

27 June 2022

Power Metal Resources plc / EPIC: POW / Market: AIM

Power Metal Resources plc ("POW", "Power Metal" or the "Company")

### Interim Results

Power Metal Resources plc, the London listed exploration company seeking large-scale metal discoveries across its global project portfolio, announces its unaudited interim results for the six month period ended 31 March 2022.

**Paul Johnson, Chief Executive Officer of Power Metal commented:** *"There is an underlying confidence and optimism that permeates the Power Metal business and the team within it.*

*We recognise the pressure challenging markets and falling share prices place on investor portfolios and are respectful of this whilst still enthusiastically articulating our progress and our ambitions.*

*Power Metal is at a key point with all projects having been the recipient of varying extents of exploration, which has been a substantial exercise given the breadth of our portfolio.*

*Where appropriate we are pursuing accelerated value crystallisation by preparing parts of our business for spin-out/disposals as you will see in the summary table below. Our internal exploration efforts will be focused on a smaller group of retained projects.*

*From this point acquisitions will be principally targeting additional uranium opportunities where we do see the value of continued growth of the uranium portfolio within our company.*

*My thanks go to the Power Metal team for their demonstrable commitment to progressing our business and to shareholders who have backed our work to date. Our ultimate objective is to deliver considerable financial returns to our shareholders and our focus to date has been to build a company capable of delivering that through volatile markets.*

*My very best to investors in the junior resource sector, a unique group of people willing to risk their capital, in a highly volatile sector, to deliver a financial return and enhanced opportunities in life. For those allocating capital to Power Metal we will strive to help you succeed in your ambitions."*

### NOTE:

The interim report contains the following key sections:

- Key Developments in the half year to 31 March 2022;
- Power Metal Interests as at today's date;
- Operational Highlights for the half year to 31 March 2022;
- Operational Highlights after the half year end (April 2022 to date);
- Financial Highlights for the half year ended 31 March 2022; and

- Interim Financial Accounts for the half year ended 31 March 2022

Power Metal plans to release its next Quarterly Business and Operational Update for the second quarter in July, capturing latest developments within the business in addition to the information provided below.

## KEY DEVELOPMENTS IN THE HALF YEAR TO 31 MARCH 2022

### The half year period included extensive exploration activity including:

- Reverse circulation (RC) drilling at the Tati Project located in Botswana.
- Delineation of 12 airborne magnetic targets at the Ditau Project in Botswana and commencement of diamond drill programme.
- Diamond drilling at the Haneti Project in Tanzania.
- Diamond drilling at the Victoria Goldfields in Australia.
- Confirmation of bonanza silver from diamond drilling at the Silver Peak Project located in British Columbia, Canada.
- High-grade uranium confirmed from sampling undertaken at the Saskatchewan uranium property portfolio.

### The half year period also included extensive corporate activity including:

- Acquisition of the Pilot Mountain Project which hosts a robust tungsten-dominated Mineral Resource Estimate (MRE) located in Nevada, USA, and forming the completed Golden Metal Resources plc ("Golden Metal Resources") planned listing vehicle.
- Acquisition of the Western Australia and Northern Territory projects comprising the planned listing vehicle First Development Resources Ltd.
- Grant of key exploration licences, environmental approvals, and heritage agreements across various of the Company's global project interests.
- Completion of the disposal of the Company's Schreiber-Hemlo interests located in Ontario, Canada, to First Class Metals PLC who plan to list in London in 2022.
- Expansion of the Company's uranium interests surrounding the Athabasca basin located in Saskatchewan, Canada, and preparation of data rooms and factsheets for 7 uranium properties.

## POWER METAL INTERESTS AT TODAY'S DATE

Country	POW %	Project Package	Resources Targeting	Status
Australia	49.9%	New Ballarat Gold Corporation Victoria Goldfields JV	Gold	Balance of drill results awaited – Planned IPO
Australia	82.78%*	First Development Resources	Copper - Gold - Uranium – Rare Earths - Lithium	Planned IPO in progress
Australia	100%	Gawler Project	Copper - Gold	Awaiting licence grants

Botswana	52.60%#	Molopo Farms Complex	Nickel - Copper – Platinum Group Metals (PGMs)	Transition of ownership then drilling.
Botswana	100%	Tati Greenstone Belt	Gold - Nickel	Preparations for next step drilling key gold targets
Botswana	50%	Kalahari Copper Belt JV	Copper - Silver	Exploration underway to delineate drill targets
Botswana	50%	Ditau Camp JV	Rare Earths	Diamond drilling underway – await assays
Canada	30%	Silver Peak	Silver	Ongoing discussion of exploration plans & corporate options
Canada	Earn-in up to 100%	Authier North	Lithium	Finalisation of next stage exploration steps
Canada	100%	Athabasca Basin	Uranium	Finalisation of next stage exploration steps & corporate options
Canada	36.3%	First Class Metals	Gold – Nickel – Copper - Zinc	Planned IPO in Progress
Tanzania	35%	Haneti	Nickel - Copper - Platinum Group Metals (PGMs) - Gold – Lithium	Finalisation of next stage exploration steps & corporate options
USA	83.13%	Golden Metal Resources	Gold - Silver - Copper – Tungsten - Zinc	Planned IPO in Progress
USA	Earn-in up to 75%	Alamo Gold	Gold	Review of detailed exploration report findings

\* Reducing to 62.12% after Completion of the Pre-IPO Financing

# Subject to completion of acquisition announced 18.5.22 interest will increase to 87.71%

## OPERATIONAL HIGHLIGHTS FOR THE HALF YEAR TO 31 MARCH 2022

### African Project Interests

#### **Tati Greenstone Project**

- In October 2021 a 1,000m RC drill programme was commenced at the Tati Project located in the Tati Greenstone Belt of north-eastern Botswana. The main goal of the drill programme

was to test for the presence of geological formations which host nearby operating Gold (Au) and Nickel (Ni) mines within the Tati Greenstone Belt.

- Results from the 1,000m RC drilling programme were released after the period end and are outlined below.

### **Molopo Farms Complex Project**

- In November 2021 Kavango Resources PLC (LON:KAV “Kavango”) signed an option agreement with Kalahari Key Mineral Exploration Pty Limited (“KKME”), the holder of a 60% interest in the Molopo Farms Complex Project (Power Metal holds the remaining 40%). The option agreement was to acquire 100% of the outstanding KKME shares.
- The option was extended on two occasions but in February 2022, Kavango withdrew, unable to agree the final terms for acquisition with all shareholders. In May 2022, as outlined below, Power Metal secured a conditional agreement to acquire an additional 58.7% of the remaining KKME shares to take its overall shareholding in KKME to 87.71%.
- Following completion of the 2021 diamond drill campaign, in January 2022, the Company announced the renewal for 2 years of two key prospecting licences covering the Molopo Farms Complex Project:
  - PL310/2016 (221.4km<sup>2</sup>)
  - PL311/2016 (486.2km<sup>2</sup>)

### **Kanye Resources Joint Venture**

- The Kanye JV includes 4,257km<sup>2</sup> of ground within the Kalahari Copper Belt (“KCB”) located in northern Botswana over ten prospecting licences. During the period, ground exploration and drill target planning continued in the KCB, and in October 2021, the JV confirmed approval of the Environmental Management Plan (“EMP”), clearing the last key administrative hurdle, and enabling drilling to be undertaken subject to the results of the ongoing target refinement.
- The Kanye JV also includes the Ditau Camp Project (“Ditau” or the “Ditau Project”) located in southwestern Botswana, which is considered to be prospective for rare-earth element (“REEs”) and base-metal mineralisation. In March 2022, the Company announced the identification of 12 airborne magnetic targets the Ditau Project with the highest profile targets selected for inclusion in a diamond drill programme which commenced following the period end. The targets included:
  - i10 Target (a discrete circular airborne magnetic anomaly with a diameter of 2.2km)
  - i8 Target (a larger ring-like anomaly with a diameter of 4km)
  - i1 Target (that may represent a large, 7km x 18.5km intrusive complex)
- Whilst the drilling campaign would primarily target REE mineralisation hosted within interpreted carbonatites or felsic intrusives, the targets could also be related to layered mafic intrusive systems, which are considered by the Company to be prospective for nickel, copper, and platinum group element (“PGE”) mineralisation.

### **Haneti Project**

- In January 2022, the Company announced the commencement of the inaugural diamond drill campaign at the Haneti Project targeting nickel-copper-cobalt and PGE magmatic sulphide mineralisation.
- By February 2022, the drill campaign had successfully completed a total of 900.04 meters of drilling; intersections of serpentine and gabbroic rocks were identified and following core logging the project moved into the sampling and testing phase.
- Assay results from the sampling and testing phase were released after the period end and are outlined below.

### **Australian Project Interests**

#### **New Ballarat Gold Corporation (Victoria Goldfields JV)**

- The JV with Red Rock Resources plc (LON:RRR) had previously submitted licence applications over c. 2,300km<sup>2</sup> of ground within the prolific Victorian goldfields, and during the period saw further licence applications granted. By December 2021, a total of 9 exploration licences were granted covering 1,501km<sup>2</sup>, several of which cover high priority exploration targets.
- Various desktop and field exploration work continued through the period and in December 2021, inaugural diamond drilling commenced targeting gold mineralisation at the O'Loughlin's and Mt. Bute prospects.

#### **First Development Resources**

- In October 2021, the Company announced that its wholly owned subsidiary First Development Resources Ltd ("FDR UK"), had acquired outright First Development Resources PTY Limited (FDR Australia), an Australian private company holding 4 granted exploration licence interests and one licence application interest in Western Australia. Additionally, a A\$165,000 government co-funding drilling support grant was awarded for the Wallal Project held by FDR Australia.
- FDR UK commenced preparations for a UK listing, and in November 2021, announced FDR Australia had acquired URE Metals PTY Limited, the holder of three exploration licence applications covering 1,574.92km<sup>2</sup> prospective for uranium and REE mineralisation within the Northern Territory, Australia.
- In November 2021, the Company saw the grant of the final Western Australia licence held by FDR Australia, Braeside West, and in February 2022, the grant of all three Selta Project licences in the Northern Territory and the launch of an in-depth review of all geological, geophysical, and geochemical information available over the project. The results of this review announced in March 2022, confirmed multiple high-priority targets for uranium and REE mineralisation.
- In February 2022, the Company also announced the results of a comprehensive desktop study over the Paterson region projects, which included several developments from the magnetic bullseye targets located within the Wallal Project.

#### **Gawler Project**

- In October 2021, Power Metal's 100% owned Australian subsidiary Power Metal Resources Australia Pty Limited, lodged applications covering 1,994Km<sup>2</sup> within the Gawler Craton of South Australia, which are specifically targeting gold-copper mineralisation.

### **North American Project Interests**

#### **Silver Peak Project**

- The assay results following a summer 2021 diamond drilling programme at the Silver Peak Project located in British Columbia, Canada, were released in November 2021. The results highlighted bonanza grade silver (>1,000g/t) in 10 of the 19 holes drilled, including a top intercept of 0.76m of 8,692.2g/t Ag (279.5 oz/t).
- Furthermore, overlimit assays were completed which returned high-grade copper, antimony, and lead, with the highlight result increasing to 0.76m of 10,131g/t Ag-Equivalent.

#### **Saskatchewan Uranium Properties**

- Building on the initial staking of exploration properties completed in September 2021, in October the Company announced an expansion of its wholly owned uranium interests to 7 properties covering a combined 241km<sup>2</sup>, surrounding the prolific Athabasca Basin in Saskatchewan, Canada. The package was further increased to 411.96km<sup>2</sup> as announced in November 2021.
- Also announced in November 2021 was the launch of an inaugural exploration sampling programme covering 3 of the 7 properties, the results from which were announced in December 2021, and confirmed high-grade uranium in rock samples with highlight results up to 3.86% U<sub>3</sub>O<sub>8</sub> (38,600ppm).
- In January 2022, the Company launched an extensive data compilation over all 7 properties to provide data rooms for internal use and factsheets to assist third parties expressing an interest in the properties.
- In February 2022, the Company announced the results from the Reitenbach Property review, confirming extensive uranium prospectivity and that various commercial options for the Property were under review. A National Instrument 43-101 technical report for Reitenbach to assist the commercialisation process was commissioned in March 2022, the results of which will be announced in due course.

#### **Authier North Project**

- A programme of rock and soil sampling launched in September 2021 demonstrated the highest lithium results located in the eastern part of the Authier North Project, within the northeast and south-eastern grids. In the period, the Company reviewed next-stage exploration plans which may include additional infill soil sampling between the two grids, as well as possible ground-based geophysical surveys over the entire project.

#### **Golden Metal Resources**

- Golden Metal Resources continued to work on preparations for its planned IPO in the period which would see the listing of a Nevada-focused exploration business in London.
- In December 2021, the Company announced a successful pre-IPO financing for Golden Metal Resources at a pre-money valuation of £3.25million, raising £750,000 (including £75,000 subscribed by Power Metal and £50,000 by Paul Johnson, Power Metal CEO).
- The Company announced In October 2021 that new copper anomalies had been identified from exploration work over the Garfield Project leading to additional staking of claims to cover the newly defined anomalies.
- In November 2021, the Company completed the 100% acquisition of the Pilot Mountain Project into Golden Metal Resources plc from AIM-listed Thor Mining PLC (LON:THR).
- A detailed exploration update covering all four properties (Pilot Mountain, Golconda, Garfield, and Stonewall) was announced in November 2021, and a further commercial & project update was released in February 2022.

### **Alamo Project**

- In November 2021 the Company announce the commencement of the test pitting programme at the Alamo Project in Arizona USA the results of which remained outstanding at the half year end and as at the date of this report further technical information has been received which is currently under review (see below).

## **OPERATIONAL HIGHLIGHTS AFTER THE HALF YEAR END (APRIL 2022 TO DATE)**

### **African Project Interests**

#### **Tati Greenstone Project**

- In April 2022, the Company announced drill results from the RC drill programme which commenced in October 2021. The programme successfully identified the targeted geological formations and gold in assays were returned from 7 holes which were targeted within a previously identified Au-in-soil anomaly. The highlight results included 5.17g/t Au over a 3m intersection from only 9m downhole.
- Following these results and a further geological review, the Company secured an additional prospecting license over ground covering the historical Cherished Hope Gold Mine, which added 16.14km<sup>2</sup>, further increasing the Tati Project footprint to 140km<sup>2</sup>.

#### **Molopo Farms Complex Project**

- In May 2022, the Company announced it had signed an initial agreement with the shareholders of Kalahari Key Mineral Exploration Pty Ltd ('KKME') to acquire an additional 58.7% of the issued share capital of KKME. The goal is to then restructure the ownership of the Molopo Farms Complex project so that KKME's 100% interest is restored and to become the operator of the Molopo Farms Complex Project.

- Upon completion of the acquisition and further restructuring, the Company will hold 87.71% of the issued share capital of Kalahari Key Mineral Exploration Pty Ltd.

#### **Kanye Resources Joint Venture**

- In April 2022, the Company announced the commencement of diamond drilling at the Ditau Camp Project. The programme includes up to 2,400m of drilling within 6 holes targeting 3 high-priority exploration areas.
- In May 2022, the Company also announced the expansion of the exploration programme to include 16.1 line-km of Audio-Magnetotelluric ("AMT") geophysics surveys over various target areas.
- Drill programme updates have been provided post half year end including second hole DITDD004 which demonstrated highly elevated magnetic susceptibility readings between 293m and 321m (the "Zone of Interest"). The core from the Zone of Interest has been sent for rush assay.

#### **Haneti Project**

- In May 2022, the Company announced the drill results from the diamond drill programme where all drillholes intersected significant sequences of altered ultramafic and mafic rocks, representing the first ever fresh rock drill core samples extracted from the Haneti Project.
- Integration of thin section petrographic analyses with bulk rock geochemical results across multiple intersected lithological units suggest that the PGE potential at Haneti is limited to serpentinite units, and that nickel and copper mineralisation should preferentially be targeted within the intrusive gabbro units.
- Whilst the drilling results showed anomalous results for nickel, copper, gold, and PGE's that are subject to further interpretation, economically significant intersections of these metals were not encountered in the drilling.
- Simultaneously, rock sampling results from the Babayu Lithium Prospect highlight significant lithium and tantalum potential with lithium-caesium-tantalum ("LCT") pegmatite mineralisation outlined over a 600m strike-length. The chip sample results (up to >10,000ppm Li and 2,680ppm tantalum) and strike length combined with the perceived shallow dip of the main pegmatite body highlight the potential for a significant near-surface mineralised body that warrants further assessment and evaluation.
- Licence applications have been made in respect of the areas considered prospective for lithium and the JV is currently implementing a lithium consolidation strategy including existing lithium applications and reviewing potential partnerships with local licence holders.

#### **Togo Uranium**

- In June 2022 Power Metal announced an agreement to evaluate, acquire and explore new uranium opportunities in Togo, West Africa.

#### **Australian Project Interests**



## **New Ballarat Gold Corporation (Victoria Goldfields JV)**

- In the period the JV's combined footprint within the Victoria Goldfields increased to 1,832km<sup>2</sup> from 14 granted exploration licences, including key licence grants in May 2022 - notably EL007330 located northeast of Ballarat, Australia. Significantly, this newly granted licence covers the historical Ajax gold mine which historically produced 312,789oz Au at an average grade of 14.8g/t Au in the 1920s.
- In the period, the JV has undertaken 860m of diamond drilling programme targeting the O'Loughlin's and Mt Bute Prospects, located 30km and 20km from the town of Ballarat, Australia, respectively.
- Initial assay results from the O'Loughlins Prospect were released on 12 April 2022, demonstrating high-grade gold from O'Loughlins and further results released in June 2022, noted the discovery of intrusion related gold (IRG) mineralisation confirmed at Mt Bute Prospect.

## **First Development Resources**

- In April 2022, the CEO of FDR UK undertook a site visit to the FDR Australia projects and conducted meetings with key relationship partners in Western Australia and the Northern Territory.
- A Selta project focused update was released in May 2022, confirming enhanced REE prospectivity and an additional REE exploration target area.
- In June 2022, FDR UK completed a £1,125,000 pre-IPO fundraise with a £3,000,000 pre-money valuation (Including £75,000 subscription from Power Metal and £50,000 from Power Metal CEO Paul Johnson).
- Following a lithium specific review completed in June 2022, FDR UK mobilised a field investigation team to conduct mapping and surface sampling at identified lithium prospective targets.

## **North American Project Interests**

### **Saskatchewan Uranium Properties**

- The Company has completed an in-depth historical data compilation across its entire Uranium Portfolio surrounding the prolific Athabasca Basin and now possesses a robust fully digitised database covering all historical work programmes completed across each asset.

### **Golden Metal Resources**

- Golden Metal Resources continued to progress preparations for its planned London listing, assisted by advisors across all related disciplines.

### **Alamo Project**

- In June 2022 Power Metal received a further technical report in respect of the Alamo Project work programme which is under review at present.

## **FINANCIAL HIGHLIGHTS FOR THE HALF YEAR ENDED 31 MARCH 2022**

- Loss for the period, attributable to owners of the parent of £1.69 million (2021: £0.59 million), resulting in loss per share of 0.12 pence (2021: 0.07 pence);
- Financing undertaken in November 2021 raising £1.05 million and warrant and option exercises during the period raised £0.59 million for the Company;
- Total assets of £9.24 million at the period end (30 September 2021: £6.28 million); and
- Net assets of £8.01 million at the period end (30 September 2021: £5.97 million).

*This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.*

For further information please visit POW <https://www.powermetalresources.com/> or contact:

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## **Notes to Editors:**

Power Metal Resources plc (LON:POW) is an AIM listed metals exploration company which finances and manages global resource projects and is seeking large scale metal discoveries.

The Company has a principal focus on opportunities offering district scale potential across a global portfolio including precious, base, and strategic metal exploration in North America, Africa, and Australia.

Project interests range from early-stage greenfield exploration to later-stage prospects currently subject to drill programmes.

Power Metal will develop projects internally or through strategic joint ventures until a project becomes ready for disposal through outright sale or separate listing on a recognised stock exchange thereby crystallising the value generated from our internal exploration and development work.

Value generated through disposals will be deployed internally to drive the Company's growth or may be returned to shareholders through share buy backs, dividends, or in-specie distributions of assets.

**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2022**

	<b>Note</b>	<b>6 months ended 31-Mar-22 (unaudited) £'000</b>	<b>6 months ended 31-Mar-21 (unaudited) £'000</b>	<b>Year ended 30-Sep-21 (audited) £'000</b>
Revenue		198	17	37
<b>Gross profit</b>		<u>198</u>	<u>17</u>	<u>37</u>
Operating expenses		(1,330)	(660)	(847)
Impairment		-	-	(156)
Fair value gains through profit or loss		(405)	66	445
<b>Loss from operating activities</b>		<u>(1,537)</u>	<u>(578)</u>	<u>(521)</u>
Finance expense		-	-	-
Share of post-tax losses of equity accounted joint ventures		(175)	(30)	(102)
<b>Loss before taxation</b>		<u>(1,712)</u>	<u>(607)</u>	<u>(623)</u>
Taxation		-	-	-
<b>Loss for the period from continuing operations</b>		<u>(1,712)</u>	<u>(607)</u>	<u>(623)</u>
<b>Items that will or may be reclassified to profit or loss</b>				
Exchange translation		78	18	1
<b>Total other comprehensive income</b>		<u>78</u>	<u>18</u>	<u>1</u>
<b>Total comprehensive expense for the period</b>		<u>(1,634)</u>	<u>(589)</u>	<u>(622)</u>
<b>Loss for the period attributable to:</b>				
Owners of the parent		(1,691)	(589)	(592)
Non-controlling interests		(21)	(18)	(31)

	(1,712)	(607)	(623)
<b>Total comprehensive expense attributable to:</b>			
Owners of the parent	(1,613)	(571)	(591)
Non-controlling interests	(21)	(18)	(31)
	<u>(1,634)</u>	<u>(589)</u>	<u>(622)</u>

**Loss per share from continuing operations attributable to the ordinary equity holder of the parent:**

Basic (pence)	4	(0.12)	(0.07)	(0.05)
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**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	31-Mar-22 (unaudited) £'000	31-Mar-21 (unaudited) £'000	30-Sep-21 (audited) £'000
<b>Assets</b>				
Intangible assets		2,782	156	800
Investments in associates and joint ventures		156	366	166
Financial assets at fair value through profit or loss		3,539	2,157	3,527
Property, plant & equipment		22	3	2
<b>Non-current assets</b>		<u>6,499</u>	<u>2,682</u>	<u>4,495</u>
Financial assets at fair value through profit or loss		66	-	179
Assets classified as held for sale		-	-	153
Trade and other receivables		1,240	155	175
Cash and cash equivalents		1,435	1,967	1,281
<b>Current assets</b>		<u>2,741</u>	<u>2,122</u>	<u>1,788</u>
<b>Total assets</b>		<u>9,240</u>	<u>4,804</u>	<u>6,283</u>
<b>Equity</b>				
Share capital	5	7,918	7,608	7,705
Share premium		21,871	17,400	18,437
Capital redemption reserve		5	5	5
Share based payments reserve		1,576	1,287	1,541
Foreign exchange reserve		150	89	72
Accumulated losses		(23,179)	(21,518)	(20,448)
		<u>8,341</u>	<u>4,871</u>	<u>6,272</u>

<b>Non-controlling interests</b>	(327)	(293)	(306)
<b>Total equity</b>	<u>8,014</u>	<u>4,578</u>	<u>5,966</u>
<b>Liabilities</b>			
Trade and other payables	1,226	226	317
<b>Current liabilities</b>	<u>1,226</u>	<u>226</u>	<u>317</u>
<b>Total liabilities</b>	<u>1,226</u>	<u>226</u>	<u>317</u>
<b>Total equity and liabilities</b>	<u>9,240</u>	<u>4,804</u>	<u>6,283</u>

**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2022**

	Share capital £'000	Share premium £'000	Capital redemptio n reserve £'000	Share based payment reserve £'000	Exchange reserve £'000	Accumulated losses £'000	Total £'000	Non- controlling interests £'000	Total Equity £'000
Balance at 1 October 2021 (audited)	7,705	18,437	5	1,541	72	(21,488)	6,272	(306)	5,966
Loss for the period	-	-	-	-	-	(1,691)	(1,691)	(21)	(1,712)
Total other comprehensive expense	-	-	-	-	78	-	78	-	78
<b>Total comprehensive expense for the period</b>	-	-	-	-	78	(1,691)	(1,613)	(21)	(1,634)
Issue of ordinary shares	213	3,496	-	-	-	-	3,709	-	3,709
Cost of share issues	-	(62)	-	-	-	-	(62)	-	(62)
Share-based payments	-	-	-	35	-	-	35	-	35
	213	3,434	-	35	-	-	3,682	-	3,682
<b>Balance at 31 March 2022 (unaudited)</b>	<b>7,918</b>	<b>21,871</b>	<b>5</b>	<b>1,576</b>	<b>150</b>	<b>(23,179)</b>	<b>8,341</b>	<b>(327)</b>	<b>8,014</b>

**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2021**

	Share capital £'000	Share premium £'000	Shares to be issued £'000	Capital redemption reserve £'000	Share based payment reserve £'000	Exchange reserve £'000	Accumulated losses £'000	Total £'000	Non- controlling interests £'000	Total Equity £'000
Balance at 1 October 2020 (audited)	7,286	14,910	22	5	1,286	71	(20,911)	2,669	(275)	2,394
Loss for the period	-	-	-	-	-	-	(607)	(607)	(18)	(625)
Total other comprehensive expense	-	-	-	-	-	18	-	18	-	18
<b>Total comprehensive expense for the period</b>	-	-	-	-	-	18	(607)	(589)	(18)	(607)
Issue of ordinary shares	322	2,510	(22)	-	-	-	-	2,810	-	2,810
Cost of share issues	-	(20)	-	-	-	-	-	(20)	-	(20)
Share-based payments	-	-	-	-	1	-	-	1	-	1
	322	2,490	(22)	-	1	-	-	2,791	-	2,791
<b>Balance at 31 March 2021 (unaudited)</b>	<b>7,608</b>	<b>17,400</b>	<b>-</b>	<b>5</b>	<b>1,287</b>	<b>89</b>	<b>(21,518)</b>	<b>4,871</b>	<b>(293)</b>	<b>4,578</b>

**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Share capital £'000	Share premium £'000	Shares to be issued £'000	Capital redemption reserve £'000	Share based payment reserve £'000	Exchange reserve £'000	Retained Deficit £'000	Total £'000	Non- controlling interests £'000	Total Equity £'000
Balance at 1 October 2020 (audited)	7,286	14,910	22	5	1,286	71	(20,911)	2,669	(275)	2,394
Loss for the year	-	-	-	-	-	-	(592)	(592)	(31)	(623)
Total other comprehensive expense	-	-	-	-	-	1	-	1	-	1
<b>Total comprehensive expense for the period</b>	-	-	-	-	-	1	(592)	(591)	(31)	(622)
Adjustment for previous year	(19)	19	-	-	-	-	-	-	-	-
Issue of ordinary shares	438	3,546	(22)	-	-	-	-	3,962	-	3,962
Cost of share issues	-	(38)	-	-	-	-	-	(38)	-	(38)
Share-based payments	-	-	-	-	270	-	-	270	-	270
Warrant exercises	-	-	-	-	(15)	-	15	-	-	-
	419	3,527	(22)	5	255	-	-	4,194	-	4,194
<b>Balance at 30 September 2021 (audited)</b>	7,705	18,437	-	5	1,541	72	(21,488)	6,272	(306)	5,966



**POWER METAL RESOURCES PLC**  
**UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 31 MARCH 2022**

	6 months ended 31-Mar-22 (unaudited) £'000	6 months ended 31-Mar-21 (unaudited) £'000	Year ended 30-Sep- 21 (audited) £'000
<b>Cash flows from operating activities</b>			
Loss for the period	(1,712)	(607)	(623)
Adjustments for:			
- Fair value adjustment	405	3	(445)
- Share of post-tax losses of equity accounted joint ventures	175	29	102
- Fees settled in shares	378		
- Share based payment expense	35	1	270
- Foreign exchange differences	78	-	1
- Impairment of intangible assets	-	-	156
	(641)	(574)	(539)
Changes in working capital:			
- Trade and other receivables	(1,063)	(45)	(65)
- Trade and other payables	908	64	40
<b>Net cash used in operating activities</b>	(796)	(555)	(564)
<b>Cash flows from investing activities</b>			
Purchase of intangibles	(295)	-	(528)
Investment in financial assets at fair value through profit or loss	(321)	(228)	(2,184)
Investment in Joint Ventures	(165)	(951)	(256)
Proceeds from investment disposals	171	-	261
Purchase of property, plant and equipment	(20)	(3)	(2)
<b>Net cash used in investing activities</b>	(630)	(1,182)	(2,709)
<b>Cash flows from financing activities</b>			
Proceeds from issue of share capital	1,643	2,810	3,679
Issue costs	(63)	(20)	(38)
<b>Net cash flows from financing activities</b>	1,580	2,790	3,641
Net increase/(decrease) in cash and cash equivalents	154	(1,054)	368
Cash and cash equivalents at beginning of period	1,281	913	913
<b>Cash and cash equivalents at end of period</b>	1,435	1,967	1,281

**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL REPORT**

## **1. Reporting entity**

Power Metal Resources plc is a company domiciled in the United Kingdom. The unaudited consolidated interim financial report of the Group as at and for the period ended 31 March 2022 comprises the results of the Company and its subsidiaries. The Group primarily is involved in the exploration and exploitation of mineral resources in Australia, Botswana, Cameroon, the DRC, and Tanzania.

## **2. Basis of preparation**

### **(a) Statement of compliance**

As permitted, IAS 34, 'Interim Financial Reporting' has not been applied in this interim report.

The financial information presented in this interim report has been prepared using accounting policies that are expected to be applied in the preparation of the financial statements for the year ending 30 September 2022.

These policies are in accordance with the recognition and measurement principles of International Financial Reporting Standards, International Accounting Standards, and Interpretations (collectively IFRS) issued by the International Accounting Standards Board as endorsed for use in the United Kingdom, and these principles are disclosed in the Financial Statements for the year ended 30 September 2021.

The interim results have been prepared on a going concern basis. The financial information in this interim report does not constitute statutory accounts within the meaning of Section 435 of the Companies Act 2006. The 2022 interim financial report has not been audited.

The Annual Report and Financial Statements for 2021 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statement for 2021 was unqualified and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The interim results were approved by the Board of Directors on 27 June 2022.

### **(b) Judgements and estimates**

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income, and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, significant judgements made by Management in applying the Group's accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2021.

### **(c) Going concern**

The interim financial report has been prepared on a going concern basis. Although the Group's assets are not generating revenues, the Directors believe, having considered all available information, including the Company's proven ability to raise further equity funds from its supportive shareholder base, that the Group will have sufficient funds to meet its expected committed and contractual expenditure for the foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the interim financial report for the period ended 31 March 2022.

### **3. Significant accounting policies**

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 September 2021.

### **4. Loss per share**

#### **Basic loss per share**

The calculation of basic loss per share is based on the loss attributable to ordinary shareholders of the parent of £1,691,000 (2021: £589,000), and a weighted average number of ordinary shares in issue of 1,404,603,204 (2021: 896,967,375).

### **5. Issues of Equity**

In October 2021, 15,578,947 shares were issued in relation to warrant exercises; 10,000,000 were exercised at a price of 1.0 pence per share, 1,578,947 were exercised at a price of 0.75 pence per share and 4,000,000 were exercised at a price of 0.70 pence per share.

On 1 November 2021, the company issued 13,333,333 new ordinary shares at a price of 2.75 pence per share, for the initial consideration of the acquisition of FDR Australia and the Wallal Main Licence, and a further 10,000,000 new ordinary shares at a price of 3.2 pence per share for the acquisition of all other FDR Australia interests, to be transferred into FDR Australia.

In November 2021, 1,500,000 shares were issued in relation to warrant exercises; all of which were exercised at a price of 0.70 pence per share.

On 10 November 2021, the company issued 48,118,920 new ordinary shares in at an issue price of 2.5 pence per share, to Thor Mining Plc for the acquisition of the Pilot Mountain project in Nevada, held by Golden Metal Resources Plc.

In November 2021, the Company announced it had raised £1,050,000 through the issue of 60,000,000 new ordinary shares of 0.1 pence each at an issue price of 1.75 pence per share, to enable the Company to accelerate business operations including strategic exploration activities and corporate opportunities. Each share had an attaching warrant to subscribe for a further new ordinary share of 0.1 pence each, at an exercise price of 3.5 pence each with a two-year term from the admission of the 60,000,000 placing shares.

In December 2021, 38,500,000 shares were issued in relation to warrant exercises; all of which were exercised at a price of 0.70 pence per share.

On 19 January 2022 the company issued 2,499,999 new ordinary shares to acquire two prospecting licences comprising the Tati Project, held by Tati Greenstone Resources Pty Ltd (a subsidiary of the Company), at a price of 3.0 pence per share.

On 31 January 2022, the company issued 4,000,000 new ordinary shares to Thor Mining Plc an issue price of 2.5 pence per share, in respect of early clearance of the tail benefit held by Thor Mining Plc on the Pilot Mountain Project Nevada.

In February 2022, 16,113,929 shares were issued in relation to warrant exercises; 11,113,929 were exercised at a price of 1.0 pence per share and 5,000,000 were exercised at a price of 0.75 pence per share.

On 3 February 2022 2,500,000 shares were issues in relation to option exercises; all of which were exercised at a price of 1.0 pence per share.

At the period end, the Company had 1,466,953,915 Ordinary Shares in issue (30 September 2021: 1,254,808,787).

At the date of this interim report, the Company had 1,477,694,056 Ordinary Shares in issue.

**\*\*Ends\*\***