



HAMAK GOLD LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2022

(THE "PERIOD")

Directors	Amara Kamara Nicholas Karl Smithson Samuel Julius Baiden Kenneth Niall Young Walter Seward McCarthy (resigned 30 January 2023) Martin Lampshire	Executive Chairman Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director
Group Secretary	James Seymour Cable	
Registered office	Morgan & Morgan Building Pasea Estate, Road Town PO Box 958, VG1110 Tortola, BVI	
Principal place of business / operations	Carey & Rendall Street Intersection Montserrado County, Monrovia Republic of Liberia	
Independent Auditors	PKF Littlejohn LLP 15 Westferry Circus Canary Wharf London E14 4HD	
Broker	Peterhouse Capital Limited 80 Cheapside London EC2V 6DZ	
Registrar	Computershare Investor Services (BVI) Limited Woodbourne Hall P.O. Box 3162 Road Town, Tortola British Virgin Islands	
Depositary	Computershare Investor Services plc The Pavillions Bridgwater Road Bristol BS99 7NH	
Financial Public Relations	Yellow Jersey PR Limited 231-232 Strand London WC2R 1DA	
Bankers	Arie Finance 5th Floor, Alexandre House, Ebene, Mauritius Ecobank Liberia Limited 11 th Street, Sinkor Monrovia Republic of Liberia	
Website	www.hamakgold.com	
Stock Exchange	London Stock Exchange	
Trading Symbol	HAMA (stock is quoted in Pounds Sterling)	

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Chairman's Statement

Dear Shareholder,

I am pleased to present the annual report of Hamak Gold Limited (the “Company” or “Hamak”) and its subsidiary (collectively referred as the ‘Group’ or ‘Hamak Gold’) for the period ended 31 December 2022. The Group undertakes gold exploration with a focus on highly prospective licenses in Liberia, West Africa.

The Company was incorporated on 6 May 2021 under the BVI Business Companies Act. As at the date of this report, the Group comprises of the Company and its sole wholly-owned subsidiary, Hamak Gold Limited Liberia, which was incorporated in Liberia on 27 May 2021.

On 1 March 2022, Hamak was admitted to trading on the Main Market of the London Stock Exchange (“LSE”) in its initial public offering (“IPO”), simultaneously raising gross proceeds of £955,000 in new capital from institutional and private investors as well as the Board of Directors.

Strategy

The Group’s main mineral exploration focus is on the discovery of orogenic gold, Archaean and Paleoproterozoic greenstone hosted gold and shear zone hosted gold type mineralization in underexplored, yet highly prospective, areas of Liberia.

On 15 February 2022, the Group acquired the Nimba and Gozohn mineral exploration licences in Liberia, covering 1,752 square kilometres (“km”), and options over a further five mineral exploration licences covering an area of 3,213 square km. Post year end the Company also announced that the option over three of the five option licences was relinquished.

Our exploration strategy since IPO has been focused on the Gozohn and Nimba licences where geochemical soil sampling has identified extensive gold in soil anomalies in both licences. Follow up of these anomalies by trenching, channel sampling and rock chip sampling has identified hard rock gold sources to the soil anomalies. At the Nimba licence, we also conducted an initial drilling programme, and our first drill hole intersected a highly significant gold mineralized zone of 20m at 7g/t Au near surface. Clearly further work is required to trace the mineralized zone across the associated 3km long geochemical soil anomaly and further details are provided in the Operational Report.

On the anniversary of the licence and based on the exploration results, it was decided to relinquish the southern part of the Gozohn licence in August 2022 and retain the northern part which hosts the Mt. Koklun greenstone belt and anomaly.

Liberia

Liberia is an emerging gold producing country having attracted growing exploration interest and expenditure over the last decade. However, the country remains relatively under-explored, and Liberia did not experience the gold exploration boom during the 1980s and 1990s that took place in neighbouring West African countries which has since led to the discovery and subsequent development of many gold mines, several of which are world class. More recently large-scale gold mines have been established in the neighbouring Ivory Coast and our Nimba licence is in relative proximity to the 4-million-ounce Ity gold mine of Endeavour Mining, separated by a country border but essentially sharing the same prospective geology. Therefore, we expect our short-term focus will be on the Nimba licence to establish the scale of our high-grade discovery there.

Summary

Hamak Gold has had an exciting year. Achieving our IPO and becoming the first Liberian majority owned exploration resource company on the LSE is a major achievement, showing what can be done with the right entrepreneurial spirit, a Board of Directors, a highly capable geological team and the support of our shareholders. Furthermore, the Ministry of Mines and Liberian Government have been very supportive of the Group and the mineral sector as a whole in Liberia.

Our teams have moved swiftly since our IPO, having already discovered what we believe to be a new and significant gold deposit in the Nimba licence. However, there is a lot more work to do to bring this discovery to account and to pursue additional gold anomalies in our licences. We believe Liberia has vast potential to deliver economic gold mines and want Hamak Gold to be at the forefront of this exploration drive.

I would like to thank the Board of Directors, our management and staff and of course our shareholders for their continued support. We look forward to the coming year and believe that through further successful exploration and discovery, Hamak Gold will continue to grow and benefit all stakeholders.

Financial Overview

Funding

The Group is funded through investment from its shareholders. Admission (“Admission”) to trading on the Standard List of the LSE on 1 March 2022 raised gross proceeds of £955,000 at 10 pence per share. In January 2023 the Group raised gross proceeds of £295,750 at 8.75 pence per share to fund ongoing exploration activities.

Revenue

Being an early-stage exploration Group, the Group generated no revenue during the period, but is focusing on its exploration licences in Liberia with a strategy of making significant gold discoveries in the shortest possible time frame.

Expenditure

During the period, the Group progressed all legal, accounting and due diligence work related to the IPO which was achieved on 1 March 2022. Expenditure during the period was focused on the Admission process and, following Admission, the Group has focused its efforts and expenditure on progressing its exploration programmes in line with our stated strategy.

Liquidity, cash and cash equivalents

On 31 December 2022, the Group held \$12,000 (2021: \$1,000) in funds.

Dividend

The Directors do not intend to declare a dividend in respect of the period under review.



Amara Kamara
Executive Chairman
27 April 2023

Operations Report

The Group's main mineral exploration focus is the discovery of orogenic gold, Archaean and Paleoproterozoic greenstone hosted gold, and shear zone hosted gold type mineralization in underexplored yet highly prospective areas of Liberia. Being an exploration business without producing mines, the Group has no revenue and relies on equity as its major source of funding. If the Group is successful in its exploration activities, it will seek to transition into an exploration and development business.

On 15 February 2022, the Group acquired two mineral exploration licences in Liberia, Nimba and Gozohn, covering 1,752 square km and also had an option over a further five exploration licences covering an area of 3,213 square km. Exploration has initially focused on detailed geochemical soil sampling in the Gozohn and Nimba licences, with early exploration success being realised during the year. Based on the exploration results at Gozohn a relinquishment of part of the licence was made, resulting in the retention of a 129.6 square km area that will be the focus of further exploration. Post year end the Company also announced that the option over three of the five option licences was relinquished. In the Group's Prospectus, dated 24 February 2022, the Competent Person ranked the seven mineral exploration licences (MELs) individually and in accordance with their geological and spatial relationship with specific geological structures as well as on the scale of gold mining activity in or near those licences. Often licences can be grouped according to their prospectivity and relative proximity to each other. Thus, the following ranking of the licences was advised by the Competent Person:

Rank No. 1: Cestos shear zone and greenstone belts

- Nimba Licence
- Gozohn Licence

Rank No. 2: Dube shear zone and Birimian greenstones

- River Gee Licence

Rank No. 3: Lofa and Yambesei shear zones and greenstones

- Fasama
- Lofa

Rank No. 4: Juazohn shear zone and amphibolites

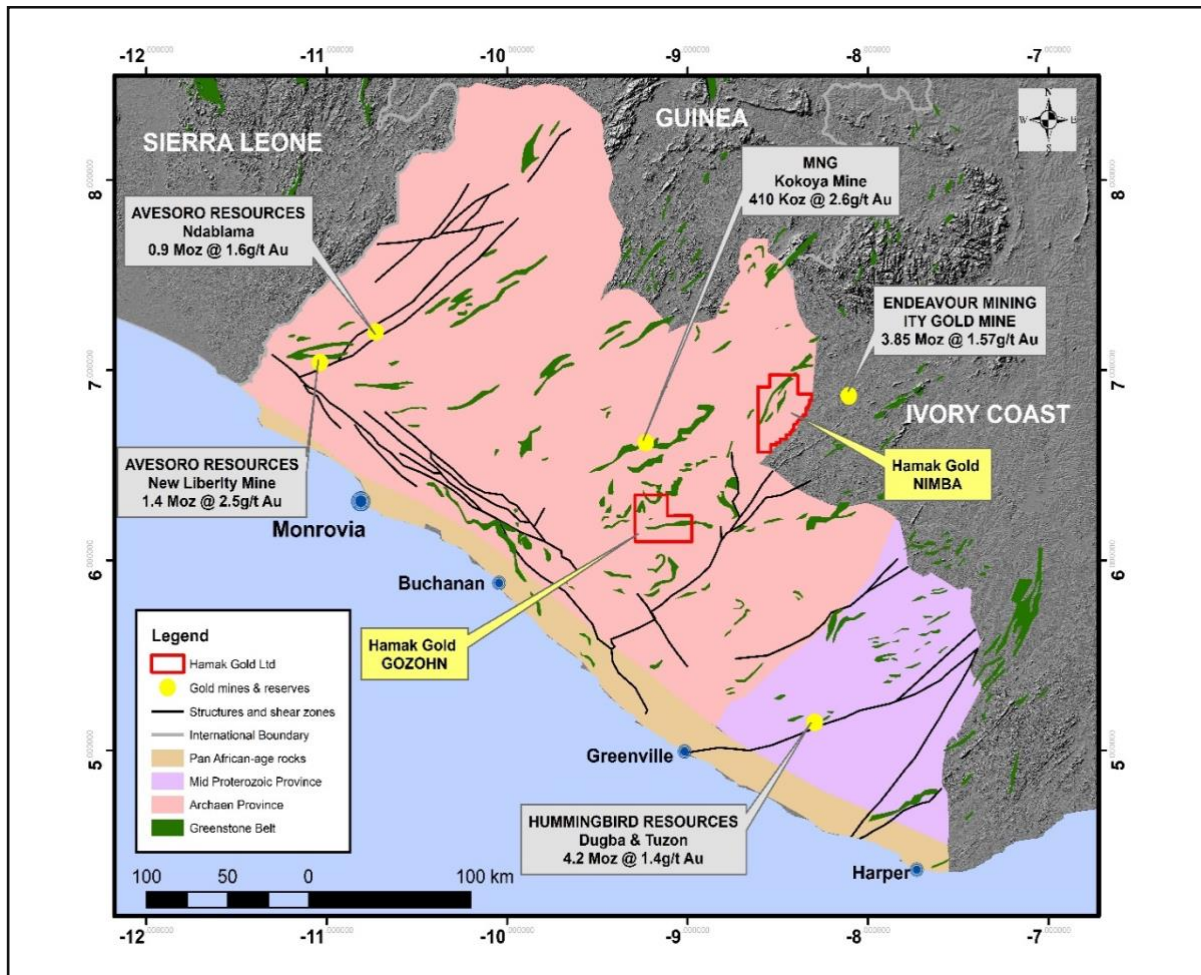
- Cestos Licence
- Sinoe Licence

Post year end, and having conducted a further technical review, the Company released the options over the River Gee, Lofa and Sinoe licences. Below is a summary of the exploration work conducted to date on the Nimba and Gozohn licences.

Nimba Licence

The Nimba licence (MEL 7001518) covers an area of 985.60 square km and is located approximately 120km to the north-east of the Gozohn licence and some 25km west of the 4-million-ounce Ity Gold Mine in neighbouring Cote D'Ivoire (Figure 1).

Figure 1: Location of Nimba and Gozohn Licences

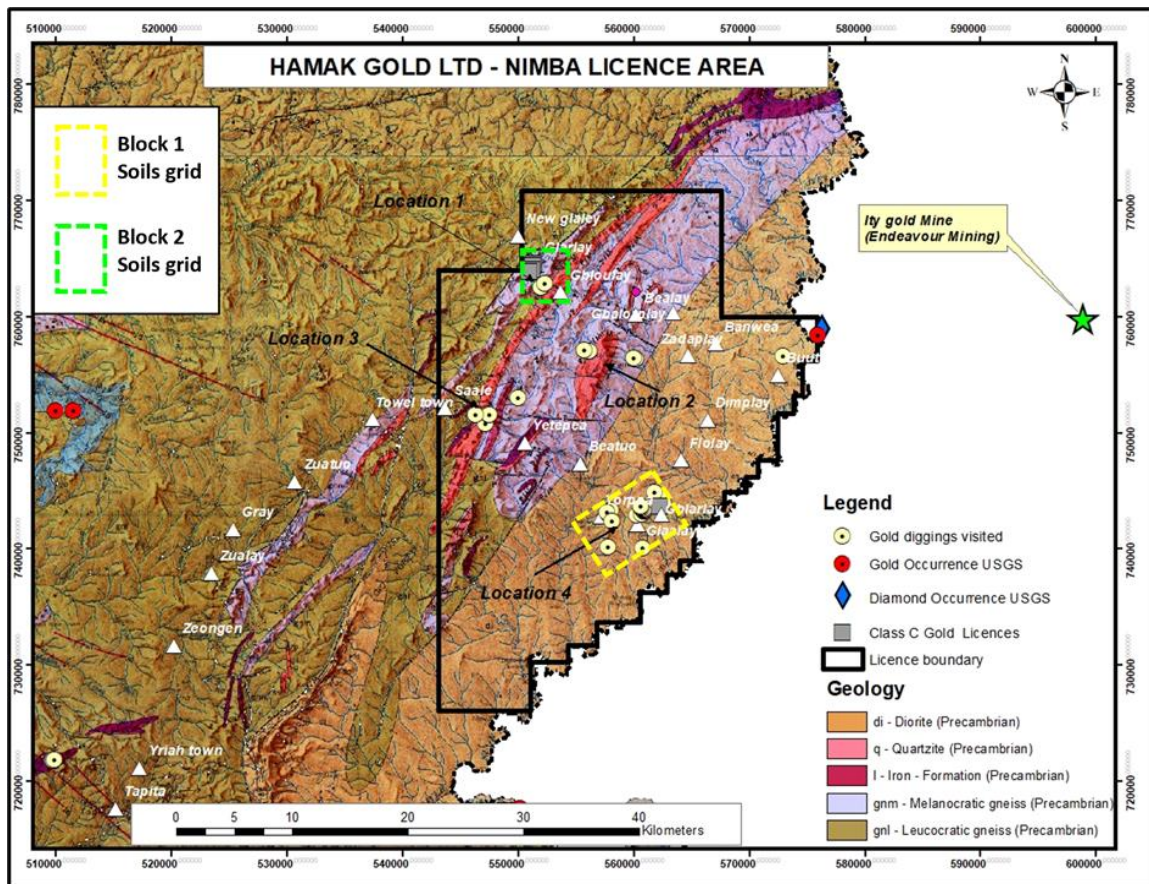


Geochemical Soil Sampling and Results

Initial exploration involved geochemical soil sampling of three blocks within the licence area, totalling some 3,622 samples. The results of Block-1 are most significant and are reported in more detail below.

Sampling Block-1 is located in the south-east of the licence and was sited over an area that is host to several artisanal digging sites (Figure 2). A total of 1,124 soil samples were collected from the block over an area of 3.7km by 3.4km with line and sample spacing of 250 metres ("m") and 50m respectively.

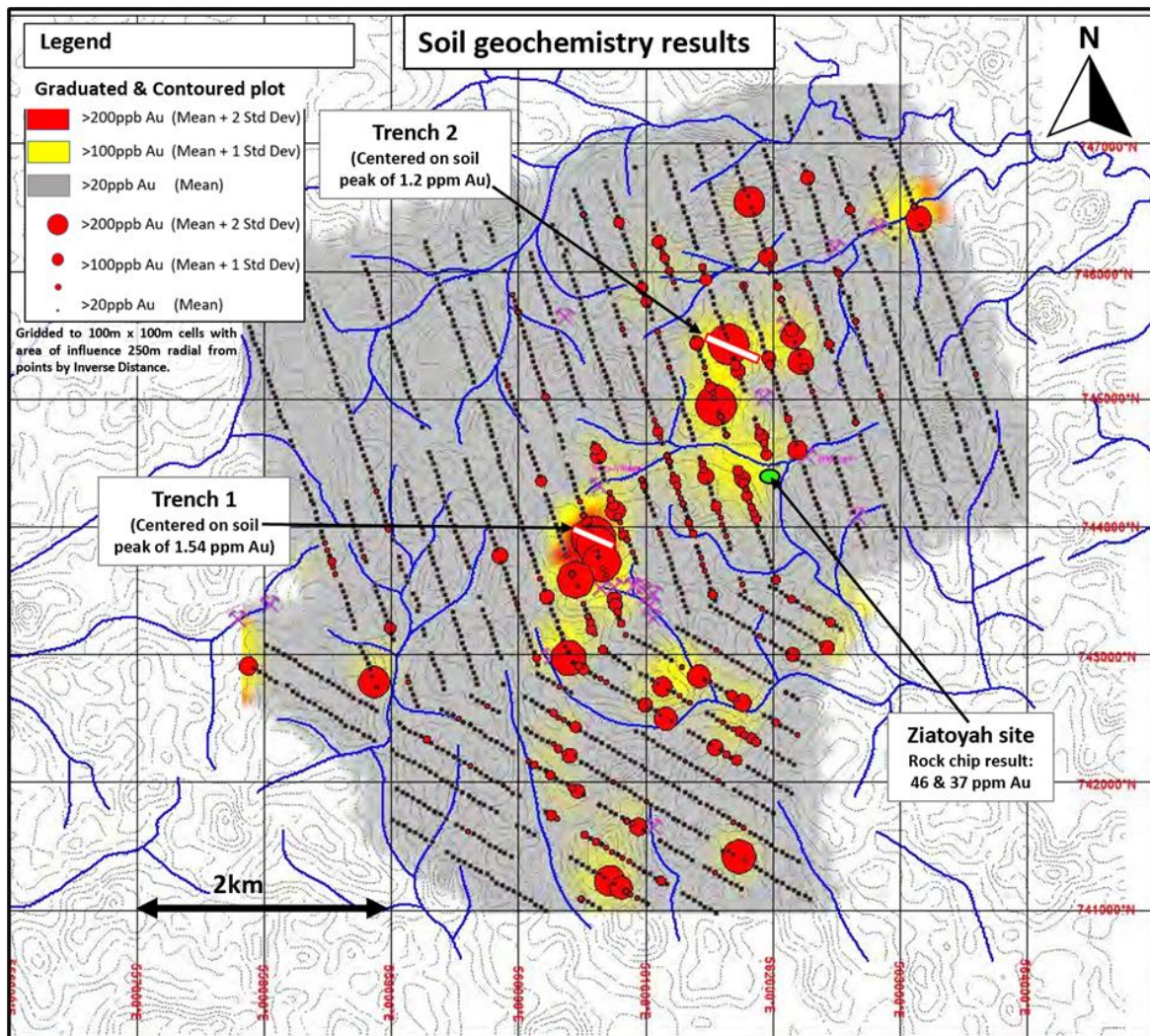
Figure 2: Location of Sampling Block-1 in Nimba Licence



The soil sampling results exhibit positive anomalies over a 3km x 1km area within which a number of significant anomalous gold values in excess of 1 part per million (“ppm”) (grammes per tonne (“g/t”) are evident at two key locations, surrounded by additional anomalous values generating coherent anomalies. Anomaly 1 (approximately 700m by 450m) attains a high of 1.54ppm gold whilst Anomaly 2 (approximately 1,000m by 500m) attained two peaks, each of 1.20ppm gold (Figure 3). It is not yet established if these anomalies represent a single contiguous strike of mineralization. However, it is clear from the results that the gold anomalies remain open ended to the south-west and north-east.

Importantly the gold in soil values are not constrained within topographic lows but are located on topographic highs. Active artisanal gold mining is present down slope from these two strong gold anomalies.

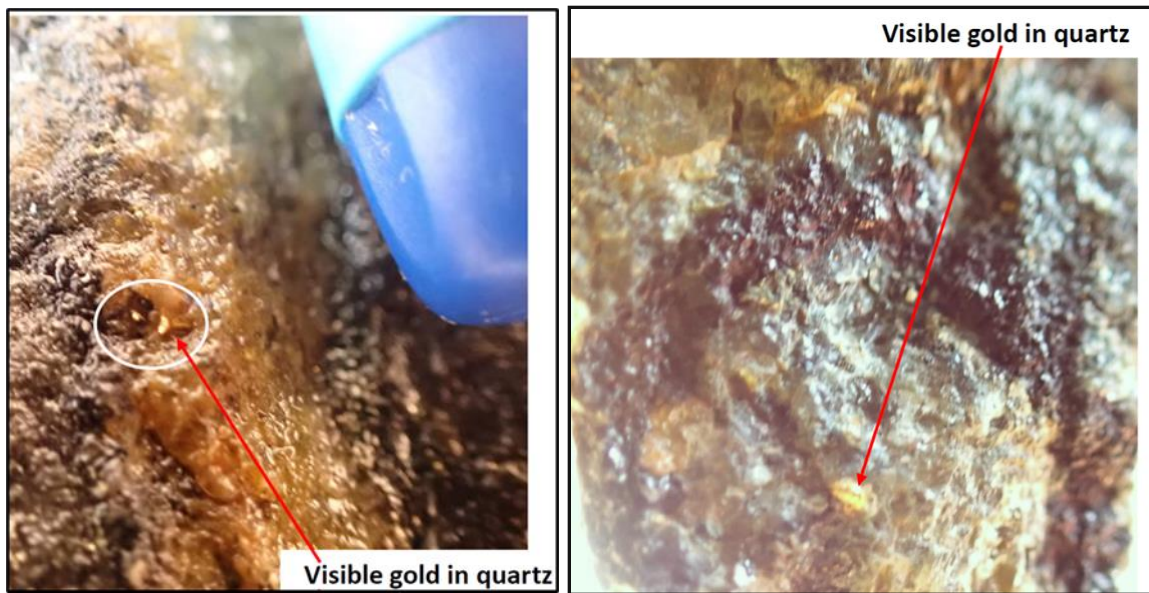
Figure 3: Nimba Block-1 Au in Soil Results



Trenching and Channel Sampling and Rock Chip Sampling

During the soil sampling, the geological teams identified an exposed geological unit at Ziatoyah on the southern edge of the northern soil anomaly, where active artisanal gold mining was being undertaken. The unit is described as a metadolerite with visible sulfide mineralization, mainly pyrite, and also visible gold (Figure 4). Rock chip sampling of this unit returned gold values of 37.3g/t Au and 45.5g/t Au, proving the presence of bedrock gold associated with the soil sampling anomaly.

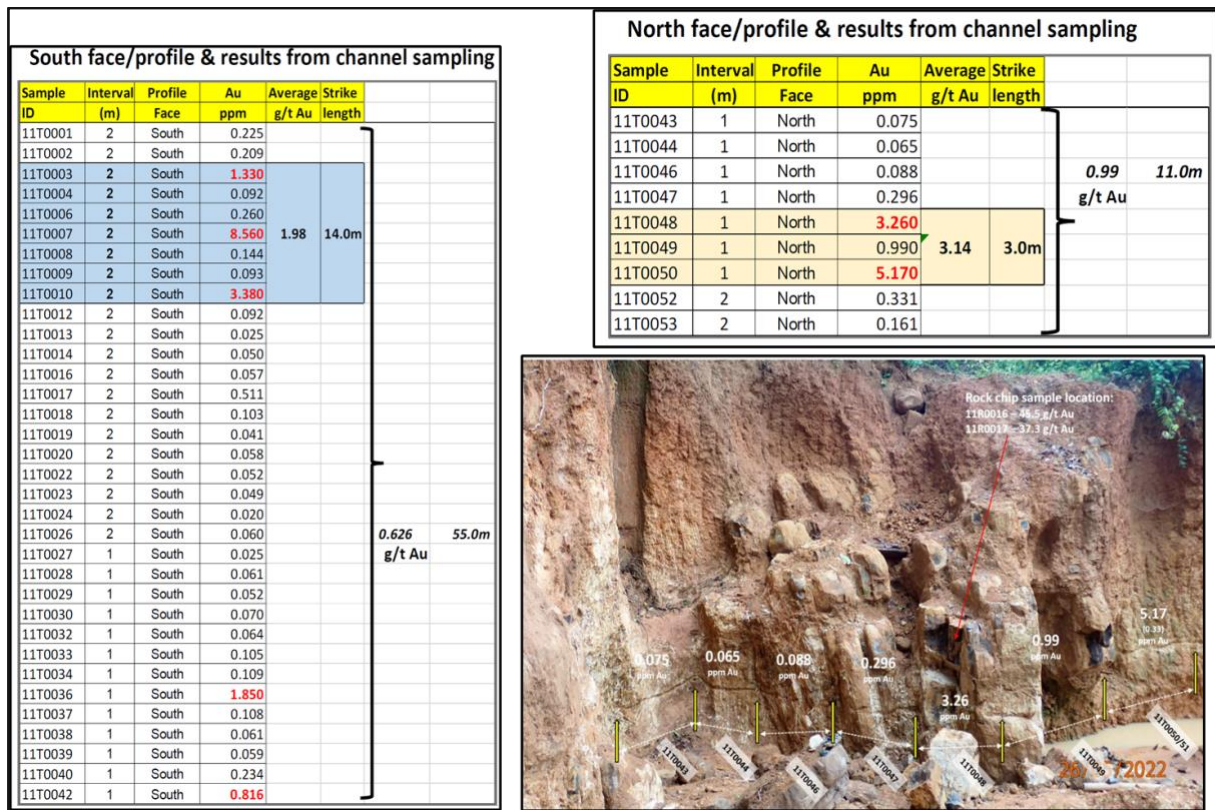
Figure 4: Visible Gold in Metadolerite Unit



Based on the positive rock chip sampling results, channel sampling was undertaken across the metadolerite unit. A total of 43 channel samples over a distance of 66m were collected across this exposed zone, subdivided into north and south faces which form a continuous strike length, and were submitted to the ALS Global laboratory in Ghana for gold fire assay. The results returned gold mineralization across the entire 66m channel length which is not closed off in any direction, with sections of significant gold mineralization returning 55.0m at 0.63 g/t Au and 11.0m at 0.99 g/t Au, which include better intervals of 14m at 1.98g/t Au and 3m at 3.14g/t Au respectively, and with individual samples returning up to 8.56g/t Au over 2m splits (Figure 5).

These results are clearly significant in terms of mineralized width and gold grade and provided the basis to develop drill targets as the next step towards defining the extent of gold mineralization with depth, as well as its lateral extent.

Figure 5: Channel Sampling Results across the Ziatoyah Mineralized Metadolerite Exposure



In addition to the work at Ziatoyah, a further two trenches were dug and sampled across two priority gold in soil anomalies, totalling 554m in length. (Figure 3).

Trench-1 was excavated over a distance of 274m and to a depth of 3m. A total of 303 samples were collected and assayed.

Trench-2 was excavated over a distance of 280m and to a depth of 3m. A total of 310 samples were collected and assayed.

In both cases, bedrock was not reached with the overburden being thicker than expected. However, both trenches show encouraging broad gold anomalism across the channel samples with increasing values at the southeast end of each trench (0.27ppm in Trench-1 and 0.31ppm in Trench-2) and therefore consideration will be given to extending the trenches to the southeast.

Drilling Programme

Following on from the positive channel sampling results at Ziatoyah the Company decided to immediately undertake a limited drilling programme to test the depth extension of the mineralized metadolerite outcrop.

An initial programme of diamond drilling, comprising three holes for a total of 450m, was completed at Ziatoyah. Drilling of holes NZ22-001 and 002 was targeted to test the down dip extent of the Ziatoyah mineralized outcrop that returned rock chip samples of 46 g/t Au and 37 g/t Au as well as below the channel sample results of 14.0m @ 1.98 g/t Au and 3.0m @ 3.14 g/t Au returned from the sidewalls of an extensive artisanal mining excavation, hole NZ22-003 was targeted on a soil geochemical anomaly located some 1,250m north of the first two drill holes, associated with Trench 2.

Drilling Results

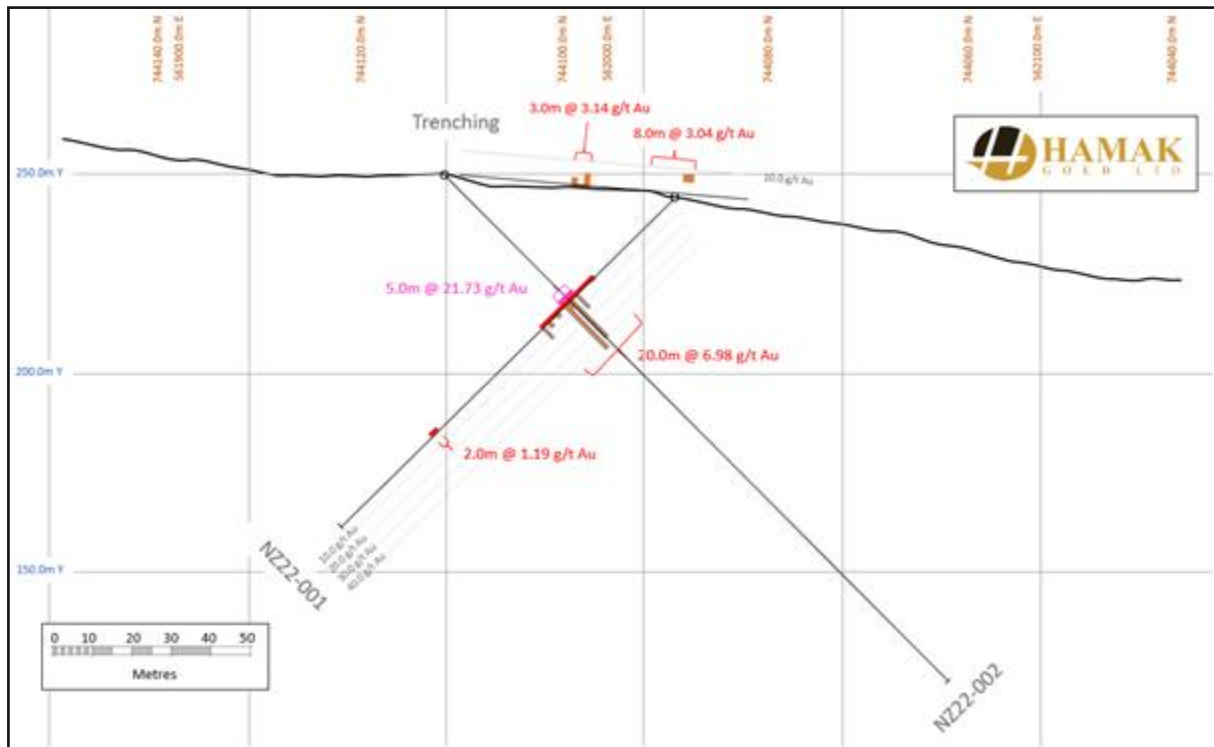
The first hole drilled (NZ22-001) yielded significant gold intercepts down hole of 20m at 7g/t Au, including 5m at 22g/t Au (Table 1). This drill hole confirms the depth extension of the mineralized metadolerite outcrop. (Figure 6).

Table 1: Significant downhole gold intercepts:

Hole	From (m)	To (m)	Length (m)	Estimated True width (m)	Grade (g/t Au)
NZ22-001 including	29.0	49.0	20.0	~16.0	6.98
	35.0	40.0	5.0	~4.0	21.73
	85.0	87.0	2.0	~0.8	1.19
NZ22-002	31.0	32.0	1.0	~1.0	0.38
NZ22-003	134.0	138.0	4.0	~3.5	1.05

Note: Intersections calculated above a 0.3 g/t Au cut-off with no top cut applied and a maximum internal waste interval of 2.0m

Figure 6: Section through drillholes NZ22-001 and 002 at Ziatoyah showing mineralized intercepts



Conclusions

This initial drilling has confirmed the presence of bedrock gold in the area immediately beneath the positive channel sample results at Ziatoyah, located to the southern edge of an extensive gold in soil anomaly previously reported. This, coupled with the presence of extensive artisanal mining operations in the area, confirms the potential for economic concentrations of gold mineralization.

Hole NZ22-002 appears to have been drilled parallel to the dip of the mineralization intersected in hole NZ22-001 and thus failed to cut the mineralized zone. Further analysis and drilling to test the relationship between the two drill holes and the positive surface channel and rock chip results is required.

Hole NZ22-003 was drilled on a separate soil geochemical target and intersected a narrow zone of similar style mineralization at depth. It is assumed that this drill hole was not extended sufficiently far to intersect the main zone of mineralization.

Geology & Mineralization

The host rocks of the mineralisation intersected by drilling are dominated by Archaean-aged medium grained grey-green mafic intrusives comprised of plagioclase, amphibole, magnetite and chlorite with fine-grained crystalline pyrite.

So far initial technical appraisal of the gold mineralization at Ziatoyah suggests that the gold occurs as free grains within disseminated crystalline and aggregates of vetiform pyrite attaining levels of between 1% and 10% of the rock mass which is dominated by locally carbonatized metadolerites. Microscopic free gold has been identified at numerous locations within the mineralized drill core. Local shearing appears to enhance the sulphide content and may be coincident with minor endo-skarnification dominated by iron sulphides with free gold, chlorite, epidote, tremolite and/or actinolite. A programme of petrological studies is in progress to better define the styles and associations of the gold mineralization.

Importantly the mineralization seen in the drilling to date is mineralogically restricted indicating potentially simple metallurgical process routes. Scoping metallurgical test work will be undertaken as part of the next step of the assay process.

It is believed that the styles of this gold mineralization bear certain similarities to that currently being mined at Endeavour Mining's Ity Mine in neighbouring Cote d'Ivoire, only c.25km to the north-east of Ziatoyah, though the Company is still working on establishing the context of the geology and geological model for the mineralization.

Gozohn Licence

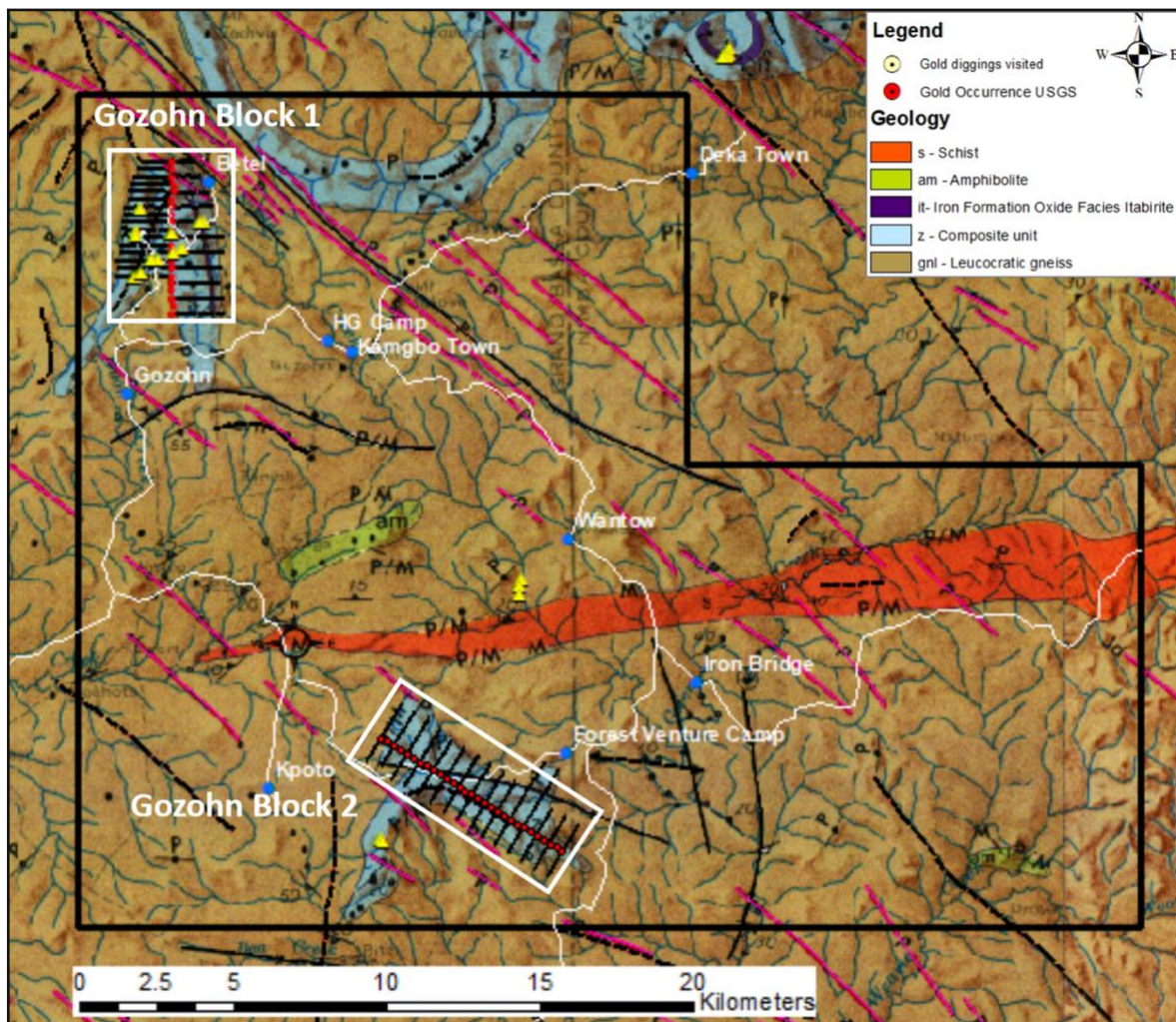
The Gozohn licence (MEL 7002318) covers an area of 766 square km and is located some 30km south of the high-grade Kokoya Gold mine operated by MNG Gold. (Figure 1). The licence is host to a number of structurally controlled greenstone belts similar to those at Kokoya, with strongly deformed amphibolite, quartzite, schist and banded ironstone formations which generally occur as topographic highs. Several of these greenstone ridges are mineralized with gold as evidenced by active artisanal gold diggings, particularly on the western slope of Mt. Koklun.

Geochemical Soil Sampling and Results

Geological mapping and sampling initially focussed on the Mt. Koklun area and 46.5km of baseline and sampling traverse lines were cut and a total of 1,927 soil samples collected across the whole area at a sampling interval of 50m with traverse lines spaced 250m and 500m apart, comprising sample Block-1.

A second sampling block was completed to the south of the Gozohn licence across similar greenstone belt geology, with a total of 701 samples being collected and assayed. Both blocks are shown in Figure 7.

Figure 7: Gozohn Sampling Blocks 1 and 2

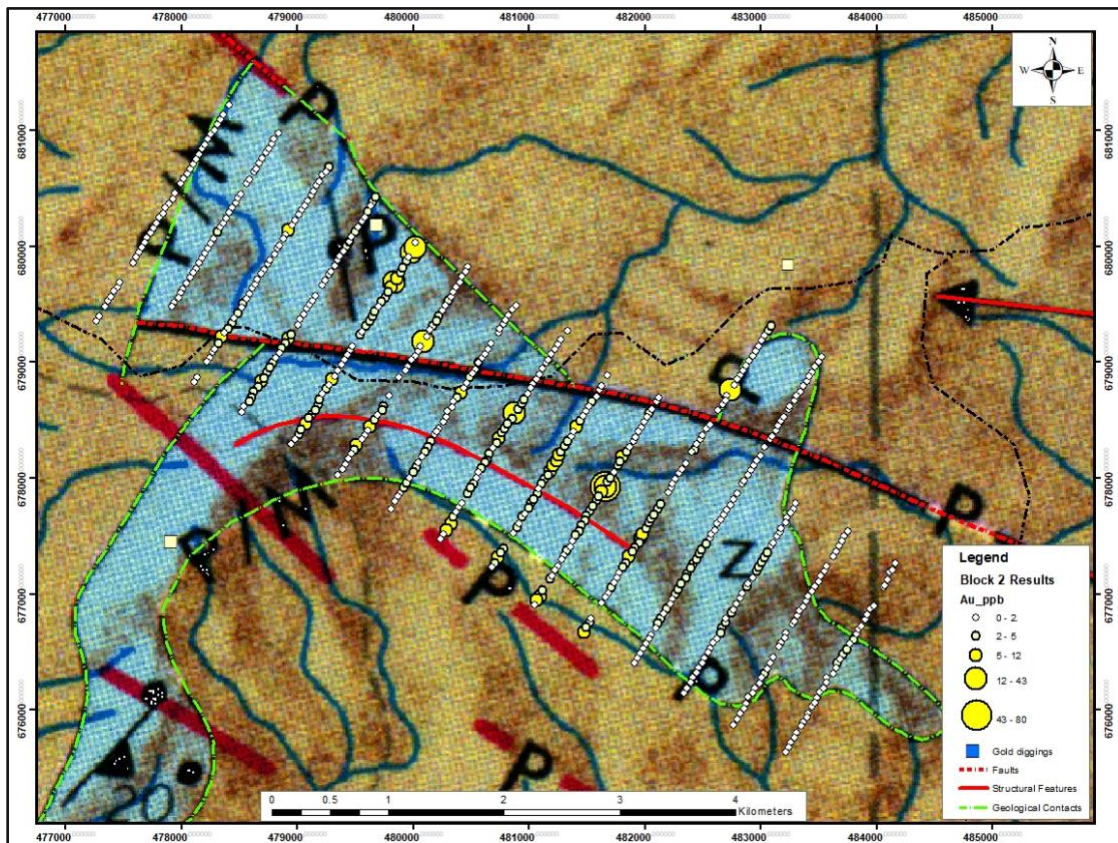


The results of Block-2 did not yield any significant gold anomalies, with a weak peak value of 80ppb Au. Furthermore, other pathfinder minerals, such as arsenic or silver do not indicate any significant anomalies, with a peak value of 110ppb for silver almost coincident with the single anomalous gold value.

The geochemical anomaly for combined Cu+Ni+Co is sporadically coincident across some adjacent soil sample profile lines and shows some overlay with the interpreted bedrock geology of BIF and metavolcanite, however the Tertiary-aged Atlantean dyke swarm, evident within the licence area, also trends on this strike and such oceanic basalts could also generate equivalent chalcophile anomalies.

Based on the absence of a coherent anomaly for any of the 51 minerals assayed, no further exploration work is justified within Block 2; when better prospects exist within the northern part of the licence.

Figure 8: Gozohn Sampling Block 2 results

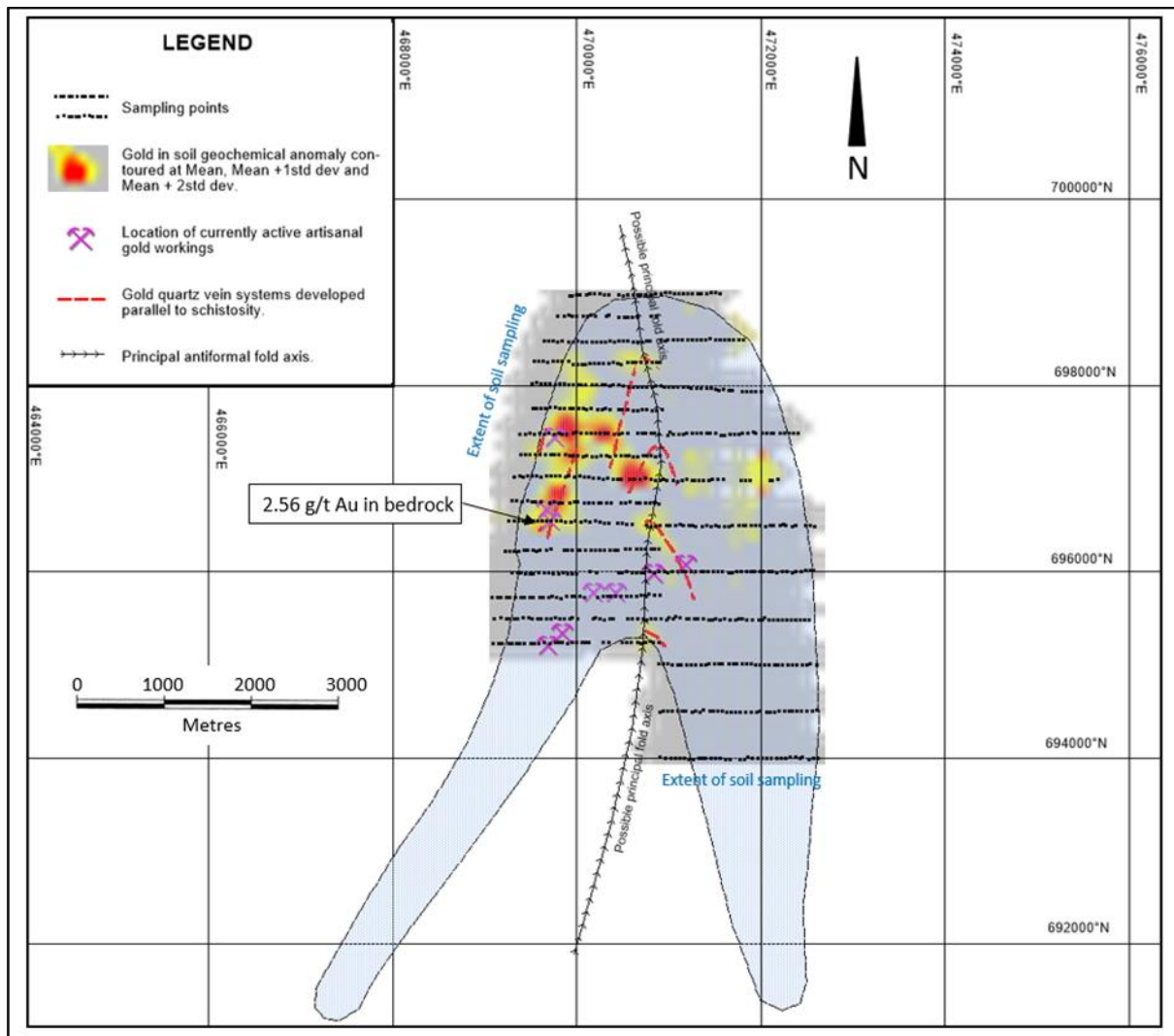


The results of Block-1 are most significant and are reported in more detail below.

Significant gold anomalies were returned over two areas of Block-1 on the western limb of Mt Koklun, one extending over a 1.5km distance having a roughly northerly strike, another extending over a 1km distance and having a roughly north westerly strike, with both anomalies converging in the north (Figure 8). Weaker gold anomalies were detected on the eastern limb of Mt Koklun which require further investigation. The anomalies, however, are overall more subtle than those observed at Nimba which could be due to deep overburden (estimated at over 15m thick), or a different mineralogical and genesis of the gold mineralization.

The lack of a typical Birimian-type geochemical halo (Arsenic etc.) is possibly due to the Gozohn mineralization being more akin to orogenic gold than the BIF associated Greenstone hosted type occurrences.

Figure 9: Gozohn Block-1 Results



During the soil sampling campaign, a number of rock chip samples were collected and assayed. One sample of quartz-rich migmatite returned a value of 2.56g/t Au and a second rock chip sample from a nearby location returned 3.5g/t Au. These samples coincide with a strong gold in soil anomaly and is proximal to active artisanal mining (Figure 8). A number of these quartz veins are observed in artisanal diggings associated with the soil sampling anomaly.

A soil sampling infill programme, comprising an additional 373 soil samples at 50m sample spacing, was completed and better defined the already known coherent anomalous area.

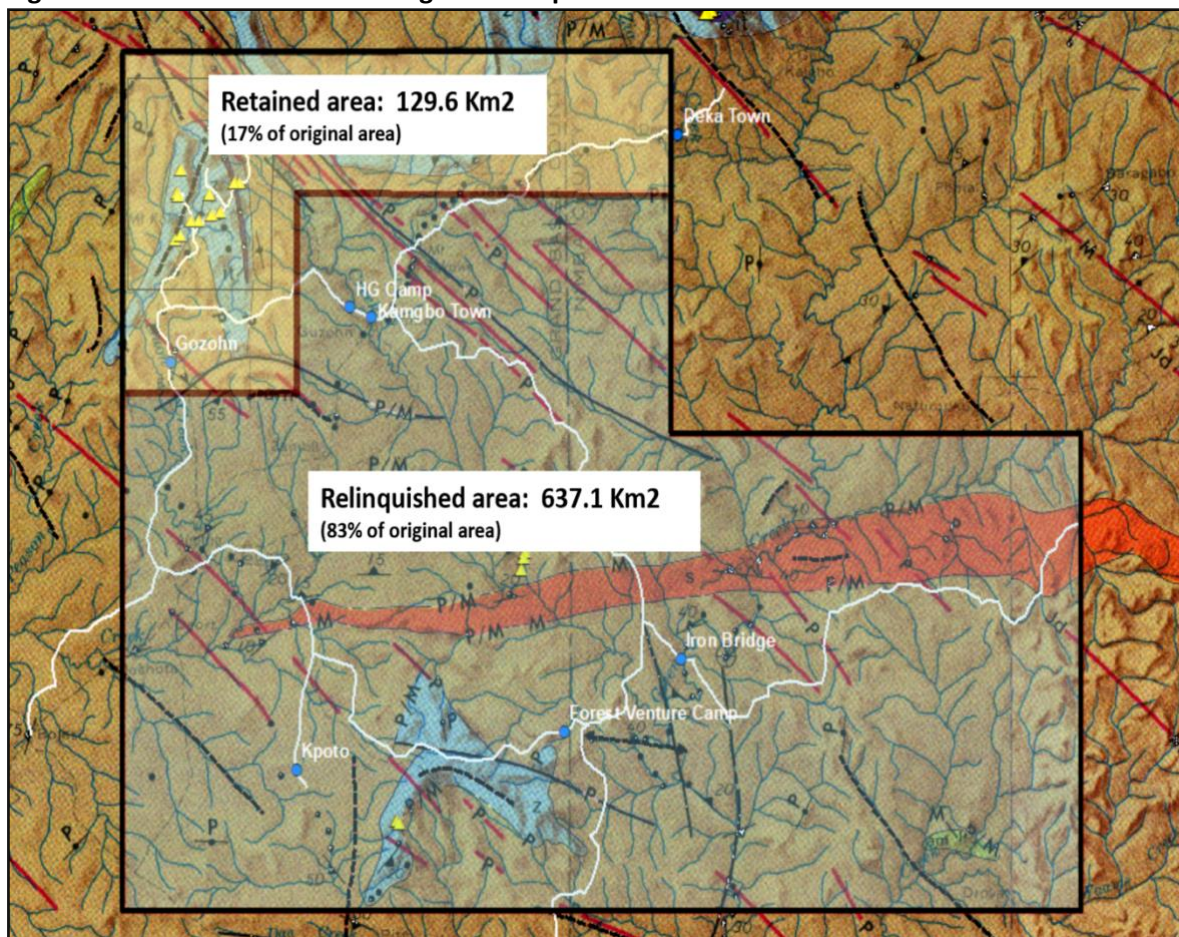
Conclusions

After detailed review of the geochemical soil anomalies, geology, and occurrence of mineralized quartz veins, it is concluded that the auriferous quartz stringers would seem to have a primary mineralogy dominated by iron sulphides (Pyrite), native gold associated with minor Au-tellurides and selenides. Most of the positive soil geochemistry suggests that the mineralization is concentrated on the western limb of the Mr. Koklun antiform suggesting a structural asymmetry due to E to W sinistral compression. The auriferous quartz veins observed are generally 5-10cms in true thickness; thus, the economic potential will depend on the grade within the quartz structures being able to carry barren wall rock and the frequency of the auriferous veins and further work (including drilling) will be required to determine this.

Licence Reduction

On the anniversary of the licence, and based on the exploration results to date, it was decided to relinquish the southern part of the Gozohn licence and retain the northern part which hosts the Mt. Koklun greenstone belt and anomaly. The retained area of the Gozohn licence now covers 129.6 square kms (Figure 10).

Figure 10: Gozohn licence showing the relinquished and retained areas



Business plan and strategic objectives

The Group's strategic objectives are to be a successful gold exploration company that through deploying systematic exploration techniques can lead to the discovery of a significant gold mineral resource in the short to medium term (2 to 5 years) on its mineral exploration properties in Liberia. The Group will seek to achieve these aims through managing its operations safely and sustainably, with a view to ensuring that, subject to successfully discovering commercially viable and extractable gold deposits, the Group will be in an optimal position to create value and generate returns for Shareholders and significant benefits for all stakeholders including local communities.

There are a number of risks associated with newly listed entities at the early exploration stage in the natural resources sector, especially in West Africa. The Board regularly reviews the risks to which the Group is exposed and endeavours to mitigate them as far as possible.

The following summary, which is not exhaustive, outlines some of the risks and uncertainties the Group may be exposed to:

Political conditions, government regulations, macroeconomic volatility and regulatory risks

The Company's earnings growth may be constrained by delays or shutdowns as a result of political, commercial or legal instability in Liberia. The ability of the Company to generate long-term value for

shareholders could be impacted by these risks.

Changes may occur in local political, fiscal and legal systems, which might adversely affect the ownership or operation of the Group's interests including, inter alia, changes in exchange rates, currency, exchange control regulations changes in government and in legislative, fiscal and regulatory regimes. The Group's strategy has been formulated in light of the regulatory environment as at the latest practicable date prior to the publication of this Document and what are deemed to be probable future changes (though due regard should be given to the uncertainty in making predictions involving political governance risks).

Regional instability due to corruption, bribery and generally underdeveloped corporate governance policies have the potential to impact the Group's profitability in Liberia and, as a result, the Company's share value. These risks could have a materially adverse effect on the profitability, the ability to finance or, in extreme cases, the viability of the Group.

Within Liberia, a number of economic and political factors have contributed to a lack of infrastructure investment. As such, the country lacks well-developed infrastructure connections, which could impact the profitability of the Group.

Economic problems in Liberia, including high rates of unemployment, may lead to a reduction in local, skilled workforce such that geologists, mining engineers and other technically qualified and skilled individuals have gone abroad for work. International investors have moved away from deploying capital to Liberia, leading to significant underinvestment within its exploration and mining sector. These factors may create operational challenges to the Group.

The licences owned are subject to various laws and regulations relating to the protection of the environment and the Group is also required to comply with applicable health and safety and other regulatory standards. Environmental legislation in particular can comprise numerous regulations which might conflict with one another, and which cannot be consistently interpreted. Such regulations typically cover a wide variety of matters including, without limitation, prevention of waste pollution and protection of the environment, labour regulations and worker safety. The Group may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. As a result, although all necessary environmental consents are in place to enable the extraction of battery metals to take place, and the Group intends to operate in accordance with high standards of environmental practice and comply in all material respects, full compliance with applicable environmental laws and regulations may not always be ensured.

Any failure to comply with relevant environmental, health and safety and other regulatory standards may subject the Group to extensive liability, fines and/or penalties and have an adverse effect on the business and operations, financial results or financial position of the Group. Furthermore, the future introduction or enactment of new laws, guidelines and regulations could serve to limit or curtail the growth and development of the Group's business or have an otherwise negative impact on its operations. Any changes to, and increases in, current regulation or legal requirements, with the enforcement thereof, may have a material adverse effect upon the Group in terms of additional compliance costs.

No operating history

The Group is a newly formed entity with less than one year of operating history. However, the Board and Management of the Group have considerable exploration, development and mining experience in the West Africa region, in particular in Liberia, Sierra Leone and Guinea. This experience has helped lead the Group to making a significant new gold discovery in the Nimba exploration licence, within 9 months of the Company's IPO.

Exploration and development risks

Following the Group's early exploration success in the Nimba licence, there still remains a high degree of risk as mineral exploration and development can be highly speculative and as of yet no mineral resource has been defined. The economics of developing mineral properties are also affected by many factors including the cost of operations, variations of the grade of ore mined, fluctuations in the price of the minerals being mined, fluctuations in exchange rates, costs of development, infrastructure and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

In addition, the grade of mineralisation ultimately mined may differ from that indicated by drilling results and such differences could be material. As a result of these uncertainties, there can be no guarantee that mineral exploration and development of any of the Group's investments will result in profitable commercial operations.

Liquidity risk

Whilst the directors are confident that the Group will be able to raise additional funds as and when required and will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the consolidated financial statements there can be no assurance that such funds as may be required will be raised.

Industry-specific risks

The natural resources sector is inherently tied to the performance of the global economy and fluctuations in the price of global commodities. As a result, segments of the natural resources sectors (or even the sector as a whole) could be affected by changes in general economic activity levels and other changes which are beyond the Group's control. The revenues and earnings from developing its assets will rely on commodity prices, and the Group will be unable to control the prices for commodities which may adversely affect the Group's business, results of operations, financial condition or prospects.

Key performance indicators

Appropriate key performance indicators will be identified in due course as the business strategy is implemented.

Gender analysis

A split of directors by gender during the year is shown below:

Male	Female
6	Nil

Directors and employees

The Group currently has only male directors and is committed to promoting gender equality based on relevant skills and experience as it progresses through its life cycle. The Group currently has only male directors but is committed to promoting gender equality based on relevant skills and experience as it progresses through its life cycle. At the current stage of exploration the Group sourced individuals with experience not only in the sector but also in the wider West African and African settings. The Board, however, is diversified from an ethnicity perspective, originally having three (now two) directors of African heritage which is appropriate given the Company is a Liberian majority owned, and Liberian focussed, entity.

Environment, Social and Corporate Governance (ESG)

As a new Group focused on early-stage exploration, we aim to conduct our business with honesty, integrity and openness, respecting human rights and the interests of our shareholders, employees and local community stakeholders. We aim to provide timely, regular and reliable information on the business to all our shareholders and conduct our operations to the highest standards.

Environment

The Group has in place all necessary environmental permissions for the Nimba and Gozohn licences which have been the focus of exploration activity during the year. These permits are issued by the Environmental Protection Agency (EPA) of Liberia according to the prevailing laws of the country.

Social

The Group has conducted exploration work in the Gozohn and Nimba licences during 2022. The Group adheres to the social requirements within the country of working with local communities at all times, engaging with them so they are aware of our activities and where possible recruiting labour from nearby communities.

The Mineral Law of Liberia requires that 2% of exploration expenditure be invested in education or health facilities in the exploration licences where the work is conducted. The Group recently completed the handover of this 2% for the Nimba licence (over \$6,000) to the local communities and has plans to complete the handover of funds to the Gozohn community during 2023.

Corporate Governance

Being a public Group listed on the LSE Standard Exchange, the Group adheres to all required Governance rules and has in place the necessary structure of Board committees to oversee the business of the Group to ensure adherence to best practice procedures.

Health and Safety

We strive to create a safe and healthy working environment for the wellbeing of our staff and create a trusting and respectful environment, where all members of staff are encouraged to feel responsible for the reputation and performance of the Group. We aim to establish a diverse and dynamic workforce with team players who have the experience and knowledge of the business operations and markets in which we operate. Through maintaining good communications, members of staff are encouraged to realize the objectives of the Group and their own potential.



Amara Kamara
Executive Chairman
27 April 2023

Directors and key personnel

The Directors and other key management personnel are as follows. At the end of the reporting period the Board has six directors, comprised of two executives and four non-executives. Subsequently to the year-end Mr WS McCarthy resigned as a non-executive director.

Amara Kamara, Age 50 – Executive Chairman

Mr. Kamara is a business entrepreneur in Liberia. He is founder and CEO of both Hamak Mining Group, which holds a number of gold and diamond Mineral Exploration Licenses (MFLs) in Liberia, and Hamak Gems Group, which is a diamond buying and export Group, also based in Liberia. He holds a Diploma in IT and has been a certified rough diamond expert for over 15 years. Mr. Kamara is the President of the Liberia Chamber of Mines.

Nicholas Karl Smithson, Age 56 – Executive Director

With over 30 years' experience in the resources sector in Africa, Mr. Smithson has held senior management positions at De Beers, SouthernEra Resources, Mano River Resources, Stellar Diamonds and Newfield Resources. He was formerly CEO of Stellar Diamonds and drove the acquisition in 2018 of Stellar by ASX listed Newfield Resources. He is currently executive director of Newfield Resources and CEO of subsidiary Group Sierra Diamonds and is leading the construction and development of the underground Tongo Diamond Mine in Sierra Leone. Throughout Karl's career, he has established strong government and local stakeholder relationships in numerous African countries and has successfully secured several joint venture agreements with both major and junior resource companies.

Karl holds a Bachelor of Science in Geology (Honours) from Kingston University, London, and a Master of Business Administration from the University of Cape Town and is a Fellow of the Institute of Materials, Minerals and Mining.

Samuel Julius Baiden, Age 39 – Non-Executive Director

Mr. Baiden is currently finance manager for FG Gold Limited and has held this position since 2022. Prior to this he was group finance manager for Newfield Resources Limited commencing in 2015. He was also a management accountant with Endeavour Mining Corporation in Ghana from March 2010. He has 12 years financial accounting experience on both exploration projects and established mines, reporting to chief executive officers and boards. Samuel holds a B.com in Accounting (Honours) from University of Cape Coast, Ghana, a master's in business administration from Cardiff Metropolitan University and is a member of the Chartered Institute of Management Accountants (United Kingdom) and Institute of Chartered Accountants (Ghana).

Kenneth Niall Young, Age 62 – Non-Executive Director

Mr. Young is a mining executive with over 35 years in exploration, evaluation, R&D and mining. He spent 25 years with the Anglo American, Minorco and De Beers Group of companies in a range of commodities. He has worked on projects in Southern Africa, Canada, Russia, Eastern Europe, the Middle East and India. During this time, he held several senior management posts and in 2006 he took up the role of Global Head of Mineral Resource Management for the De Beers Group of companies. Niall is a former non-executive director of Firestone Diamonds plc, a former London AIM listed diamond mining Group. He is a founding director of Windmill Hill Capital Partners Limited, an Afrocentric corporate and financial advisory group and a former director of GemRock Company Limited, a private, coloured gemstone explorer and miner. Niall holds a B.Sc. (Hons) degree in Mining Exploitation from University College Cardiff and is a Fellow of the Geological Society of London.

Walter Seward McCarthy, Age 51 – Non-Executive Director (resigned 30 January 2023)

Mr. McCarthy is a Mining Engineer with over 20 years of experience in the Energy and Natural Resource sectors. He has facilitated the development of several projects in the fields of Mineral Exploration, Environmental Impact Assessment, Geotechnical Investigation, Resource Appraisal, Mine Development and served as competent technical resource adviser other projects. Walter was Liberia country manager for Hummingbird Resources which discovered the multi-million-ounce Dugbe gold deposit. Walter has held number of roles in Liberia's government where he has gained extensive experience, most prominently as Assistant Minister for Mines, Ministry of Lands, Mines and Energy, Liberia and Deputy Minister for Administration at the Ministry of Lands, Mines and Energy, Liberia. He is a Master of Business Administration (Economics) from Cuttington University Graduate School, Bong County, Liberia and holds a Diploma (Data processing) from Vision Computer College Nigeria, and a B.Eng. (Honours) in Mining Engineering from the Federal University of Technology Akure, Ondo State, Nigeria.

Martin Lampshire, Age 62 – Non-Executive Director (appointed 19 April 2022)

Mr. Lampshire has over 30 years' experience in Corporate Broking, assisting in a variety of equity raises including IPOs, secondary fundraisings, vendor, and private placings across a variety of sectors. He has worked in various overseas financial centres including Hong Kong, Singapore, Kuala Lumpur and Dubai. Mr Lampshire is currently a Non-Executive Director of Boston International Holdings Plc, a Non-Executive Director of ValiRx Plc and an Executive Director of GRIT Investment Trust Plc. On 21 December 2020 GRIT Investment Trust Plc announced a Creditors Voluntary Arrangement at a meeting of creditors and approved at the Group's General Meeting. Mr Lampshire was previously a Non-Executive Director of Bould Opportunities Plc, resigning after the Group's admission to the Main Market of the London Stock Exchange on 14 May 2021 and change of name to Cizzle Biotechnology Holdings Plc.

Rowan Carr, Age 61 - Chief Operations Officer (appointed 19 April 2022)

Mr. Carr is a mineral exploration geologist with 35 years in exploration, evaluation and mining. He spent 21 years with De Beers Group of companies prior to joining Stellar Diamonds in 2007 and more recently Newfield Resources. He has worked in 8 African countries and for the last 15 years has been based in West Africa with a particular focus on the Archaean and Birimian geology of Guinea, Sierra Leona and Liberia. Rowan started his career in gold exploration in Northern Ireland in 1983 with the then Ennex International on its Curraghinalt Project near Omagh (which ultimately proved a 5-million-ounce gold resource). Relocating to Southern Africa in 1986, Rowan continued with exploration holding increasingly senior management positions, exploring in eight African countries across the continent including tough jurisdictions such as Angola, DRC and the Central African Republic. Rowan holds a B.Sc (Hons) degree and a M.Sc in Mineral Exploration from the Royal School Mines, Imperial Collage, London and is a Fellow of the Geological Society of London as well as a Chartered Geologist from the same institution.

Directors Report

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

Principal activities

The principal activity of the Group is that of gold exploration and development through its subsidiary company in Liberia which if successful may lead to commercial gold production.

As stated in the strategic report above, in pursuing its principal activities, the Group successfully completed its Standard listing of the Company on the LSE on 1 March 2022.

Results

The Group recorded a loss for the period ended 31 December 2022 before taxation of \$3.73m.

Directors

The following directors have held office during the period and to the date of approval of these financial statements:

Amara Kamara	(appointed 6 May 2021)
Nicholas Karl Smithson	(appointed 6 May 2021)
Samuel Julius Baiden	(appointed 15 February 2022)
Kenneth Niall Young	(appointed 15 February 2022)
Walter McCarthy	(appointed 15 February 2022, resigned 30 January 2023)
Martin Lampshire	(appointed 19 April 2022)

Details of the Directors' holding of Ordinary Shares and Warrants are set out in the Director's Remuneration Report from page 34.

Financial Risk & Management

The overall objective of the Board is to set policies that seek to reduce risk as far as practical without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies can be referenced in Note 14.

Share Capital

Details of the Group's issued share capital, together with details of the movements since incorporation, are shown in Note 12. The Group has one class of Ordinary Share, and all shares have equal voting rights and rank *pari passu* for the distribution of dividends and repayment of capital.

There are no known arrangements under which the financial rights are held by a person other than the holder and no known agreements or restrictions on share transfers and voting rights. As far as the Group is aware there are no persons with significant direct or indirect holdings other than the Directors and other significant shareholders as shown on pages 24, 25 and 35.

Substantial Shareholdings

At 27 April 2023, the Group had been informed of the following substantial interests over 3% of the issued share capital of the Group:

	No of shares	%
Amara Kamara	24,744,833	54.11%
Nicholas Karl Smithson *	4,151,864	9.08%

Peterhouse Capital Ltd	3,189,904	6.98%
2Invest AG	2,342,857	5.12%
Flare Capital Ltd	2,322,143	5.08%
Rowan Carr	1,729,056	3.78%

* including spouse holding 753,378 ordinary shares

Corporate Governance Statement

As a Company admitted to the Standard Segment of the Official List, the Group is not required to comply with the provisions of the UK Corporate Governance Code. Nevertheless, the Directors are committed to ensuring that appropriate standards of corporate governance are maintained, so far as is appropriate given the Group's current stage of development, the size and composition of the Main Board and available resources. The Board will aim to comply with the QCA Guidelines on Corporate Governance ("QCA Guidelines").

The Group complies with the QCA guidelines in all areas apart from a slight deviation relating to Principle 7 (evaluate board performance based on clear objectives). Given the size and nature of the Group, the Board does not consider it appropriate to have a formal performance evaluation procedure in place for non-executive directors. The Board will closely monitor the need for formal performance evaluation, in light of Principle 7 of the QCA Code, as the Group develops.

The Board holds regular scheduled and other timely board meetings as needs arise which require the attention of the Directors. Since the Company's IPO, the Board has been responsible for the management of the business of the Group, setting the strategic direction of the Group and establishing the policies of the Group. It is the Board's responsibility to oversee the financial position of the Group and monitor the business and affairs of the Group, on behalf of the Shareholders to whom they are accountable.

The primary duty of the Board is to act in the best interests of the Group at all times. The Board will also address issues relating to internal control and the enlarged Group's approach to risk management and has formally adopted an anti-corruption and bribery policy.

The Board of Directors is accountable to the Group's shareholders for ensuring good corporate governance and the Directors have agreed to report against the Quoted Companies Alliance ("QCA") Corporate Governance Code.

QCA Code Recommendation	Application by the Group
<p>Principle 1</p> <p>Establish a strategy and business model which promote long-term value for shareholders</p> <ul style="list-style-type: none"> • The board must be able to express a shared view of the Group's purpose, business model and strategy. • It should go beyond the simple description of products and corporate structures and set out how the Group intends to deliver shareholder value in the medium to long-term. <p>It should demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the Group from unnecessary risk and securing its long-term future.</p>	<p>The Group has provided regular updates to shareholders regarding the exploration on its licences areas as well as in respect of potential new licences which it believes will create shareholder value and includes content on its website and interacts with the Group's ambassadors.</p> <p>Initially the Group aims to deliver shareholder value by conducting mineral exploration on its prime licence areas. The Directors believe further value can be created by seeking additional prospective licences and entering into joint venture and farm-in agreements with strategic partners.</p> <p>The Board of Directors meets regularly to discuss strategy and its monitoring and is focused on measuring the Group's activities to ensure that they promote long term value and that these activities are aligned with the plan as communicated to shareholders.</p>
<p>Principle 2</p> <p>Seek to understand and meet shareholder needs and expectations</p> <ul style="list-style-type: none"> • Directors must develop a good understanding of the needs and expectations of all elements of the Group's shareholder base. • The board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions. 	<p>The Group understands the importance of communication with its shareholders which it does through its annual report and accounts, interim accounts, and regulatory announcements.</p> <p>The Group maintains a dedicated email address which investors can use to contact the Group which is prominently displayed on its website together with the Group's address.</p> <p>As the Group is too small to have a dedicated investor relations department, the Group retains a PR firm along with its broker who both advise the Group in its review of all communications received from shareholders and determine the most appropriate response following a discussion with the wider Board where appropriate.</p> <p>In addition to these passive measures, the Group and its broker engage with shareholders through periodic roadshows where feedback provided to management is shared with the wider Board.</p>

<p>Principle 3</p> <p>Take into account wider stakeholder and social responsibilities and their implications for long-term success</p> <ul style="list-style-type: none"> • Long-term success relies upon good relations with a range of different stakeholder groups both internal (workforce) and external (suppliers, customers, regulators and others). The board needs to identify the Group's stakeholders and understand their needs, interests and expectations. • Where matters that relate to the Group's impact on society, the communities within which it operates or the environment have the potential to affect the Group's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the Group's strategy and business model. • Feedback is an essential part of all control mechanisms. Systems need to be in place to solicit, consider and act on feedback from all stakeholder groups. 	<p>The Group regards its teams and employees; advisors; shareholders and local relevant parties in Liberia to be its wider stakeholder group.</p> <p>The Group works to ensure that it:</p> <ul style="list-style-type: none"> • is fully compliant with all regulatory requirements; • is fully compliant with local authorities with regards work programmes across its licenses; • takes into account its wider stakeholders' needs including environmental concerns; • maintains a good reputation as an operator of its assets; and • takes into account its social responsibilities and their implications for long-term success. <p>The Chairman maintains a close relationship with the Group's local stakeholders in Liberia and the Group takes account of feedback from interested parties.</p> <p>The Broker has organised shareholder update meetings and investor meetings and will continue to do so with feedback provided to management to be shared with the wider Board.</p>
<p>Principle 4</p> <p>Embed effective risk management, considering both opportunities and threats, throughout the organisation</p> <p>The board needs to ensure that the Group's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business, including the Group's supply chain, from key suppliers to end-customer.</p> <p>Setting strategy includes determining the extent of exposure to the identified risks that the Group is able to bear and willing to take (risk tolerance and risk appetite).</p>	<p>The Board has taken into account the QCA Code and associated guidance in formulating the systems and procedures which it has put in place. Each year the Board reviews all controls, including financial, operational and compliance controls and risk management procedures.</p> <p>The Group maintains a register of risks and for each risk estimates the impact, likelihood as well as identify mitigating strategies. This register is reviewed periodically as the Group's situation changes and as a minimum annually. During such reviews, each risk category is considered by the Directors with a view to understanding (i) whether the nature, impact or likelihood of any risks has changed, (ii) whether the mitigating actions taken by the Group should change as a result and (iii) whether any new risks or categories of risk have arisen since the last review. The Group's risk register will be provided to its auditor as part of its annual audit process.</p>

<p>Principle 5</p> <p>Maintain the board as a well-functioning, balanced team led by the chair</p> <ul style="list-style-type: none"> • The board members have a collective responsibility and legal obligation to promote the interests of the Group and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the board. • The board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring a decision or insight. • The board should have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors. Independence is a board judgement. • The board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively. <p>Directors must commit the time necessary to fulfil their roles.</p>	<p>The Group notes that best practice under the QCA Code is to have an appropriate balance between executive and non-executive directors and should have at least two independent non-executive directors.</p> <p>The Board of the Group currently comprises two executive directors, and three independent non-executive directors. The Board meets at least 4 times a year and a record will be kept of each Board member's attendance of board meetings.</p> <p>In terms of the executive directors, they will commit such significant of their time to the Group as may be required, and they are assisted by committees formed by the Board. They are required to spend such of his time as is necessary to fulfil his duties to the Group.</p> <p>Non-executive contracts require that they be able to allocate sufficient time to meet the expectations of their role. This is anticipated to be approximately two days per month. The time commitments will be monitored on an ongoing basis and if more is needed time wise from then this will be addressed.</p>
<p>Principle 6</p> <p>Ensure that between them the directors have the necessary up-to-date experience, skills and capabilities</p> <ul style="list-style-type: none"> • The board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The board should understand and challenge its own diversity, including gender balance, as part of its composition. • The board should not be dominated by one person or a group of people. Strong personal bonds can be important but can also divide a board. <p>As companies evolve, the mix of skills and experience required on the board will change, and board composition will need to evolve to reflect this change.</p>	<p>Biographies and expertise of the Directors are available on both the Group's website (in the Board of Directors section) and the Annual Report.</p> <p>In matters related to Group law, the Group depends upon the legal expertise of its legal advisers.</p> <p>Where there are issues that exceed the expertise of the Directors, the Group utilises external advisors.</p> <p>The Group has as at date not sought external advice on keeping directors' skills up to date but believes that their blend of past and ongoing experience provides them with the relevant up to date skills needed to act as Board members for a small Group. The Board will keep a watch on its collective skills base and annually assess what gaps there may be in skills needed to continue to drive shareholder value.</p>

<p>Principle 7</p> <p>Evaluate board performance based on clear and relevant objectives, seeking continuous improvement</p> <ul style="list-style-type: none"> • The board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors. • The board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team. • It is healthy for membership of the board to be periodically refreshed. Succession planning is a vital task for boards. No member of the board should become indispensable. 	<p>Evaluation of the performance of the Group's Board will be done initially internally in an informal manner. The Group is considering how and when it would be appropriate to evaluate Directors' performance in a more formal manner and will make a further announcement on this when appropriate.</p> <p>On an ongoing basis, Board members will opportunistically monitor the market for candidates who may be suitable additions to or backup for current Board members.</p>
<p>Principle 8</p> <p>Promote a corporate culture that is based on ethical values and behaviours</p> <ul style="list-style-type: none"> • The board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage. • The policy set by the board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the Group. • The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the Group. <p>The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statements issued by the Group.</p>	<p>The Board works towards ensuring that strong values are set and carried out by the Directors across the business. The Board ensures that sound ethical practices and behaviours are deployed at Group Board meetings and are promoted throughout the Group as part of its culture as it is seen as essential to maximise shareholder value and it has relevant policies in place. Adherence to these values is a key factor in the evaluation of performance within the Group, including during annual performance reviews. In addition, staff and team matters are a standing topic at every board meeting and the Executive Director reports on any notable examples of behaviours that either align with or are at odds with the Group's stated values.</p>
<p>Principle 9</p> <p>Maintain governance structures and processes that are fit for purpose and</p>	<p>The Board of Directors of the Group meets at least four times per year, or more often if</p>

<p>support good decision-making by the board</p> <ul style="list-style-type: none"> • The Group should maintain governance structures and processes in line with its corporate culture and appropriate to its: <ul style="list-style-type: none"> ○ size and complexity; and ○ capacity, appetite and tolerance for risk. <p>The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the Group.</p>	<p>required. The matters reserved for the attention of the Board include inter alia:</p> <ul style="list-style-type: none"> • The preparation and approval of the financial statements and interim reports, together with the approval of dividends, significant changes in accounting policies and other accounting issues; • Board membership and powers, including the appointment and removal of board members, and determining the terms of reference of the Board and establishing and maintaining the Group's overall control framework; • Approval of major communications with shareholders; • Senior management and board appointments and remuneration, contracts, approval of bonus plans, and grant of Performance Shares; • Financial matters including the approval of the budget and financial plans, and changes to the Group's capital structure, and business strategy; and • Other matters including regulatory and legal compliance. <p>The Board is supported by the Audit Committee, and the Remuneration Committee.</p> <p>The Audit Committee meets at least twice a year. The committee is responsible for the functions recommended by the QCA Code including the following:</p> <ul style="list-style-type: none"> • Review of the annual financial statements and interim reports prior to approval, focusing on changes in accounting policies and practices, major judgemental areas, significant audit adjustments, going concern and compliance with accounting standards and legal requirements; • Receive and consider reports on internal financial controls, including reports from the auditors and report their findings to the Board; <p>Consider the appointment of the auditors and their remuneration including the review and monitoring of independence and objectivity;</p> • Meet with the auditors to discuss the scope of their audit, issues arising from their work and any matters the auditors may wish to raise; • Monitor the amount of non-audit services provided by the auditor in order to satisfy itself that this will not compromise their independence; and • Review the Group's corporate review procedures and any statement on internal control prior to endorsement by
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	<p>the Board.</p> <ul style="list-style-type: none"> The Audit Committee currently comprises K Niall Young, Julius Baiden and Martin Lampshire <p>The Remuneration Committee has been established primarily to determine the remuneration, terms, and conditions of employment of the executive directors of the Group. Any remuneration issues concerning non-executive directors are resolved by this Committee and no director participates in decisions that concern his own remuneration.</p> <ul style="list-style-type: none"> The Group will give regular consideration as to how best to evolve its governance framework as it grows, such as, for example, increase in the size of the Board and external review of Board members performance. The Remuneration committee will act as the Nominations committee in discussing matters such as director succession planning.
<p>Principle 10</p> <p>Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders</p> <ul style="list-style-type: none"> A healthy dialogue should exist between the board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the Group. In particular, appropriate communication and reporting structures should exist between the board and all constituent parts of its shareholder base. This will assist: <ul style="list-style-type: none"> o the communication of shareholders' views to the board; and o the shareholders' understanding of the unique circumstances and constraints faced by the Group. It should be clear where these communication practices are described (annual report or website). 	<p>The Group communicates with shareholders through the annual report and accounts, regulatory announcements, and the annual general meeting. A range of corporate information (including all Group announcements and presentations) is also available on the Group's website.</p> <p>In addition, the Group will seek to maintain dialogue with shareholders through the organisation of periodic roadshows with the Executive Director and other members of the senior management team.</p> <p>The Broker will organise shareholder update meetings and investor meetings and feedback provided to management to be shared with the wider Board.</p>

Board of Directors

For the period from Admission to 31 December 2022 the Board consisted of an Executive Chairman, an Executive Director and four non-executive Directors. The Directors met regularly throughout the year to discuss key issues and to monitor the overall performance of the Group.

The Board has established an Audit Committee, a Remuneration Committee, a Nomination Committee and a Disclosure Committee effective from Admission, with such committees having formally delegated duties and responsibilities.

There are no known arrangements under which the financial rights are held by a person other than the holder and no known agreements or restrictions on share transfers and voting rights. As far as the Group is aware there are no persons with significant direct or indirect holdings other than the Directors and other significant shareholders as shown on pages 24, 25 and 35.

Audit Committee

The Audit Committee is responsible for making recommendations to the Board on the appointment of auditors and the auditor's fee, for ensuring that the financial performance of the Group is properly monitored and reported, and for meeting with the auditors. In addition, the Audit Committee receives and reviews reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of the Group and will be responsible for the Group's internal controls and risk management systems, whistleblowing and employee fraud, internal and external audits.

The Audit Committee must comprise of at least two members. Members of the Audit Committee will be appointed by the Board.

The Audit Committee comprises of Kenneth Niall Young (as chair), Samuel Julius Baiden and Martin Lampshire and will meet at least twice a year at appropriate intervals in the financial reporting and audit cycle and otherwise as required.

Remuneration Committee

From Admission the Group has implemented a Remuneration Committee comprising Kenneth Niall Young (as chair), Walter Seward McCarthy (until his resignation at 30 January 2023), Martin Lampshire and Samuel Julius Baiden, and meets at least once a year, being responsible for both the review and recommendation of the scale and structure of remuneration for senior management. In reviewing the remuneration policy of the Group, this includes any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Group.

The members of the committee shall serve for an initial term of three years from Admission, which will be extendable for a maximum of two terms no longer than 3 years.

Director's attendance during the period from Admission on 1 March 2022 was as follows:

	Board	Audit Committee	Remuneration Committee
Number of formal meetings held	4	2	3
Amara Kamara	4	2*	3*
Karl Smithson	4	2*	3*
K Niall Young	4	2	3
Walter McCarthy	4	1	2
Julius Baiden	4	2	3
Martin Lampshire	3	2	3

*by invitation

Nominations Committee

The Nomination Committee will lead the process for board appointments and make recommendations to the Board. The Nomination Committee shall evaluate the balance of skills, experience, independence and knowledge on the board and, in the light of this evaluation, prepare a description of the role and capabilities required for a particular appointment. The Nomination Committee must have at least two members. Members of the Nomination Committee are appointed by the Board. The Nomination Committee comprises of Martin Lampshire (as chair), Kenneth Niall Young and Samuel Julius Baiden, and will meet as and when necessary. No meetings were held in the year.

Disclosure Committee

The Disclosure Committee will be responsible for ensuring timely and accurate disclosure of all information that is required to be so disclosed to the market to meet the legal and regulatory obligations and requirements arising from the Standard Listing and Admission including the Listing Rules, the Disclosure Guidance and Transparency Rules and UK Market Abuse Regulations. The Disclosure Committee must have at least two members. Members of the Disclosure Committee are appointed by the Board. The Disclosure Committee comprises of Karl Smithson (as chair), and Amara Kamara. The Disclosure Committee will meet as often as necessary to fulfil its responsibilities.

External Auditor

PKF Littlejohn LLP was appointed auditors to the Group and have expressed their willingness to remain in office. The Audit Committee will meet with the auditor at least twice a year to consider the results, internal procedures and controls and matters raised by the auditor. The Board considers auditor independence and objectivity and the effectiveness of the audit process. It also considers the nature and extent of the non-audit services supplied by the auditor reviewing the ratio of audit to non-audit fees and ensures that an appropriate relationship is maintained between the Group and its external auditor.

As part of the decision to recommend the appointment of the external auditor, the Board considers the tenure of the auditor in addition to the results of its review of the effectiveness of the external auditor and considers whether there should be a full tender process. There are no contractual obligations restricting the Board's choice of external auditor. The Group has a policy of controlling the provision of non-audit services by the external auditor in order that their objectivity and independence are safeguarded.

Internal financial control

Financial controls have been established as to provide safeguards against unauthorised use or disposition of the assets, to maintain proper accounting records and to provide reliable financial information for internal use.

Key financial controls include:

- a schedule of matters reserved for the approval of the Board excluding the major shareholder;
- evaluation, approval procedures and risk assessment for acquisitions; and
- close involvement of the Directors in the day-to-day operational matters of the Group.

Shareholder Communications

The Group uses a regulatory news service and its corporate website (www.hamakgold.com) to ensure that the latest announcements, press releases and published financial information are available to all shareholders and other interested parties.

The Annual General Meeting is used to communicate with both institutional shareholders and private investors and all shareholders are encouraged to participate. Separate resolutions are proposed on each issue so that they can be given proper consideration and there is a resolution to approve the Annual Report and Financial Statements. The Group counts all proxy votes and will indicate the level of proxies lodged on each resolution after it has been dealt with by a show of hands.

Directors' Remuneration

Report Remuneration

Policies

At Admission, 100,000 ordinary shares in lieu of compensation were paid to each of the three non-executive directors appointed on 15 February 2022 and each Director receives ordinary shares in the Company in lieu of Director Fees for the first 18 months after Admission.

Since Admission, a Remuneration Committee has been appointed to assess an appropriate level of Directors' remuneration and it is envisaged that the remuneration policy will assist to attract, retain and motivate Executive Directors and senior management of a high calibre with a view to encouraging commitment to the development of the Group and for long term enhancement of shareholder value. The Board believes that share ownership by Directors strengthens the link between their personal interests and those of shareholders although there is no formal shareholding policy in place.

The current Directors' remuneration comprises only fee shares and a performance share rights programme; at present, there is no bonus plan.

Service contracts (unaudited)

The Executive Directors entered into Service Agreements with the Group and continue to be employed until terminated by the Group. In the event of termination or loss of office the Director is entitled only to payment of his basic salary in respect of his notice period. In the event of termination or loss of office in the case of a material breach of contract the Director is not entitled to any further payment.

Each Director is remunerated by the award of ordinary shares in Hamak Gold Limited, in lieu of cash fees, to be issued quarterly in arrears, with the following shares issued and to be issued over 18 months in equal quarterly instalments:

	For 18 months		Issued to date	
	Number of shares	£	Number of shares	£
Amara Kamara	870,000	87,000	580,000	58,000
Nicholas Karl Smithson	750,000	75,000	500,000	50,000
Samuel Julius Baiden	300,000	30,000	200,000	20,000
Kenneth Niall Young	300,000	30,000	200,000	20,000
Walter McCarthy*	300,000	30,000	150,000	15,000
Martin Lampshire	272,833	27,283	181,889	18,189
Total	2,792,833	279,283	1,811,889	181,189

*resigned 30 January 2023

Approval by members

The remuneration policy above will be put before the members for approval at the next Annual General Meeting.

Political Donations

The Group did not make any donations to political parties in the period.

Directors' interests in shares (unaudited)

The Group has no Director shareholder requirements.

The beneficial interests of the Directors in the Ordinary Share Capital of the Group at 27 April 2023 were:

Directors	No of shares	%
Amara Kamara	24,744,833	54.11%
Nicholas Karl Smithson *	4,151,864	9.08%
Samuel Julius Baiden	561,817	1.23%
Kenneth Niall Young	411,817	0.90%
Martin Lampshire	1,286,704	2.81%

* including spouse holding 753,378 ordinary shares

Performance Shares (unaudited)

The Group has an unapproved Performance Rights Plan whereby the Remuneration Committee will consider and propose the award of shares subject to achieving certain milestones. The following Performance shares were issued to directors in the period, with vesting conditions as set out below:

Director	No. of Performance Shares Granted	Vested 28 February 2023
Karl Smithson	511,163	255,582
Julius Baiden	223,634	111,817
Niall Young	223,634	111,817
Martin Lampshire	223,634	111,817

In total, 953,107 Performance Shares vested and have been exercised including those in the above table.

Walter McCarthy, who resigned on 30 January 2023, was granted 223,634 Performance Shares but declined them.

The first Performance Rights to be issued post Admission are proposed to vest as follows:

(a) 50 per cent. (50%) of the Shares shall vest on the Group's first drill intersection showing significant gold mineralization (as determined by the senior technical consultant appointed to the Board from time to time); and

(b) the remaining 50 per cent. (50%) of the Shares shall vest on the first date on which the price of the Shares is double that of the price at which Shares are issued in the placing of Shares with certain institutional and retail investors at the time of the Group's IPO.

On 28 February 2023, the Company notified holders of performance shares that the first milestone (a) above had been achieved and that 50% of the performance shares had vested.

Vesting Shares

During the period, the following Directors were awarded a total of 17,940,000 “Vesting” shares on the achievement of certain milestones upon Secondary Admission:

	Granted during the period	On Secondary Admission
Amara Kamara	nil	16,350,000
Nicholas Karl Smithson	nil	1,590,000
	nil	17,940,000

Project milestones

	Amara Kamara	Nicholas Karl Smithson
	Number of Vesting Shares granted	Number of Vesting Shares granted
Collection and assay results of at least 2,000 samples from the Gozohn MEL:	5,450,000	530,000
Collection and assay results of at least 2,000 samples from the Nimba MEL:	5,450,000	530,000
Positive results from trenching of either the Nimba and Gozohn MELs positive geochem targets, which create identifiable drill targets:	5,450,000	530,000

Interests of Employees

The Group’s Corporate Governance Statement at pages 25 to 31 of this Annual Report sets out (under board responsibilities) the processes in place to safeguard the interests of employees.

Foster business relationships with suppliers, joint venture partners and others

Potential suppliers and joint venture partners are considered in the light of their suitability to comply with the Group’s policies.

Impact of operations on the community and environment

The Group has no current operations that impact upon the community or environment. The Group always ensures that it reviews its Health, Safety & Environment (‘HSE’) and other policies at regular intervals and strives to ensure that its ESG principals are always adhered to and are monitored on an on-going basis.

Maintain a reputation for high standards of business conduct

The Corporate Governance section of this Annual Report at pages 25 to 31 sets out the Board and

Committee structures and extensive Board and Committee meetings held during the year, together with the experience of executive management and the Board and the Group's policies and procedures.

Act fairly as between members of the Group

The Board takes feedback from a wide range of shareholders (large and small) and endeavours at every opportunity to pro-actively engage with all shareholders (via regular news reporting RNS) and engage with any specific shareholders in response to particular queries they may have from time to time. The Board considers that its key decisions during the year have impacted equally on all members of the Group.

Statement of directors' responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable laws and regulations.

The Directors have chosen to prepare the Group financial statements in conformity with UK-adopted international accounting standards and as applied in accordance with the provisions of the applicable law. Under applicable laws and regulations, 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 profit and loss of the Group for that period.

In preparing the financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgements and accounting estimates that are reasonable and prudent
- Ensure statements are in conformity with UK-adopted international accounting standards; and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group financial statements comply with UK-adopted international accounting standards and applicable laws and regulations. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Financial Statements are published on the Group's website www.hamakgold.com. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Auditor Information

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's Auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Group's Auditor is aware of that information

Post Balance Sheet Events

On 24 January 2023 the Company raised £295,750 before costs from the placement of 3,380,000 new ordinary shares at £0.0875 per share and issued 781,259 new ordinary shares at £0.010 per share in settlement of work performed under a drilling contract.

On 30 January 2023 Mr. Walter McCarthy resigned from the board.

There are no other significant events of the Group subsequent to year end.

Directors' Indemnity Provisions

The Group has implemented Directors and Officers Liability Indemnity insurance.

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Further details are given in Note 2.2 to the Financial Statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

On behalf of the board

A handwritten signature in blue ink, appearing to read 'N. Smithson', with a small blue dot above the 'i'.

Nicholas Karl Smithson
Executive Director

27 April 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HAMAK GOLD LIMITED

Opinion

We have audited the group financial statements of Hamak Gold Limited (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion, the group financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2022 and of its loss for the year then ended; and
- have been properly prepared in accordance with UK-adopted international accounting standards.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements, which indicates that the group is not currently generating revenue and therefore an operating loss of \$3,731,000 and operating cash outflows of \$567,000 have been reported for the year ended 31 December 2022. The group is reliant on securing further financing to meet proposed capital expenditure requirements and working capital needs as they fall due. Whilst management is confident that they can secure funding based on the positive results from the exploration activities, there is no guarantee that such funding would be secured within the required timelines. As stated in Note 2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- consideration of the group's objectives, policies and processes in managing its working capital as well as exposure to financial, credit and liquidity risks;
- reviewing management's going concern memorandum and assessment and discussions with management regarding the future plans and availability of funding;
- reviewing the cash flow forecasts for the ensuing twelve months from the date of approval of these financial statements and assessment thereof;
- obtaining corroborative supporting for the key assumptions and estimates used in the cashflow forecast;
- performing sensitivity analysis on the cash flow forecast prepared by management, and challenging the reasonableness of the key assumptions included thereto; and
- reviewing the adequacy and completeness of disclosures in the financial statements.

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

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as a magnitude of misstatement, including omission, that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced.

We have also considered those misstatements including omissions that would be material by nature and would impact the economic decisions of a reasonably knowledgeable person based on our understanding of the business, industry and complexity involved.

We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. Materiality is used to determine the financial statements areas that are included within the scope of our audit and the extent of sample sizes during the audit. No significant changes have come to light during the audit which required a revision to our materiality for the financial statements as a whole.

Materiality for the financial statements was set at \$61,000 (2021: \$7,650). This was calculated based on 3.5% of net assets (2021: 5% of net assets) based on the draft financial statements. The benchmark used is the one which we determined, in our professional judgment, to be the principal benchmark within the financial statements relevant to shareholders of the group in assessing financial performance of the group as the focus is on the net investment in the business driving the exploration activities.

Performance materiality for the financial statements was set at \$39,600 (2021: \$4,970) being 65% (2021: 65%) of materiality for the financial statements as a whole.

In determining performance materiality, we considered the following factors:

- our cumulative knowledge of the group and its environment, including industry specific trends;
- the change in the level of judgement required in respect of the key accounting estimates;
- significant transactions during the year;
- the stability in key management personnel; and
- the level of misstatements identified in prior periods.

The materiality and performance materiality thresholds for the significant components of the group were calculated considering the same factors as for group materiality.

We agreed to report to those charged with governance all corrected and uncorrected misstatements we identified through our audit with a value more than \$3,050 (2021: \$380) for the group. We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Due to audit adjustments, the materiality benchmark has reduced significantly. As all the audit adjustments and significant transactions have been tested, the risk of material misstatement based on the planning materiality has not increased. We therefore believe that the materiality determined at the planning stage is still applicable as the audit evidence we have obtained through audit procedures is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

Our audit was risk based and was designed to focus our efforts on the areas at greatest risk of material misstatement, together with areas subject to significant management judgement.

The group includes the listed parent company, Hamak Gold Limited ('Hamak BVI'), and its subsidiary, Hamak Gold Limited (Liberia) ('Hamak Liberia').

The scope of our audit was based on the significance of component operations and materiality. Each component was assessed as to whether they were significant or not to the group by either their size or risk. The parent company and the subsidiary were identified as significant components due to their size and identified risks.

Due to Hamak BVI and Hamak Liberia being significant components of the group, we performed full scope audits on all the components. The work on all significant components of the group has been performed by us as group auditor.

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements, considering the structure of the group.

We considered those areas which were deemed to involve significant judgement by the directors, such as the key audit matters relating to the capitalisation of exploration costs and recoverability of the carrying value of intangible assets, and the valuation of vesting shares and performance share rights. Other judgemental areas were the recoverability of the carrying value of tangible assets, determination of useful life of assets, selection of accounting policies and the consideration of future events that are inherently uncertain. We also addressed the risk of management override of controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

The group's key accounting function is based in Liberia and our audit was performed by our team in London with regular contact maintained with the group throughout.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
<p>Capitalisation of exploration costs and recoverability of the carrying value of intangible assets (Accuracy, Classification, Completeness, Valuation and Rights) (Refer to Note 3, 5 and 12)</p> <p>As at 31 December 2022, the carrying value of intangible assets was US\$1.5 million. This intangible asset comprises of licence acquisition costs and capitalised exploration</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the capitalisation and impairment assessment process followed by management; • Reviewing documentation in respect of the title to exploration licences and compliance with the terms therein; • Obtaining and sampling the listing of costs capitalised and verifying the supporting documentation to determine whether the

costs arising from the positive developments at the Nimba and Gozohn projects.

Management capitalises costs in relation to exploration activities in accordance with IFRS 6 *Exploration for and Evaluation of Mineral Resources*. As a result of the judgement involved in determining which costs qualify for capitalisation, there is a risk of incorrect capitalisation.

Due to operating losses and negative operating cashflows and reliance of the group on successful fundraising for future exploration activities, there is a risk that the assets are impaired and the carrying value of the asset within the financial statements is not appropriate. The impairment review of early-stage exploration projects is undertaken in accordance with the IFRS 6 impairment criteria.

The above risk is a KAM due to the material nature of the balance and the level of management judgement required in management's capitalisation and impairment considerations as there is a risk of management bias and override of control.

costs met the IFRS 6 criteria for capitalisation;

- Reviewing the costs recognised in the Consolidated Statement of Comprehensive Income and determining whether they met the criteria for capitalisation;
- Obtaining and reviewing management's assessment of impairment;
- Considering and challenging the key assumptions made by management in their assessment;
- Reviewing board minutes and RNS announcements; and
- Reviewing the disclosures and presentation in the financial statements.

The exploration licenses held by the group in respect of Nimba and Gozohn projects are currently in the first year of a two year extension period and the two year extension period ends in May 2024 and August 2024 respectively. The group is still performing exploration activities and will require additional time beyond the currently permitted extension period for value extraction. The good standing of these licences are critical for future project development and subsequent value extraction. If future extension/renewal applications were to be unsuccessful, this may result in an impairment of the carrying value of the intangible assets.

Further, the group is reliant on successful fund raising to fund its exploration and mine development activities in the future. Whilst the management is confident that they can secure funding based on the positive results from the exploration activities, there is no guarantee that this will happen within the required timelines, this may result in an impairment of the carrying value of the intangible assets.

Valuation of vesting shares and performance share rights (Occurrence, Accuracy and Valuation) (Refer to Note 3, 5 and 17)

The group awarded vesting shares and performance share rights to the directors of the group during the year. The group has valued the vesting shares and performance share rights granted using the Black Scholes model.

There is a risk of material misstatement due to incorrect valuation of vesting shares and

Our work in this area included:

- Obtaining relevant agreements and verifying the vesting shares and performance share rights granted against the board minutes and RNS announcements;
- Reviewing the information used to determine that the milestones had been reached;

<p>performance share rights in terms of IFRS 2 <i>Share-based Payment</i> due to the significant judgements regarding the key assumptions in the valuation model.</p> <p>The above risk is a KAM due to the material nature of the transaction with related parties and use of judgement by the management as there is a risk of management bias and override of control.</p>	<ul style="list-style-type: none"> • Reviewing the fair value calculations to ensure inputs were reasonable and mathematically accurate; • Involving a valuation team to review the methodology and inputs used to assess their reasonableness, where applicable; • Ensuring accounting entries made in respect of these vesting shares and performance share rights were in accordance with IFRS 2; • Ensuring that the share-based payments charge in the year had been correctly calculated and recognised; and • Reviewing the adequacy and completeness of disclosures in the financial statements in accordance with IFRS 2.
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Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group 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 during 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.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the group 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 group financial statements, the directors are responsible for assessing the group'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 to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector. We also selected a specific audit team with experience of auditing entities within the mining and exploration industry facing similar audit and business risks.
- We determined the principal laws and regulations relevant to the group in this regard to be those arising from:
 - FCA Rules;
 - UK-adopted international accounting standards;
 - Local company, taxation and employment laws and regulations applicable in British Virgin Islands and Liberia;
 - General Data Protection Regulations;
 - Anti-Bribery Act; and
 - Anti-Money Laundering Regulations.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to:
 - Enquiries of management;
 - Review of board minutes and other correspondence;
 - Obtaining confirmation from Hamak BVI's company secretary and financial advisor on compliance with laws and regulations, where applicable;
 - A review of the nature of legal and professional fees incurred in the period; and
 - A review of RNS announcements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias existed in relation to the capitalisation of exploration costs and recoverability of the carrying value of intangible assets and the valuation of vesting shares and performance share rights. We addressed this by challenging the judgements made by management when auditing these significant accounting judgements (refer to the key audit matter section). We have rebutted the fraud risk arising from revenue recognition as there is no revenue in the current year.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures, which included, but were not limited to testing of journals, reviewing key accounting judgement for evidence of bias (refer to the key audit matter section) and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 27 April 2022. 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



Eric Hindson (Engagement Partner)

For and on behalf of PKF Littlejohn LLP

Registered Auditor

27 April 2023

15 Westferry Circus

Canary Wharf

London E14 4HD

Consolidated Statement of Comprehensive Income
For the year ended 31 December 2022

		Year ended 31 December 2022 \$'000	Period from 6 May to 31 December 2021 \$'000
Continuing operations	Notes		
General and administrative expenses	7	3,215	355
Licences and exploration costs written-off	12	516	-
Operating loss		3,731	355
Loss before taxation		3,731	355
Income tax	9	-	-
Total loss for the year/period		3,731	355
Total comprehensive loss for the year/period attributable to shareholders from continuing operations		3,731	355
Loss per share:			
Basic and diluted earnings per share (USD)	10	(0.17)	(7.10)

The accompanying notes on pages 50 to 67 form part of this consolidated financial statements.

Consolidated Statement of Financial Position
As at 31 December 2022

	Note	2022 \$'000	2021 \$'000
Non-current assets			
Property, plant and equipment	11	33	-
Intangible assets	12	1,481	-
Total non-current assets		1,514	-
Current assets			
Trade and other receivables	13	26	1
Cash and cash equivalents		12	1
Total current assets		38	2
Total assets		1,552	2
Equity and Liabilities			
Equity attributable to owners of the parent			
Share capital and share premium	16	5,147	-
Share-based payment reserve	17	80	-
Retained earnings		(4,086)	(355)
Total equity		1,141	(355)
Current liabilities			
Trade and other payables	14	411	287
Unsecured convertible loan	15	-	70
Total current liabilities		411	357
Total equity and liabilities		1,552	2

The accompanying notes on pages 50 to 67 form a part of this consolidated financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 27 April 2023 and were signed on its behalf by:



Nicholas Karl Smithson
 Executive Director

27 April 2023

Consolidated Statement of Changes in Equity
For the year ended 31 December 2022

	Share capital and share premium \$'000	Share based payment reserve \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 6 May 2021	-	-	-	-
Loss for the period	-	-	(355)	(355)
Total comprehensive income for the period	-	-	(355)	(355)
Balance at 31 December 2021	-	-	(355)	(355)
Loss of for the year	-	-	(3,731)	(3,731)
Total comprehensive income for the period	-	-	(3,731)	(3,731)
Transactions with owners in their capacity as owners:				
Issue of share capital	2,973	-	-	2,973
Share issue costs	(215)	-	-	(215)
Exercise of share-based awards	2,389	(2,389)	-	-
Grant of share-based awards	-	2,469	-	2,469
Balance at 31 December 2022	5,147	80	(4,086)	1,141

The accompanying notes on pages 50 to 67 form an integral part of this consolidated financial statements.

Consolidated Statement of Cash Flows
For the year ended 31 December 2022

		Year ended 31 December 2022 \$'000	Period from 6 May to 31 December 2021 \$'000
	Notes		
Cash flows from operating activities			
Loss before taxation		(3,731)	(355)
Adjustments for:			
Depreciation	11	8	-
Licences and exploration costs written-off	12	516	-
Share-based payment charge	17	2,469	-
Directors' fees paid in shares	8	204	-
Unrealised foreign exchange charge		(3)	-
Net cashflow before changes in working capital		(537)	(355)
Movement in payables		(21)	285
Movement in receivables		(9)	(1)
Net cash used in operating activities		(567)	(69)
Cash flows from investing activities			
Purchase of property, plant and equipment		(41)	-
Exploration expenditure		(549)	-
Net cash used in investing activities		(590)	-
Cash flows from financing activities			
Issue of share capital (net of costs)	16	1,170	-
Proceeds from unsecured convertible loan	15	-	70
Net cash generated from financing activities		1,170	70
Net change in cash and cash equivalents during the year/period		13	(1)
Cash at the beginning of year/period		(1)	-
Cash and cash equivalents at the end of the year/period		12	(1)

The accompanying notes on pages 50 to 67 form an integral part of this consolidated financial statements. Note 20 provides details of non-cash transactions supporting the consolidated statement of cash flows.

Notes to the group and consolidated financial statements

1. General information

Hamak Gold Limited ('Company') was incorporated on 6 May 2021 and was incorporated under the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands with Company number 2062435. The Company is limited by shares of nil par value. The Company's registered office is Pasea Estate, P.O. Box 958, Road Town, Tortola, VG1110, BVI.

The Company is a public limited company, which is listed on the Standard Listing of the London Stock Exchange. Admission was completed on 1 March 2022.

The Company together with its wholly owned subsidiary Hamak Gold Limited (Liberia) is referred to as the Group.

2. Basis of preparation

The principal accounting policies, methods of computation and presentation used in the preparation of the consolidated financial information are shown below. The policies have been consistently applied to all the years presented, unless otherwise stated.

Presentation and functional currency

The consolidated financial statements are presented in United States Dollars (\$), which is the Group's functional and presentation currency and rounded to the nearest thousand (unless otherwise stated). For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency. The functional currency of both the Company and its subsidiary has been determined to be \$ as current operational activities are denominated and contracted in \$ and in the future any revenue from the sale of gold will be priced in \$.

There have been no changes to the reported figures as a result of any new reporting standards or interpretations.

Basis of preparation

The Group's financial statements have been prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the applicable law.

The consolidated financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis. The comparative period represents the period from incorporation, being 6 May 2021, to 31 December 2021

Going Concern

On 1 March 2022 the Company raised gross proceeds of £955,000 at 10p per share at its IPO and in January 2023 the Company then raised gross proceeds of £295,750 at a price of 8.75 pence per share to fund ongoing exploration activities. Following promising exploration results, and the discovery of a high-grade gold occurrence at its Nimba licence, the Group is currently undertaking a geophysical survey and when these results are available in the second quarter of 2023 the Company intends to seek further financing for working capital and ongoing exploration costs. Both the Nimba and Gozohn licences have valid tenure to May 2023 and August 2023 respectively, with an option to extend by one year. Whilst there is no indication at the date of signing of these consolidated financial statements that subsequent extensions to the licence period and this financing will not be forthcoming, there can be no certainty that it will be successful.

In the opinion of the Directors, based on the Group's financial projections, they have satisfied themselves that the business is a going concern. The Directors have a reasonable expectation that based on the excellent exploration results generated thus far the Group has access to adequate

resources to continue in operational existence for the foreseeable future and therefore the accounts are prepared on a going concern basis.

The auditors refer to going concern by way of material uncertainty within their audit report.

Basis of consolidation

The Company has one subsidiary. Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial information of subsidiaries is fully consolidated from the date that control commences until the date that control ceases.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

3. New standards, amendments and interpretations adopted by the Group

The following IFRS or IFRIC interpretations were effective for the first time for the financial year beginning 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in this financial information:

Standards/interpretations	Application	Effective from
IFRS 3 amendments	Business Combinations	1 January 2022
IAS 16 amendments	Property, Plant and Equipment	1 January 2022
IAS 37 amendments	Provisions, Contingent Liabilities and Contingent Assets	1 January 2022
IFRS 9 amendments	Annual Improvements to IFRS Standards 2018–2020 (fees in the 10 percent test for derecognition of financial liabilities).	1 January 2022

The following standards are issued but not yet effective. The Group intends to adopt these standards, if applicable, when they become effective. It is not currently expected that these standards will have a material impact on the Group.

IAS 1	Presentation of Financial Statements	1 January 2023
IAS 8 amendments	Definition of accounting estimates	1 January 2023
IAS 1 amendments and IFRS practice statement 2	Disclosure of accounting policies	1 January 2023
AS 12 amendments	Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023

Financial instruments

Financial instruments comprise, cash and cash equivalents, borrowings, financial assets and liabilities and equity instruments.

i) Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a part to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable with a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (“FVTPL”),

transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii) Classification and subsequent measurement

Financial assets

a) Classification

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequently to their initial recognition unless the Group changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in associates accounted for using the equity method and subsidiaries are carried at cost less impairment.

b) Subsequent measurement and gain and losses

Financial assets at amortised cost – These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial Liabilities and equity

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- (a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- (b) where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Group's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Borrowings

Interest bearing debt facilities are initially recognised at fair value, net of directly attributable transaction costs. Transaction costs are recognised in the income statement on a straight-line basis over the term of the facility.

Trade and other receivables

Trade and other receivables are accounted for under IFRS 9 using the expected credit loss model and are initially recognised at fair value and subsequently measured at amortised cost less any allowance for expected credit losses.

Trade and other payables

Trade and other payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Equity instruments and reserves description

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Ordinary shares are classified as equity. Share capital account represents the nominal value of the ordinary. The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Share based payment reserve represents equity-settled share-based employee remuneration until such share options are exercised.

Retained earnings include all current and prior period results as disclosed in the Statement of Comprehensive Income.

Foreign currency

For each entity, the Group determines the functional currency, and items included in the consolidated financial statements of each entity are measured using that functional currency. The Group's financial statements are prepared and presented in in United States Dollars (\$), which is its functional currency.

Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the date of the consolidated statement of financial position are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Current and deferred income tax

Current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the country where the Group operates and generates taxable

income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial information. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised

Loss per share

The Group presents basic and diluted loss per share (“LPS”) data for its ordinary shares. Basic LPS is calculated by dividing the profit or loss attributable to shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted LPS is determined by adjusting the profit or loss attributable to shareholders and the weighted average number of ordinary shares outstanding for the effects of all potentially dilutive ordinary shares, which could comprise warrants, share options and the conversion of loan notes into shares.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment.

Office equipment are depreciated straight line over 2 years.

Motor vehicles are depreciated straight line over 4 years.

Intangible assets

Intangible assets not acquired as part of a business combination are initially carried at cost..

Intangible Assets – exploration and licences costs

These comprise costs directly incurred in exploration and evaluation as well as the cost of mineral licences. Mineral evaluation and exploration costs which are capitalised as intangible assets include costs of licence acquisition, technical services and studies, exploration drilling and testing and appropriate technical and administrative. Exploration costs are capitalised as intangible assets pending the determination of the feasibility the commercial viability of the project.

When the decision is taken to develop a mine, the related intangible assets are transferred to property, plant and equipment and the exploration and evaluation costs are amortised over the estimated life of the project. Prior to reclassification to property, plant and equipment exploration and evaluation assets are assessed for impairment and any impairment loss recognised immediately in the statement of comprehensive income.

Where a project is abandoned or is determined not economically viable, the related costs are written off.

The recoverability of capitalised exploration and evaluation costs is dependent upon a number of factors common to the natural resource sector. These include the extent to which the Group can establish mineral reserves on its properties, the ability of the Group to obtain necessary financing to complete the development of such reserves and future profitable production or proceeds from the disposition thereof.

Impairment of non-financial assets

The carrying amounts of the Group’s assets are reviewed at the date of each consolidated statement of financial position to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. Impairment is measured by comparing the carrying values of the asset with its recoverable amount. The recoverable amount of the asset is the higher of the assets’ fair value less costs to sell and its value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised in the income statement immediately.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of Black-Scholes model. Where the value of the goods or services received in exchange for the share-based payment cannot be reliably estimated the fair value is measured by use of a Black-Scholes model.

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 Group's estimate of shares that will eventually vest.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods and services received, except where the 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.

All equity-settled share-based payments are ultimately recognised as an expense in the profit or loss with a corresponding credit to "Share-based payments reserve".

Upon exercise of share options, the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting or if the share options vest but are not exercised.

When share options lapse or are forfeited the respective amount recognised in the Share-based payment reserve is reversed and credited to accumulated profit and loss reserve.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

4. Financial risk

The following represent the key financial risks that the Group faces:

Financial risk factors

The Group's operations exposed it to a variety of financial risks that had included the effects of credit risk, liquidity risk and interest rate risk. The Group had in place a risk management programme that attempted to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group did not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting was applied.

Given the size of the Group, the Directors did not delegate the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the Board of Directors were implemented by the Group's finance department:

(1) Credit risk

The Group's credit risk was primarily attributable to its trade receivables balance. The amounts presented in the statement of financial position are net of allowances for impairment;

(1) Liquidity risk

Liquidity risk was the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group's financial liabilities included its trade and other payables shown in Note 14;

(1) Interest rate cash flow risk

The Group had interest-bearing assets. Interest bearing assets comprised cash balances and unsecured loans, which earned interest at floating rates.

Capital risk management

The Group monitors capital which comprises all components of equity (i.e., share capital, share premium and retained earnings/losses).

5. Critical accounting estimates and judgements

The preparation of the financial statements require management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

Information about such judgements and estimates are contained in the accounting policies and/or the notes to the consolidated financial statements. Areas of judgement that have the most significant effect on the amounts recognised in the consolidated financial statements are as follows:

Impairment of exploration and evaluation costs

Determination as to whether, and by how much, an asset or cash generating unit is impaired involves management estimates. Management uses the following triggers to assess whether impairment has occurred (the list is not exhaustive):

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future and is not expected to be renewed.
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full on successful development or by sale.

Determination of fair value of purchase consideration for licence purchase – see note 12

Hamak Mining Company, as transferor, a Liberian incorporated private company wholly-owned by Amara Kamara, entered into a Licence Transfer and Option Agreement in respect of seven mining exploration licences (MELs) across Liberia covering an area of 4,965 km² with the Company's wholly-owned subsidiary, Hamak Gold Limited (Liberia), as transferee in exchange for 900 common stock in Hamak Gold Limited (Liberia).

Amara Kamara entered into a Share Exchange Agreement with the Company to exchange 900 common stock in Hamak Gold Limited (Liberia) for 9,333,333 ordinary shares in the Company and Vesting Shares (Note 17). The management determined the fair value of the ordinary shares to be \$1,355,460 (£1,000,000) and nil value for the Vesting Shares due to the various conditions attached which were not determinable at the date of acquisition.

Vesting Shares were valued under IFRS 2 due to the implicit service conditions attached necessary for the successful implementation of the exploration projects.

Going concern

On 1 March 2022 the Company raised gross proceeds of £955,000 at 10p per share at its IPO and in January 2023 the Company then raised gross proceeds of £295,750 at a price of 8.75 pence per share to fund ongoing exploration activities. Following promising exploration results, and the discovery of a high-grade gold occurrence at its Nimba licence, the Group is currently undertaking a geophysical survey and when these results are available in the second quarter of 2023 the Company intends to seek further financing for working capital and ongoing exploration costs. Both the Nimba and Gozohn licences have valid tenure to May 2023 and August 2023 respectively, with an option to extend by one year. Whilst there is no indication at the date of signing of these consolidated financial statements that subsequent extensions to the licence period and this financing will not be forthcoming, there can be no certainty that it will be successful.

In the opinion of the Directors, based on the Group's financial projections, they have satisfied themselves that the business is a going concern. The Directors have a reasonable expectation that based on the excellent exploration results generated thus far the Group has access to adequate resources to continue in operational existence for the foreseeable future and therefore the accounts are prepared on a going concern basis.

Fair value of share-based awards

The fair value of Share-based awards is determined using suitable valuation methods such as Black Scholes. These models require various inputs which are estimated by management using market information where available. For more detailed information please refer to note 17.

Capitalisation of costs

The Directors have exercised a judgement that the exploration costs incurred meet the criteria IFRS6-Exploration for and Evaluation of Mineral Resources

In making this determination, an entity considers the degree to which the expenditure can be associated with finding specific mineral resources.

6. Business and geographical reporting

The Group's chief operating decision makers are considered to be the executive Directors (the 'Executive Board'). The Executive Board has determined that as the Group only has mineral exploration operating activities in one location, Liberia it has one operating segment. Therefore results, assets and liabilities of the operating segment are the same as presented in the Group's primary statements.

7. General and administrative expenses

	2022	2021
	\$'000	\$'000
Share-based payment charge – see note 17	2,469	-
Legal and professional fees	245	222
Listing fees	94	133
Employee benefit expense	216	-
Other administrative expenses	191	-
	3,215	355

Auditors' remuneration

During the year the Company obtained the following services from the auditor:

	2022 \$'000	2021 \$'000
Fees payable for the audit of the Group	68	49
Fees in respect of listing services	-	39
	68	88

8. Employees and Directors

During the period key management personnel were the Directors and the Chief Operating Officer of the Group

The average number of persons employed by the Group during the period (including Directors that receive remuneration) was 8 and were all part of the administrative and management team.

The following table sets out the total employee and Director costs.

	2022 \$'000	2021 \$'000
Director fees - (6)	204	-
Key management personnel (KMP) – other than directors - (1)	50	-
Staff - (1)	12	-
	266	-

The highest paid director was paid \$51,000.

The KMP cost of \$50,000 was capitalised to intangible assets during the period.

All fees to directors were paid by way of issuance of share equity – see note 16.

No fees were paid in 2021 as the Group was only incorporated in May 2021 with limited resources to establish operations in Liberia.

9. Taxation

	2022 \$'000	2021 \$'000
Current tax	-	-
Deferred tax	-	-
Total income tax expense	-	-

Effective tax rate

The Group is subject to taxation in BVI and Liberia with applicable tax rates of 0% and 25% respectively. The Group does not have any unresolved tax matters or disputes with the tax authorities in which it operates. The loss before tax for Hamak Gold Limited was \$3,484,000 (2021: \$339,000) and for Hamak Gold Limited (Liberia) was \$247,000 (2021: \$16,000)

A deferred tax asset of \$62,000 (2021: \$4,000) has not been recognised in respect of Hamak Gold Limited (Liberia) as it is not clear when it will be utilised.

10. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	2022	2021
	\$'000	\$'000
Loss from continuing operations attributable to equity holders of the company	(3,731)	(355)
Weighted average number of ordinary shares in issue	21,659,753	50,000
Basic and fully diluted loss per share from continuing operations in US\$	(0.17)	(7.10)

11. Property, plant and equipment

Cost	Total \$'000
At 31 December 2021	-
Additions	41
At 31 December 2022	41
Depreciation	
At 31 December 2021	-
Depreciation charge	8
At 31 December 2022	8
Net book value 31 December 2022	33
Net book value 31 December 2021	-

Property, plant and equipment comprises of motor vehicles and office furniture having net book value of \$32,500 and \$500 respectively

12. Intangible assets

Cost	Exploration cost \$'000	Licences \$'000	Total \$'000
At 31 December 2021	-	-	-
Additions	642	1,355	1,997
Written-off	(24)	(492)	(516)
31 December 2022	618	863	1,481

Accumulated amortisation

At 31 December 2021	-	-	-
Amortisation	-	-	-
31 December 2022	-	-	-
Net book value 31 December 2022	618	863	1,481
Net book value 31 December 2021	-	-	-

On 1 March 2022, the Group acquired two mineral exploration licences (MELs), being Nimba and Gozohn and an option to acquire five other MELs in consideration for \$1,355,460. See note 16 for further details.

Following a full review by the Board, certain parts of the Gozohn licence were relinquished during the period resulting in \$516,000 being part of the licence acquisition and exploration costs being written off.

Impairment

In accordance with IFRS 6 “Exploration and Evaluation of Mineral Resources”, the Directors have assessed whether any indication of impairment exists in respect of these intangible assets as follows:

During the year ended 31 December 2022 other than the write off of part of the Gozohn licence above the fair value exceeded the carrying value of the remaining part of the Gozohn licence and Nimba licence areas and no impairment was recorded. Management used the following indicators to test for impairment

Indicator of impairment	Position as at 31 December 2022
Group does not hold rights to tenure (either directly or by contract)	The rights to tenure for both licenses are current
Tenure will expire in the near future and is not expected to be renewed	The exploration licenses held by the group in respect of Nimba and Gozohn projects are currently in the first year of a two year extension period, and can be extended to May 2024 and August 2024 respectively.
The Group has not met the minimum holding requirements for the licenses and does not intend to or cannot rectify the breaches or obtain an exemption / waiver	Licence requirements are in full compliance by the Group
Reasonable expenditure to continue exploration and evaluation is not planned	The areas of interest are being further explored based on recent hard rock gold discoveries
Exploration has led to confirmation that the resource is not economic and no further work is planned	Currently there is insufficient data to declare a mineral resource estimate for either of the licences. Further work is required.
The Group intends to discontinue exploration over that area of interest	The Group does not intend to discontinue operations

13. Trade and other receivables

	2022 \$'000	2021 \$'000
<i>Current assets</i>		
Other debtors	26	1
	26	1

Other debtors include \$17,000 of share subscriptions receivable

14. Trade and other payables

	2022 \$'000	2021 \$'000
Trade payables	-	89
Other payables	411	198
	411	287

Other payables include \$56,000 (2021: nil) in relation to directors fees and drilling costs of \$92,000 (2021: nil), both of which were settled by the issuance of shares in the Company in January 2023. see note 23.

Further included in other payables are interest free short-term loans from the following KMPs:

	2022 \$	2021 \$
Amara Kamara	7,000	-
Nicholas Karl Smithson	26,000	13,000
Rowan Carr	26,000	-

Included in other payables is nil (2021: £2,000) with respect to a bank overdraft.

15. Unsecured convertible loan

	2022 \$'000	2021 \$'000
Convertible loan notes	-	70
Total	-	70

Borrowings related to unsecured convertible loan notes that were convertible into ordinary shares on Admission at a 25% discount to the listing price. During the year these loan notes were converted into equity, see note 16.

16. Share capital and share premium

	Number of ordinary shares of nil par value	Share capital \$'000	Share premium \$'000
Total as at 31 December 2021	50,000	-	-
Share issue – licence acquisition	9,283,333	-	1,355
Share issue – placing	9,550,000	-	1,272
Share issue – directors fees	1,230,944	-	148
Share issue – corporate fees	983,000	-	131
Share issue – conversion of loan notes	666,667	-	67
Share issue – vesting shares	17,940,000	-	2,389
Share issue - costs	-	-	(215)
At 31 December 2022	39,703,944	-	5,147

Issuance of share capital during the year:

On 15 February 2022

Hamak Mining Company, as transferor, a Liberian incorporated private company wholly-owned by Amara Kamara, entered into a Licence Transfer and Option Agreement in respect of seven mining exploration licences (MELs) across Liberia covering an area of 4,965 km² with the Company's wholly-owned subsidiary, Hamak Gold Limited (Liberia), as transferee in exchange for 900 common stock in Hamak Gold Limited (Liberia).

Amara Kamara entered into a Share Exchange Agreement with the Company to exchange 900 common stock in Hamak Gold Limited (Liberia) for 9,333,333 ordinary shares (50,000 ordinary shares issued in May 2021 and 9,283,333 issued in February 2022) in the Company and Vesting Shares (Note 17). The management determined the fair value of the ordinary shares to be \$1,355,460 (£1,000,000) and nil value to the Vesting Shares due to the various conditions attached which were not determinable at the date of acquisition.

On 1 March 2022

9,550,000 new ordinary shares were issued to certain investors pursuant to a placing at a price of 10p per share.

666,667 new ordinary shares were issued on conversion of \$66,590 (£50,000) in aggregate principal amount of unlisted zero coupon convertible unsecured loan notes (note 15), which were automatically converted into ordinary shares on Admission at a discount of 25% to the Placing Price.

300,000 new ordinary shares were issued to the non-executive Directors of the Company, at the 10p per share in lieu of fees payable to each of them in connection with the production of the Prospectus and admission to the London Stock Exchange.

983,000 new Ordinary Shares were issued to Peterhouse Capital Limited (Peterhouse) in lieu of fees payable to it in connection with the Placing at 10p per share. Peterhouse were also issued with 9,950 warrants to subscribe for shares at 10p per share in connection with the placing.

On 13 July 2022, 465,472 new ordinary shares were issued to the non-executive Directors of the Company at 10p per shares in lieu of quarterly fees.

On 19 October 2022, 17,940,000 new ordinary shares were issued to certain Directors at 10p per share in relation to Vesting Shares.

On 24 October 2022, 465,472 new ordinary shares were issued to the non-executive Directors of the Company at 10p per shares in lieu of quarterly fees.

Details of share issuances post year end are provided in note 23.

17. Share-based payments

Vesting Shares

The following Directors were awarded the Vesting Shares (refer note 5 & note 16) on 1 March 2022 on the achievement of the following milestones:

Milestone	Number of Vesting Shares to vest		
	Amara Kamara	Nicholas Karl Smithson	Total
1. Collection and assay results of at least 2,000 samples from the Gozohn MEL	5,450,000	530,000	5,980,000
2. Collection and assay results of at least 2,000 samples from the Nimba MEL	5,450,000	530,000	5,980,000
3. Positive results from trenching of either the Nimba and Gozohn MELs positive geochem targets, which create identifiable drill targets	5,450,000	530,000	5,980,000
Total	16,350,000	1,590,000	17,940,000

The Vesting Shares had an exercise price of nil and had no expiry date. Management used the Black Scholes model with the following inputs to determine the fair value of the Vesting Shares:

Issue Date	1 March 2022
Exercise price	Nil
Share price on grant	10p
Expiry date	None
Risk free rate	1.95%
Volatility	100%
Fair value per share	10 pence
number of vesting shares	17,940,000

The total fair value was \$2,389,231 (£1,794,000) and charged to the Consolidated Statement of Comprehensive Income in the year.

Performance Rights

On 7 July 2022 the Company granted 2,129,847 performance rights in accordance with its Unapproved Share Performance Rights Plan to certain Directors and to senior management. Each performance right entitles the holder to acquire one ordinary share at no par value.

The Performance Rights vest in accordance with the following conditions as set out in the Company's Prospectus:

- 50 per cent. (50%) of the Shares shall vest on the Company's first drill intersection showing significant gold mineralisation (as determined by the Senior Technical Consultant to the Board); and
- the remaining 50 per cent. (50%) of the Shares shall vest on the first date on which the price of the Shares is double that of the price at which Shares are issued in the placing of Shares with certain institutional and retail investors at time of the Listing.
- The following information is relevant in the determination of the fair value of these options:

Grant date	7 July 2022	7 July 2022
Option exercise price	Par	Par
Fair value of one option	10.5 cents	10.5 cents
Share price on grant	8.75p	8.75p
Vesting period	2 years	10 years
Risk free rate	1.95%	1.95%
Volatility	57%	57%
number of performance rights	1,064,924	1,064,923
Life of performance rights – years	10	10
Methodology	Black-Scholes	Black-Scholes

Volatility was calculated using historic share price data of the Company

A total \$80,000 charge was recognised in the income statement during the period with respect to these performance shares.

At 31 December 2022, the Company had outstanding performance rights to subscribe for ordinary shares as follows

Weight average exercise price	Expiry date	At 01/01/2022	Issued	expired or lapsed	At 31/12/2022
Nil	07/07/2032	-	1,064,924	-	1,064,924
Nil	07/07/2032	-	1,064,924	-	1,064,924
		-	2,129,848	-	2,129,848

The remaining useful life of the performance rights is 9.5 years

18. Financial risk management

The Group's activities expose it to a variety of financial risks which result from its operating and investing activities; market risk (foreign currency exchange risk), liquidity risk, capital risk and credit risk. These risks are mitigated wherever possible by the Group's financial management policies and practices described below. The Group's financial risk management is carried out by the finance team under policies approved by the Board. Group finance identifies, evaluates and mitigates financial risks in close co-operation with the Group's senior management team.

Financial instruments by category

Group	2022	2021
	\$'000	\$'000
Financial assets at amortised costs:		
Trade and other receivables	26	1
Cash	12	1
Financial liabilities at amortised costs:		
Trade and other payables	411	285
Borrowings	-	70

Capital risk

The Group's objectives when managing capital are:

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

The Group actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes. The Group is not subject to externally imposed capital requirements.

Credit risk

Credit risk refers to the risk that the Group's financial assets will be impaired by the default of a third party (being non-payment within the agreed credit terms). The Group is exposed to credit risk primarily on its cash and cash equivalent balances and on its trade and other receivable balances.

For banks and financial institutions, only parties with a minimum credit rating of BBB are accepted.

The Directors have considered the credit exposures and do not consider that they pose a material risk at the present time. The credit risk for cash and cash equivalents is managed by ensuring that all surplus funds are deposited only with financial institutions with high quality credit ratings. There are currently no expected credit losses.

Liquidity risk

Liquidity risk relates to the ability of the Group to meet future obligations and financial liabilities as and when they fall due.

Future expected payments

Group	2022	2021
	US\$'000	US\$'000
Trade and other payables within one year	411	285

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from currency exposures, between the United States Dollar (USD) and the GBP Sterling primarily with respect to equity issued in GBP and converted to US Dollar. The Board do not consider the foreign exchange risk or sensitivity to be material.

The Group does not hedge against foreign exchange movements.

19. Related party transactions

Parties are considered to be related if one party has the ability to control the other party, is under common control, or can exercise significant influence over the other party in making financial and operational decisions. In considering each possible related party relationship, attention is directed to the substance of the relationship, not merely the legal form.

Key Management Personnel

Details of KMP remuneration is contained in note 8

Convertible loan

Funds advanced by Karl Smithson in the form of a convertible loan was nil (2021: 14,000)

Acquisition of the Gozohn and Nimba licences

On 1 March 2022, the Group acquired two mineral exploration licences (MELs) from Hamak Mining Company, wholly owned by Amara Kamara, being Nimba and Gozohn and an option to acquire five other MELs in consideration for \$1,355,460. See notes 12 & 16 for further details.

Purchase of motor vehicle

The Group acquired a motor vehicle from Hamak Mining Company, which is owned by Amara Kamara for \$15,000 during the year ended 31 December 2022

Lease rental

The Group entered into a tenancy agreement with Mrs Kamara, Amara Kamara's wife to rent a building for a period of 12 months commencing 1 June 2022. The total rent payable under the agreement is \$18,000 payable in advance.

Short-term interest free loans from Key Management Personnel

During the year the following loans were provided by KMP. The loan balances outstanding as at 31 December 2022:

	2022 \$	2021 \$
Amara Kamara	7,000	-
Nicholas Karl Smithson	26,000	13,000
Rowan Carr	26,000	-

20. Notes supporting statement of cashflows

Significant non-cash transactions from investing activities are as follows:

	2022 US\$'000	2021 US\$'000
Equity consideration for the acquisition of exploration licences	1,355	-

See notes 12 and 16 for further information

Significant non-cash transactions from financing activities are as follows:

	2022 US\$'000	2021 US\$'000
Settlement of obligations through the issue of shares – note 16	2,622	-

21. Capital Commitments

As at 31 December 2022 and 31 December 2021, there were no capital commitments for the Group

22. Ultimate Controlling Party

The Company believes that Amara Kamara is the ultimate controlling party.

23. Events occurring after the reporting date

On 4 January 2023 3,380,000 new ordinary shares were issued to certain investors pursuant to a placing at a price of 8.75p per share.

On 4 January 2023 465,472 new ordinary shares were issued to the non-executive Directors of the Company at 10p per shares in lieu of quarterly fees.

On 4 January 2023 781,250 new ordinary shares were issued to the supplier of drilling services for services provided on the Group's assets at a price of 10p per share.