29 September 2023

Cadence Minerals plc
Interim Results for the Six Months Ended 30 June 2023

Cadence Minerals plc (AIM/AQX: KDNC) is pleased to announce its interim results for the six months ended 30 June 2023.

HIGHLIGHTS

- Amapá Pre-Feasibility Study ("PFS") completed. The study established that the Amapá mine has the potential to deliver a robust 5.28 Mtpa (dry) iron ore operation and excellent cash flow, including a post-tax NPV of US$949 million.
- Amapá Mineral Resource Estimate (MRE) increased and upgraded. Total Measured, Indicated and Inferred MRE increased to 276.24 million tonnes, grading 38.33% Fe, and a maiden Measured Resource of 55.33 Mt grading 39.26% Fe.
- A Scoping study identified changes and cost savings in the Santana Port layout and refurbishment of US$28m.
- Progress with equity investments, including ASX-listed Evergreen Lithium (ASX: EG1), Hastings Technology Metals (ASX: HAS) and AIM-listed European Metals Holdings (AIM: EMH).
- Reduced LBT of £1.95m (6 months ended 30 June 2022: £5.05m, Y/E 31 December 2022: £5.50m)
- Total group assets increased from £21.64m at 31 December 2022 to £25.79m at 30 June 2023.

CEO Kiran Morzaria commented: *"Faced with unprecedented geopolitical challenges and challenging global markets, your Board is pleased to deliver reduced losses and increase group assets at the half year. Our flagship Amapá project is developing at pace, and we have seen the MRE increase combined with cost savings at the Santana port to deliver material growth in our investment. Our considered opinion, and that of several analysts during the first half of 2023, is that these developments, along with our investments in Evergreen, Hastings Tech Metals, European Metals and Sonora, have yet to be reflected in our market valuation. We hope that our progress will be in some way reflected during the second half of the year."*

"I look forward to reporting back on further progress."

INVESTMENT REVIEW

Our public portfolio was bolstered during the period as our private investments, Evergreen Lithium and the Yangibana Rare Earth deposit, were converted into equity in publicly listed entities. However, the performance of our equity stake in Hastings Technology Metals (converted from our stake in the Yangibana Rare Earth Deposit) weighed down the overall performance of our public portfolio and is detailed in the review of our publicly listed portfolio.

As stated in our annual report, the overall ambition of the portfolio is capital growth of the assets under management, which should be reflected in Cadence's share price. We intend to fund this growth, where possible, by investing in undervalued assets, selling these investments at higher valuations, and reinvesting the proceeds. Once we reach critical mass in terms of assets under management, this investment cycle will mitigate the need for outside capital, either in new equity or debt. The overall ambition of the portfolio is capital growth of the assets under management, which should then be reflected in Cadence's share price. We intend to fund this growth, where possible, by investing in undervalued assets, selling these investments at higher valuations, and reinvesting the proceeds. Once we reach critical mass in terms of assets under management, this investment cycle will mitigate the need for outside capital, either in new equity or debt.

PRIVATE INVESTMENTS, ACTIVE
The Amapá Iron Ore Project, Brazil
Interest – 30% at 30/06/2022 and 29/09/2023

The Amapá Project is a large-scale iron ore mine with associated rail, port and beneficiation facilities that commenced operations in December 2007. The project ceased operations in 2014 after the port facility suffered a geotechnical failure, which limited iron ore export. Before the cessation of operations, the project generated an underlying profit of US$54 million in 2012 and US$120 million in 2011. Operations commenced in December 2007, and in 2008, the project produced 712 thousand tonnes of iron ore concentrate. Production steadily increased, producing 4.8 Mt and 6.1 Mt of iron ore concentrate products in 2011 and 2012, respectively.

Investment
In 2019, Cadence entered into a binding investment agreement to invest in and acquire up to 27% of the Amapá iron ore mine, beneficiation plant, railway and private port owned by a Brazilian company, DEV Mineração S.A. The agreement also gave Cadence the first right of refusal to increase its stake to 49%. To acquire its 27% interest, Cadence invested US$6 million over two stages in a joint venture company; this was completed in the first quarter of 2022. In October 2022, we increased this stake to 30%. At the end of the reporting period, the total investment was US$11.02 million, which, once fully converted to equity, will represent some 31.6% of the Amapá Project.

Operations Review
During the reporting period, we made considerable progress at the Amapá Project. The PFS was completed early in the year; this was followed by the port optimisation study. Post-period end, it was agreed that following the completion of the Amapá PFS, the remaining operational focus for the year should include progressing the permitting pathway and completing the regulatory requirements for the mining concessions, tailing storage facilities and environmental permits.

Pre-Feasibility Study & Optimisation Studies
We upgraded and increased the Amapá Project Mineral Resource Estimate as part of the PFS. This resulted in a substantial increase in total Measured, Indicated and Inferred Mineral Resources to 276.24 million tonnes grading 38.33% Fe and a maiden Measured Resource of 55.33 Mt grading 39.26% Fe.

The PFS results were announced in early January 2023. The PFS confirmed the potential for the Amapá Iron Ore Project to produce a high-grade iron ore concentrate and generate strong returns over the life of mine. It delivered a robust 5.28 Mtpa (dry) operation, which can provide excellent cash flows and a post-tax NPV of US$949 million.

The Key Highlights of the PFS are below:

- Annual average production of 5.28 million dry metric tonnes per annum ("Mtpa") of Fe concentrate, consisting of 4.36 Mtpa at 65.4% Fe and 0.92 Mtpa at 62% Fe concentrate.
- Post-tax Net Present Value ("NPV") of US$949 million ("M") at a discount rate of 10%.
- Post-tax Internal Rate of Return of 34%, with an average annual life of mine EBITDA of US$235 M annually
- Maiden Ore Reserve of 195.8 million tonnes ("Mt") at 39.34% Fe demonstrates an 85% Mineral Resource conversion.
- Free on Board ("FOB") C1 Cash Costs of US$35.53/dmt at the port of Santana. Cost and Freight ("CFR") C1 Cash Costs US$64.23/dmt in China.
- Pre-production capital cost estimate of US$399 million, including the improvement and rehabilitation of the processing facility and the restoration of the railway and the wholly owned port export facility

Based on the positive outcome of the PFS and subsequent consultations with the key contractors, three areas of possible improvement to the Amapá Project were identified. The first was to review the historical drilling and geological data north of the Amapá mining concessions. The data was acquired, and work began; however, the owner of these mining concessions filed for judicial recovery, so this timing is likely to be delayed. We are investigating other ways to progress this work, including conducting a topography survey of the areas.

The second area of potential improvement is a change in the layout of the port at Santana by moving the railway loop further from the shore. A scoping study regarding this option was completed during the period and identified a potential net capital saving to the port refurbishment costs of US$28 million.

The last area of potential improvement is to investigate and review the flowsheet to improve the final product quality over and above the current 65% iron ore concentrate or reduce the operating costs. From initial reviews, it appears that the most viable option will be to reduce the operational costs. We are looking to appoint an engineer to complete this work in the coming months.

Once these studies are completed, work on a Definitive Feasibility Study ("DFS") can begin. The DFS is required to seek project debt and equity finance, which will be sought once the DFS is complete.

Permitting Pathway & Tailings Storage Facility

While the Amapá Project was operating, it held all the necessary permissions to mine, process, transport and ship some six million tonnes of iron ore annually. However, many of these licenses lapsed after it ceased operations in 2014. Cadence has been working alongside the team at the Amapá Project to obtain these licenses and permissions. To date, we have reinstated and extended the railway concession to 2046 (completed in December 2019) and been granted a change of control over the wholly owned port in November 2021, which ensured the federal licenses could be maintained.

The Amapá Project owns the required Mining Concessions; however, it must obtain a Mine Extraction and Processing Permit ("Mining Permit") to begin operation. To get this permit, the Amapá Project must obtain an L.I. and, when constructed, an Operational License L.O. from the Amapá State Environmental Agency.

Before the suspension of mining, the project had numerous L.O.s across the mining, rail, and port operations. These L.O.s expired between 2013 and 2018. In 2022, the Amapá Project began regularising the expired environmental permits and started consultation with the Amapá State Environmental Agency and the relevant state authorities. The Amapá Project requested that the requirement for a full environmental impact study be waived. This request for a waiver was on the basis that the previous L.O.s were granted on an operation that is substantially the same as is currently planned and remains applicable to future operations.

As a result of the discussions between the various state authorities and the Amapá Project, we agreed with the Amapá State Environmental Agency that on the mine and railway, we will be able to submit an Environmental Control Plan - "PCA" (Plano de Controle Ambiental) and an Environmental Control Report - "RCA" (Relatório de Controle Ambiental). However, we will need to complete a full environmental assessment on the port. Still, given that the Amapá Project has already begun some background studies, we also anticipate that the timeline for the grant of the port L.I. will be shortened.

The fieldwork for the L.I. will begin as soon as possible with current expectations that we will be able to submit the required reports for the mine and rail in the second quarter of 2024 and the reports for the port in the third quarter of 2024. The Amapá State Environmental Agency will then review the application for the L.I., and we anticipate that these licenses will be granted in 2024.

This timeline is substantially shorter than expected on a greenfield site, where the impact study and associated approval can typically take between 24 and 36 months. The Amapá Project could achieve this in 12 to 16 months.

One of Cadence's initial investment criteria into the Amapá Project was the safety and stability of the TSF. As such, before entering into the investment agreement with our joint venture partners, we carried out a TSF review by an internationally recognised consultant group and were satisfied with the structure and stability of the T.S. Nonetheless, given the lack of reporting and maintenance from 2014 onwards, the TSF at the Amapá Project was considered high risk. The work carried out since 2019, including maintenance, reporting, drilling and compliance, has meant that the Amapá Project TSF is approaching the lowest risk rating for operating TSF. The intent is that the TSF will continue to improve its risk rating. This will be achieved by completing a dam break study, installing video monitoring on the TSF, and ongoing inspection and remediation of various TSF-associated infrastructure.

Secured Bank Settlement Iron Ore Shipments

As per the settlement agreement announced in December 2021 here, the net proceeds of the one shipment carried out in 2022, along with approximately half of the net proceeds from the shipments in 2021, have been used to pay the secured bank creditors.

As previously disclosed, given these unprecedented macroeconomic conditions in 2022, DEV could not meet the 2022 payment schedule per the settlement deed. Although the bank creditors have reserved their rights, the settlement deed remains in full effect. All parties are in discussions to agree on a new timetable to rephase payments or to reach a one-time payment to settle all outstanding amounts.

With the current iron ore prices and shipping costs, selling the 58% iron ore concentrate stockpile is economically viable. Although DEV can recommend material shipment, the secured bank creditors must approve it as they will receive the net proceeds of the stockpile sale. As a result of the ongoing discussions, no material shipments are scheduled to be made.

Development Plan for the Amapá Project

The goal is to bring this project back into production. With the PFS completed, a project would typically directly proceed to DFS, funding, and construction. Cadence and Its joint venture partners have agreed that the lowest risk and currently best commercial approach to developing this project is to bring on a highly experienced mining operator or EPCM contractor as a joint venture partner. We are making good progress in this regard. While we develop this further, we will continue with the optimisation studies, licensing pathway, and community engagement, which should further improve the project's economics while reducing its risks.

PRIVATE INVESTMENTS, PASSIVE
Ferro Verde Iron Ore, Brazil
Interest - 1% at 30/06/2022 and at 29/09/2023

During the previous year, Cadence invested a small (£0.21 million) in an advanced iron ore deposit in Brazil. The Ferro Verde Deposit is located in the southern portion of the state of Bahia, in the northeastern region of Brazil, next to the town of Urandi, some 700 km southwest of Salvador, the capital of the state of Bahia.

The project is currently progressing with its DFS. It has a historic inferred resource of 284 million tonnes of iron ore at 31% Fe. The intent is to produce 4.5 Mtpa of 67% Fe. Our intended exit strategy is either when the asset is listed or the owners carry out a trade sale.

PRIVATE INVESTMENTS, PASSIVE
Sonora Lithium Project, Mexico
Interest – 30% at 30/06/2022 and at 29/09/2023

Cadence holds an interest in the Sonora Lithium Project via a 30% stake in the joint venture interests in each of Mexalit S.A. de CV ("Mexalit") and Megalit S.A. de CV ("Megalit").

Mexilit and Megalit form part of the Sonora Lithium Project (the "Project"). The Sonora Lithium Project consists of nine granted concessions. Two of the concessions (La Ventana, La Ventana 1) are owned 100% by subsidiaries of

Ganfeng Lithium Group Co., Ltd ("Ganfeng"). El Sauz, El Sauz 1, El Sauz 2, Fleur and Fleur 1 concessions are owned by Mexilit S.A. de C.V. ("Mexilit"), which is owned 70% by Ganfeng and 30% by Cadence. The Buenavista and San Gabriel concessions are owned by Megalit, which is owned 70% by Ganfeng and 30% by Cadence.

Ganfeng Lithium has been developing the project, consisting of an open pit mine and a lithium chemical product processing facility. The principal planned lithium product for the project is lithium hydroxide.

As previously announced, In April 2022 and May 2023, the Mexican Government approved amendments to its Mining Law (the "Mining Law Reform"), which prohibited lithium concessions, declared lithium as a strategic sector and granted the exclusive right to engage in lithium mining operations to a state-owned entity. The Mining Law Reform is not supposed to apply to pre-existing concessions, including those held by the Mexilit and Megalit. Ganfeng's and Cadence's position is that these reforms cannot impact the project's concessions because they were granted before the enactment of the Mining Law Reform. This is consistent with the terms of the Constitution of Mexico, which, among other principles and rights, recognises the principles of legality and non-retroactivity of laws.

Guided by the principles of good faith, cooperation, and mutual benefit, Ganfeng has been proactively engaging with the Mexican Government in general and with the Secretary of Economy in particular, regarding a potential collaboration on the Sonora Project while respecting Ganfeng and its subsidiaries rights (including those subsidiaries 30% owned by Cadence). Ganfeng continues to seek a mutually beneficial resolution. No agreement has been reached among the Company, Ganfeng and the Mexican Government concerning this potential collaboration.

While Ganfeng was holding discussions with the Secretary of Economy, the General Directorate of Mines ("DGM") initiated a review of nine of the lithium concessions held by the Mexican Subsidiaries, including the lithium concessions including the concessions owned by Mexilit and Megalit.

According to the DGM, if the Mexican Subsidiaries failed to submit sufficient evidence within the specified timeframe to prove that they had complied with minimum investment obligations for the development of lithium concessions in 2017-2021, there was a risk of cancellation of the above-mentioned lithium concessions.

As of May 2023, Mexlait and Megalit had submitted extensive evidence of their compliance with the minimum investment obligations of the above-mentioned lithium concessions in a timely manner. However, the DGM issued a formal decision notice to the Mexican Subsidiaries in August 2023, indicating that nine lithium concessions were cancelled, which include those owned by Mexilit and Megalit.

The lithium concessions' cancellations issued by the DGM are not final and are subject to ongoing appeals. Ganfeng and Cadence believe that the Mexican Subsidiaries have complied with their minimum investment obligations, as required by Mexican law. Indeed, the mine development investment by the Mexican Subsidiaries has significantly exceeded the minimum investment obligations, and the Mexican Subsidiaries regularly submitted to the DGM annual reports for the 2017-2021 periods detailing their operations within the prescribed period annually.

Moreover, Ganfeng and Cadence's position is that the resolutions cancelling the concessions violate both Mexican law and international law as they are arbitrary, unsubstantiated in both fact and law and infringe upon Cadence's, Ganfeng's and its Subsidiaries' fundamental due process rights. Therefore, Ganfeng and the Mexican Subsidiaries have filed administrative review recourses before the Secretary of Economy against the aforementioned resolutions.

The lithium concessions' cancellations issued by the DGM are not final. Depending on the progress of Ganfeng's further actions and the outcome of the above-mentioned matters, whether cancellations will be revoked or maintained in place and the scope of the concessions affected are still uncertain.

Ganfeng's interim results announcement published on 29 August 2023 discussed these developments as part of their post-balance sheet analysis. Therefore, there is still uncertainty about the impact on Cadence's investment. Ganfeng is pursuing various remedies, including administrative review recourses, to challenge the DGM's resolutions. If necessary, Ganfeng will resort to additional remedies under Mexican or international law.

Cadence will continue to liaise with our joint venture partners regularly and ensure within the limits of the joint venture agreement that the matter is given the utmost attention and that regulatory requirements are fulfilled promptly.

PUBLIC EQUITY

The public equity investment segment includes active and passive investments in our trading portfolio.

The trading portfolio consists of investments in listed mining entities that the Board believes possess attractive underlying assets. The focus is to invest in mining companies that are significantly undervalued by the market and where there is substantial upside potential through exploration success and/or the development of mining projects for commercial production. Ultimately, the aim is to make capital gains in the short to medium term. Investments are considered individually based on various criteria and are typically traded on the TSX, ASX, AIM or LSE.

During the period, our public equity investments generated an unrealised and realised loss of £1.53million (2022: loss of £4.15 million). These unrealised losses are a reflection of the transfer of the receipt of Hastings Technology Metals Ltd's ("HAS") equity at the market value (£ 5.15 million) and then the subsequent reduction in share price in HAS by circa 66%. However, the treatment of the mineral license swap of the Yangibana Rare Earth Deposit into the equity of HAS is due to Cadence reporting on an unconsolidated basis. Assuming the returns were reported on a consolidated basis, we would have reported an unrelaised / realised profit of £2.17 million, with roughly £0.93 million gain being attributed to improvements in the price and profits from sales of European Metals Holdings share price ("EMH"), £0.93 million is attributed to the net improvement in the Evergreen Lithium Share Price ("E.G.") and £0.75 million being attributed to the gain in price associated with the Yagibana Rare Earth License swap into HAS.

If we look at the cumulative share performance of this portfolio at the end of the period, the realised return on historical costs is circa 143%, and the unrealised return is 149%. Our investment in EMH is the only active investment in the public equity portfolio.

The movement in public portfolio values during the year is summarised below. We have reported for clarity the unconsolidated and consolidated values and movements. Our disposals in our pubic equity were invested in the Amapá Project.

	£,000 (Unconsolidated)	**£,000 (Consolidated)**
Portfolio value at the beginning of period of 2023	**5,244**	**5,244**
Addition of HAS shares at market value	5,152	NA
Transfer of HAS from private to public portfolio	NA	905
Transfer of E.G. from private to public portfolio	1,810	1,810
Disposal of public Investments during the year	(935)	(935)
Realised and Unrealised (loss) / profit on portfolio value for the period	(1,532)	2,715
Portfolio value at the end of the period	**9,740**	**9,740**

As of 30 June 2023, our public equity stakes consisted of the following:

Company	30-Jun-23 £,000	31-Dec-22 £,000	30-Jun-22 £,000	31-Dec-21 £,000	30-Jun-21 £,000
European Metals Holding Ltd	5,207	4,882	5,357	11,287	14,180
Evergreen Lithium Ltd	2,738	-	-	-	-
Hastings Technology Metals Ltd	1,570	-	-	-	-
Charger Metals NL	187	301	196	342	109
Macarthur Minerals Ltd	-	-	103	181	327
Eagle Mountain Mining Ltd	20	37	47	122	153
Mont-Royal Resources Ltd	12	19	39	35	-
Celsius Resources Ltd	-	-	-	-	103
Miscellaneous	5	5	5	7	6
Total	**9,740**	**5,244**	**5,747**	**11,974**	**14,878**

PUBLIC EQUITY, ACTIVE
European Metals Holdings Limited ("EMH"), Czech Republic
Interest – 6.2% at 30/06/2022 and 5.8% at 29/09/2023

EMH owns 49% of Geomet s.r.o. with 51% owned by CEZ. CEZ is a significant energy group listed on various European Exchanges. Geomet s.r.o. owns 100% of Cinovec, which hosts a globally substantial hard-rock lithium deposit with a total Measured, Indicated and Inferred Mineral Resource of 708.2Mt at 0.43% Li_2O and 0.05% Sn containing a combined 7.39 million tonnes of Lithium Carbonate Equivalent.

This followed previous reports on 28 November 2017 (Further Increase in Indicated Resource at Cinovec South). An initial Probable Ore Reserve of 34.5Mt at 0.65% Li_2O and 0.09% Sn reported on 4 July 2017 (Cinovec Maiden Ore Reserve – Further Information) has been declared to cover the first 20 years' mining at an output of 22,500tpa of battery-grade lithium carbonate reported on 11 July 2018 (Cinovec Production Modelled to Increase to 22,500tpa of Lithium Carbonate). This makes Cinovec the largest hard-rock lithium deposit in Europe, the fourth largest non-brine deposit globally, and a globally significant tin resource.

In January 2022, EMH completed an updated PFS, which indicated a return post-tax NPV8 of USD1.94B and a post-tax IRR of 36.3%. The study confirmed that the Cinovec Project is a potential low-operating-cost producer of battery-grade lithium hydroxide or battery-grade lithium carbonate as markets demand. It confirmed that the deposit is amenable to bulk underground mining. Metallurgical test work has produced battery-grade lithium hydroxide, lithium carbonate, and high-grade tin concentrate. A DFS for the Cinovec Project is currently underway.

For the reporting period, EMH continued to manage the advancement of the Cinovec Lithium/Tin Project in the Czech Republic. The Cinovec project was awarded pre-approval for an ~ EUR 49 million grant under the E.U.'s Just Transition Fund scheme in January 2023 and was formally classified as a "Strategic Project" as part of this grant scheme. The final application and approval process is due to be completed in early 2024.

Other key milestones achieved during the year included the appointment of DRA Global to complete the DFS, the continuation of outstanding results from the final test work, and securing the land necessary to build the proposed lithium processing plant at Dukla, approximately 6.2km from the proposed portal site.

Post-period end, EMH received an investment from a significant strategic investor, the European Bank for Reconstruction and Development ("EBRD"). The EBRD is an International Financial Institution owned by the European Union, the European Investment Bank and 71 countries, including the Czech Republic. The EBRD investment aims to fund the project's predevelopment work.

PUBLIC EQUITY, PASSIVE
Evergreen Lithium Limited ("EG"), Australia
Interest – 13.2% at 30/06/2022 and 8.7% at 29/09/2023

In July 2022, Cadence Minerals received approximately 15.8 million shares in EG when Cadence sold its 31.5% stake in Lithium Technologies and Lithium Supplies ("L.T. and L.S.") to EG as announced on 27 June 2022. EG was listed on the Australian Stock Exchange ("ASX") during the reporting period.

Before listing, Cadence's equity stake in Evergreen was 13.16%; due to the IPO and associated fundraising, this was reduced to 8.74%. At the time of writing, the value of this stake was approximately £3.3 million; our initial investment into this asset was £0.83 million.

A further AS$ 6.63 million (£3.80 million) shares in Evergreen are due to Cadence on achieving certain performance milestones by Evergreen. Further details of these milestones can be found in the Evergreen prospectus. Cadence's shares are subject to a 2-year escrow agreement as determined by the listing rules of the ASX.

Evergreen is the 100% owner of three exploration tenements. The Bynoe Lithium Project and Fortune Lithium Project (awaiting grant of exploration permit) are in the Northern Territory, and the Kenny Lithium Project is in Western Australia.

The Bynoe Lithium Project is Evergreen's flagship prospect. Evergreen's primary focus is to explore and discover an economically viable lithium resource for development. The Bynoe Lithium Project is located south of Darwin in the Northern Territory, Australia. It covers the northeastern strike extent of the lithium- and tantalum-endowed Bynoe Pegmatite Field. The Bynoe Pegmatite Field is host to Core Lithium Ltd's (ASX: CXO) ("Core Lithium" or "Core") high-grade Finniss lithium deposit, which is adjacent to Core Lithium's producing lithium mine. Core Lithium's deposit is just 1.2km from the Bynoe Lithium Project. Soil sampling conducted on the Bynoe Lithium Project has returned geochemical anomalies that indicate the lithium mineralisation continues along the trend into the Company's

Bynoe Lithium Project. Based on the initial stages of soil sampling alone (which only covers approximately 10-20% of the Bynoe Lithium Project area, an initial five target zones have been identified that contain lithium mineralisation. The Bynoe Lithium Project covers an area of 231 km2, making Evergreen one of the largest tenement holders within the central Bynoe Pegmatite Field after Core Lithium.

The Kenny Lithium Project is located within the Dundas Mineral Field of Western Australia and 50km East of Norseman in the Eastern Goldfields. It is near the Mt Dean and Mt Belches-Bald Hill pegmatite fields, and multiple significant lithium discoveries have been made near the Kenny Lithium Project.

Initial field mapping on the Kenny Lithium Project has confirmed the presence of substantial outcropping pegmatites, whereby an approximate 10km zone of pegmatite outcropping has been established in the North-Eastern section of the Kenny Lithium Project, which significantly exceeds what has already been identified by the Government Survey of Western Australia (GSWA).

Evergreen aims to explore and discover an economic lithium resource for subsequent development. As with the Company's Bynoe Lithium Project, minimal geochemical work has been undertaken within the tenure; however, historical results have proven encouraging. During the reporting period, EG has continued to progress with the development of these assets, with some initial positive results from the geochemical and geophysical results on both the Byone and Kenny lithium prospects.

PUBLIC EQUITY, PASSIVE
Hastings Technology Metals Ltd ("HAS"), Australia
Interest - 1.4% at 30/06/2022 and 1.4% on 29/09/2023

In June 2022, Cadence entered into a binding agreement to sell its working interest in the leases in the Yangibana Project to HAS, the current owner and operator of the Yangibana Rare Project. Cadence sold its 30% working interest in the Yangibana Project tenements to HAS for A$9 million (£5.1 million), which has been satisfied via the issue of 2,452,650 new ordinary shares in HAS to Cadence. These shares represented approximately 1.9% of the issued share capital of Hastings Technology and are subject to a 12-month voluntary escrow. Cadence has disposed of some of this investment to fund our Amapá Iron Ore Project investment. We now hold circa 1.4% of HAS. Amapa. At the period end, the value of this stake was approximately £1.6 million; our initial investment in this asset was £0.91 million.

Hastings is a well-managed Perth-based rare earth company primed to become the world's next producer of neodymium and praseodymium concentrate ("NdPr"). NdPr is vital in manufacturing permanent magnets used daily in advanced technology products ranging from electric vehicles to wind turbines, robotics, medical applications and digital devices.

Hasting's flagship Yangibana project, in the Gascoyne region of Western Australia, contains a highly valued NdPr deposit with an NdPr: TREO ratio of up to 52%. The site is permitted for long-life production and with offtake contracts signed and debt finance in an advanced stage.

During the period Hastings announced it had introduced a staged development programme to the Yangibana asset. This strategy will reduce upfront capital requirements and project execution risks and provide a faster pathway to cash flow by Q1 2025. Hastings will initially focus on constructing the Yangibana mine and beneficiation plant to produce rare earth concentrate (Stage 1), followed by developing a hydrometallurgical plant to produce mixed rare earth carbonate (Stage 2). This has resulted in the total project capital cost being estimated at $948m, with the Stage 1 component being $470m. The beneficiation plant construction will commence in Q3 2023, supporting the Stage 1 concentrate delivery target date of Q1 2025.

As a result of this staged development programme, Stage 1 will have a post-tax NPV11 of $538m, an IRR of 27.54% and an average annual EBITDA of $174m, providing a funding source for Stage 2.

FINANCIAL RESULTS:

During the period, the Group made a loss before taxation of £1.95 million (6 months ended 30 June 2022: £5.05 million, year ended 31 December 2022: £5.50 million). There was a weighted basic loss per share of 1.163p (30 June 2022: 3.136p, 31 December 2022: 3.355p). During the period, the Group disposed of its Yangibana Joint Venture Interest. This interest was held in the Company's wholly owned subsidiary, Mojito Resources "Mojito" which acquired 2,452,650 shares in Hastings Technology Metals Ltd in return valued at AUD $9m. Therefore, the sale's profit is reflected in the subsidiary, not the Company's accounts. Mojito, in turn, sold these shares to the Company for $9m, which resulted in an amount owing to the subsidiary of £4.75m at the period end in the Company's accounts. This transaction constitutes a related party transaction. The Company currently holds an investment in Mojito of £0.96m, supported by the intercompany balance of £4.75m. Should the intercompany loan be waived this would result in a profit of approximately £3.79m, based on the balances at 30 June 2023, for the Company.

The total assets of the Group increased from £21.64 million at 31 December 2022 to £25.79 million. During the period, our net cash outflow from operating activities was £0.76 million, gross proceeds of £1.31m were raised through the issue of loans and new shares, and our net cash position was up £0.47 million at £0.58 million.

Kiran Morzaria
Chief Executive Officer
29 September 2023

This announcement contains inside information for the purposes of Article 7 of E.U. Regulation 596/2014.

For further information:

Cadence Minerals plc Andrew Suckling Kiran Morzaria	+44 (0) 20 3582 6636
WH Ireland Limited (NOMAD & Broker) James Joyce Darshan Patel	+44 (0) 207 220 1666
Brand Communications Public & Investor Relations Alan Green	+44 (0) 7976 431608

CADENCE MINERALS PLC
STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 JUNE 2023

	Notes	**Unaudited period ended 30 June 2023**	Unaudited period ended 30 June 2022	Audited year ended 31 December 2022
		£'000	£'000	£'000
Income				-
Unrealised loss on financial investments		**(1,319)**	(5,259)	(4,593)
Realised (loss)/profit on financial investments		**(213)**	1,110	552
		(1,532)	(4,149)	(4,041)
Share based payments		**(25)**	-	(13)
Other administrative expenses		**(768)**	(906)	(1,443)
Total administrative expenses		**(793)**	(906)	(1,456)
Operating profit/(loss)		**(2,325)**	(5,055)	(5,497)
Foreign exchange gains/(losses)		**407**	10	3
Finance cost		**(36)**	-	(3)
Profit/(loss) before taxation		**(1,954)**	(5,045)	(5,497)
Taxation		**-**	-	**-**
Profit/(loss) attributable to the equity holders of the Company		**(1,954)**	(5,045)	(5,497)
Total comprehensive profit/(loss) for the period, attributable to the equity holders of the Company		**(1,954)**	(5,045)	**(5,497)**
Loss per share				
Basic (pence per share)	*3*	**(1.163)**	(3.136)	(3.355)
Diluted (pence per share)	*3*	**n/a**	n/a	n/a

CADENCE MINERALS PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2023

	Share capital	Share premium account	Share-based payment reserve	Investment in own shares	Retained earnings	Total equity
	£'000	£'000	£'000		£'000	£'000
Balance at 1 January 2022	**1,903**	**33,207**	**249**	**(70)**	**(13,136)**	**22,153**
Transfer on exercise of warrants	-	-	(10)	-	10	-
Issue of share capital	241	4,670	-		-	4,911
Issue of shares held in Trust	-	111	-	**6**	-	117
Costs of share issue	-	(376)	-		-	(376)
Transactions with owners	241	4,405	(10)	6	10	4,652
Loss for the period	-	-	-		(5,045)	(5,045)
Total comprehensive loss for the period	-	-	-		(5,045)	(5,045)
Balance at 30 June 2022 (unaudited)	**2,144**	**37,612**	**239**	**(64)**	**(18,171)**	**21,760**
Share based payments	-	-	13		-	13
Transactions with owners	-	-	13	-	-	13
Loss for the period	-	-	-		(452)	(452)
Total comprehensive loss for the period	-	-	-	-	(452)	(452)
Balance at 31 December 2022	**2,144**	**37,612**	**252**	**(64)**	**(18,623)**	**21,321**
Share based payments	-	-	25	-	-	25
Issue of share capital	83	41	-		-	124
Transactions with owners	83	41	25	-	-	149
Loss for the period	-	-	-	-	(1,954)	(1,954)
Total comprehensive loss for the period	-	-	-	-	(1,954)	(1,954)
Balance at 30 June 2023 (unaudited)	**2,227**	**37,653**	**277**	**(64)**	**(20,577)**	**19,516**

CADENCE MINERALS PLC
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

		Unaudited	Unaudited	Audited
		30 June 2023	30 June 2022	31 December 2022
Assets	**Notes**	**£'000**	£'000	£'000
Non-current				
Financial Assets	*4*	**10,530**	8,963	11,365
Investment in associate				
		10,530	8,963	11,365
Current assets				
Trade and other receivables		**3,978**	5,222	3,957
Financial Assets	*4*	**10,702**	5,747	6,206
Cash and cash equivalents		**577**	1,994	110
Total current assets		**15,257**	12,963	10,273
Total assets		**25,787**	21,926	21,638
EQUITY AND LIABILITIES				
Current liabilities				
Trade and other payables		**348**	166	317
Borrowings	*6*	**565**	-	-
Total current liabilities		**913**	166	317
Liabilities due after one year				
Borrowings	*6*	**611**	-	-
Amounts owed to subsidiaries		**4,747**	-	-
Total liabilities		**6,271**	**166**	**317**
Equity				
Share capital	*5*	**2,227**	2,144	2,144
Share premium		**37,653**	37,612	37,612
Share based payment reserve		**277**	239	252
Investment in own shares		**(64)**	(64)	(64)
Retained earnings		**(20,577)**	(18,171)	(18,623)
Total equity attributable to owners of the company		**19,516**	21,760	21,321
Total equity and liabilities		**25,787**	21,926	21,638

CADENCE MINERALS PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD 30 JUNE 2023

	Unaudited period ended 30 June 2023	Unaudited period ended 30 June 2022	Audited year ended 31 December 2022
	£'000	£'000	£'000
Cash flows from operating activities			
Operating loss	**(2,325)**	(5,055)	(5,497)
Net realised/unrealised loss on financial investments	**1,532**	4,149	4,041
Equity settled share-based payments	**25**	-	13
Adjustment for issue of own shares	**-**	117	-
(Increase)/decrease in trade and other receivables	**(21)**	**(170)**	24
Increase/(decrease) in trade and other payables	**31**	**(687)**	(536)
Net cash outflow from operating activities	**(758)**	(1,646)	(1,955)
Taxation	**-**	-	-
Cash flows from investing activities			
Payments for current financial investments	**-**	(176)	(235)
Receipts on sale of current investments	**935**	1,256	1,926
Payments for non-current financial investments	**(975)**	(2,305)	(4,600)
Net cash inflow from investing activities	**(40)**	(1,225)	(2,909)
Cash flows from financing activities			
Proceeds from issue of share capital	**124**	**4,911**	5,016
Share issue costs	**-**	**(376)**	(376)
Borrowings	**1,187**	**-**	-
Finance cost	**(12)**	**-**	(3)
Net cash (outflow)/inflow from financing activities	**1,299**	4,535	4,637
Net increase/(decrease) in cash and cash equivalents	**501**	1,664	(227)
Foreign exchange movements on cash and cash equivalents	**(34)**	6	13
Cash and cash equivalents at beginning of period	**110**	324	324
Cash and cash equivalents at end of period	**577**	1,994	110

Material non-cash transactions

During the period the Company acquired 2,452,650 shares in Hastings Technology Metals Ltd from its wholly owned subsidiary Mojito Resources, at a cost of AUD$ 9m (£5.152m). This amount was not paid in cash but treated as a intercompany loan from Mojito Resources. This has been treated as a non-current liability.

During the year ended 31 December 2022 the Company disposed of its 31.5% stake in in Lithium Technologies and Lithium Supplies, (non-current financial investments) for initial proceeds of £1,810,000 which were settled in shares of Evergreen PTY Ltd (non-current investment). Additionally, at 31 December 2021 the Company had a loan outstanding of £514,000 from Amapá and a balance of £554,000 held in a trust account (trade and other receivables) which were converted into its investment in Amapá (non-current investment). There were no material non-cash transactions in the year ended 31 December 2021.

NOTES TO THE INTERIM REPORT
FOR THE PERIOD ENDED 30 JUNE 2023

1 BASIS OF PREPARATION

The interim financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention. The financial information set out in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2022 have been delivered to the Registrar of Companies. The auditor's report on those financial statements was unqualified.

The principal accounting policies of the Group are consistent with those detailed in the 31 December 2022 financial statements, which are prepared under the historical cost convention and in accordance with U.K. adopted International Accounting Standards (IAS).

GOING CONCERN

The Directors have prepared cash flow forecasts for the period ending 30 September 2024. The forecasts demonstrate that the Group has sufficient funds to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the accounts have been prepared on a going concern basis.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances**.**

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results

2 SEGMENTAL REPORTING

The Company operates a single primary activity to invest in businesses so as to generate a return for the shareholders.

3 EARNINGS PER SHARE

The calculation of the earnings per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period.

	Unaudited six months ended 30 June 2023	Unaudited six months ended 30 June 2022	Audited year ended 31 December 2022
	£'000	£'000	£'000
Profit/(loss) on ordinary activities after tax (£'000)	**(1,954)**	(5,045)	(5,497)
Weighted average number of shares for calculating basic profit/loss per share	**174,360,940**	167,656,144	170,208,788
Less: shares held by the Employee Benefit Trust (weighted average)	**(6,380,000)**	(6,804,309)	(6,380,000)
Weighted average number of shares for calculating basic (loss)/profit per share	**167,980,940**	160,851,835	163,828,788
Share options and warrants exercisable	n/a	n/a	n/a
Weighted average number of shares for calculating diluted profit per share	n/a	n/a	n/a
Basic profit/(loss) per share (pence)	**(1.163)**	(3.136)	(3.355)
Diluted profit per share (pence)	**n/a**	n/a	n/a

4 FINANCIAL INVESTMENTS

Financial assets at fair value through profit or loss:

	£'000 Level 1	£'000 Level 2	£'000 Level 3	£'000 Total
Fair value at 31 December 2021	11,974	-	5,660	17,634
Additions	235	-	7,479	7,714
Fair value changes	(4,593)	-	-	(4,593)
(Loss)/Gains on disposals	(446)	-	998	552
Disposal	(1,926)	-	(1,810)	(3,736)
Fair value at 31 December 2022	5,244	-	12,327	17,571
Additions	5,152	-	975	6,127
Transfers on listings	1,810	-	(1,810)	-
Fair value changes	(1,319)	-	-	(1,319)
(Loss)/Gains on disposals	(213)	-	-	(213)
Disposal	(934)	-	-	(934)

Fair value at 30 June 2023	9,740	-	11,492	21,232
Losses on investments held at fair value through profit or loss				
Fair value loss on investments	(1,319)	-	-	(1,319)
Realised loss on disposal of investments	(213)	-	-	(213)
Net loss on investments held at fair value through profit or loss	(1,532)	-	-	(1,532)
Non-current	-	-	10,530	10,530
Current	9,740	-	962	10,702
	9,740	-	11,492	21,232

5 SHARE CAPITAL

	Unaudited	Unaudited	Audited
	30 June 2023	30 June 2022	31 December 2022
	£'000	£'000	**£'000**
Allotted, issued and fully paid			
173,619,050 deferred shares of 0.24p (30 June and 31 December 2022: 173,619,050)	**417**	417	417
180,971,037 ordinary shares of 1p (30 June 2022 and 31 December 2022 172,719,813 ordinary shares of 1p)	**1,810**	1,727	1,727
	2,227	2,144	2,144

6 LOANS

On 25 May 2023 the Company secured a Mezzanine Loan Facility ("Loan Facility") This comprised an unconditional and committed initial tranche by the Investors of US$ 2 million, received during the period (net of costs) and a further conditional Loan Facility amount of US$ 8 million, subject to agreement by the Investors. The Loan Facility is valid for three years.

The First Tranche of US$ 2 million has a 24-month term ("Maturity Date"). It has a six-month principal repayment holiday, followed by 18 equal monthly cash repayments thereafter to the Maturity Date. The Loan Facility has an effective annual interest rate of 9.5% and has a 5% implementation on the value of the First Tranche. Inclusive of interest, the implementation fee, legal and escrow costs the total amount amounts paybale above the principle is £336,200 (US$414,300).

If the Company elects not to settle a monthly payment in cash (each being a "Missed Payment"), they will automatically grant a right for the Missed Payment to be settled in shares as per the non-cash repayment terms contained in the Loan Facility Agreement ("Non-Cash Repayment"). Following a Non-Cash Repayment, the Investors will be automatically granted conversion rights over such principal and interest balances due concerning the Missed Payment. The Investors will then have the right for 12 months to convert such amounts either at a price equal to 12.7 pence (representing a 30% premium to the closing price on 25/05/2023) or at a 7% discount to the average of the five daily VWAPs chosen by the Investors in the 20 trading days preceding its conversion notice or at the price the Company issues further equity if lower than the existing conversion price. As the Investors have no automatic conversion rights, management have concluded that there is no equity or derivative value.

Cadence has provided a security package to the Investors as part of the Loan Facility. This package includes a floating charge over the Company's investments, placing its holding in European Metals Holdings into escrow and the issue of new ordinary shares to the Investors ("Initial Issued Shares"). The Initial Issued Shares represent 50% of the value of the First Tranche, or 8,251,224 new ordinary shares. These initial Issued Shares will be used as part of any Non-Cash Repayments if applicable. On the Maturity Date, the Initial Issued Shares may be sold and provided all amounts due have been settled in cash, the profits on the sale revert to the Company. Of the gross proceeds of US$2m (£1,622,000), $100,000 (£81,000) were deducted in fees, and $27,000 (£22,000) were paid in legal and escrow fees.

As part of the Loan Facility, the Company has agreed to grant 8,251,224 warrants to subscribe for ordinary shares in the Company at an exercise price of 13.2 pence (representing roughly a 35% per cent premium to the prevailing share price of the Company's Shares) with a 48-month term.

The movements in the loans are summarised below.

	30 June 2023	31 December 2022
	£'000	£'000
Balance at beginning of period	**-**	-
Net loans received	**1,187**	-
Interest charged	**36**	-
Repaid in cash	**(12)**	-
Foreign exchange	**(35)**	-
Balance at end of period	**1,176**	-
Due within one year	**565**	-
Due after one year	**611**	-