



FIRST TIN

ANNUAL REPORT
FOR THE YEAR ENDED
31 DECEMBER 2022





FIRST TIN

The Company's aim is to become a global tin producer supplying fully traceable and verifiable tin units into global industries with high tin usage needs.

The Company owns two advanced tin projects, in Germany and in Australia, and is seeking to bring both projects into production in order to be able to deliver a sustainable answer to the material supply issues faced by industrial tin consumers.



Indications of mineralisation of tin and copper in the orebody at Taronga



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KEY FINANCIAL HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2022

2022
PROVED A
POSITIVE YEAR
FOR FIRST TIN

OVERALL NET ASSETS INCREASED

by £34,214,550 to £41,783,866
(2021: £7,569,316)

+452%

CASH RESERVES INCREASED

by £11,319,459 to £13,823,173
(2021: £2,503,714)

+452%

THE COMPANY SUCCESSFULLY RAISED

£20m

and listed on the Standard segment
of the London Stock Exchange

THE COMPANY WAS AWARDED APPROXIMATELY

A\$500,000

by the Government of NSW under
its Critical Minerals and High-Tech
Metals Activation Fund



**Deep Lead tin workings
near Taronga**

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022



Despite the Company facing strong macro headwinds which included higher inflation rates, supply chain issues, Covid-19 lockdowns in China and the threat of a global recession, I am pleased to report on the strong operational progress that the Company has made during the year ended 31 December 2022, our first as a listed company.

CHARLES CANNON BROOKES
NON-EXECUTIVE CHAIRMAN

First Tin came to market in April 2022, successfully raising £20m to progress its two low capex, high margin tin assets, located in the Tier 1 jurisdictions of Australia (Taronga) and Germany (Tellerhäuser).

With both of the Company's assets having demonstrated compelling economics at today's tin price of US\$25,000 in previous independent studies, the Company has rapidly set to work on commencing Definitive Feasibility Studies ("DFS") at each asset to capitalise on the advanced nature of our projects. While we have experienced some minor delays at Tellerhäuser due to issues with our drilling contractor, we have made strong operational progress at Taronga and aim to complete the DFS there by the end of 2023 as previously indicated. During the period under review, First Tin undertook substantial drill programmes at both our assets after a period of over 40 years of inactivity at each project. These have confirmed historical mineralisation at both Taronga and Tellerhäuser, as well proving up extensions to the previously known resources, highlighting the strong potential to increase the overall resource and create exploration upside. Substantial progress has also been made in proving up the mineral processing and final flow sheets at both assets and in developing sustainable solutions for their respective water and power requirements.

Whilst the ongoing macro-economic challenges during the period certainly had a material short term negative impact on the spot tin price, post period end the spot price has started to strengthen again and, with a significant tin deficit anticipated by the International Tin Association (ITA) from 2025 onwards, we are hopeful that higher prices will emerge in future periods. The Company still aims to have both of its assets enter production during this deficit period in order to help mitigate this future supply gap and to take advantage of any increases in the tin price.

The surge in demand for tin in the next decade will be driven by the global transition to clean energy and technological revolutions. Tin remains crucial in the creation of any electronic device found in electric vehicles, computers and control equipment, power transmission and other renewable technologies. In particular, the rise in the solar, battery and big data industries is expected to drive demand. Electric vehicles now amount to 15% of car sales after record sales in 2021 and 2022 and are expected to rise to 60% of sales by 2030. Solar power generation also experienced strong growth at 40% year-on-year, and data storage requirements are expected to increase 10-fold by 2030. It is therefore essential that this demand is met by companies that are dedicated to supplying tin responsibly. Currently, 97% of global tin supply comes from emerging or developing economies, with tin mining in these regions often linked to local conflicts and poor ESG standards and practices. Indeed, most of the world's tin comes from alluvial mining, a highly unsustainable and environmentally damaging practice. Conversely, First Tin is focused on becoming a sustainable, professional, responsible, and regulated tin supplier in conflict-free, low political risk jurisdictions.

Demand for tin is driven by the global transition to clean energy and technological revolutions

During the period under review, it was pleasing to report that Taronga Mines Pty Ltd, an Australian registered, 100% owned subsidiary of First Tin, was awarded a significant grant of A\$494,038 by the Government of New South Wales in Australia under its Critical Minerals and High-Tech Metals Activation Fund. The grant reinforces the support and commitment we have from the Government

CHAIRMAN'S STATEMENT CONTINUED

and will help fund the ongoing development on this important tin deposit.

We were also pleased to welcome Nick Mather to the Board as a Non-Executive Director on 30 September 2022. Nick has 40 years' experience in all aspects of resource exploration and brings technical expertise and a track record of successful business development which will be valuable as we focus on achieving the Company's objective of becoming a low-cost tin producer, through exploration and development of our two flagship assets in Germany and Australia.

First Tin has a strong commitment to ESG principles

First Tin's commitment to strong Environmental, Social and Governance (ESG) principles has been at the forefront of our Company since inception, and we remain committed to developing a conflict-free source of tin through sustainable, professional, responsible, and regulated mining. In line with this, in April 2023 (post period end), we signed a partnership agreement with BID Energy Partners, an Australia based energy company specialising

in strategy, project development and delivery of renewable energy projects, to provide a feasibility study on renewable energy supply options for Taronga. This workstream is designed to benefit all our stakeholders.

Looking to the future of First Tin, we remain confident in our ability to progress both our assets in Australia and Germany. The global clean energy and technological revolutions and resultant significant future demand for tin, remain an exciting opportunity to First Tin and our ability to deliver a sustainable answer to the global supply shortage, remains our focused objective.

I would like to take this opportunity to thank my fellow Directors, the First Tin team and our shareholders for their ongoing commitment and support as we strive for another busy and successful year ahead.



Mr C Cannon Brookes
Non-executive Chairman



WORLD TIN DEPOSITS MAP

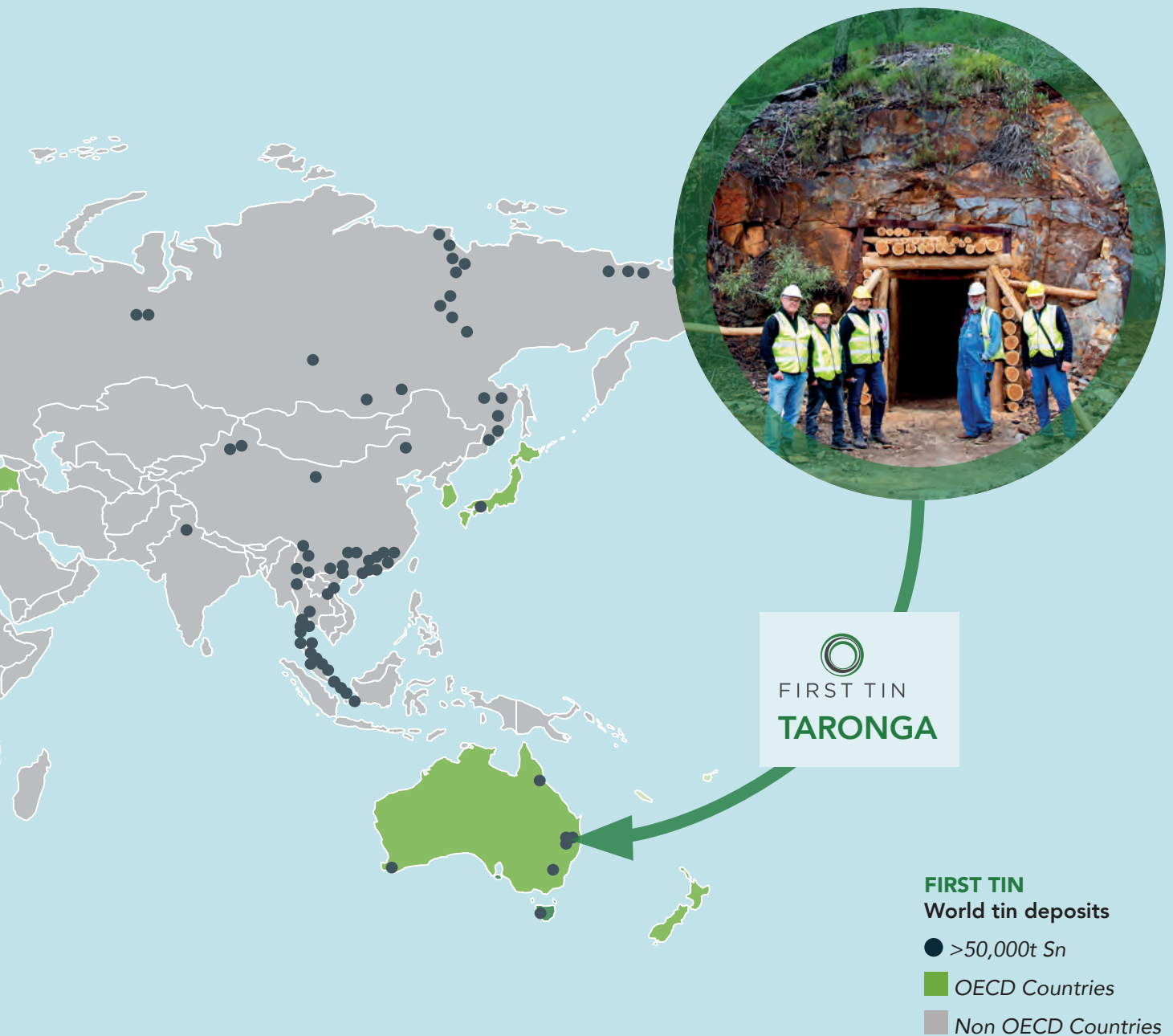



FIRST TIN
TELLERHÄUSER




FIRST TIN
GOTTESBERG

Together, First Tin's assets represent the 5th largest undeveloped tin reserves globally, outside Russia, Kazakhstan and the Democratic Republic of Congo.



CHIEF EXECUTIVE OFFICER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2022



I am pleased to report that 2022 saw First Tin make strong progress in developing both of our assets in Australia and Germany, with the ultimate goal of delivering on a low-capex, value-accretive path to achieve annual tin production of 6,000 tonnes or more.

THOMAS BUENGER
CHIEF EXECUTIVE OFFICER

We have achieved a range of milestones towards this objective since listing on the London Stock Exchange in April 2022 and in just one year have rapidly put the building blocks in place to progress Definitive Feasibility Studies ("DFS") at both of our assets. We also began our fully funded deep drilling operations at Tellerhäuser, Germany and commenced drilling at our Taronga Tin project in Australia, with the intention of expanding the existing resources at each asset.

The period under review has not been without its challenges, with the ongoing war in Ukraine, impact of China's strict Covid-19 lockdowns and fears of a global recession all putting extreme pressure on the spot tin price. However, our assets show robust economics at US\$25,000 tin and we have confidence that our production schedule is well aligned with a sustained tin deficit forecast from 2025, which has the potential to create significant price rises.

This deficit is being driven by tin's role as a critical metal, vital for the decarbonisation and electrification of the world. Yet Europe has very little tin supply, particularly from conflict-free jurisdictions such as those in which we operate. Increasing EV uptake and the surge in solar and data centres is driving demand, yet Indonesia, which at 34% is the largest producer of primary tin globally, has stated its intention to reduce non-beneficiated tin metal exports in favour of manufactured tin products, while consumer stocks of tin remain at historical low.

Together, First Tin's assets represent the 5th largest undeveloped tin reserves globally, outside China, Russia, Kazakhstan and the Democratic Republic of Congo. They are located in tier 1 jurisdictions and have been de-risked significantly, with extensive historical work undertaken to date. We intend to deliver a new, ESG compliant source of tin and

the solid economics that our assets have already demonstrated (by scoping and pre-feasibility studies) provides the Company with significant leverage to higher tin prices.

TARONGA – AUSTRALIA

Our Taronga project, situated in New South Wales, is a low risk asset in a low risk jurisdiction. Acquired in 2022 by First Tin, it is surrounded by excellent existing infrastructure and benefits from over a century of development and abundant underexplored tin showings, providing major exploration upside potential. Significant exploration work was undertaken by BHP in 1933, 1958, and 1964, and by the Newmont Joint Venture from 1979 to 1983.

Following the commencement of a DFS in August 2022, First Tin began drilling operations just a month later. Diamond drilling was conducted with the aim of confirming historical data by twinning historical holes drilled by Newmont, while RC drilling focused on testing for extensions to the south of Newmont's Southern Zone deposit in order to add tonnage to the Indicated Resources.

Diamond drilling was completed post period end with a total of 1,619m drilled in 12 holes. Pleasingly, the results have confirmed the previous Newmont results with the alignment between First Tin and Newmont's drillholes generally being very good.

RC extension drilling is ongoing, but we were pleased to report in January 2023 that the programme to date has extended the known mineralisation by approximately 400m to the south of the Newmont area and is still open to the south. 2,435m have been completed to date (1,957m of infill and extension drilling completed in 13 drillholes

CHIEF EXECUTIVE OFFICER’S REPORT CONTINUED

and 478m twin drilling completed in four drillholes) with better results including (downhole widths) as shown in the table opposite.

The drill rig is now infilling this area with the aim of adding tonnage to the Company’s existing Indicated Resource.

Drilling has also been undertaken in an area previously assumed to be barren, in the centre of the Newmont resource area. To date, results have been received for one drillhole which returned several zones of tin mineralisation. This confirms that tin mineralisation continues in this previously assumed barren zone and has enabled a revised geological interpretation of the mineralisation as being semi-continuous across this zone.

As well as drilling for confirmatory and extension purposes, 670m of diamond drilling has been completed for geotechnical purposes and 300m of RC drilling has been completed for ground-water monitoring.

The fully funded DFS continues at pace, and is on track to be completed by the end of 2023. The project is shaping up well, with alternative energy studies highlighting the economic and social licence benefits of using low carbon power generation, in line with our corporate values. In line with this, post period end we were pleased to sign an agreement with BID Energy Partners to provide a feasibility study on renewable energy supply options for Taronga. Taronga is well placed to take advantage of renewable energy as it is located within the New England Renewable Energy Zone (“REZ”), one of the priority REZs in New South Wales. It has high solar capacity and good wind speed characteristics, and is located very close to a power line.

Positive progress with our Environmental Impact Study

Our Environmental Impact Study is also progressing positively. We are also advancing mineral processing studies and no red flags have been identified to date. We are pleased to confirm that results so far, underpin our previous hypotheses that most tin will be liberated via a simple coarse crush.

Most data collection is planned to be completed and results received in H1 or early H2, when some major decisions concerning the size and style of operation will be finalised and the Feasibility Study can progress from that point forward with a single option. We look forward to sharing more results as they come to hand.

I am also delighted to note that the New South Wales (NSW) government has shown its support for the project by providing a grant of almost A\$0.5M to the project from its Critical Minerals and High-Tech Metals Activation Fund.

41m	0.20%	Sn from surface
22m	0.12%	Sn from 62m
19m	0.20%	Sn from surface
9m	0.20%	Sn from 133m
32m	0.28%	Sn from 118m
33m	0.18%	Sn from 109m
56m	0.12%	Sn from 5m



Blast-hole drilling for bulk sample collection at Taronga

CHIEF EXECUTIVE OFFICER'S REPORT CONTINUED

TELLERHÄUSER – GERMANY

Our Tellerhäuser project is one of the world's most advanced tin deposits. It is located in the tin district of Saxony, which enjoys an exceptionally long history of mining, and has an active Mining Licence for the extraction of mineral resources valid until 30 June 2070. It has major existing infrastructure benefits which ensure that future development capital expenditure will remain low.

A Scoping Study, undertaken in 2021, demonstrated that an operation with a throughput rate of 500,000 tonnes per annum is financially robust with a low projected start-up capital expenditure of US\$49 million, which, at US\$30,000 per tonne of tin,

suggested a Net Present Value ("NPV") of US\$264 million (using an 8% discount rate) and an Internal Rate of Return ("IRR") of 58%.

We commenced a DFS in the summer of 2022 and began drilling as part of this. This programme has been focused on adding high grade tin mineralisation from the Dreiberg zone to the Indicated Resources already present at the project, thus enabling it to be used for economic evaluation under JORC guidelines. We successfully intersected high grade tin mineralisation at depth along strike from the known resources at the Tellerhäuser project from each of the four holes drilled, returning the following intercepts:

Drillhole Number	From (m)	To (m)	Interval (m)	Sn (%)	Zn (%)	In (ppm)	Ag (g/t)	Notes
SAXDRE25	794.65	795.30	0.65	0.34	0.74	34.90	11.30	Upper Skarn
and	805.70	807.20	1.50	0.75	1.00	33.20	5.60	Lower Skarn
incl.	806.00	806.60	0.60	1.43	1.99	61.50	10.90	0.5% Sn cut-off
SAXDRE24	810.30	816.20	5.90	0.40	0.74	43.00	5.90	Skarn
incl.	811.60	813.00	1.40	1.26	2.16	130.30	20.0	0.5% Sn cut-off
SAXDRE34	886.60	890.45	3.85	0.63	1.29	58.40	4.50	Skarn/schist
incl.	887.75	889.10	1.35	1.49	0.78	122.10	7.10	0.5% Sn cut-off
SAXDRE31	877.20	880.10	2.90	0.71	0.48	56.40	6.50	Skarn/marble
incl.	877.65	878.60	0.95	2.02	1.39	163.0	18.70	0.5% Sn cut-off

These highly encouraging drilling results have confirmed the skarn horizon is present, continuous and tin mineralised as was previously identified by Wismut over 40 years ago. This suggests that the skarn horizon is continuous for at least 1.5km southeast of the Indicated Resources at Dreiberg and is open to the southeast.

The next Dreiberg hole, the fifth drilled by First Tin, is scheduled to commence in Q2 2023. Should this also prove successful, the programme may be expanded to define additional Indicated Resources in the Dreiberg area.

We are currently in the process of selecting a new drilling contractor due to the poor performance of the previous one which has put the proposed drilling programme behind schedule by around six-months. Unfortunately, this means that the DFS at Tellerhäuser is now targeted to be completed in 2024 instead of end of 2023, as previously expected. However, with

the forthcoming tin deficit expected to be of a long-term nature, our project is still well aligned to provide critical supply to meet rising demand.

On a more pleasing note, drilling to date has obtained enough drill core to undertake mineral processing test work from Dreiberg with half of the core from the drillholes being sent to ALS in Burnie, Australia. This will be the first mineral processing testwork conducted on Dreiberg mineralisation in over 40 years and will be useful as variability testwork for the project as a whole.

Another recent positive development is the discovery of a considerable amount of additional historical drilling data for the Tellerhäuser project area. Following granting of the Mining Licence in 2021, Saxore was able to request additional historic data, in particular drillholes targeting uranium mineralisation, that were also assayed for tin and other metals.

CHIEF EXECUTIVE OFFICER'S REPORT CONTINUED

This data is currently being added to the main database and should result in a more robust resource model and may lead to additional resource tonnes being added very cost effectively. The additional identified data represents an equivalent of around 3,500m of core drilling from surface, 4,500m of core drilling from underground and a number of other channel samples. Based on the new data from the Tellerhäuser drilling programme, plus the additional historical data recently received, we expect to publish an updated JORC compliant Resource Statement for Tellerhäuser in June/July 2023.

**The Saxonian Mining Authority
confirming the asset's eligibility
to move straight to the
construction and operational
permitting process**

While waiting for additional drilling results to be returned and while the new historical drilling data is being analysed, the DFS will continue to progress and will focus on the areas of mineral processing as well as investigating optimal mining methods, mine access and environmental studies. All these activities are well financed until end of 2023. A potential adjusted and extended drilling programme for Tellerhäuser based on the results of the updated Resource Statement may require further funding beyond the existing budget.

Furthermore, post period end we received good news in respect to the permitting process at Tellerhäuser, with the Saxonian Mining Authority confirming the asset's eligibility to move straight to the construction and operational permitting process. This reduces the overall permitting timeframe by a period of up to 12-18 months. This decision was made due to the minimal environmental footprint that the project is anticipated to have throughout both the construction and production phases.

GOTTESBERG

During the period, we also commenced drilling at our Gottesberg project, which we believe represents a possible satellite orebody development for processing at Tellerhäuser, due to its close proximity. A historical project of historic significance, it has an existing JORC resource of 42.1Mt grading 0.27% Sn (114,000t tin).

16 holes have been drilled for a total length of 2080.5m across seven drill sites in the project area, and we have been pleased with the results to date, which have confirmed a higher-grade section within the existing resource. This has validated the Board's belief that a higher-grade core exists within the large but moderate grade deposit. Of particular note was a high-grade intercept of 73.3m @ 0.49% tin from 91.7m which included 15.6m @ 0.74% tin from 149.4m.



CHIEF EXECUTIVE OFFICER'S REPORT CONTINUED

MOU WITH ERF

During the period, First Tin signed a non-binding Memorandum of Understanding ("MOU") with Ecobat Resources Freiberg GmbH ("ERF"), a market leader in the collection, recycling, production, and distribution of resources for battery systems. Our intention is to jointly establish a fully integrated 'mine to metal' value chain in Germany, which is closely aligned with our strategy to provide a fully traceable, ESG compliant supply of tin to Germany and the EU from conflict-free locations.

ESG

First Tin is committed to provide an ethically sourced supply of tin through sustainable, professional, responsible, and regulated mining. Our priorities remain to minimize our CO2 footprint from an early stage by utilising renewable energy and by using electrification options wherever possible for future mine equipment. We focus on safety as one of the Company's core values and aim for a fatality and injury free workplace.

The Company will also try to minimise its environmental footprint through identification and implementation of "leave-no-trace solutions" wherever possible and will operate in an ethical and respectful way that is built on a transparent relationship with local communities and their culture and laws. Wherever possible First Tin will source goods and hire employees locally and will plan to leave a positive legacy on its local environment.

During the period under review, First Tin received its inaugural environmental, social and governance (ESG) rating from Digbee. Digbee is a leading independent assessment platform for ESG disclosure in the mining industry. Based on ESG achievements in the Company's first six months of operations since listing on the London Stock Exchange in April 2022, First Tin achieved an overall rating of BB.

The Digbee ESG assessment is a further demonstration of our commitment to transparent reporting of our performance and progress as we work to achieve the highest levels of ESG compliance and practice across our operations.

FINANCE REVIEW

In respect of the financial results, First Tin posted a comprehensive loss for the period of £3.1m and ended the period with a healthy cash position of £13.8m and a net asset value of £41.8m. Expenditure during the period was primarily focussed on

drilling activities and other DFS related costs as well as on strategic land and property acquisitions. The Company believes that it has adequate cash resources to fund its operating activities throughout 2023 allowing it to deliver a DFS study at Taronga in late 2023 while at the same time advancing the DFS work currently ongoing at Tellerhäuser.

OUTLOOK

2022 has been a year of a strong operational performance for First Tin at both our assets in Australia and Germany. We expect 2023 to be another busy and exciting year for us where we will continue to build on the momentum achieved last year to add further value to our assets.

This will be achieved through the completion of our DFS at Taronga and the delivery of updated resources for each project in 2023. We have already gathered a significant amount of data from both and, with no red flags having emerged to date, we remain optimistic for the future.

Our macro view of the tin market remains bullish with tin spot prices having risen in recent years, with record highs in March 2022 of US\$49,000 per tonne. It is clear that the demand for tin will remain strong in the years ahead as the metal continues to be an important component for soldering electronics including semiconductors, solar panels, electronic systems in electric vehicles (EVs) and batteries. These significant drivers, together with a rapid increase in battery production and the rise of big data, are expected to create a material tin deficit from 2025 and we are confident that First Tin remains well positioned to take advantage of this opportunity and become a material tin supplier from its conflict-free and low political risk jurisdictions.

We have the right strategy and business model to unlock the significant value potential of our tin assets and pursue our purpose to develop a sustainable tin mining company to generate a long-term value for all our stakeholders.



Mr T Buenger
Chief Executive Officer

Drilling commences
at Dreiberg Deep



STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their strategic report for First Tin Plc for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company owns two advanced tin projects, one in Germany and one in Australia, and is seeking to bring both projects into production in order to be able to deliver a sustainable answer to the material supply issues faced by industrial tin consumers.

The Company's aim is to become a global tin producer supplying fully traceable and verifiable tin units into global industries with high tin usage needs.

BUSINESS REVIEW

A review of the business is set out in the Chief Executive Officer's report on pages 8 to 12.

FINANCIAL REVIEW

The Group reported a loss after tax of £3,242,946 (2021: £1,212,677) and a net asset value of £41,783,886 (2021: £7,569,316) for the year under review.

At 31 December 2022 the Group had cash balances of £13,823,173 (2021: £2,503,714).

The Group completed its IPO on the Standard List of the London Stock Exchange on 8 April 2022, raising £20 million (before expenses) of new equity capital to complete further resource drilling and feasibility studies on both its Tellerhäuser and Taronga assets. These studies will provide the basis to secure additional funding and to accelerate a path to mining production on both projects.

Also on 8 April 2022, the Company issued 60 million shares at 30 pence per share as part of its acquisition of Taronga. The business was acquired in line with the Company's aim of being able to deliver a sustainable answer to the material supply issues faced by industrial tin consumers.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors consider the following to be the key risks and uncertainties applicable to the Group's activities:

DEPENDENCE ON TWO PROJECTS

At the date of the Company's admission to the London Stock Exchange the Company owns two projects. The Company's success will be dependent on those two projects and issues at one project may adversely affect the other and, in turn, the Company.

LICENCES AND PERMISSIONS

The ability of the Group to progress its projects is highly dependent on it maintaining existing licences, successfully applying for extensions to such licences and acquiring future necessary licences and permissions. In the event that the Company does not do so the results of its operations will be materially adversely affected.

On 16 September 2020, Saxony Minerals and Exploration AG ("SME") filed an objection with the Saxon Mining Office (being the awarding body in Saxony for mining licences) against a notice dated 13 August 2020 pursuant to which the Company's subsidiary in Germany, Saxore Bergbau GmbH ("Saxore"), was granted a permit by the Saxon Mining Office for the exploration and mining over the "Rittersgrün" field which contains the Tellerhäuser project. On 26 January 2021, the Saxon Mining Office ordered the immediate enforcement of the permit awarded to Saxore. SME applied to the Chemnitz Administrative Court on 12 April 2021 for a ruling that its September 2020 objection would suspend the permit but this was rejected by the Court on 12 July 2021 with the Court noting that it considered the permit to be lawfully granted and that the objection was unfounded.

SME filed an appeal on 22 July 2021 with the Saxon Higher Administrative Court but this was rejected on 22 March 2022. In its decision, the Saxon Higher Administrative Court noted that the appeal was unfounded, that the immediate enforcement of the "Rittersgrün" permit was lawful and that the granting of the "Rittersgrün" permit to Saxore did not violate any rights of SME. The decision of the Saxon Higher Administrative Court on the immediate enforcement of the permit is final, and no further appeal by SME is possible against this decision. Neither Saxore nor the Company were directly party to such proceedings and the two Court decisions, confirming that the immediate enforcement of the "Rittersgrün" permit (mining licence) was lawful, is a strong sign that the Courts regard the granting of the permit itself as lawful and the objection of SME as unfounded.

STRATEGIC REPORT CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

REQUIREMENT FOR FURTHER CAPITAL

Risk: Whilst the Company has sufficient working capital for its plans in the short-medium term, to bring both of its Projects into production, it will need to raise additional capital. Such capital could be by way of equity financing, which will dilute existing shareholders or by way of mezzanine capital or debt funding which could see the Company subject to various banking covenants.

Mitigation: The Group continues to execute its fund-raising strategies to obtain the required capital to adequately fund the Projects and working capital of the business. The Group continues to monitor capital market conditions and identify and engage further strategic and institutional investors directly and through its advisors and brokers.

COMMODITY PRICES

Risk: The Company's future value and its potential future revenues will be highly dependent on global tin prices. Although tin prices are, as at the date of these financial statements, increasing and above long-term averages, there can be no guarantee that the tin price will remain at price levels seen in the last two years. A depressed tin price will adversely affect the Company's ability to raise future funding and its ability to produce future positive cash flows.

Mitigation: The Group is 100% exposed to the tin price; however, the cash costs of both of the assets remain within our budget which is conservatively based on the long-term tin price as modelled by external advisors.

NATURE OF MINERAL EXPLORATION AND DEVELOPMENT

Risk: Mineral exploration and development can be highly speculative in nature and involve a high degree of risk. The economics of developing mineral properties are affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of minerals, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations to royalties, allowable production, importing and exporting of minerals and environmental protection.

Mitigation: Management, in designing and planning the Group's operations, incorporates contingency planning. The Group has multiple mining faces to minimise geological and mining risk to operations.

LITIGATION RISK

Risk: The Company may face litigation from third parties aimed at delaying or stopping the Company's operations or could potentially be impacted by a third party attempting to litigate against a licensing authority. Such litigation could be brought by environmental pressure groups or competitors and could result in the Company having to spend management time and cash on dealing with such proceedings.

Mitigation: Management maintains on-going dialogue with the local relevant government bodies and stakeholders regarding its operations to ensure that such groups are well informed and also to help ensure that the Group is informed at an early stage of any issues of concern that such groups may have. The Group employs staff and consultants who are experienced in both German and Australian mining legislation to ensure that the Group is in compliance with legislation at all times.

STRATEGIC REPORT CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

MINING INDUSTRY RISKS AND HAZARDS

Risk: The Company's operations will be subject to typical hazards and health and safety risks present in exploring and exploiting natural resources. This includes accidents, industrial disputes and litigation from third parties. Any such events could materially impact the Company's financial condition.

Mitigation: Acting in an ethical, responsible and transparent manner is fundamental to realising the significant business benefits gained from building trusted and constructive relationships with all our stakeholders, and to maintaining our socio-political license to operate. A key focus is strengthening our sustainability governance and management framework at all levels of the organisation, including reinforcement of our performance standards to support growth. We allocate sufficient resources to ensure the long-term physical, chemical and biological stability of the site, or social benefits to our host communities.

FOREIGN EXCHANGE RISK

Risk: The Company will be exposed to foreign exchange risk as it is domiciled in the UK but with operations in Germany and Australia, and, in addition as tin is priced in US Dollars. There can be no guarantee that exchange rates between the Pound, Euro, Australian Dollar and US Dollar will not become more volatile in the future.

Mitigation: To minimise the Group's risk, the Group tries to match the currency holdings with future operating cash flows. Funds are pooled centrally in the head office bank accounts to the maximum extent possible. The Group has converted 12-months of budgeted operating expenses into the relevant currencies to avoid month to month fluctuations in the foreign exchange rates.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE CONSIDERATIONS

Risk: First Tin is committed to the environmentally sensitive development of advanced hard rock tin projects in conflict free, low political risk jurisdictions. The Company's goal is to minimise our CO2 footprint and implement 'leave no trace' solutions wherever possible, and develop and operate low-carbon sustainable tin mines that support the current global clean energy and technological revolutions.

Mitigation: The Group has recognised the potential future requirement for the appointment of a Sustainability Manager. It has engaged with expert consultants in this field to establish emissions reporting, guidance and publications. Additionally it has established relationships with external parties to drive the ESG process forward.

First Tin is also supporting a decarbonised future and is committed to best-in-class environmental responsibility. The impacts of climate change are increasingly being felt around the world and First Tin is committed to being a zero-carbon emissions company as agreed to by nations participating in the Paris Agreement of 2015. The Company applies stringent environmental controls and procedures to minimise and mitigate its impact on land, water, air quality, climate and biodiversity and complies with the requirements of all applicable legislation, regulation and rules. First Tin has undertaken a third party independent ESG audit assessment and is a qualified candidate for European Raw Material Alliance funding and support.

STRATEGIC REPORT CONTINUED

PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

KEY PERSONNEL RISK

Risk: The Group is reliant on a number of key personnel. The loss of one or more of its key personnel could have an adverse impact on the business of the Group.

Mitigation: To deliver on the principles and commitments as stated in our People policy. Visible leadership in the development of our people, diversity and inclusion. Sustained resourcing of the professional development and training initiatives. The Group is in the process of implementing a compensation policy that seeks to recruit suitable talent and to remunerate talent at levels commensurate with market levels.

CYBER ATTACKS AND ONLINE FRAUD

Risk: The potential for cyber security attacks, misuse and release of sensitive information pose ongoing and real risks.

Mitigation: The Group monitors IT and fraud risk and continues to invest in people, process and technology to protect our information systems and assets.

FINANCIAL RISK MANAGEMENT

The Group’s operations are subject to a variety of financial risks including price risk, credit risk and liquidity risk. Details of the Group’s financial risk management policies are set out in the Note 19 to the Consolidated Financial Statements.

FUTURE DEVELOPMENTS

The Group actively monitors the appropriate laws and regulations in each of its jurisdictions. At present there are no major changes foreseen in this regard that will have a material effect on the development of the Group’s assets. Consideration is given to various risk factors (set out above) which may have a bearing on the Group’s progress and all of these factors are subject to change.

GENDER DIVERSITY

The breakdown by gender of the current number of people employed by the Group as at 31 December 2022 is as follows:

DIRECTORS



● Female (1) ● Male (5)

MANAGEMENT



● Female (1) ● Male (8)

EMPLOYEES



● Female (6) ● Male (21)

STRATEGIC REPORT CONTINUED

EVENTS AFTER THE REPORTING DATE

There have been no material events to report since the year end.

S172 STATEMENT

The directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

'A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of the shareholders as a whole and, in doing so have regard (amongst other matters) to:

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

SHAREHOLDERS

First Tin seeks to develop a broad investor base with those who share our values and are supportive of our strategy. Engagement with shareholders is a key element to this objective and is achieved through various ways. Besides engaging through the Company's Annual General Meeting and through publication of full and half-year financial results, Directors and members of the executive team, supported by the Company's broker and Investor Relations advisors, engage with investors directly, mainly through regulatory news, press releases and other publications, as well as presentations and investor talks.

EMPLOYEES

Our current and future success is underpinned by our ability to engage, motivate and adapt our workforce. Creating the right environment for employees where their various strengths are recognised and their contributions are valued, helps to ensure that

we can deliver our shared objectives. During 2022, internal communications and reporting lines were strengthened, the growing number of employees were kept informed of all the workstreams across the Company and helped to raise key issues with directors and executives.

CUSTOMERS

First Tin is in the process of developing its assets. However understanding our future customers and even their customers and what matters to them is of paramount importance to the Company. A comprehensive knowledge of the tin market, product applications, end users and delivery of this resource in a clean and ethical manner is at the core of First Tin's corporate values.

SUPPLIERS

We have long-standing, close relationships with our suppliers, service providers and consultants and are in regular contact with them. Fostering good business relationships with key stakeholders including suppliers is important to the Company's success and we are committed to acting ethically and with integrity in all business dealings and relationships.

COMMUNITIES AND ENVIRONMENT

First Tin is committed to utilising industry best practices and achieving the highest standards of environmental management and safety. The Company also seeks and maintains positive relationships with its local communities and endeavour to continuously assess and monitor environmental impact, promote internally and across our industry best practices for environmental management and safety.

TELLERHÄUSER

A social management plan will be developed, including stakeholder engagement using various formats to ensure open and transparent communication and negotiation with local government, businesses and residents. This will include public information events, community meetings, local council meetings; field visits with responsible authorities; development of a Project website; as well as presence on social media platforms such as Facebook; local print media and press releases; a temporary staffed office in Rittersgrün; and information sessions with poster presentations to describe details of the project. The information strategy developed by Saxore and the participation in social projects is to convey transparency and create trust among residents,

STRATEGIC REPORT CONTINUED

S172 STATEMENT (CONTINUED)

politicians and authorities. A community and stakeholder public relations work programme for the construction, operational and closure phases will be established.

Community Development could include infrastructure improvements in the immediate area. Initial discussions with the Breitenbrunn community have been held regarding the construction of a separate pavement and cycle path, refurbishment of a small bridge, and the integration of access to the local swimming pool to solve anticipated traffic problems arising from overlap of access to the public pool and the mine. There is also an intention to contribute to the preservation of the public pool in Rittersgrün.

TARONGA

We have held several meetings with our close neighbours and maintain regular email contact advising them of our current activities. We have also hosted two community information forums for the Emmaville community to provide an overview of the Company's plans and seek early input and feedback on issues important to the community. As part of our commitment to ongoing engagement, we have appointed a community liaison officer who lives in Emmaville and is responsible for organising and posting regular newsletters and compiling community feedback. In addition to feedback received through engagement directly with the Company, the community will be provided with an opportunity to support or object to the Project as part of the development approvals process. We have begun engagement with the First Nations community and plan to accelerate this during the next six months. An independent community and social licence consultant has been engaged as part of the environmental assessment process and a report on potential social and community impacts will accompany the development application.

GOVERNMENT AND REGULATORS

Maintaining respectful and collaborative relationships with our regulatory authorities is vital to the success of our business. We believe that the strength of these relationships will allow us to make a sustainable and beneficial contribution to the regions in which we operate.

We have held preliminary meetings with Department of Regional NSW, including the Mining, Exploration and Geoscience division and Resources Regulator, to outline the status of exploration and preliminary mine planning and will hold further meetings with the

Department as part of the Mine Development Panel process. A Scoping Meeting will also be held with the NSW Department of Planning and Environment as part of the formal commencement of the development approvals process. We have been in contact with the local parliamentary representatives and have held meetings with Glen Innes Severn Council to inform them of our plans and progress and seek preliminary input into local issues requiring consideration. The route for mining permissions in NSW is well regulated and specified and we have followed all required protocols to date and intend to continue to do so.


BUSINESS CONDUCT

As explained in more detail in the Corporate Governance section on pages 24 to 28, values and culture are an integral part of our strategy and the Board strives to promote a culture based on high business conduct standards.

ACTING FAIRLY AS BETWEEN MEMBERS OF THE COMPANY

Having assessed all necessary factors, and as supported by the processes described above, the Directors consider the best approach to delivering on the Company's strategy. This is done after assessing the impact on all stakeholders and is performed in such a manner so as to act fairly as between the Company's members.

This report was approved by the Board on 11 April 2023 and signed on its behalf by:



Mr T Buenger
Chief Executive Officer

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG")

FOR THE YEAR ENDED 31 DECEMBER 2022

OUR VISION

A conflict-free source of tin through sustainable, professional, responsible, and regulated mining.

INTEGRITY

- Do what is right;
- Do what we say we will do; and
- Be inclusive.

RESPECT

- For the environment
- For our employees (including their health, safety and wellbeing)
- For the local communities in which we operate

PERFORMANCE

- For delivering outcomes to progress the green and technological revolutions
- For enhancing the community
- For a return to our shareholders

GLOBAL RESPONSIBILITY

- Assisting in the transition to a "greener future"
- Managing our impacts at every stage of development and production

OUR PRIORITIES

1 SAFETY

A core value; we aim for a fatality and injury free workplace.

2 MINIMISING OUR CO₂ FOOTPRINT

From an early stage of our mine project; utilising renewable energy supply, screenings, and electrification options for future mine equipment wherever possible.

3 MINIMISING OUR ENVIRONMENTAL FOOTPRINT

Through identification and implementation of "leave-no-trace solutions" wherever possible.

TARGETS TARONGA:

WE COMMIT TO:

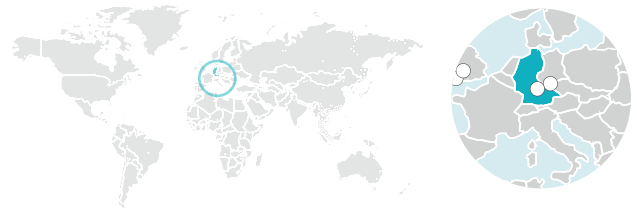
- Design, build and operate a state of the art, environmentally sensitive and conflict-free tin mining operation;
- Establish a contractual arrangement with the legitimate First Nations land claimants for the land plot that partially overlaps where the northern southern pit mineralisation are;
- Support locals through two dedicated internship positions that will offer training opportunities for mining industry relevant positions, on a rotating basis;
- Inclusive employment policies that encourage diversity and gender balance;
- Investigate the options to share water supply from our purchased water allocation rights with the local community, subject to the outcome of the water bores and exploration results;
- Investigate the options to supersize the intended PV power generation plant in order to achieve a low, or even CO₂-free, energy footprint; and
- Plan a tree planting initiative based on the recommendations of local experts and Glen Innes Severn Council.



TARGETS TELLERHÄUSER:

WE COMMIT TO:

- Design, build and operate a state of the art, environmentally sensitive and conflict-free tin mining operation with a “leave-no-trace”, mine waste-free, surface footprint wherever possible;
- Develop a policy for a professional training/ apprenticeship program to support locals to qualify as potential future employees;
- Investigate the options to supply the future Tellerhäuser mine with renewable energy in order to achieve a low, or even CO₂-free, energy footprint. Identify the potential use for the geothermal heat that we can extract out of the to-be-pumped and treated ground water;
- Support the technology development for low CO₂, or CO₂-free, tin smelting and refining options as co-financier of a study at the local university; and
- Integrate electrical driven equipment as one option into our DFS.



4 ETHICAL AND RESPECTFUL

Behaviour that is built on a transparent relationship with local communities and their culture and laws.

5 RECRUITMENT AND MATERIALS

Source and hire locally.

6 POSITIVE LEGACY

Prepare to leave a positive legacy for the local environment.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES FOR THE YEAR ENDED 31 DECEMBER 2022

First Tin is committed to extracting resources responsibly and the importance placed on sustainability is at the core of the Group's development programme and future operations.

GOVERNANCE ARRANGEMENTS IN RELATION TO ASSESSING AND MANAGING CLIMATE-RELATED RISKS AND OPPORTUNITIES;

The Audit and Risk Committee is responsible for reviewing and monitoring the suitability and effectiveness of the Company's risk management policies and processes. Since the Group's IPO during April 2022 the Audit and Risk Committee approved a risk management framework which includes a risk appetite statement and risk register which identifies and analyses the main risks of the Group along with the mitigations to those risks (appropriate to the current stage of the Group's development). On the recommendation of the Audit and Risk Committee the Board formally adopted the risk management framework during the period. The Environmental, Social and Governance Committee is responsible for ensuring that environmental and climate-related issues are incorporated into all aspects of the Group's development as well as assessing the Group's internal controls to demonstrate and record conformity with the Group's stated environmental goals which can be reviewed in the ESG Report on pages 20 to 21.

PROCESSES FOR IDENTIFYING, ASSESSING AND MANAGING CLIMATE-RELATED RISKS ARE INTEGRATED INTO THE ENTITY'S OVERALL RISK MANAGEMENT PROCESS;

Given the early stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard, the Group has appropriate governance structures and procedures in place to identify risks and implement further risk management procedures as its assets are developed. At this time the Group operates from two corporate offices, with no operational tin production activity. As such Scope 1, Scope 2 and Scope 3 greenhouse gas (GHG) emissions are not produced and climate-related risks are minimal. Future risks are actively managed as part of the feasibility studies of both Projects.

PRINCIPAL CLIMATE-RELATED RISKS AND OPPORTUNITIES ARISING IN CONNECTION WITH THE ENTITY'S OPERATIONS;

At this stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard as specific climate-related risks and opportunities will be defined further into the development programme.

TIME PERIODS BY REFERENCE TO WHICH THOSE RISKS AND OPPORTUNITIES ARE ASSESSED;

The Group's risk management framework is reviewed at least twice annually which the Board feels is appropriate at this stage of the development programme. However the framework is fluid and might be analysed, adapted and expanded more frequently as First Tin moves towards being a sustainable tin producer. As noted in the ESG Report (pages 20 to 21) the Group will identify and implement 'leave no trace' solutions wherever possible, including utilising renewable energy supply, screenings, and electrification options for future mine equipment.

ACTUAL AND POTENTIAL IMPACTS OF THE PRINCIPAL CLIMATE-RELATED RISKS AND OPPORTUNITIES ON THE ENTITY'S BUSINESS MODEL AND STRATEGY;

At this stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard as the impact of climate-related risks and opportunities will be defined further into the development programme. As noted in the Chief Executive Officer's Report on pages 8 to 12 the Group has stringent environmental controls and procedures in place to minimise and mitigate its impact on land, water, air quality, climate, and biodiversity and complies with the requirements of all applicable legislation, regulation, and rules in countries of its operation.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES CONTINUED

ANALYSIS OF THE RESILIENCE OF THE ENTITY'S BUSINESS MODEL AND STRATEGY, TAKING INTO CONSIDERATION DIFFERENT CLIMATE-RELATED SCENARIOS;

At this stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard. As noted in the Chairman's Statement on pages 4 to 5 First Tin is confident in its ability to progress both assets in Australia and Germany in a sustainable fashion. The global clean energy and technological revolutions and resultant significant future demand for tin, are an exciting opportunity for First Tin and its ability to deliver a sustainable answer to the global supply shortage.

TARGETS USED BY THE GROUP TO MANAGE CLIMATE-RELATED RISKS AND TO REALISE CLIMATE-RELATED OPPORTUNITIES AND OF PERFORMANCE AGAINST THOSE TARGETS;

At this stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard as specific targets will be defined further into the development programme. As noted in the ESG Report (pages 20 to 21) the Group will identify and implement 'leave no trace' solutions wherever possible and endeavour to minimise First Tin's CO2 footprint from an early stage.

KEY PERFORMANCE INDICATORS (KPIs) USED TO ASSESS PROGRESS AGAINST TARGETS USED TO MANAGE CLIMATE-RELATED RISKS AND REALISE CLIMATE-RELATED OPPORTUNITIES AND OF THE CALCULATIONS ON WHICH THOSE KPIs ARE BASED.

At this stage of the development of the Group's assets the Directors have elected to not make a detailed disclosure in this regard as specific risks and opportunities will be defined closer to the transition from development to production. The Group's CEO has environmental targets built into personal KPIs for the financial year ending 31 December 2023.



**Solar panels powering
Taronga office**

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Company is managed under the direction and supervision of the Board of Directors. Among other things, the Board sets the vision and strategy for the Company in order to effectively implement the Company's business model which is to be the largest listed supplier of sustainable tin for the fourth industrial revolution – decarbonise and electrify – by bringing our capex lite, advanced-stage projects into production.

Good corporate governance creates shareholder value by improving performance while reducing or mitigating risks that the Company faces as we seek to create sustainable growth over the medium to long-term. It is my role as Chairman to lead the Board effectively and to oversee the adoption, delivery and communication of the Company's corporate governance model.

The Listing Rules require all companies admitted to the Standard Segment of the FCA's Official List to adopt and comply with a recognised corporate governance code. In this regard, the Board has adopted the Quoted Companies Alliance Corporate Governance Code (the "Code"). It was decided that the Code was more appropriate for the Company's size and stage of development than the more prescriptive Financial Reporting Council's UK Corporate Governance Code. The narrative that follows sets out in broad terms how we comply with the Code at this point in time and we will provide annual updates to the report going forward.

PRINCIPLE 1: **ESTABLISH A STRATEGY AND BUSINESS MODEL WHICH PROMOTE THE LONG-TERM VALUE FOR SHAREHOLDERS**

First Tin plans to establish sustainable tin production and processing from its flagship assets, the Tellerhäuser project in Saxony, Germany and the Taronga Project in New South Wales, Australia.

First Tin is developing advanced hard rock tin projects in Tier 1 jurisdictions; Germany and Australia with an ambition to follow these streams of critical mineral into the electric vehicle, renewable energy and semi-conductor supply chain.

PRINCIPLE 2: **SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS**

The Company is committed to listening and communicating openly with its shareholders to ensure

that its strategy, business model and performance are clearly understood. Understanding what analysts and investors think about us, and in turn, helping these audiences understand our business, is a key part of driving our business forward and we actively seek dialogue with the market. We do so via retail and institutional investor roadshows, attending and presenting at investor conferences, meeting with independent investment analysts and financial journalists and our regular reporting.

The Directors actively seek to build a relationship with institutional shareholders. The Chief Executive Officer ("CEO") and other Directors will make presentations to institutional shareholders and analysts from time-to-time in part to listen to their feedback and have a direct conversation on any areas of concern. The Board as a whole is kept informed of the views and concerns of major shareholders by briefings from the CEO. Any significant investment reports from analysts will be circulated to the Board. The Non-Executive Chairman is also available to meet with major shareholders if required to discuss issues of importance to them.

The Annual General Meeting ("AGM") is one forum for dialogue with shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 clear days before the AGM. The Chair of the Board and all Committee Chairs, together with all other Directors, will routinely attend the AGM and are available to answer questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM will subsequently be published on the Company's website.

PRINCIPLE 3: **TAKE INTO ACCOUNT WIDER STAKEHOLDER AND SOCIAL RESPONSIBILITIES AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS**

Engaging with all our stakeholders strengthens our relationships and helps us make better business decisions to deliver on our commitments. The Board is regularly updated on wider stakeholder engagement to stay abreast of stakeholder insights into the issues that matter most to them and our business, and to enable the Board to understand and consider these issues in decision-making. Some examples of stakeholders aside from our shareholders are our clients and our suppliers. The Board therefore closely monitors and reviews the results of the Company's engagement with those groups to ensure alignment of interests.

CORPORATE GOVERNANCE STATEMENT CONTINUED

**PRINCIPLE 4:
EMBED EFFECTIVE RISK MANAGEMENT,
CONSIDERING BOTH OPPORTUNITIES AND
THREATS, THROUGHOUT THE ORGANISATION**

FINANCIAL CONTROLS

The Company's Audit and Risk Committee comprises Ingo Hofmaier (Chairman), Catherine Aphorpe and Seamus Cornelius. The Audit and Risk Committee meets as often as required and at least twice a year. The Audit and Risk Committee's main functions include reviewing the effectiveness of internal control systems and risk assessment, making recommendations to the Board in relation to the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications.

The Audit and Risk Committee also monitors the integrity of the financial statements of the Company and Group, including its annual and interim reports and any other formal announcement relating to financial performance. The Audit and Risk Committee is responsible for overseeing the Company's relationship with the external auditors, including making recommendations to the Board on the appointment of the external auditors and their remuneration. The Audit and Risk Committee considers the nature, scope and results of the auditors' work and reviews, and can develop and implements policies on the supply of non-audit services that are provided by the external auditors where appropriate. The Audit and Risk Committee focuses particularly on compliance with legal requirements, accounting standards and the relevant Listing Rules and ensuring that an effective system of internal financial and non-financial controls is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The identity of the Chairman of the Audit and Risk Committee is reviewed on an annual basis and the membership of the Audit and Risk Committee, and its terms of reference are kept under review. The Audit and Risk Committee members are all considered independent Non-Executive Directors and no member has links with the Company's external auditors.

STANDARDS AND POLICIES

The Board is committed to maintaining appropriate standards for all the Group's business activities and ensuring that these standards are set out in written policies where appropriate. The Board acknowledges that the Group's international operations may give rise to possible claims of bribery and corruption. In consideration of the UK Bribery Act the Board reviews the perceived risks to the Group arising from bribery and corruption to identify aspects of the business which may be improved to mitigate such risk. The Board has adopted a zero-tolerance policy toward bribery and has reiterated its commitment to carry out business fairly, honestly and openly. The Company has also adopted a share Dealing Code, in conformity with the requirements of the Listing Rules for Companies and the Market Abuse Regime (MAR) and will take steps to ensure compliance by the Board and senior staff with the terms of the code. In summary, the code stipulates that those covered by it should: not deal in any securities of the Company unless prior written notice of such proposed dealings has been given to the Board and written clearance received from the Board; not purchase or sell any securities of the Company in the two months immediately preceding the announcement of the Company's half-yearly or annual results; not use another person, company or organisation to act as an agent, or nominee, partner, conduit or in another capacity, to deal in any securities on their behalf where that third person would breach obligations under this paragraph; and immediately inform the Board of any dealings in the Company's shares.

All material contracts are required to be reviewed and signed by a Director of the Company and reviewed by our external counsel.

The Company has a social media policy. The objective of the policy is to minimise the risks to the Company through use of social media. The policy deals with the use of all forms of social media, all social networking sites, internet postings, the Company's website, non-regulatory news feeds and blogs. It applies to use of social media for business purposes as well as personal use that may affect the Company in any way. The policy covers all employees, officers, consultants, contractors, interns, casual workers and agency workers.

CORPORATE GOVERNANCE STATEMENT CONTINUED

**PRINCIPLE 5:
MAINTAIN THE BOARD AS A WELL-FUNCTIONING,
BALANCED TEAM LED BY THE CHAIR**

The Board comprises the Non-Executive Chairman, one Executive Director and four Non-Executive Directors. The Board considers that the Non-Executive Directors bring an independent judgement to bear. The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational. The Chairman holds update meetings with each Director to ensure they are performing as they are required.

During the financial year to 31 December 2023, at least 4 Board meetings will take place (5 Board meetings were held during the financial year to 31 December 2022). Key Board activities in the coming year will include: the review of the progress of the feasibility studies; discuss critical gate stages; review and development of the long-term strategy of the Group; review and approval of the annual plan and budget; assessing any potential acquisition candidates and received take-over offers, as the case might be; the continued open dialogue with the investment community; to consider our financial and non-financial policies; to discuss the Company's capital structure and financial strategy, including capital investments, funding and shareholder returns; to discuss internal governance processes; to review the Company's risk management system and profile; and to review feedback from shareholders post full and half year results. The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests must be reported to and, where appropriate, agreed with the rest of the Board.

**PRINCIPLE 6:
ENSURE THAT BETWEEN THEM THE
DIRECTORS HAVE THE NECESSARY UP-TO-DATE
EXPERIENCE, SKILLS AND CAPABILITIES**

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, including in the areas of mining, mineral processing, commodity markets, ESG, corporate finance and capital markets. All Directors receive regular and timely information on the Company's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings.

The Board makes decisions regarding the appointment and removal of Directors and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that: any Director who has held office at the time of the three previous AGMs and who did not retire at either of them must retire from office and may offer him or herself for re-election by the shareholders; and that any new Directors appointed during the year must stand for election at the AGM immediately following their appointment.

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense. In addition, the Directors have direct access to the advice and services of the Company Secretary and Legal Counsel.

**PRINCIPLE 7:
EVALUATE BOARD PERFORMANCE BASED ON
CLEAR AND RELEVANT OBJECTIVES, SEEKING
CONTINUOUS IMPROVEMENT**

The Company is constantly assessing the individual contributions of each of the members of the Board and executive team to ensure that: their contribution is relevant and effective, that they are committed and where relevant, they have maintained their independence. Over the next 12 months we intend to continue to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner.

**PRINCIPLE 8:
PROMOTE A CORPORATE CULTURE THAT IS
BASED ON ETHICAL VALUES AND
BEHAVIOURS**

The Board believes that the promotion of a corporate culture based on sound ethical values and behaviours is essential to maximise shareholder value. With regard to the structure and size of the Company, the Board is confident the ethical values are being adhered to through multiple ways. Many employees are members of professional bodies and/or are educated to a very high academic level. Having a relevant professional degree and being a member in good standing of the professional body aligns with the culture the Company cultivates to obtain its objectives. The Company will only meet its objectives if all of its employees are ethical, fair and transparent in their dealings with our stakeholders. The feedback of the Company's clients of their relationship with every member of the Company is requested to assist the Company in reinforcing its corporate culture.

CORPORATE GOVERNANCE STATEMENT CONTINUED

**PRINCIPLE 9:
MAINTAIN GOVERNANCE STRUCTURES AND
PROCESSES THAT ARE FIT FOR PURPOSE AND
SUPPORT GOOD DECISION-MAKING BY THE
BOARD**

The Board meets at least four times each year in accordance with its scheduled meeting calendar. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. Prior to the start of each financial year, a schedule of dates for that year's four Board meetings is compiled to align as far as reasonably practicable with the Company's financial calendar while also ensuring an appropriate spread of meetings across the financial year. This may be supplemented by additional meetings as and when required. During the financial year to 31 December 2023, the Board will meet for at least four scheduled meetings.

The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and committee papers are expected to be distributed well before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant committee and then followed up by the Company's management.

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall Group strategy; approval of major investments; approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks and reviews the annual budgets and their performance in relation to those budgets. There is a clear division of responsibility at the head of the Company. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction. The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company through the executive team.

The Board is supported by the Audit and Risk Committee, the ESG Committee, the Remuneration and Nominations Committee. Each Committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The Audit and Risk and Remuneration and Nominations Committees comprise not less than three members, all of whom are independent Non-Executive Directors.

The ESG Committee comprises not less than three members, of which two are independent. The ESG Committee meets at least twice annually to review the Group's operations to ensure that the environment and its positive contribution to society, is incorporated in all aspects of the Group's development. To review the Group's stated responsibilities with respect to environmental, social and ESG policy and assessment of the Group's internal controls used to demonstrate and record conformity with the Group's stated ESG goals. The current members of the Committee are Mr C Cannon Brookes, Mr I Hofmaier and Mr S Cornelius.

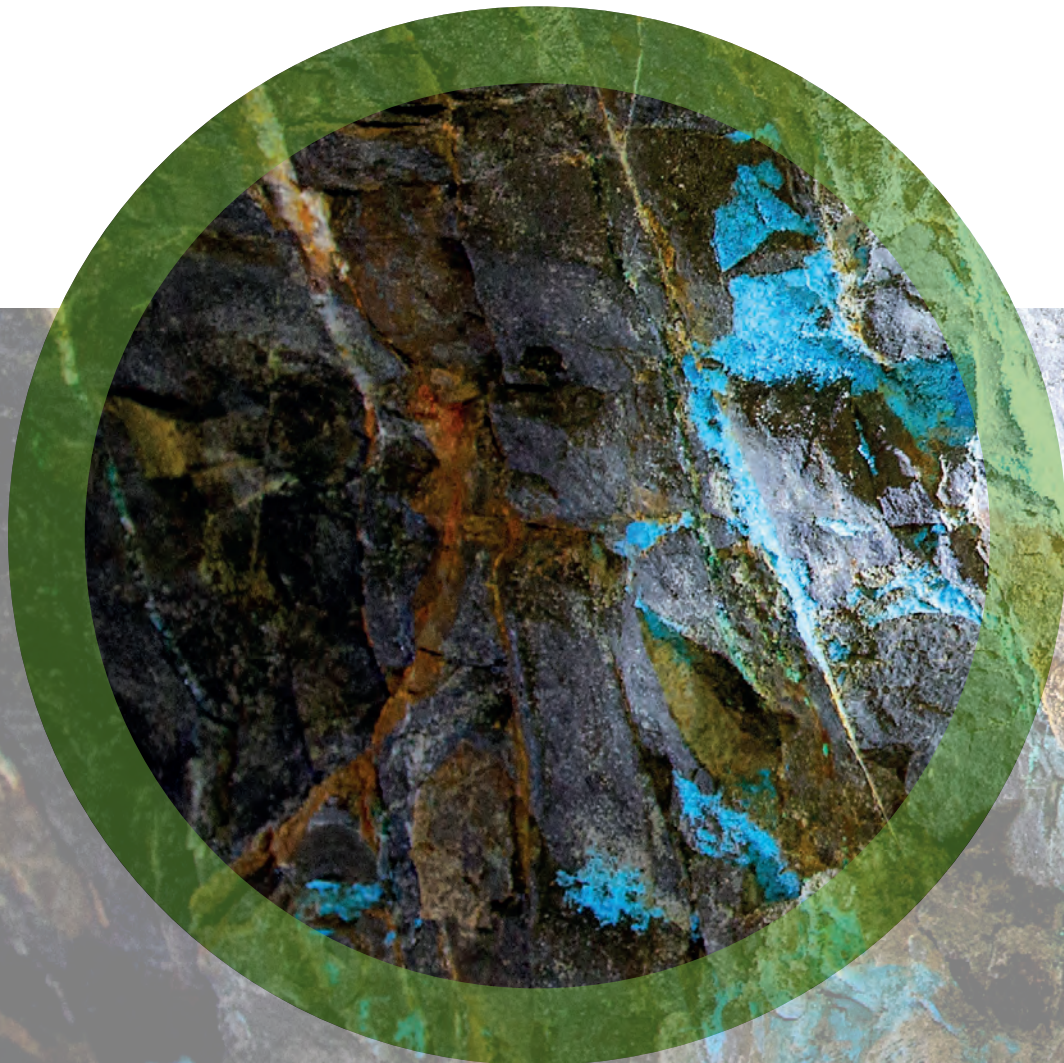
The Nominations and Remuneration Committee ensures the time required from a Non-Executive Director is reviewed and whether each Non-Executive Director is spending enough time to fulfil his or her duties. The structure, size, composition, skills, knowledge and experience of the Board and the leadership needs of the Company to ensure that the Company continues to compete effectively in its market place. The Committee also ensures that remuneration is aligned to the implementation of the Company strategy and effective risk management, taking into account the views of shareholders and is also assisted by executive pay consultants as and when required. The current members of the Committee are Mr I Hofmaier, Ms C Apthorpe and Mr S Cornelius.

CORPORATE GOVERNANCE STATEMENT CONTINUED

**PRINCIPLE 10:
COMMUNICATE HOW THE COMPANY
IS GOVERNED AND IS PERFORMING
BY MAINTAINING A DIALOGUE WITH
SHAREHOLDERS AND OTHER RELEVANT
STAKEHOLDERS**

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the AGM, RNS announcements, EGM's as required, and one-to-one meetings with large existing or potential new shareholders. A range of corporate information (including all Company announcements and

presentations) is also available to shareholders, investors and the public on the Company's corporate website, www.firsttin.com. The Board receives regular updates on the views of shareholders through briefings and reports from the CEO and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analysts' notes and brokers' briefings are reviewed to achieve a wide understanding of investors' views. The Company will also communicate to individual investors and private client brokers, investor roadshows and presentations at investor conferences.



ESG COMMITTEE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



SEAMUS CORNELIUS
CHAIR

On behalf of the Committee, I am pleased to present the ESG Committee Report for the year ended 31 December 2022.

There are three members of the ESG Committee. I chair the Committee and the other members are Ingo Hofmaier and Charlie Cannon Brookes. Our biographies setting out our skills and qualifications can be found on pages 34 to 35 of this report. We are all independent Non-Executive Directors. It is intended that the ESG Committee meets at least twice a year and the Committee is responsible for ensuring that the ESG policy and practices are a core consideration across all functions of the Company. I report to the Board after each Committee meeting and I will attend each Annual General Meeting of the Company, either in person or virtually

In the period between 8 April 2022 and 31 December 2022 the Committee has met once, with two members in attendance.

The ESG Committee plays a vital role at First Tin by ensuring that the Company has an effective and appropriate ESG policy and practices in place, allowing for the implementation of a principle based and stakeholder focused ESG strategy. I ensure that the ESG Committee provides the appropriate guidance, governance and oversight to management in order to help facilitate the effective delivery of the projects in Germany and Australia with environmental, social and governance considerations at the core of the Company's decision making process.

DUTIES OF THE ESG COMMITTEE

REGULAR REVIEWS

Review the Company's operations to ensure that the environment and making a positive contribution to society, is incorporated in all aspects of the Company's development and the Company's stated responsibilities with respect to environmental, social and ESG policy. Conduct an assessment of the Company's internal controls used to demonstrate and record conformity with the Company's stated ESG goals. The Committee shall review its own performance, constitution and terms of reference and make recommendations to the Board about any matters arising. Furthermore the Committee shall keep abreast of external trends or regulatory changes that may be relevant to the Company and its operations and understand shareholders' views and expectations with regards to ESG matters and take account thereof.

RECOMMENDATIONS TO THE BOARD

The Committee makes recommendations to the Board with regards to changes to the Company's existing environmental, occupation, health & safety and policies and practices that it sees fit to ensure that the Company's commitment to these is maintained and demonstrated. As the Company progresses through the financial year ending 31 December 2023 the Committee shall assist the Board with the development of internal KPIs to allow the Company to assess its activities with respect to its stated goals and the method of monitoring and reporting on those KPIs.

Mr S Cornelius
Chair – ESG Committee
11 April 2023

AUDIT AND RISK COMMITTEE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



INGO HOFMAIER
CHAIR

On behalf of the Committee, I am pleased to present the Audit and Risk Committee Report for the year ended 31 December 2022.

There are three members of the Audit and Risk Committee. I chair the Committee and the other members are Seamus Cornelius and Catherine Aphorpe. Our biographies setting out our skills and qualifications can be found on pages 34 to 35 of this report. We are all independent Non-Executive Directors. It is intended that the Audit and Risk Committee meets at least twice a year and the Committee is responsible for ensuring that the Company's financial performance is properly monitored and reported and for providing oversight of the Company's risk management and system of internal controls. I report to the Board after each Committee and I will attend each Annual General Meeting of the Company.

In the period between 8 April 2022 and 31 December 2022 the Committee has met twice, with all three members in attendance.

The Audit and Risk committee plays a vital role at First Tin by ensuring that the Company has effective and appropriate risk management and internal control systems, backed up by comprehensive financial, governance and reporting functions. I ensure that the Audit and Risk Committee provides the appropriate guidance, governance and oversight to management in order to identify and manage risks, helping to facilitate the effective delivery of the Projects in Germany and Australia.

DUTIES OF THE AUDIT COMMITTEE

INTERNAL CONTROL AND RISK ASSESSMENT

The Committee assists the Board in discharging its duty to ensure that the financial statements presented by the Company to its shareholders conform with all legal and regulatory requirements and that the Company and its subsidiaries' financial reporting and internal control policies and procedures for the identification, assessment and reporting of risks are adequate, by keeping such matters under review and making appropriate recommendations to the Board.

RISK IDENTIFICATION AND ASSESSMENT

The Committee advises the Board on the Company's risk strategy, risk policies and current risk exposures; oversees the implementation and maintenance of the overall risk management framework and systems; reviews the Company's risk assessment processes and capability to identify and manage new risks; and reviews the effectiveness of the Company's IT systems and procedures.

EXTERNAL AUDIT

The Committee considers and makes recommendations to the Board regarding the appointment and reappointment of the Company's external auditor, as well as any questions relating to their resignation or removal. The Committee oversees the relationship with the external auditor, including, but not limited to, the approval of their remuneration and terms of engagement, whether in relation to audit or non-audit services, and annually assesses the auditor's independence, objectivity, qualifications, expertise, resources and effectiveness. The Audit Committee meets the external auditor at least twice a year and reviews the findings of the audit.

AUDIT AND RISK COMMITTEE REPORT CONTINUED

FINANCIAL STATEMENTS

The Committee monitors the integrity of the financial statements of the Company, including the annual and interim reports, preliminary results announcements and any other formal announcement relating to its financial performance. It reviews any significant financial reporting issues and judgments, and challenges, where necessary, and the Company's financial statements before submission to the Board. The Committee keeps under review the consistent application of accounting policies and practices on a year-to-year basis, and across the Company.

MEETINGS

The Committee meets prior to the annual audit with the external auditor to discuss the audit plan and again prior to the publication of the annual results. These meetings are attended by the external audit partner, Chair of the Committee, the CFO and the Company Secretary. Additional formal meetings are held as necessary.

During the period, the Committee:

- met with the external auditor and discussed their audit report and audit plan for the financial year 2022;
- approved the publication of the annual and half-year financial results during the calendar year 2022;
- as part of the annual report preparation made a going concern assessment of the Company and discussed future equity placings and financing requirements with management;
- considered and approved the annual review of internal controls, including relevant policies;
- reviewed the risk register and discussed the same with management and defined the risk appetite the Board is willing to accept;
- decided that due to the size and nature of the operation, there was not a current need for an internal audit function; and
- assessed the independence of the auditor and approved their fees for audit-related services.

WHISTLEBLOWING

The Company has a whistleblowing policy in place which sets out the formal process by which an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters.

ANTI-BRIBERY

The Company has an anti-bribery and anti-corruption policy which sets out its zero-tolerance position and provides information and guidance to employees on how to recognize and deal with bribery and corruption issues.

EXTERNAL AUDITOR

The Committee considered the independence and effectiveness of the external auditor. The Annual Report 2022 is the second year Crowe U.K. LLP has been auditing and Leo Makin has been the audit partner for the same period.

Mr I Hofmaier

Chair – Audit and Risk Committee
11 April 2023

REMUNERATION AND NOMINATIONS COMMITTEE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022



INGO HOFMAIER
CHAIR

On behalf of the Committee, I am pleased to present the Remuneration and Nominations Committee Report for the year ended 31 December 2022.

There are three members of the Remuneration and Nominations Committee. I chair the Committee and the other members are Seamus Cornelius and Catherine Apthorpe. Our biographies setting out our skills and qualifications can be found on pages 34 to 35 of this report. We are all independent Non-Executive Directors. It is intended that the Remuneration and Nomination Committee meets at least twice a year.

In the period between 8 April 2022 and 31 December 2022 the Committee has met once, with all three members in attendance.

DUTIES OF THE REMUNERATION AND NOMINATIONS COMMITTEE

REGULAR REVIEWS

The Remuneration and Nominations Committee is responsible for assisting the Board in relation to the appointment of members to the Board and of “C-level” Senior Management, including, without limitation, the Chief Executive Officer, Chief Financial Officer, Chief Operating Officer and Chief Human Resources officer (to the extent that the Company has or requires such positions), and for the review of the performance of such persons.

The Committee reviews regularly the time required from a Non-Executive Director and whether each Non-Executive Director is spending enough time to fulfil his or her duties, reviews comparable compensation data to ensure that Directors and “C-level” Senior Management are being adequately remunerated, and to a level which will attract, retain, and motivate appropriately qualified and skilled individuals, its own performance, constitution and terms of reference and make recommendations to the Board about any matters arising.

BOARD AND SENIOR MANAGEMENT APPOINTMENTS

The Committee assists the Board with regards to the nomination of Board members and “C-level” Senior Management by implementing processes to assess the necessary and desirable skill sets of Board members and “C-level” Senior Management by considering experience, expertise, skills and past performance. Reviewing the composition of each Committee and presenting recommendations for Committee memberships to the Board, developing criteria for seeking candidates for a position on the Board and “C-level” Senior Management,

REMUNERATION AND NOMINATIONS COMMITTEE REPORT CONTINUED

identifying and recommending suitable candidates for appointment to the Board or “C-level” Senior Management positions, recommending policies, procedures and an organisational design to improve corporate performance and governance board diversity, ensuring that related policies and procedures, once adopted, are implemented such that the performance of each member of the Board and of “C-level” Senior Management is reviewed and assessed each year in accordance with the procedures and policies.

RECOMMENDATIONS TO THE BOARD

The Committee undertakes to make recommendations to the Board about plans for an orderly succession of the Chairman and Non-Executive Directors and a formal, rigorous and transparent procedure to be used by them. The Committee also considers and recommends, if appropriate, the reappointment of any Non-Executive Director at the conclusion of their specified term of office or under the retirement by rotation provisions in the Company’s Articles of Association. The Committee considers and makes recommendations on the membership of the Audit and Risk Committee, the Remuneration Nominations Committee and the Environmental, Social and Corporate Governance Committee in consultation with the Chairmen of those Committees. The Committee may also, at any time, recommend to the Board the appointment of additional Non-Executive Directors and any Executive Directors (if such are considered to be appropriate).

MEETINGS

The Committee met in November 2022 with all members in attendance. The focus of the discussions during the meeting and work undertaken during the year was:

- To consider whether each committee member is spending enough time to fulfil his or her duties. Looking at the time spent, being at least 2 days a month, the Committee agreed that time commitments seem to be in line with market practice and that the increased demand in early 2022 was natural given that the Company had just listed and needed to develop its governance framework;
- To review compensation studies to ensure Directors are being adequately remunerated. It was noted that the directors of First Tin currently draw less than the average of comparable companies listed in London. In light of the Company’s weak share price performance, having suffered from the significant fall in tin prices starting in the second quarter of 2022, the Committee believes the current remuneration is appropriate and suggested fees should remain as is for now;
- To commence work on the Board competency and skills matrix for approval in early 2023;
- To consider requirements of Board composition and potential changes in light of current diversity and ESG expectations. The Committee in particular discussed a recent amendment to the FCA’s Listing Rules with regards to the number of women of London Stock Exchange main market plc boards. It was agreed that should a new Director or person covered under the rules need to be appointed, the First Tin Board should consider the ratios stipulated and aim for compliance;
- After the retirement of Martyn Knight as CFO of First Tin, the Committee considered the appointment of a new CFO in December 2022. The decision was taken to engage the services of Jane Lowden, a partner in F. W. Smith, Riches & Co Chartered Accountants, as Finance Adviser to the Board. Jane is an experienced accountant, who is well known to the Group and advises a number of quoted companies;
- To consider the appointment of a Senior Independent Director based in London, from among the existing Non-Executive Directors; and
- To review and suggest the award of the 2022 bonus for the CEO of the Company and suggest the KPIs in 2023.

Mr I Hofmaier

Chair – Remuneration and Nominations Committee
11 April 2023

BOARD OF DIRECTORS AS AT 31 DECEMBER 2022



THOMAS BUENGER

CHIEF EXECUTIVE OFFICER

Thomas holds a PhD in metallurgy from Freiberg University with more than 25 years' experience in base metal and semiconductor industry. He is a base metals senior executive with wide breadth of knowledge across multiple disciplines across the base metals industry with focus on non-ferrous metals, copper, PGMs and recycling. Thomas is a former board member, chief operating officer and chief technical officer of Aurubis AG, a world leading copper and multi metal producer.



**CHARLES
CANNON BROOKES**

NON-EXECUTIVE CHAIRMAN

Charles has over 20 years' investment experience. He is a Director of Arlington Group Asset Management Limited (AGAM) and has successfully led a number of IPO and RTO transactions on the London markets. Prior to AGAM he worked for Arlington Group plc, an AIM quoted investment company and managed all of its public equity portfolio, as well as Jupiter Asset Management, ABN Amro and Barclays de Zoete Wedd. He has advised and sat on the board of a number of different funds, trusts and other operating public companies.



CATHERINE APTHORPE

**INDEPENDENT NON-
EXECUTIVE DIRECTOR**

Catherine is a qualified Solicitor (England and Wales) since 2004 and Company Secretary with over 10 years of experience in the mining sector across a number of jurisdictions. She has extensive experience in fundraisings, due diligence exercises, acquisitions, strategic investments, project management, and debt financing. Catherine was nominated and selected for the Top 100 Global Inspiration Women in Mining 2016. Catherine is currently Group Corporate Counsel & Company Secretary with Capital Limited, a leading mining services company listed on the main market of the LSE, and a Non-Executive Director of Panthera Resources plc (AIM).

BOARD OF DIRECTORS CONTINUED

**SEAMUS CORNELIUS****INDEPENDENT NON-EXECUTIVE DIRECTOR**

Seamus is an experienced public company director and corporate lawyer. Since 2010 he has served as a non-executive director on numerous public listed companies. He also has over 20 years' experience as a corporate lawyer and for most of his legal career was a Shanghai based partner of a major international law firm. Most of his work during this time involved advising multi-national corporations on their investment and business in China. He also acted for large Chinese SOEs on outbound acquisitions. Seamus is currently the Executive Chairman of Danakali Limited and Non-Executive Chairman of Element 25 Limited, Buxton Resources Limited and Duketon Mining Limited.

**INGO HOFMAIER****INDEPENDENT NON-EXECUTIVE DIRECTOR**

Ingo has 20 years of investment banking, corporate finance and project development experience in Europe, the Americas and Asia. He was instrumental in building the metals and mining practice of Hannam & Partners, a London-based merchant bank, with experience across complex joint-venture, M&A, equity investments, capital markets, and corporate finance transactions. Ingo is currently the CEO of Omico Mining Corp, a private company developing a copper asset in Namibia. Formerly he was the CFO of SolGold and senior business development executive with Rio Tinto, Capgemini, and a Financial Controller and later Commercial Director with Wienerberger, an Austrian building material group with significant interests in Germany.

**NICHOLAS MATHER****NON-EXECUTIVE DIRECTOR**

40 years' exploration, resource company creation and Executive and Non-Executive Director management experience. He is the founder and co-founder of numerous companies including DGR Global Limited, Orbis Gold, Arrow Energy Ltd and SolGold plc. He also sits on several Boards including SolGold plc, Armour Energy and Lakes Blue Energy NL and Clara Resources Australia Ltd.

DIRECTORS' REMUNERATION REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Company's policy is to maintain levels of remuneration sufficient to attract, motivate and retain senior executives of the highest calibre who can deliver growth in shareholder value. Executive Directors' remuneration currently consists of basic salary, benefits (including pensions allowance), performance-related bonus and participation in a share option plan.

The Company continues to seek to strike an appropriate balance between fixed and performance-related rewards, reinforcing a clear link between pay and performance. The performance targets for staff, senior executives and the Executive Director continue to be aligned to the key drivers of the business strategy, thereby creating a strong alignment of interest between staff, Executive Director and shareholders. The Remuneration and Nominations Committee will continue to review the Company's remuneration policy and make amendments, as and when necessary, to ensure it remains fit for purpose and continues to drive high levels of executive performance and remains both affordable and competitive in the market.

The policy is subject to shareholder approval through the votes cast at the upcoming AGM to be held on 27 June 2023.

POLICY TABLE

Purpose and link to strategy	Criteria	Performance conditions and cost
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REMUNERATION ELEMENT: BASE SALARY

<p>To provide fixed remuneration to:</p> <ul style="list-style-type: none"> • help recruit and retain key individuals; and • reflect the individual's experience, role, rank and contribution within the Company. 	<p>The Remuneration and Nominations Committee takes into account a number of factors when setting salaries, including:</p> <ul style="list-style-type: none"> • the scope and complexity of the role; • the skills and experience of the individual; • salary levels for similar roles within the industry; • pay elsewhere in the Company. <p>Salaries are reviewed, but not necessarily increased, annually.</p>	<p>The current base salaries of the Directors can be found in the Directors' Remuneration section.</p> <p>The Board retains discretion to make higher increases in certain circumstances, for example, following an increase in the scope and/or responsibility of the role or the development of the individual in the role or by benchmarking.</p>
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REMUNERATION ELEMENT: OTHER BENEFITS

<p>To provide a basic benefits package, in order to help recruit and retain key individuals.</p>	<p>The Company may provide the Executive Director and management as well as employees with accident insurance, pension insurance and similar benefits in line with legal requirements in the jurisdiction of employment of the respective employee.</p>	<p>The expense of providing the benefit.</p>
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DIRECTORS' REMUNERATION REPORT CONTINUED

POLICY TABLE CONTINUED

Purpose and link to strategy	Criteria	Performance conditions and cost
REMUNERATION ELEMENT: ANNUAL BONUS		
To incentivise and reward the achievement of annual financial, operational and individual objectives which are key to the delivery of the Company's short-term strategy.	<p>The Executive Director is eligible to participate in a discretionary bonus plan.</p> <ul style="list-style-type: none"> Maximum bonus levels and the proportion payable for on-target performance are considered in the light of market bonus levels for similar roles among the industry sector. Objectives / KPIs will be set annually by management and submitted to the Remuneration and Nominations Committee, to ensure that the Executive Director remains targeted and focused on the delivery of the Company's short-term goals. The Remuneration and Nominations Committee approve targets set by management which require appropriate levels of performance, taking into account internal and external expectations of performance. <p>As soon as practicable after the year end, the Remuneration and Nominations Committee meets to review performance against objectives and determines pay-out levels.</p>	<p>100% of the award will be assessed against Company metrics including operational, permitting, feasibility studies, offtake partners, environmental & social, health and safety and share price performance.</p> <p>A sliding scale of between 0% and 100% of the maximum award is paid dependent on the level of performance.</p> <p>The maximum potential cash bonus entitlement for the Executive Director under the plan is up to Euro 150,000.</p>

REMUNERATION ELEMENT: SHARE OPTION PLAN

<ul style="list-style-type: none"> To incentivise and reward the creation of long-term shareholder value. To align the interests of the eligible employees with those of shareholders. To help recruit and retain key individuals. 	Under the terms of the share option plan, the Remuneration and Nominations Committee may issue options over shares up to 10% of the issued share capital of the Company from time to time. The Executive Director, employees and certain consultants are eligible for awards.	None
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DIRECTORS' REMUNERATION (AUDITED)

The table below sets out the Directors' remuneration and fees:

	Basic fees	Performance related bonus	Share based payments	Total
2022	£	£	£	£
Mr T Buenger	268,519	109,748	374,347	752,614
Mr S I Cornelius	32,769	-	-	32,769
Mr I Hofmaier	32,769	-	-	32,769
Ms C Apthorpe	29,128	-	-	29,128
Mr C Cannon Brookes	29,250	-	-	29,250
Mr N Mather	7,500	-	-	7,500
	399,935	109,748	374,347	884,030

DIRECTORS' REMUNERATION REPORT CONTINUED

DIRECTORS' REMUNERATION (AUDITED) CONTINUED

	Fees	Share based payments	Total
2021	£	£	£
Mr M E Thompson	12,000	–	12,000
Mr A J Truelove	52,640	–	52,640
Mr A M J Collette	12,000	–	12,000
Mr G D Stanley	94,806	–	94,806
Mr S L Fabian	72,000	14,609	86,609
Mr C Cannon Brookes	9,000	–	9,000
Mr T Buenger	96,564	149,000	245,564
	349,010	163,609	512,619

PENSION ARRANGEMENTS (AUDITED)

There were no pensions or other similar arrangements in place with any of the Directors during the years ended 31 December 2022 or 2021.

PAYMENTS TO PAST DIRECTORS (AUDITED)

No payments were made to past directors in the years ended 31 December 2022 or 2021.

DIRECTORS' INTERESTS (AUDITED)

The Directors held the following interest in the share capital of the Company either directly or beneficially:

	Ordinary shares 2022	Percentage of issued shares
	No.	%
Clara Resources Australia Limited ¹	60,000,000	22.60
Arlington Partners Fund Ltd ²	21,566,667	8.12
T Buenger	3,510,400	1.32
S Cornelius	83,333	0.03

1 Mr N Mather is a director of Clara Resources Australia Limited

2 Mr C Cannon Brookes is a beneficial owner of Arlington Partners Fund Ltd

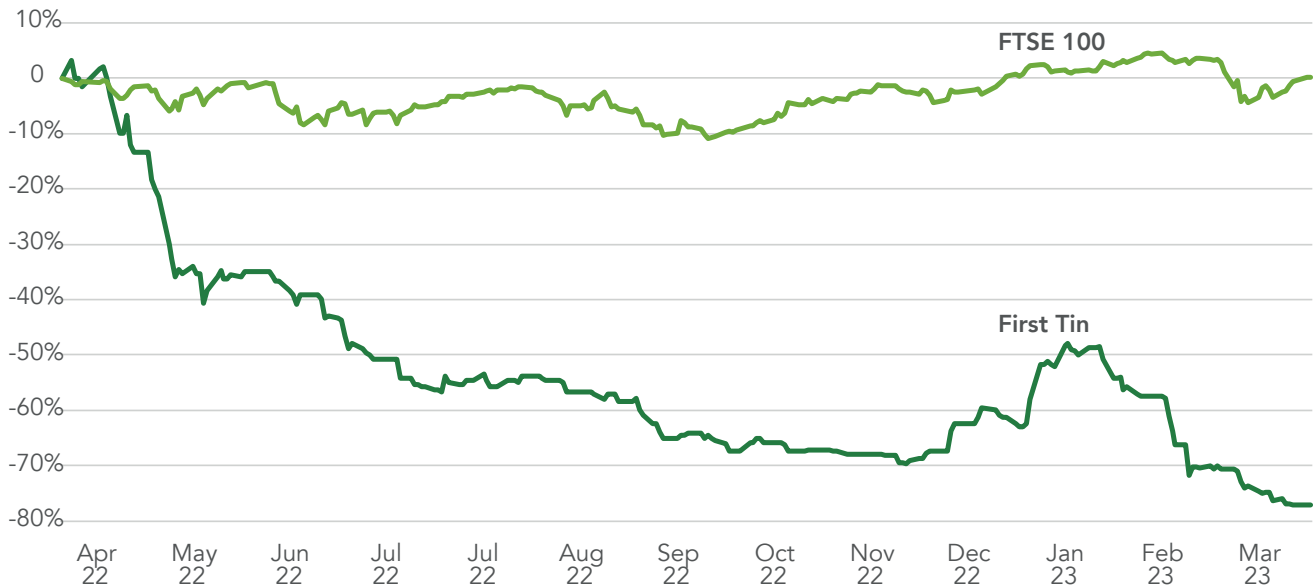
The Directors held the following aggregate interest in share options either directly or beneficially (further information relating to these awards can be found in note 12 to the Consolidated Financial Statements).

	Warrants 2022	Warrants 2021	Total warrants
2021	No.	No.	No.
Arlington Group Asset Management ¹	2,568,000	2,500,000	5,068,000
T Buenger	4,500,000	–	4,500,000

1 Mr C. Cannon Brookes is a beneficial owner of Arlington Group Asset Management Ltd

PERFORMANCE GRAPH (UNAUDITED)

The Company’s shares were admitted to trading on the main market of the London Stock Exchange on 8 April 2022. The chart below shows the performance of the Company’s shares against the FTSE all share index.



CHANGE IN DIRECTOR AND EMPLOYEE REMUNERATION (AUDITED)

As the Company only listed on 8 April 2022, there is no comparable remuneration to disclose for the prior year. Full disclosure on the percentage change for Director and employee remuneration, in line with regulations, will be provided in future Annual Reports.

RELATIVE IMPORTANCE OF THE SPEND ON PAY (UNAUDITED)

The table below shows the Group’s expenditure on employee pay compared to distributions to shareholders:

	2022	2021
2021	No.	No.
Distribution to shareholders	–	–
Total employee pay	1,265,440	362,155

This report was approved by the Board on 11 April 2023 and signed on its behalf by:

Mr C Cannon Brookes
Non-executive Chairman

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the consolidated financial statements for the year ended 31 December 2022.

PRINCIPAL ACTIVITIES

The Company owns two advanced tin projects, one in Germany and one in Australia, and is seeking to bring both projects into production in order to be able to deliver a sustainable answer to the material supply issues faced by industrial tin consumers.

The Company's aim is to become a global tin producer supplying fully traceable and verifiable tin units into global industries with high tin usage needs.

RESULTS AND DIVIDENDS

No ordinary dividends were paid during the year. The directors do not recommend payment of a final dividend.

DIRECTORS

The Directors who served throughout the year and up to the date of signing of the annual report were as follows:

M E Thompson	<i>(resigned 24 March 2022)</i>
A J Truelove	<i>(resigned 24 March 2022)</i>
A M J Collette	<i>(resigned 24 March 2022)</i>

S L Fabian	<i>(resigned 24 March 2022)</i>
C J Apthorpe	<i>(appointed 8 April 2022)</i>
S I Cornelius	<i>(appointed 8 April 2022)</i>
I Hofmaier	<i>(appointed 8 April 2022)</i>
N Mather	<i>(appointed 30 September 2022)</i>
T Buenger	
C Cannon Brookes	

DIRECTORS' REMUNERATION

The Directors' remuneration is detailed in the Directors' Remuneration Report on pages 36 to 39.

DIRECTORS' AND OFFICERS' INDEMNITY INSURANCE

The Group has Directors' and Officers' liability insurance in place which provides cover against liabilities arising against them in that capacity.

SHARE CAPITAL

The Company's shares as at 31 December 2022 comprised 265,534,972 Ordinary shares of £0.001 each. The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

SUBSTANTIAL SHAREHOLDERS

The Company has been notified of the following interests of 3 per cent. or more in its issued share capital as at 6 April 2023:

	Ordinary shares 2022	Percentage holding
	No.	%
Clara Resources	60,000,000	22.60%
Baker Steel Capital Managers LLP	37,128,014	13.98%
Arlington Partners Fund Limited	21,566,667	8.12%
Janus Henderson	13,234,148	4.98%
Lau Sheung Man	12,623,611	4.75%
Sparta AG	11,666,667	4.39%
UBS Wealth Mgmt.	8,874,518	3.34%

DIRECTORS' REPORT CONTINUED



STREAMLINED ENERGY AND CARBON REPORTING

The Streamlined Energy and Carbon Reporting ("SECR") Regulations require quoted companies and large unquoted companies that have consumed more than 40,000 kilowatt-hours (kWh) of energy in the reporting period to include energy and carbon information within their Directors' Report. The Group do not currently exceed this threshold and are therefore exempt from the SECR reporting requirements in this Annual Report.

EVENTS AFTER THE REPORTING PERIOD

There have been no material events to report since the year end.

GOING CONCERN

The Group currently has no income and meets its working capital requirements through raising development finance. In common with many businesses engaged in exploration and evaluation activities prior to production and sale of minerals the Group will require additional funds and/or funding facilities in order to fully develop its business plan. Ultimately the viability of the Group is dependent on future liquidity in the exploration and study period and this, in turn, depends on the availability of external funding.

During the year the Company's shares were admitted to trading on the London Stock Exchange raising equity of £20 million.

The Directors have prepared financial projections and plans for a period of at least 12 months from the date of approval of these financial statements. Based on the current management plan, management believes that these funds are sufficient for the expenditure to date as well as the planned forecast expenditure for the forthcoming twelve months.

It is anticipated that additional capital will need to be raised by the end of the second quarter of 2024 in order to continue to fund the Group's activities at their planned levels beyond this date. This represents a material uncertainty that may cast significant doubt the Group's and Company's ability to continue as a going concern. However, the Directors have a reasonable expectation that this uncertainty can be managed to a successful outcome, and based on that assessment, the Group and the Company will have adequate resources to continue in operational existence for the foreseeable future. Accordingly, these financial statements have been prepared on the going concern basis.

The financial statements do not reflect any adjustments that would be required to be made if they were to be prepared on a basis other than the going concern basis.

BOARD OF DIRECTORS CONTINUED

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the annual report and the consolidated financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare the Group and the Company financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with UK adopted International Accounting Standards and elected to prepare the Company financial statements under United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards including FRS 101 Reduced Disclose Framework) and applicable law.

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosure and explained in the financial statements;
- prepare the Strategic Report, Directors' Report and Directors' Remuneration Report which comply with the requirements of the Companies Act 2006; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

WEBSITE PUBLICATION

The Directors, who were in office at the date of approval of this report, confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware and that they have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

The Directors are responsible for preparing the financial statements in accordance with the Disclosure and Transparency Rules ("DTR") of the United Kingdom's Financial Conduct Authority and with International Financial Reporting Standards as adopted by the United Kingdom.

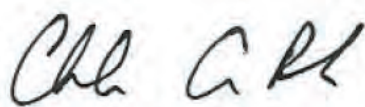
The Directors confirm to the best of their knowledge that:

- the financial statements have been prepared in accordance with the relevant financial reporting framework and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the financial position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces; and
- the annual report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

ANNUAL GENERAL MEETING

The Company's Annual General Meeting will be held on 27 June 2023 at 1st Floor, 47/48 Piccadilly, London, W1J 0DT.

On behalf of the Board on 11 April 2023.



Mr C Cannon Brookes
Non-executive Chairman



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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF FIRST TIN PLC

OPINION

We have audited the financial statements of First Tin PLC (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 December 2022, which comprise:

- the consolidated statement of comprehensive income for the year ended 31 December 2022;
- the consolidated and Company statements of financial position as at 31 December 2022;
- the consolidated statements of cash flows for the year then ended 31 December 2022;
- the consolidated and Company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including significant accounting policies.

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

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

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

MATERIAL UNCERTAINTY RELATING TO GOING CONCERN

We draw attention to note 3.2 in the financial statements, which indicates that the Group needs to raise additional capital to continue financing the Group's exploration activities beyond the 12 months from the date of approval of these financial statements. As stated in note 3.2, these events or conditions, along with the other matters as set forth in note 3.2, indicate that a material uncertainty exists that may cast significant doubt on the Group and the Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The Board is responsible for ensuring that it is appropriate to prepare the financial statements using the going concern basis and that it has sufficient resources to remain in operational existence for a period of at least 12 months from the date of approving these financial statements.

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

INDEPENDENT AUDITORS' REPORT CONTINUED

We have obtained and reviewed the Board's paper setting out the going concern assessment and examined supporting working capital forecasts. Our audit procedures were as follows:

- We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment;
- We tested the integrity of the going concern model, reviewed and challenged the underlying data and key assumptions used to make the assessment; and
- We reviewed and considered potential downside scenarios and the resultant impact on available funds, to assess the reasonableness of economic assumptions on the Group's liquidity requirements.

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

OVERVIEW OF OUR AUDIT APPROACH

MATERIALITY

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

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £300,000 (2021: £100,000), based on 0.75% percent of Group total assets. We consider an asset-based measure to be appropriate because of the stage of development of the assets. Materiality for the Parent Company financial statements as a whole was set at £100,000 (2021: £80,000) based on 0.5% of the Company's total assets at the year end.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £210,000 (2021: £70,000) for the group and £70,000 (2021: £56,000) for the parent.

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

We agreed with the Audit Committee to report to it all identified errors in excess of £9,000 (2021: £3,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

OVERVIEW OF THE SCOPE OF OUR AUDIT

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

We identified two significant components, being the principal operating subsidiaries, Saxore Bergbau GmbH ("Saxore") and Taronga Mines Pty Limited. Our Group audit strategy focused on the Parent Company and both of the significant components, which were subject to a full scope audit. The audit of Saxore was principally performed in Germany by a local Crowe member firm under the direction and supervision of the Group audit team. All Group companies were within the scope of our audit testing.

INDEPENDENT AUDITORS' REPORT CONTINUED

KEY AUDIT MATTERS

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

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
<p>VALUATION OF INTANGIBLE ASSETS</p> <p>The carrying value of intangible assets comprise of the exploration and evaluation (E&E) assets.</p> <p>During the year, the Group completed the acquisition of Taronga Mines Pty Limited for consideration of £19.6 million. Accounting for this acquisition is complex and involves judgement including around the assessment of the fair value of assets acquired and liabilities assumed. The valuation of identified intangible assets can be a subjective process and there is a risk that the accounting treatment may be incorrect and as such this was an area of focus.</p>	<p>Our audit procedures in respect of the acquisition comprised of the following:</p> <ul style="list-style-type: none"> • Reviewed the sale and purchase agreements to gain an understanding of the assets acquired, liabilities assumed and the overall nature of the transactions; • Reviewed the management's assessment of the accounting is in accordance with IFRS 3 (amended), ensuring the acquisition met the criteria to be accounted for as asset acquisitions as opposed to a business combination; • Tested management's valuation of intangible assets for accuracy and benchmarked key assumptions including estimated future metal prices and discount rate; • Engaged a valuation specialist to assist us in auditing the discount rate used in the valuation model; and • Discussions were held with the Group's valuers and management to determine whether the valuation methodologies used are appropriate and acceptable within the mining sector.

INDEPENDENT AUDITORS' REPORT CONTINUED

Key audit matter	How the scope of our audit addressed the key audit matter
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VALUATION OF INTANGIBLE ASSETS CONTINUED

IFRS 3 (amended) Business Combinations allows an entity to account for the acquisition as an asset acquisition rather than as a business combination. As such the transaction has been accounted for as asset acquisitions.

At the reporting date the carrying value of the Group's E&E assets were £27.37 million (2021: £3.38 million). There may be evidence of impairment to the carrying value of the E&E assets.

The carrying value of intangible assets is detailed in note 13 and the acquisition of Taronga Mines Pty Limited is detailed in note 4 and note 21 of the financial statements.

We reviewed management's assessment which concluded that there are no facts or circumstances that suggest that there are any indicators of impairment of the asset or that the recoverable amount is less than the carrying value.

In considering this assessment, we reviewed the following sources of evidence:

- board minutes, budgets and other operational plans setting out the Group's current plans for the continued commercial appraisal of the mining development assets;
- current licence reserves appraisals;
- current and forward metal prices; and
- current plans and intentions for the asset with management.

Based on the above audit procedures, we consider the accounting for the intangible assets and the related valuations of the intangible assets to be reasonable and in line with our expectations. We also reviewed the related disclosures in the notes to the financial statements for compliance with accounting standards and consistency with the results of our work, with no matters arising.

CARRYING VALUE OF INVESTMENTS AND INTERCOMPANY RECEIVABLES - COMPANY

The carrying value of investments in subsidiaries in the financial statements of the Company was £19.19 million (2021: £1.19 million) and long-term receivable from subsidiaries was £15.5 million (2021: £6.84 million).

Management considered the recoverability of the investments as at year end to determine if there are indicators that may suggest the asset is impaired.

Impairment assessments require significant judgement and there is a risk that the valuation of the assets may be incorrect, and any potential impairment charge.

Investments in, and amounts due from, subsidiaries are detailed in note 5, note 6 and note 7.

We obtained management's impairment assessment of investments in subsidiaries and verified the accuracy of the inputs used in the assessment. We also compared the carrying value of the investments to the recoverable amounts of the underlying assets.

We considered with management whether any indications of impairment existed. This includes considering the existence of any indication of discontinued exploration activities, management's future plans for the business, the ability of the business to continue to raise new investment and the market capitalisation of the Group.

Based on our analysis of the assessment of the recoverable amounts, we agree with the management's view that there was no impairment to recognise during the year. We also consider the associated disclosures to be appropriate.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

INDEPENDENT AUDITORS' REPORT CONTINUED

OTHER INFORMATION

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

As explained more fully in the Directors' responsibilities statement set out on page 42, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

INDEPENDENT AUDITORS' REPORT CONTINUED

We obtained an understanding of the legal and regulatory frameworks within which the Group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to management override risks included enquiries of management about their own identification and assessment risk of irregularities, testing a risk-based selection of journals, reviewing accounting estimates for biases, assessing the accounting treatment of non-routine transactions, corroborating amounts and balances recognised to supporting documentation on a sample basis and ensuring accounting policies are appropriate under IFRS's and applicable law.

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

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

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

OTHER MATTERS WHICH WE ARE REQUIRED TO ADDRESS

We were appointed by the Board on 31 March 2022 to audit the financial statements for the year ending 31 December 2022. Our total uninterrupted period of engagement is 2 years covering the periods ended 31 December 2021 to 31 December 2022.

The non-audit services, where we acted as reporting accountant on the Company's listing to the London Stock Exchange in April 2022, are not activities which are prohibited under the FRC's Ethical Standard and we remain independent of the company in conducting our audit. Fees paid for audit and non-audit services are provided in note 6.

Our audit opinion is consistent with the additional report to the audit committee.

USE OF OUR REPORT

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

Leo Malkin

Senior Statutory Auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

11 April 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Year ended 31 December 2022	Year ended 31 December 2021
		£	£
Administrative expenses		(3,240,389)	(1,321,977)
Operating loss	6	(3,240,389)	(1,321,977)
Other gains and losses	8	-	167,795
Finance costs	9	(2,557)	(58,495)
Loss before tax		(3,242,946)	(1,212,677)
Income tax expense	10	-	-
Loss for the year		(3,242,946)	(1,212,677)
Other comprehensive income/(loss):			
Exchange differences on translation of foreign operations		118,937	(117,093)
Changes in the fair value of equity instruments	8	-	(582,750)
Other comprehensive income/(loss) for the year		118,937	(699,843)
Total comprehensive loss for the year		(3,124,009)	(1,912,520)
Total comprehensive loss attributable to the equity holders of the company		(3,124,009)	(1,912,520)
Basic loss - pence per share	11	(1.40)	(1.02)
Basic loss - pence per share	11	(1.40)	(1.02)

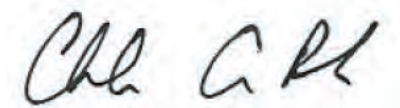
The Notes on pages 54 to 71 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Notes	Year ended 31 December 2022	Year ended 31 December 2021
		£	£
Assets			
Non-current assets			
Intangible assets	13	27,367,552	3,380,913
Investments	14	-	1,543,670
Property, plant and equipment	15	1,589,748	28,851
		28,957,300	4,953,434
Current assets			
Trade and other receivables	16	808,711	413,620
Cash and cash equivalents		13,823,173	2,503,714
		14,631,884	2,917,334
Liabilities			
Current liabilities			
Trade and other payables	17	(1,805,298)	(301,452)
Net current assets		12,826,586	2,615,882
Total assets less current liabilities		41,783,886	7,569,316
Net assets		41,783,886	7,569,316
Capital and reserves			
Called up share capital	21	265,535	138,868
Share premium account	21	18,391,046	17,931,296
Merger relief reserve	22	17,940,000	-
Warrant reserve	22	269,138	95,372
Retained earnings	22	4,887,594	(10,507,856)
Translation reserve	22	30,573	(88,364)
Shareholders' funds		41,783,886	7,569,316

The Notes on pages 54 to 71 form an integral part of these Consolidated Financial Statements.

The financial statements were approved and authorised for issue by the Board on 11 April 2023 and were signed on its behalf by:



Mr C Cannon Brookes
Non-executive Chairman

Company number 07931518

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium	Merger relief reserve	Warrant reserve	Retained earnings	Translation reserve	Total equity
	£	£	£	£	£	£	£
At 1 January 2022	138,868	17,931,296	-	95,372	(10,507,856)	(88,364)	7,569,316
Comprehensive income:							
Loss for the year	-	-	-	-	(3,242,946)	-	(3,242,946)
Other comprehensive loss	-	-	-	-	-	118,937	118,937
Total comprehensive loss	-	-	-	-	(3,242,946)	118,937	(3,124,009)
Transactions with owners:							
Capital reduction	-	(17,931,296)	-	-	17,931,296	-	-
Issuance of shares (net of issuance costs)	66,667	18,564,812	-	-	-	-	18,631,479
Shares issued to acquire Taronga	60,000	-	17,940,000	-	-	-	18,000,000
Share based payments	-	(173,766)	-	173,766	707,100	-	707,100
Total transactions with owners	126,667	459,750	17,940,000	173,766	18,638,396	-	37,338,579
At 31 December 2022	265,535	18,391,046	17,940,000	269,138	4,887,594	30,573	41,783,886

	Share capital	Share premium	Shares to be issued	Warrant reserve	Retained earnings	Translation reserve	Total equity
	£	£	£	£	£	£	£
At 1 January 2021	70,177	10,264,409	50,411	-	(8,861,429)	28,729	1,552,297
Comprehensive income:							
Loss for the year	-	-	-	-	(1,212,677)	-	(1,212,677)
Other comprehensive income	-	-	-	-	(582,750)	(117,093)	(699,843)
Total comprehensive income	-	-	-	-	(1,795,427)	(117,093)	(1,912,520)
Transactions with owners:							
Accrued interest on convertible loan notes	-	-	54,247	-	-	-	54,247
Issuance of shares	68,691	7,747,650	(104,658)	-	-	-	7,711,683
Share based payments	-	(80,763)	-	95,372	149,000	-	163,609
Total transactions with owners	68,691	7,666,887	(50,411)	95,372	149,000	-	7,929,539
At 31 December 2021	138,868	17,931,296	-	95,372	(10,507,856)	(88,364)	7,569,316

The Notes on pages 54 to 71 form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Year ended 31 December 2022	Year ended 31 December 2021
	£	£
Cash flows from operating activities		
Operating loss	(3,240,389)	(1,321,977)
Adjustments to reconcile loss before tax to net cash flows:		
Depreciation of tangible assets	20,597	8,845
Share-based payment expense	707,100	163,609
Increase in trade and other receivables	(357,635)	(317,770)
Increase in trade and other payables	1,503,846	113,731
Cash used in operations	(1,366,481)	(1,353,562)
Interest paid	(2,557)	(4,248)
Net cash flows used in operating activities	(1,369,038)	(1,357,810)
Cash flows from investing activities		
Purchase of intangible fixed assets	(5,288,557)	(588,255)
Purchase of property, plant and equipment	(600,907)	(28,165)
Initial consideration to acquire Taronga	-	(734,182)
Loan advanced to Taronga	-	(813,762)
Proceeds from sale of investment	-	333,000
Cash acquired on acquisition of Taronga	102	-
Net cash flows in investing activities	(5,889,362)	(1,831,364)
Cash flows from financing activities		
Proceeds from issue of shares	19,000,000	5,601,000
Share issuance costs	(368,521)	-
Interest paid in respect of convertible loans	-	(200,000)
Net cash flows from financing activities	18,631,479	5,401,000
Net increase in cash	11,373,079	2,211,826
Cash and cash equivalents at beginning of year	2,503,714	245,740
Exchange loss on cash and cash equivalents	(53,620)	46,148
Cash at the end of period	13,823,173	2,503,714

As disclosed in Note 19 and Note 12, the material non-cash transactions relate to the issue of new shares as part of the consideration to acquire Taronga Mines Pty Ltd ("Taronga") and the settlement of broker commission.

The Notes on pages 55 to 78 form an integral part of these Consolidated Financial Statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 GENERAL INFORMATION

The Company is a public company limited by shares, incorporated in England and Wales under the Companies Act 2006. The Company's registered address is First Floor, 47/48 Piccadilly, London, England, W1J 0DT.

On 15 March 2022 the Company re-registered as a public company in the name of First Tin Plc.

The financial statements comprise of financial information of the Company and its subsidiary (the "Group"). The principal activities of the Company and the Group and the nature of their operations are disclosed elsewhere in these financial statements.

2 PRESENTATION OF FINANCIAL STATEMENTS

The financial statements are presented in pounds sterling, as this is the currency of the primary economic environment that the Group operates in.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of preparation

These financial statements have been prepared on the going concern basis in accordance with International Financial Reporting Standards as adopted by the UK and the requirements of the Companies Act 2006. The financial statements have been prepared on a historical cost basis.

3.2 Going concern

The Group currently has no income and meets its working capital requirements through raising development finance. In common with many businesses engaged in exploration and evaluation activities prior to production and sale of minerals the Group will require additional funds and/or funding facilities in order to fully develop its business plan. Ultimately the viability of the Group is dependent on future liquidity in the exploration and study period and this, in turn, depends on the availability of external funding.

During the year the Company's shares were admitted to trading on the London Stock Exchange raising equity of £20 million. At 31 December 2022, the Group had cash of £13.8 million (2021: £2.5 million).

The Directors have prepared financial projections and plans for a period of at least 12 months from the date of approval of these financial statements. Based on the current management plan, management believes that these funds are sufficient for the expenditure to date as well as the planned forecast expenditure for the forthcoming twelve months.

It is anticipated that additional capital will need to be raised by the end of the second quarter of 2024 in order to continue to fund the Group's activities at their planned levels beyond this date. This represents a material uncertainty that may cast significant doubt the Group's and Company's ability to continue as a going concern. However, the Directors have a reasonable expectation that this uncertainty can be managed to a successful outcome, and based on that assessment, the Group and Company will have adequate resources to

continue in operational existence for the foreseeable future. Accordingly, these financial statements have been prepared on the going concern basis.

The financial statements do not reflect any adjustments that would be required to be made if they were to be prepared on a basis other than the going concern basis.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

The results of subsidiaries acquired or disposed of are included in the consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

3.4 Intangible assets other than goodwill

Exploration and evaluation assets

The Group capitalises costs which directly relate to exploration and evaluation activities in areas for which it has obtained appropriate legal rights and there is a high degree of confidence in the feasibility of the project.

Capitalised exploration and evaluation costs include acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploration drilling, sampling and activities in relation to the evaluation of the technical feasibility and commercial viability of extracting a mineral resource. General and administrative costs directly associated with such activities are also capitalised.

Exploration and evaluation costs are carried at cost less any impairment and are not amortised prior to the conclusion of the appraisal activities. If the appraisal activities establish the existence of commercial reserves and the decision is made to develop the site, then the carrying value of the associated exploration and evaluation assets is tested for impairment and subsequently reclassified as development and production assets. If commercial reserves have not been found, or exploration and evaluation activities have been abandoned, then the associated exploration and evaluation assets are fully impaired.

Impairment charges and exploration costs incurred prior to obtaining legal rights are expensed in the profit and loss as incurred.

3 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

3.5 Property, plant and equipment

Items of property, plant and equipment that do not form part of the exploration and evaluation assets are carried as cost less accumulated depreciation and are depreciated on a straight-line basis over the following expected useful economic lives:

Land and buildings	Land is not depreciated
Motor vehicles	3 years
Fixtures and fittings	3 - 15 years

3.6 Impairment of non-financial assets

At each reporting date, the Directors assess whether there is any indication that a Group's asset, other than deferred tax assets, may be impaired. Where an indicator of impairment exists, the Directors make an estimate of the recoverable amount. An impairment loss is recognised in profit and loss whenever the carrying amount of the asset or cash generating unit exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and "value-in-use". In assessing "value-in-use", the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time-value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss, unless the relevant asset is carried at a revalued amount greater than cost, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.7 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

3.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid

investments with original maturities of three months or less and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

3.9 Financial assets

Financial assets are recognised in the Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are initially measured at fair value plus transaction costs.

Loans and receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method less loss allowance.

Loans and other receivables that have fixed or determinable payments and are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost using the effective interest method less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9, resulting in trade receivables recognised and carried at original invoice amount less an allowance for any uncollectible amounts based on expected credit losses.

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

3 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

3.10 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including trade and other payables, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Group's obligations are discharged, cancelled, or they expire.

3.11 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

3.12 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the profit and loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3.13 Foreign exchange**Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in pound sterling, which is the Group's functional and presentation currency.

Transactions and balances

Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on translation are included in profit or loss for the period.

Group companies

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for each period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transaction are used. All resulting exchange differences are recognised in "other comprehensive income" and accumulated in equity.

3.14 Leases

The Directors assess whether a Group's contract is, or contains, a lease at inception of the contract. Payments associated with short-term leases or leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease-term of 12 months or less without a purchase option.

3 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

3.15 Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 12 to these financial statements.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Directors' estimate of the number of equity instruments that will eventually vest. At each reporting date, the Directors revise their estimate of the number of equity instruments expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

3.16 New and amended standards adopted by the Group

The Group has applied the following amendments for the first time for the annual reporting period commencing 1 January 2022:

- Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
- Onerous Contracts – Cost of Fulfilling a Contract – Amendments to IAS 37
- Annual Improvements to IFRS Standards 2018-2020; and
- Reference to the Conceptual Framework – Amendments to IFRS 3

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

3.17 New standards and interpretations not yet adopted

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Group. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Group's financial statements under IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Details of the Group's significant accounting judgements used in the preparation of these financial statements include:

Recoverability of intangible exploration and evaluation assets

Where a project is sufficiently advanced, the recoverability of intangible exploration and evaluation assets is assessed by comparing the carrying value to internal and operator estimates of the net present value of projects. Intangible exploration assets are inherently judgemental to value. The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written-off to the profit and loss as exploration costs unless commercial reserves are established, or the determination process is completed and there are no indications of impairment.

Acquisition of Taronga

On 8 April 2022, the Company acquired the entire issued share capital of Taronga Mines Pty Limited. The Company acquired a collection of assets comprising some property and exploration equipment and the Taronga exploration and evaluation assets. The Company evaluated the acquisition to determine whether it met the definition of a business in accordance with IFRS 3 and concluded that since there were no processes or outputs present at the time of acquisition, it did not gain control of an integrated set of assets and therefore the acquisition was that of a group of assets and not of a business.

5 SEGMENTAL ANALYSIS

In the opinion of the Board of Directors the Group has one operating segment, being the exploitation of mineral rights.

The Group also analyses and measures its performance into geographic regions, specifically Germany and Australia.

Non-current assets by region are summarised below:

	2022	2021
	£	£
Germany	6,824,224	3,409,764
Australia	22,133,076	1,543,670
	28,957,300	4,953,434

6 OPERATING LOSS

The operating loss for the year is stated after charging the following:

	2022	2021
	£	£
Depreciation	20,597	8,845
Expenses relating to short-term leases	90,914	44,586
Share-based payment expense (Note 12)	707,100	14,609
IPO and acquisition related costs	737,040	–
Auditor's remuneration:		
Fees payable to the Company's auditor for the audit of the Company and consolidated financial statements	62,000	35,000
Fees payable to the Company's auditor for other services:		
Other transaction work	218,000	130,800
Review of interim accounts	5,500	–
Amounts reclassified as prepayments	–	(130,800)
Total auditor's remuneration	285,500	35,000

7 STAFF COSTS AND DIRECTORS' REMUNERATION

	2022	2021
	£	£
Wages and salaries	1,124,086	309,857
Social security costs	104,671	52,298
Pension costs	36,683	–
	1,265,440	362,155
Amount capitalised as intangible asset	(791,342)	(117,548)
Total staff cost recognised in the profit and loss	474,098	244,607

The average number of staff employed by the Group, including Directors, is detailed below:

	2022	2021
	No.	No.
Management and administration	11	3
Geology and environment	12	3
Average number of staff employed by the Group	23	6

Directors' remuneration and fees are disclosed in the Directors' Remuneration Report on pages 36 to 39. The Directors are regarded as the key management personnel.

8 OTHER GAINS AND LOSSES

	2022	2021
	£	£
Gain on fair value of conversion option	–	167,795

In 2021 the Group disposed of an equity investment in Panthera Resources Plc, a company listed on the AIM market of the London Stock Exchange. The loss on disposal of £582,750 was recognised in other comprehensive income.

9 FINANCE COSTS

	2022	2021
	£	£
Interest on convertible loan notes	–	54,247
Bank charges and other finance costs	2,557	4,248
	2,557	58,495

10 INCOME TAX EXPENSE

	2022	2021
	£	£
Current tax	–	–
Deferred tax	–	–
	–	–
Loss before taxation on continued operations	(3,242,946)	(1,212,677)
Loss on before taxation multiplied by standard rate of UK corporation tax of 19% (2021 – 19%)		
Difference in overseas tax rate	(616,159)	(230,409)
Expenses not deductible for tax	(174,737)	(61,154)
Income and gains not subject to tax	257,155	31,519
Effect of tax losses not recognised as deferred tax assets	533,741	260,044
Total tax charge for the year	–	–

The Group has tax losses carried forward of approximately £12.3 million (2021: £7.4 million). The unutilised tax losses have not been recognised as a deferred tax asset due to uncertainty over the timing of future profits and gains.

An increase in the UK corporation tax rate from 19% to 25% for the financial year beginning 1 April 2023 was substantively enacted on 24 May 2021.

11 LOSS PER ORDINARY SHARE

	2022	2021
Loss for the year attributable to the ordinary equity holders of the Company (£)		
Basic loss per Ordinary share	(3,242,946)	(1,212,677)
Weighted average number of Ordinary Shares issued	231,872,871	118,813,650
Basic loss per Ordinary share (pence)	(1.40)	(1.02)
Diluted loss per Ordinary share		
Weighted average number of Ordinary Shares issued	232,112,833	122,593,003
Diluted loss per Ordinary share (pence)	(1.40)	(1.02)

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive warrants, options and convertible loans over ordinary shares. Potential ordinary shares resulting from the exercise of warrants, options and the conversion of convertible loans have an anti-dilutive effect due to the Group being in a loss position. As a result, diluted loss per share is disclosed as the same value as basic loss per share.

12 SHARE BASED PAYMENTS POLICIES CONTINUED

12 SHARE-BASED PAYMENTS

Share options and warrants

The Group adopted the First Tin Option Plan ("FT Option Plan"), effective from 8 April 2022. In addition to the FT Option Plan the Group has certain outstanding warrants and options issued under previous schemes.

The options issued under previous schemes vest 7 business days after the grant date, have an exercise price of 13p and, if they remain unexercised after 4 years, they expire. If the employees leave the Company, the options expire 90 days after their leaving date.

The options issued under the FT Option Plan vested on admission to the London Stock Exchange and are exercisable for periods between 2 and 3 years from issue.

	No. of options 2022	No. of options 2021	No. of warrants 2022	No. of warrants 2021
	£	£	£	£
Outstanding at beginning of period	1,560,000	2,210,000	3,168,000	2,407,048
Granted during the period	8,500,000	–	2,500,000	3,168,000
Expired during the period	–	(650,000)	–	(2,407,048)
Outstanding at the end of the period	10,060,000	1,560,000	5,668,000	3,168,000
Exercisable at the end of the period	10,060,000	1,560,000	5,668,000	3,168,000
Weighted average exercise price (pence)	30	13	26	20

Share options outstanding at the end of the year have the following expiry dates and exercise prices.

Grant date	Expiry date	Exercise price	No. of options 2022	No. of options 2021
		pence	No.	No.
4 March 2019	4 March 2023	13	1,560,000	1,560,000
6 April 2022	5 April 2025	33	8,500,000	–
			10,060,000	1,560,000
Weighted average remaining contractual life of options outstanding at the end of the year			1.94	1.17

Warrants outstanding at the end of the year have the following expiry dates and exercise prices:

Grant date	Expiry date	Exercise price	No. of options 2022	No. of options 2021
		pence	No.	No.
27 April 2021	9 April 2024	20	2,668,000	2,668,000
29 June 2021	9 April 2024	20	500,000	500,000
29 March 2022	6 April 2024	33	2,500,000	–
			5,668,000	3,168,000
Weighted average remaining contractual life of options outstanding at the end of the year			1.27	2.20

12 SHARE BASED PAYMENTS POLICIES CONTINUED

Fair value of options granted

The assessed fair value at the grant date of options granted during the year ended 31 December 2022 was £0.08 per option. The fair value at grant date is determined using the Black-Scholes model, which takes into account the following inputs:

	2022	2021
Grant date	8 April 2022	–
Exercise price	33 pence	–
Market value at grant date	30 pence	–
Expected term	3 years	–
Volatility	44%	–
Risk free rate	1.5%	–

The volatility is calculated based upon the volatilities of peer group companies since there is insufficient historic data available for the Group.

Fair value of warrants granted

The Group issued 2,500,000 warrants (2021 – 3,168,000) at an exercise price of 33 pence, exercisable over a period of two years from the date of grant. The fair value was calculated at £173,766 (2021 - £80,763). The fair value was determined using the Black-Scholes model, with the following inputs: market value at grant date of 30 pence, expected term of 2 years, volatility of 46% and risk free rate of 1.4%.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	2022	2021
	£	£
Recognised in profit or loss:		
Options issued to Directors under the FT Option Plan	582,317	–
Options issued to staff and consultants under the FT Option Plan	124,783	–
Warrants issued to consultants	–	14,609
	707,100	14,609
Recognised against share premium:		
Warrants issued in respect of broker services	173,766	80,763
Shares issued in settlement of broker commission	1,000,000	-
	1,173,766	80,763
	1,880,766	95,372

13 INTANGIBLE ASSETS

	Exploration and evaluation assets
	£
Cost	
At 1 January 2021	2,950,227
Additions	588,255
Currency translation	(157,569)
As at 31 December 2021	3,380,913
Additions	5,288,557
Acquisition of Taronga (Note 19)	18,558,503
Currency translation	139,579
As at 31 December 2022	27,367,552

The intangible assets relate to the Tellerhäuser and Taronga tin projects located in southern Saxony in the east of Germany and Australia, respectively.

The Directors assess for impairment when facts and circumstances suggest that the carrying amount of an Exploration and evaluation ("E&E") asset may exceed its recoverable amount. In making this assessment, the Directors have regard to the facts and circumstances noted in IFRS 6 paragraph 20. In performing their assessment of each of these factors, at 31 December 2022, the Directors have:

- a) reviewed the time period that the Group has the right to explore the area and noted no instances of expiration, or licences that are expected to expire in the near future and not be renewed;
- b) determined that further E&E expenditure is either budgeted or planned for all licences;
- c) not decided to discontinue exploration activity due to there being a lack of quantifiable mineral resource; and
- d) not identified any instances where sufficient data exists to indicate that there are licences where the E&E spend is unlikely to be recovered from successful development or sale.

On the basis of the above assessment, the Directors are not aware of any facts or circumstances that would suggest the carrying amount of the E&E asset may exceed its recoverable amount.

14 INVESTMENTS

	2022	2021
	£	£
Investment deposit	–	734,182
Long-term receivables	–	809,488
	–	1,543,670

In November 2021, the Company entered into a Sale and Purchase Agreement with Aus Tin, the parent entity of Taronga, to acquire the entire share capital of Taronga for an initial cash consideration of £734,182 (AUD\$1,350,000) followed by the issue of 60,000,000 ordinary shares of the Company on completion. The acquisition was subject to a number of conditions including the Company's share capital being admitted to trading on the main market of the London Stock Exchange and completing a capital raising of £20 million by no later than 30 June 2022. The Company also provided an unsecured, interest free loan to Taronga to the value of £813,762 (AUD\$1,505,000) as working capital. The acquisition was completed on 8 April 2022 as disclosed further in Note 19.

No provision for impairment was recognised as at 31 December 2022 or 2021.

The table below sets out the Company's subsidiaries. The subsidiaries have share capital consisting solely of ordinary shares and the proportion of ownership interests held equals the voting rights. The registered office address is also their principal place of business:

Name of company	Place of operation	Principal activity	Shareholding
Saxore Bergbau GmbH ("Saxore") (incorporated in Germany)	Platz der Oktoberopfer 1A 09599 Freiberg Germany	Mineral exploration	100%
Taronga Mines Pty Ltd (incorporated in Australia)	2 Glen Innes Road, Emmaville, NSW 2371 Australia	Mineral exploration	100%
First Tin Australia Pty Ltd (incorporated in Australia)	2 Glen Innes Road, Emmaville, NSW 2371 Australia	Dormant	100%

15 PROPERTY, PLANT AND EQUIPMENT

	Land & buildings	Motor vehicles	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 January 2021	–	15,550	41,957	57,507
Additions	–	24,842	3,323	28,165
Currency translation	–	(1,589)	(7,483)	(9,072)
At 31 December 2021	–	38,803	37,797	76,600
Additions	415,220	110,583	75,104	600,907
Acquisition of Taronga (Note 19)	965,939	–	34,202	1,000,141
Currency translation	(21,179)	1,658	3,119	(16,402)
At 31 December 2022	1,359,980	151,044	150,222	1,661,246
Depreciation				
At 1 January 2021	–	13,518	33,059	46,577
Charge for the year	–	4,811	4,034	8,845
Currency translation	–	(762)	(6,911)	(7,673)
At 31 December 2021	–	17,567	30,182	47,749
Charge for the year	–	9,334	11,263	20,597
Currency translation	–	1,160	1,992	3,152
At 31 December 2022	–	28,061	43,437	71,498
Net book value				
At 31 December 2022	1,359,980	122,983	106,785	1,589,748
At 31 December 2021	–	21,236	7,615	28,851

16 TRADE AND OTHER RECEIVABLES

	2022	2021
	£	£
Prepayments and other receivables	386,287	311,549
Recoverable value added taxes	422,424	102,071
	808,711	413,620

17 TRADE AND OTHER PAYABLES

	2022	2021
	£	£
Trade payables	761,512	210,521
Accruals	949,004	79,449
Other payables	94,782	11,482
	1,805,298	301,452

18 FINANCIAL INSTRUMENTS

The principal financial instruments used by the Group from which financial instrument risk arises are as follows:

Financial assets

	2022	2021
	£	£
Measured at amortised cost		
Cash and cash equivalents	13,823,173	2,503,714
Trade and other receivables	52,428	67,736
	13,875,601	2,571,450

Financial liabilities

	2022	2021
	£	£
Liabilities measured at amortised cost		
Trade and other payables	1,805,298	301,452

All financial assets and liabilities are due within one year.

The main risks arising from the Group's activities are market risk, credit risk and liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows will fluctuate because of changes in market price. This risk is primarily comprised of interest risk and foreign currency risk.

18 FINANCIAL INSTRUMENTS CONTINUED

Foreign currency risk management

As highlighted earlier in these financial statements, the presentation currency of the Group is pound sterling. The Group has foreign currency denominated assets and liabilities. Exposures to exchange rate fluctuations therefore arise. The Group pays for invoices denominated in a foreign currency in the same currency as the invoice therefore suffers from a level of foreign currency risk. The Group does not enter into any derivative financial instruments to manage its exposure to foreign currency risk.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities as at 31 December 2022 is as follows:

	2022	2021
	£	£
Australian Dollars		
Long-term receivables	–	809,488
Cash balances	5,616,478	–
	5,616,478	809,488
Euro		
Cash balances	4,973,867	–

As at 31 December 2022, if all foreign currencies in which the Group transacts, had strengthened or weakened by 10% against pound sterling with all other variables held constant, post-tax loss for the year would have increased/(decreased) by:

	2022	2021
	£	£
Strengthened by 10% increase in post-tax loss	962,765	75,583
Weakened by 10% decrease in post-tax loss	(1,176,716)	(89,932)

The rate of 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonable possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 10% change in foreign currency rates. A positive number above indicates an increase in loss (increase in profit) or other equity where the pound sterling strengthens by 10% against the relevant currency. For a 10% weakening of the pound sterling against the relevant currency, there would be an equal and opposite impact on the profit or loss and other equity.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises principally from the Group's cash balances and other receivables.

The Group gives careful consideration to which organisations it uses for its banking services in order to minimise credit risk. The Group considers the banks and financial institutions have low credit risks. Therefore, the Group is of the view that the loss allowance is immaterial and hence no provision is required.

The concentration of the Group's credit risk is considered by counterparty, geography and currency. The Group does not have any significant concentrations of credit risk at the reporting date related to external third parties.

As at 31 December 2022, the Group held no collateral as security against any financial asset. No financial assets were past their due date and there were no problems with the credit quality of any financial assets in the year. As a result, there has been no impairment of financial assets during the year.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Management considers the above measures to be sufficient to control the credit risk exposure.

The Group recognises a loss allowance for expected credit losses in debt instruments at each reporting date. As at 31 December 2022 and 2021, no impairment was recognised.

18 FINANCIAL INSTRUMENTS CONTINUED

Liquidity risk

Liquidity risk is the risk that an entity may not be able to generate sufficient cash resources to settle its obligations as they fall due. The Directors monitor cash flow requirements regularly and adopt a prudent liquidity risk management approach to ensure sufficient cash is available for operational expenses.

The following tables detail the Group’s remaining contractual maturity for its financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	2022	2021
	£	£
Due within 1 month		
Trade and other payables	1,805,298	301,452

Fair values

The Directors consider that the carrying amount of loans and receivables and other financial liabilities approximates to their fair value because of the short-term nature of such assets the effect of discounting is negligible.

Capital management

For the purposes of capital management, capital includes issued capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Directors’ capital management is to ensure that the Group will be able to continue as a going concern while sustaining the future development of the business.

19 ACQUISITION OF SUBSIDIARY

On 8 April 2022, First Tin Plc acquired 100% of the share capital of Taronga Mines Pty Ltd (“Taronga”) in exchange for a combination of cash, shares in First Tin Plc and assumption of the liability due to First Tin Plc. The assets were acquired in line with the Company’s aim of being able to deliver a sustainable answer to the material supply issues faced by industrial tin consumers. The acquisition has been accounted for as an asset acquisition, with the cost of the group of assets and liabilities allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Total consideration transferred as part of the acquisition was:

	Fair value
	£
Consideration	
Total cash transferred	734,182
Shares transferred (60,000,000 shares at 30p)	18,000,000
Assumption of liability due to First Tin Plc	862,020
	19,596,202

The fair value of the 60,000,000 shares issued as part of the consideration paid for Taronga of £18 million was based on the Company’s share price of 30 pence per share as at 8 April 2022.

19 ACQUISITION OF SUBSIDIARY CONTINUED

The total consideration has been allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase as follows:

	Fair value
	£
Recognised amounts of assets acquired and liabilities assumed	
Property, plant and equipment - plant and machinery	34,202
Property, plant and equipment - land and buildings	965,939
Intangibles – exploration and evaluation assets	18,558,503
Cash balances	102
Other current assets	37,456
Total identifiable net assets	19,596,202

The loss reported by Taronga Mines Pty Ltd included in the consolidated statement of comprehensive income for the period is £376,101. There would have been no material difference to the consolidated loss for the year if the acquisition had occurred on 1 January 2022.

20 RELATED PARTY TRANSACTIONS

Directors' remuneration and fees

Directors' remuneration and fees are disclosed in the Directors' Remuneration Report on pages 36 and 39.

Other fees and transactions

Mr C Cannon Brookes was a director of Arlington Group Asset Management Limited ("Arlington") for the reporting period. During the year, Arlington invoiced and was paid £876,004 (2021: £420,499) in respect of fund-raising commissions and expenses, financial advisory fees and director's fees.

Mr M E Thompson and Mr S L Fabian were directors of Tungsten West Plc ("Tungsten") for the reporting period. During the year, Tungsten invoiced and was paid £nil (2021: £8,000) in respect of shared office rental charges.

Mr M E Thompson was a director of Treliver Minerals Trustees Limited ("Treliver") for the reporting period. During 2021, Treliver repaid an unsecured interest free loan of £69,818. At 31 December 2022 £nil (2021: £nil) was owed to the Group.

21 SHARE CAPITAL AND SHARE PREMIUM

	2022	2021
	£	£
Allotted, called up and fully paid share capital		
265,534,972 (2021: 138,868,305) Ordinary shares of £0.001 each	265,535	138,868

Movements in ordinary shares

	No. of shares	Share capital	Share premium	Total
		£	£	£
Opening balance at 1 January 2021	70,176,522	70,177	10,264,409	10,334,586
Shares issued on conversion of loan notes	27,691,781	27,691	2,187,651	2,215,342
Shares issued as part of fundraising	40,000,002	40,000	5,960,000	6,000,000
Shares issued to T Buenger under the terms of his CEO contract	1,000,000	1,000	–	1,000
	138,868,305	138,868	18,412,060	18,550,928
Less: issuance costs	–	–	(400,001)	(400,001)
Less: warrant expense	–	–	(80,763)	(80,763)
Opening balance at 1 January 2022	138,868,305	138,868	17,931,296	18,070,164
Shares issued on IPO	66,666,667	66,667	19,933,333	20,000,000
Shares issued to acquire Taronga	60,000,000	60,000	–	60,000
	265,534,972	265,535	37,864,629	38,130,164
Less: issuance costs settled in shares	–	–	(1,000,000)	(1,000,000)
Less: issuance costs settled in cash	–	–	(368,521)	(368,521)
Less: warrant expense	–	–	(173,766)	(173,766)
Less: capital reduction	–	–	(17,931,296)	(17,931,296)
Closing balance at 31 December 2022	265,534,972	265,535	18,391,046	18,656,581

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

In March 2022, as part of the re-registration to a public limited company, the Company completed a capital reduction which reduced the share premium by £17,931,296. This was offset against its retained deficit.

On 8 April 2022 the Company issued 66,666,667 Ordinary shares of £0.001 each at 30 pence per share under the terms of its Initial Public Offering.

On 8 April 2023 the Company issued 60,000,000 Ordinary shares of £0.001 each at 30 pence per share as part of the consideration for the acquisition of Taronga (see Note 19).

22 RESERVES

The warrant reserve is used to hold the fair value of warrants issued but not yet exercised.

The merger reserve is used to hold the premium on share issued to acquire subsidiaries where merger relief applies under Section 612, Companies Act 2006.

The retained earnings reserve contains the accumulated losses of the Group.

The translation reserve is used to hold the accumulated gains and losses on translation of overseas subsidiaries.

23 NET DEBT RECONCILIATION

The table below sets out an analysis of net funds and the movements in net funds for each of the years presented:

	2022	2021
	£	£
Cash and cash equivalents	13,823,173	2,503,714
Net funds	13,823,173	2,503,714

	Cash and cash equivalents	Convertible loan note	Total
	£	£	£
Net funds			
Net debt as at 1 January 2021	245,740	(2,478,479)	(2,232,739)
Cash flows	2,211,826	-	2,211,826
Currency translation	46,148	-	46,148
Movement in fair value	-	781,955	781,955
Shares issued on redemption of loan	-	1,696,524	1,696,524
At 31 December 2021	2,503,714	-	2,503,714
Cash flows	11,371,009	-	11,371,009
Currency translation	(51,550)	-	(51,550)
At 31 December 2022	13,823,173	-	13,823,173

24 ULTIMATE CONTROLLING PARTY

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

25 EVENTS AFTER THE REPORTING PERIOD

There have been no material events to report since the year end.

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

	Notes	Year ended 31 December 2022	Year ended 31 December 2021
		£	£
Assets			
Non-current assets			
Investment in subsidiaries	6	19,192,381	458,199
Investment deposit in Taronga	7	–	734,182
Long-term receivables	8	15,495,521	6,840,848
		34,687,902	8,033,229
Current assets			
Trade and other receivables	9	98,548	317,755
Cash and cash equivalents		12,295,992	2,411,508
		12,394,540	2,729,263
Liabilities			
Current liabilities			
Trade and other payables	10	(350,914)	(129,749)
Net current assets		12,043,626	2,599,514
Total assets less current liabilities		46,731,528	10,632,743
Net assets		46,731,528	10,632,743
Equity			
Called up share capital	12	265,535	138,868
Share premium account	12	18,391,046	17,931,296
Merger relief reserve	13	17,940,000	–
Warrant reserve	13	269,138	95,372
Retained earnings	13	9,865,809	(7,532,793)
Total equity		46,731,528	10,632,743

The notes on pages 74 to 79 form part of these financial statements.

The Company made a loss in the year of £1,239,794 (2021: loss of £979,461).

The financial statements were approved by the Board of Directors and authorised for issue on 11 April 2023 and are signed on its behalf by:



Mr C Cannon Brookes
Non-executive Chairman

Company number 07931518

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Merger relief reserve	Warrant reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 January 2022	138,868	17,931,296	–	95,372	(7,532,793)	10,632,743
Loss for the year	–	–	–	–	(1,239,794)	(1,239,794)
Total comprehensive loss for the year	–	–	–	–	(1,239,794)	(1,239,794)
Transactions with owners:						
Capital reduction	–	(17,931,296)	–	–	17,931,296	–
Issuance of shares, net of costs	66,667	18,564,812	–	–	–	18,631,479
Shares issued to acquire Taronga	60,000	–	17,940,000	–	–	18,000,000
Share-based payments	–	(173,766)	–	173,766	707,100	707,100
Total transactions with owners	126,667	459,750	17,940,000	173,766	18,638,396	37,338,579
At 31 December 2022	265,535	18,391,046	17,940,000	269,138	9,865,809	46,731,528

	Share capital	Share premium account	Shares to be issued	Warrant reserve	Retained earnings	Total equity
	£	£	£	£	£	£
At 1 January 2021	70,177	10,264,409	50,411	–	(6,119,582)	4,265,415
Loss for the year	–	–	–	–	(979,461)	(979,461)
Other comprehensive loss for the year	–	–	–	–	(582,750)	(582,750)
Total comprehensive loss for the year	–	–	–	–	(1,562,211)	(1,562,211)
Transactions with owners:						
Accrued interest on convertible loan notes	–	–	54,247	–	–	54,247
Issuance of shares	68,691	7,747,650	(104,658)	–	–	7,711,683
Share-based payments	–	(80,763)	–	95,372	149,000	163,609
Total transactions with owners	68,691	7,666,887	(50,411)	95,372	149,000	7,929,539
At 31 December 2021	138,868	17,931,296	–	95,372	(7,532,793)	10,632,743

The notes on pages 74 to 79 form part of these financial statements.

NOTES TO THE COMPANY STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 GENERAL INFORMATION

First Tin Plc is a public company limited by shares incorporated in England and Wales. The registered office is First Floor, 47/48 Piccadilly, London, England, W1J 0DT.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- The requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- The requirements of paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations;
- The requirements of IFRS 7 Financial Instruments: Disclosures;
- The requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- The requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
 - Paragraph 79(a)(iv) of IAS 1;
 - Paragraph 73(e) of IAS 16 Property, Plant and Equipment;
 - Paragraph 118(e) of IAS 38 Intangible Assets;
- The requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- The requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- The requirements of IAS 7 Statement of Cash Flows;
- The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group;
- The requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets;

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Investment in subsidiaries

Investments in subsidiaries are stated at cost less accumulated impairment.

3.2 Impairment

At each reporting date, the Company assesses whether there is any indication that an asset, other than inventories and deferred tax assets, may be impaired. Where an indicator of impairment exists, the Company makes an estimate of the recoverable amount. An impairment loss is recognised in profit or loss whenever the carrying amount of the asset or cash generating unit exceeds its recoverable amount.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount greater than cost, in which case the reversal of the impairment loss is treated as a revaluation increase.

3.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

3.4 Financial assets

Financial assets are recognised in the Company's statement of financial position when the Company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI), which are measured at fair value.

Loans and receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Loans and other receivables that have fixed or determinable payments and are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Company applies the simplified approach permitted by IFRS 9, resulting in trade receivables recognised and carried at original invoice amount less an allowance for any uncollectible amounts based on expected credit losses.

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

3.5 Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Other financial liabilities

Other financial liabilities, including trade and other payables, are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Company's obligations are discharged, cancelled, or they expire.

3.6 Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

3 SIGNIFICANT ACCOUNTING POLICIES CONTINUED

3.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3.8 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Gains and losses arising on translation are included in profit or loss for the period.

3.9 Critical accounting estimates and judgements

Details of the Company's significant accounting judgements and critical accounting estimates are set out in these financial statements and include:

Recoverability of long-term receivables

At each reporting date, loans made to subsidiaries are reviewed to determine whether there is any indication that those assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount. Any resulting impairment loss is recognised immediately in profit or loss.

The Directors have reviewed the loans at 31 December 2022 and have concluded that there are no indicators of impairment.

4 PROFIT FOR THE FINANCIAL PERIOD

The Company has taken advantage of section 408 of the Companies Act 2006 and, consequently, a Profit and Loss Account for the Company alone has not been presented.

5 STAFF COSTS AND DIRECTORS' REMUNERATION

	2022	2021
	£	£
Wages and salaries	104,339	10,602
Social security costs	6,750	1,055
Total staff cost recognised in the profit and loss	111,089	11,657

The average number of staff employed by the Company, including Directors, is detailed below:

	2022	2021
	No.	No.
Management and administration	3	1

Directors' remuneration and fees are disclosed in the Directors' Remuneration Report on pages 36 to 39.

6 INVESTMENT IN SUBSIDIARIES

	£
At 1 January 2021 and 31 December 2021	458,199
Acquisition of Taronga	18,734,182
At 31 December 2022	19,192,381

7 INVESTMENT DEPOSIT IN TARONGA

	£
At 1 January 2022	734,182
Reclass to investment in subsidiaries	(734,182)
At 31 December 2022	-

8 LONG-TERM RECEIVABLES

	Loan to Taronga	Loan to Saxore	Total
	£	£	£
Cost			
At 1 January 2022	809,488	6,031,360	6,840,848
Additions	3,947,621	4,256,602	8,204,223
Currency translation	(2,263)	452,713	450,450
At 31 December 2022	4,754,846	10,740,675	15,495,521

9 TRADE AND OTHER RECEIVABLES

	2022	2021
	£	£
Other receivables	–	12,000
VAT recoverable	32,291	61,024
Prepayments	66,257	244,731
	98,548	317,755

10 TRADE AND OTHER PAYABLES

	2022	2021
	£	£
Trade payables	21,129	70,978
Other payables	6,663	–
Accruals	323,122	58,771
	350,914	129,749

11 RELATED PARTY TRANSACTIONS**Directors' remuneration and fees**

Directors' remuneration and fees are disclosed in the Directors' Remuneration Report on pages 36 and 39.

Other fees and transactions

Other fees and transactions with the Company are disclosed in Note 20 to the consolidated financial statements.

The Company was also owed £10,740,675 (2021: £6,031,360) by Saxore, a wholly owned subsidiary incorporated in Germany. In the year to 31 December 2022 a net of £3,898,759 (2021: £945,106) was advanced by the Company to Saxore, and interest of £357,843 (2021: £214,815) was accrued in respect of the loan. The loan carries interest at 4% over the European Central Bank rate per annum.

In addition, the Company was owed £4,754,846 by Taronga, a wholly owned subsidiary (see Note 19 to the Consolidated Financial Statements) incorporated in Australia. In the year to 31 December 2022 a net of £3,851,785 (2021: £809,488) was advanced by the Company to Taronga, and interest of £95,836 (2021: £nil) was accrued in respect of the loan. The loan carries interest at 4% over the Bank of England base rate per annum.

12 SHARE CAPITAL

	2022	2021
	£	£
Allotted, called up and fully paid		
265,534,972 (2021: 138,868,305) Ordinary shares of £0.001 each	265,535	138,868

Movement of the share capital is disclosed on Note 21 to the consolidated financial statements.

	2022	2021
	£	£
Share premium account	18,391,046	17,931,296

13 RESERVES

The merger reserve is used to hold the premium on share issued to acquire subsidiaries where merger relief applies under Section 612, Companies Act 2006.

The warrant reserve is used to hold the fair value of warrants issued but not yet exercised.

The retained earnings reserve contains the accumulated losses of the Company.





COMPANY INFORMATION

DIRECTORS

C Cannon Brookes
T Buenger
C J Apthorpe (appointed 8 April 2022)
S I Cornelius (appointed 8 April 2022)
I Hofmaier (appointed 8 April 2022)
N Mather (appointed 30 September 2022)

SECRETARY

Mr R G J Ainger (appointed 15 March 2022)

COMPANY NUMBER

07931518

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