publication of this document.

### **11.4 Share Purchase Agreement**

On 21 November 2023, the Company entered into a share purchase agreement (“**SPA**”) with the Cronin Parties. Under the terms of the SPA, Cronin Capital and Cronin Services sold 100% of their shares in the Company, being 91,626,928 and 21,090,400 ordinary shares respectively, in the second of a two-stage process.

#### Stage 1:

The Galleon 2023 Ltd., (“**Galleon**”) a company unconnected to the Company, purchased the following assets from the Company. The assets (collectively, the “**Legacy Assets**”) acquired included the following:

- 100% of the shares of Kudu Resources Ltd. and all of its holdings;
- The Foggy Mountain Property in the Toadoggone region of British Columbia;
- The Le Blache Royalty Agreement stipulating a 2% Net Smelter Royalty;
- 1,700,000 shares of Buscando Resources Corp.; and
- 950,000 shares of Temas Resources Corp.

The Legacy Assets were transferred from the Company to Galleon for an aggregate consideration of £102,000. Further to analysis and review of the Company’s assets, the Board agreed that the Legacy Assets were not core to the Company’s business strategy and given the Cronin Parties’ historic involvement in the Legacy Assets, it was resolved to dispose of the Legacy Assets. Paul Gurney and Emma Priestley, the independent directors of the Company also agreed to the transactional value of these Legacy Assets as being fair and reasonable.

#### Stage 2:

Galleon agreed with the Cronin Parties that it would transfer the Legacy Assets to the Cronin Parties plus an additional £207,000 in cash and in turn would receive all 112,717,328 ordinary shares in the Company owned by Cronin Capital and Cronin Services.

Pursuant to a lock-in agreement (“**Lock-In Agreement**”) Galleon agreed with the Company that it will not dispose of its shareholding in the Company for a 12-month period following the date of the Lock-in Agreement, unless Galleon and the Company mutually agree to change the terms of the Lock-In Agreement or to provide consent to any disposal. The Lock-In Agreement is still in full force and effect.

### 11.5 **Convertible Loan Note**

On 11 July 2023 the Company issued the Convertible Loan Notes. The issue of the Convertible Loan Notes raised gross proceeds of £340,000. The Convertible Loan Notes had a maturity date of 31 January 2024 with an interest rate of 12% per annum. Pursuant to the terms of the Convertible Loan Notes, the Lenders were able to convert at any time following the publication of an FCA approved prospectus by the Company at a conversion rate of the lesser of 5-day VWAP or £0.005. As at the date of this document, two of the four lenders have completed their conversion for a total of £300,000 plus interest of £33,041.10 and this was converted at £0.005 per share. However, it has been noted by the Company that at the time of the conversion, the 5-day VWAP was £0.004. The conversion should have therefore taken place at a price of £0.004 per share, rather than £0.005. As result, the Company intends to issue a further 16,652,055 of shares to the two lenders so that they receive the total number of shares they should have received had the conversion been at a price of £0.004 per share, rather than the number they received at a conversion of £0.005 per share. As at the date of this document, £40,000 plus accrued interest remains outstanding on the Convertible Loan Notes.

### 11.6 **Oberon Broker Engagement Letter**

On 09 December 2022, the Company entered into an engagement letter with Oberon pursuant to which Oberon was appointed as the Company’s sole broker. Under the terms of this engagement letter Oberon would receive a consulting fee and performance fee of £4,200 per month fee plus commission on funds raised for any fundraising successfully completed.

### 11.7 **Agreement with Iron Forge Holdings (III)**

On 16 August 2022, the Company entered into an agreement with Iron Forge Holdings (III) Ltd. (“**IF3**”) whereby the Company agreed to provide IF3 with USD\$1.5 million in development capital for the Butte Strawn Energy Project (“**Butte Strawn**” or the “**Project**”) located in Irion County, Texas. The capital was deployed as a convertible debenture in two tranches. The first tranche of US\$500,000 was payable on signing and the second tranche of



US\$1million was payable within 90 days of signing. Cloudbreak only funded US\$600,000 of this commitment. The debenture was then converted into a six per cent Overriding Royalty Interest (“ORI”) on the Project in addition to other considerations at the Company’s discretion. IF3 will pay 12.5 per cent interest per annum to the Company, calculated and paid quarterly in cash or shares in IF3 at the discretion of the Company. The remaining funding balance to be paid was cancelled following the debentures conversion to the ORI.

#### 11.8 Agreement with G2 Energy Corp.

On 31 May 2022 the Company entered into an agreement with G2 Energy Corp. (“G2”) whereby Cloudbreak agreed to provide a portion of the acquisition financing for the Masten Unit Energy Project (the “Project”), located in Cochran County Texas, to G2, by way of a US\$2 million, two-year term debenture in exchange for a 3.25% Overriding Royalty Interest in the Project. In addition, G2 agreed to:

- pay 12% per annum interest to the Company, calculated and paid quarterly in cash or shares at the discretion of the Company;
- grant the Company 6,500,000 warrants with a \$0.30 strike price with a two-year term;
- grant the Company a second position lien on the Project;
- grant to the Company an area of interest providing the Company with a 1% Overriding Royalty Interest on any project acquired within a two-mile radius of the Masten Unit lease boundary; and
- grant to the Company an area of influence giving the Company the right of first refusal to finance additional acquisitions within five miles of the Project boundary and apply its existing 3.25% ORI to that project in addition to terms settled on as part of an acquisition.

As announced by the Company on 04 March 2024, this agreement has been amended, whereby the parties have agreed to amend the terms of the secured convertible debenture to extend the maturity date by twelve months and to make the principal amount owed fully convertible at the sole discretion of the Company. In addition, it was agreed that US\$60,000 of interest under the debenture would be converted units comprising both shares and warrants, and that two of the existing directors of the Company would be appointed to the board of directors of G2. Andrew Male and Paul Gurney have subsequently been appointed to the board of G2.

#### 11.9 Atlin West Agreement

On 9 August 2021, Cloudbreak entered into an option agreement with 1315843 BC Ltd., now named Power Group Projects Corp., under which 1315843 BC Ltd. acquired a 100% interest in the Atlin West, Rizz and Icefall properties, located in northern British Columbia. Under the agreement, Cloudbreak retained a 1% net smelter return Royalty.

#### 11.10 Alchemist Mining Subscription Agreement

On 4 January 2021, Holdco entered into a private placement subscription agreement with Alchemist Mining, (which on 15 August 2023 changed its name to Lithos Energy Ltd) pursuant to which Holdco purchased 1,250,000 units in Alchemist Mining at a price of C\$0.075 per unit for a cost of C\$93,750 (£54,722). Each unit includes one common share and one share purchase warrant exercisable at a price of \$0.20 and with a 4-year term. As the date of this Document, Holdco holds 330,500 common shares in Lithos Energy Ltd and has not exercised any warrants.

#### 11.11 Caribou Agreement

On 2 June 2020, Cloudbreak entered into an option agreement with Norseman Capital Limited, now named Fitzroy Minerals Inc., under which Norseman Capital Limited acquired a 100% interest in the Caribou property, located in the Skeena Mining Division in the province of British Columbia. Under the agreement, Cloudbreak retained a 1% net smelter return Royalty.

### 11.12 Ice Fall Agreement

On 3 March 2022, Cloudbreak entered into an option agreement with 1311516, under which 1311516 acquired a 75% interest in the Ice Fall property, located in northern British Columbia.

### 11.13 Klondike Agreement

On 3 December 2021, Cloudbreak and other entities entered into an option agreement with Allied Copper Corp., under which Allied Copper Corp. acquired a 100% interest in the Klondike property, located in Colorado, USA. Under the agreement, Cloudbreak retained a 0.5% net smelter return Royalty.

## 12. CONSENT

- 12.1 Save for the remuneration payable in respect of its role as auditor to the Company, PKF Littlejohn LLP does not have a material interest in the Company or any other member of the Group.
- 12.2 Novum has given and has not withdrawn its written consent to the issue of this Document with the inclusion of the references to its name.

## 13. RELATED PARTY TRANSACTIONS

### The Group

- 13.1 The related party transactions that have been entered into by the Company and other members of its Group since the date of the last financial statements of the Company are described in the Group Financial Information incorporated by reference in Part II "*Financial Information*" of this Document.
- 13.2 Save as disclosed on 22 May 2024 in relation to the issue of Ordinary Shares to Andrew Male and Paul Gurney there were no related party transactions entered into by the Company or any member of the Group between 31 December 2023 and the date of this Document that were material to the Group.

## 14. GENERAL

- 14.1 The total costs and expenses relating to the publication of this Document are payable by the Company and are estimated to amount to approximately £75,000 (excluding VAT).
- 14.2 No commission is payable by the Company to which this Document relates or of his procuring or agreeing to procure any subscriptions for such securities.
- 14.3 No payment (including commissions) or other benefit has been or is to be paid or given to any promoter of the Company.
- 14.4 The Company has no investments in progress and there are no future investments on which the Directors have already made firm commitments which are or may be significant to the Company, other than the Acquisitions to be made by the Company, details of which are set out in Part III of this Document.
- 14.5 The Directors are unaware of any exceptional factors which have influenced the Company's activities.
- 14.6 The Directors are not aware of any patents, licences or other intellectual property rights, industrial, commercial or financial contracts or new manufacturing processes which are or may be of material importance to the business or profitability of the Group.
- 14.7 Save as disclosed in this Document, the Company does not hold any capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.
- 14.8 The Directors are not aware of:
- 14.8.1 any trends, uncertainties, demands, commitments or events that are reasonably likely to have a *material* effect on the Group's prospects for at least the current financial year; and/or

14.8.2 any environmental issues that may affect the Group's utilisation of its tangible fixed assets.

14.9 There have been no public takeover bids by third parties in respect of the Ordinary Shares during the period from incorporation to the date of this Document.

**15. DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be available for inspection during normal office hours on any weekday (Saturdays, Sundays and public holidays excepted) at the registered office of the Company from the date of this Document:

15.1 the Articles; and

15.2 this Document.

In addition, this Document will be published in electronic form and be available and free to download from the Company's website at [www.cloudbreakdiscovery.com](http://www.cloudbreakdiscovery.com).

## PART V

### DEFINITIONS

The following definitions apply throughout this Document, unless the context requires otherwise.

<b>“£” or “pound(s) sterling”</b>	UK pound sterling
<b>“Act”</b>	the UK Companies Act 2006, as amended
<b>“Admission”</b>	the admission of the New Ordinary Shares to the Official List, by way of a Standard Listing, and to trading on the Main Market
<b>“Articles”</b>	the articles of association of the Company as amended and/or restated from time to time
<b>“Audit Committee”</b>	the audit committee established by the Company
<b>“Board” or “Directors”</b>	the directors of the Company, whose names are set out on page 29 of this Document
<b>“certificated” or “in certificated form”</b>	an Ordinary Share which is not in uncertificated form
<b>“Change of Control”</b>	the acquisition of Control of the Company by any person or party (or any group of persons or parties who are acting in concert)
<b>“CLN Conversion”</b>	the issue of new Ordinary Shares pursuant to the CLN Conversion at an issue price of £0.004 per share as summarised in paragraph 11.5 of Part IV
<b>“Cloudbreak”</b>	Cloudbreak Discovery Corp., company number BC1018759, with its registered office address at 1153 W 22 ST. North Vancouver BC V7P 2E9, Canada, which was amalgamated into the Amalco on 3 June 2021
<b>“Company” or “Cloudbreak”</b>	Cloudbreak Discovery plc, company number 06275976, with its registered office address at 6 Heddon Street, London, W1B 4BT
<b>“Company Debt”</b>	the sum of £907,710 which was originally owed to the Cronin Parties and which debt was acquired by certain investors, as summarised in section 11 of Part IV of this document
<b>“Company Financial Information”</b>	the audited consolidated historical financial information of the Company for the year ended 30 June 2023
<b>“Connected Person”</b>	as defined in section 252 of the Act
<b>“Control”</b>	an interest, or interests, in Ordinary Shares carrying in aggregate 30 per cent. or more of the voting rights of a company, irrespective of whether such interest or interests give <i>de facto</i> control
<b>“Convertible Loan Notes”</b>	Convertible Loan Notes, as described in paragraph 11.5 of Part IV
<b>“Creditor Share Issue”</b>	the conversion of outstanding amounts owed to certain creditors of the Company into new Ordinary Shares at the Issue Price
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 of the UK (SI 2001/3755) (as amended)
<b>“CREST”</b>	the computer-based system (as defined in the CREST Regulations) for paperless settlement of share transfers and holding shares in uncertificated form which is administered by Euroclear
<b>“Cronin”</b>	Cronin Capital Corp., a company incorporated under the laws of British Columbia, Canada, with company number BC0942025, whose registered office is at 1140 Pender St W, Suite 890, Vancouver BC, V6E 4G1, Canada

<b>“Cronin Services”</b>	Cronin Service Limited, a company incorporated under the laws of British Columbia, Canada, with company number BC1157709, whose registered office is at 520 – 999 West Hastings Street, Vancouver BC, V6C 2W2, Canada
<b>“Debt Conversion”</b>	the conversion of the Company Debt into 305,832,210 new Ordinary Shares at the Issue Price
<b>“Disclosure Guidance and Transparency Rules”</b>	the Disclosure Guidance and Transparency Rules made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
<b>“Document” or “Prospectus”</b>	this prospectus
<b>“EEA”</b>	the European Economic Area
<b>“Enlarged Share Capital”</b>	the issued share capital of the Company, following the issue of the New Ordinary Shares
<b>“Equity Shares (Transition) category”</b>	the new listing category replacing the Standard Listing category with effect from 29 July 2024 in accordance with Listing Rules Instrument 2024 (FCA 2024/23) under Chapter 22 of the UKLR
<b>“ESCC”</b>	the new equity shares in commercial companies segment of the Official List with effect from 29 July 2024 under the UKLR
<b>“ESCC Listing”</b>	a listing in the ESCC
<b>“EU”</b>	the European Union
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited, a company incorporated under the laws of England and Wales
<b>“EUWA”</b>	European Union (Withdrawal) Act 2018
<b>“Exchange Act”</b>	the US Securities Exchange Act of 1934, as amended
<b>“Existing Ordinary Shares” or “Existing Ordinary Share Capital”</b>	the 729,210,696 Ordinary Shares of the Company in issue on the date of this Document
<b>“FCA”</b>	the UK Financial Conduct Authority
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended)
<b>“Group”</b>	the Company and its subsidiaries and subsidiary undertakings
<b>“Group Financial Information”</b>	the audited, consolidated historical financial information of the Group for the two years ended 30 June 2020 and 30 June 2021
<b>“HMRC”</b>	Her Majesty’s Revenue and Customs
<b>“Holdco”</b>	Cloudbreak Discovery (Canada) Ltd, company number BC1336907, with its registered office address at 520 – 999 West Hastings Street, Vancouver, BC, Canada, the corporation created pursuant to and following the implementation of the Second Amalgamation in accordance with its terms
<b>“IFRS”</b>	International Financial Reporting Standards as adopted by the EU
<b>“Issue Price”</b>	£0.002968, being the VWAP for the five trading days ending 22 July 2024
<b>“Listing”</b>	the admission of the Group’s Ordinary Shares to the Official List, by way of a Standard Listing, and to trading on the Main Market which became effective on 03 June 2021
<b>“Listing Rules” or “LR”</b>	until 28 July 2024, the listing rules made by the FCA pursuant to section 73A of FSMA, as amended from time to time

<b>“London Stock Exchange” or “LSE”</b>	London Stock Exchange plc
<b>“Main Market”</b>	the LSE’s main market for listed securities
<b>“MAR”</b>	the EU Market Abuse Regulation (EU 596/2014)
<b>“Member States”</b>	member states of the EU
<b>“Mineral Interest”</b>	means a right or interest in the minerals located at a specified tract or tracts of land in relation to an oil and gas field, which form part of the mineral estate and entitling the holder to exploit, mine, and/ or produce any or all minerals from such tract or tracts
<b>“New Ordinary Shares”</b>	the 403,864,936 new Ordinary Shares to be issued on Admission pursuant to the CLN Conversion, the Debt Conversion and the Creditor Share Issue
<b>“Nomination Committee”</b>	the Company’s nomination committee comprising of the Non-executive Directors
<b>“Non-executive Directors”</b>	Andrew Male, Emma Priestley, Paul Gurney and any other Director of the Company appointed as a non-executive director from time to time
<b>“Novum”</b>	Novum Securities Limited of 2nd Floor 7, 10 Chandos St, London W1G 9DQ
<b>“Oberon”</b>	Oberon Investments Group Plc of Nightingale House, 65 Curzon Street, London, W1J 8PE
<b>“Official List”</b>	the Official List of the FCA
<b>“Ordinary Share”</b>	an ordinary share of £0.001 in the capital of the Company from time to time
<b>“Overseas Shareholders”</b>	holders of Ordinary Shares who have registered addresses in, or who are resident or ordinarily resident in, or citizens of, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the UK or persons who are nominees or custodians, trustees or guardians for citizens, residents in or nationals of, countries other than the UK which may be affected by the laws or regulatory requirements of the relevant jurisdictions
<b>“Partners”</b>	third party, technical and operational entities with whom the Company undertakes business
<b>“Premium Listing”</b>	a Premium Listing in accordance with Chapter 6 of the Listing Rules
<b>“Property of Merit”</b>	a mineral claim or asset that has been reviewed by a qualified geologist in order to substantiate the listing of a company on a Canadian stock exchange
<b>“Prospectus Regulation”</b>	the EU Prospectus Regulation (EU 2017/1129 of the European Parliament and of the Council of 14 June 2017)
<b>“Prospectus Regulation Rules”</b>	the Prospectus Regulation Rules sourcebook made by the FCA pursuant to section 73A of the FSMA, as amended from time to time
<b>“QCA Code”</b>	the Quoted Companies Alliance Corporate Governance Code published by the Quoted Companies Alliance (as amended from time to time)
<b>“Registrars” or “Share Registrars Ltd”</b>	the Company’s registrars, Share Registrars Ltd, company number 04715037, whose registered office address is 27-28 Eastcastle Street, London, W1W 8DH, at the date of this Document

<b>“Remuneration Committee”</b>	the Company’s remuneration committee comprising of the Non-executive Directors
<b>“Royalty“</b>	means a contract or other instrument which entitles the holder to receive regular cash payments or other payments in kind that are calculated by reference to an agreed percentage of either production of hydrocarbons at a particular oil and gas field or the revenue/cash flows generated from such production
<b>“Securities Act”</b>	the US Securities Act of 1933, as amended
<b>“Shareholder”</b>	a holder of Ordinary Shares from time to time
<b>“Share Options”</b>	the unapproved share options over Ordinary Shares granted pursuant to the terms of option deeds, further details of which are set out in paragraph 4.11.1 of Part IV
<b>“Standard Listing”</b>	a Standard Listing in accordance with Chapter 14 of the Listing Rules
<b>“Takeover Code”</b>	the UK City Code on Takeovers and Mergers
<b>“Transition Date”</b>	29 July 2024, being the date the UKLR come into force;
<b>“UK Corporate Governance Code”</b>	the UK corporate governance code published by the Financial Reporting Council and as amended from time to time
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland
<b>“UKLR”</b>	from 29 July 2024, the new UK listing rules made by the FCA pursuant to FSMA, as amended from time to time
<b>“UK Prospectus Regulation”</b>	the UK version of Regulation (EU) 2017/1129, which is part of the laws of England and Wales by virtue of the EUWA and certain other enacting measures
<b>“UK MAR”</b>	the UK version of Regulation (EU) 596/2017/4, which is part of the laws of England and Wales by virtue of the EUWA and certain other enacting measures
<b>“uncertificated” or “in uncertificated form”</b>	recorded on the register of Ordinary Shares as being held in uncertificated form in CREST, entitlement to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>“US” or “United States”</b>	the United States of America, each state thereof, its territories and possessions and the District of Columbia and all other areas subject to its jurisdiction
<b>“US Investment Company Act”</b>	the US Investment Company Act of 1940
<b>“VAT”</b>	UK value added tax

