

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

Kodal Minerals Plc / Index: AIM / Epic: KOD / Sector: Mining

22 December 2023

Kodal Minerals plc ('Kodal', 'Kodal Minerals' or the 'Company')

Interim Results for the six months to 30 September 2023

Kodal Minerals Plc, the mineral exploration and development company focused on lithium and gold assets in West Africa, announces its unaudited interim results for the six months ended 30 September 2023.

Highlights

Operational

- Funding transaction completed in November 2023 with Hainan Mining Company ("Hainan" or "Hainan Mining") to provide
 - \$100m investment in to the Bougouni Lithium Project in Mali ("Bougouni" or the "Project") to fully finance the development of the mine, with Hainan acquiring a 51% stake in the Project;
 - \$17.75m subscription for shares in Kodal Minerals, giving Hainan a 14.7% holding in the Company.
- New Mineral Resource estimate for Bougouni announced in November 2023 of 31.9 million tonnes (Mt) at 1.06% Lithium Oxide (Li₂O), an increase of over 40% from the previous Mineral Resource estimate.
- Engineering and development work at Bougouni continued including work on construction of a new access road for the mine
- Relationships with the local community in Bougouni remain strong with ongoing discussions to prioritise an extensive community development programme

Financial

- For the 6 months to 30 September 2023, the Company made a loss of £509,000 (6 months to 30 September 2022: £491,000).
- Total investments in lithium and gold assets increased to £17.0 million from £14.5 million as at 31 March 2023
- Cash balances at 30 September 2023 were £1.7 million (30 September 2022: £0.6 million) and following the closing of the Funding Transaction now stand at £11.2 million.

Overview:

The Company has continued to focus on the fast-track development of the Bougouni Lithium mine and to that end the Company announced in January 2023 a major funding transaction for US\$117.75 million (the “Funding Transaction”), paving the way for the opportunity for Kodal to be the first London-quoted lithium producer. The Funding Transaction was completed on 15 November 2023 with all funds received.

The Funding Transaction was agreed with Hainan Mining Co. Limited (“Hainan” or “Hainan Mining”) and its wholly owned UK-incorporated subsidiary Xinmao Investment Co. Limited (“Xinmao” and together the “Hainan Group”), and provides full funding for the development and commencement of production at the Bougouni Lithium Project in Mali (“Bougouni” or the “Project”), as well as supporting ongoing exploration and development programmes designed to continue the expansion of the Project.

The Funding Transaction consists of a US\$17.75 million equity subscription by the Hainan Group into Kodal, with these new ordinary shares admitted to trading on AIM. As a result, the Hainan Group now holds 14.72% of the issued share capital of the Company. The Funding Transaction also includes a US\$100 million investment into Kodal’s UK subsidiary company, Kodal Mining UK Limited (“KMUK”), by the Hainan Group, primarily to provide the financing to construct the Bougouni lithium production operation. Following the transaction, KMUK is 49% owned by Kodal and 51% by the Hainan Group.

Bougouni Lithium Project – Mineral Resource Update

In November 2023 Kodal announced a new JORC Mineral Resource estimate (MRE) for the Bougouni Lithium Project of 31.9 million tonnes (Mt) at 1.06% Lithium Oxide (Li₂O), an increase of over 40% from the previous Mineral Resource completed in 2019. The significant increase relates to the Ngoulana and Boumou deposits following the drilling programmes completed in early 2023.

The updated Mineral Resource estimate has been prepared as part of the development plans for Bougouni. As previously announced, the Company plans for a two-stage development strategy: Stage 1 involves processing ore from the Ngoulana deposit through a dense media separation (“DMS”) process plant; and Stage 2 processing ore from the Boumou and Sogola-Baoulé deposits through a flotation plant.

Highlights of the Mineral Resource estimate include:

- The 40% increase in Bougouni’s spodumene resource adds 10.6Mt to bring the overall MRE to 31.9Mt at 1.06% Li₂O following 3,230 metres of RC/diamond drilling during 2023.
- New JORC Mineral Resource estimates have been prepared for the Boumou and Ngoulana prospects:
 - Boumou: 13.1Mt at 1.04% Li₂O, an increase of 236% from the 2019 estimate (Boumou Resource reported using a 0.75% Li₂O lower cut-off, no top cut-off)
 - Ngoulana: 6.7Mt at 1.00% Li₂O, an increase of 9% from the 2019 estimate (Ngoulana MRE reported using 0.5% Li₂O lower cut-off, no top cut applied)

The MRE update also improves Kodal management’s confidence in the previously defined resource at the Ngoulana prospect ahead of the proposed DMS mining development.

- Sogola-Baoulé prospect has a resource of 12.2Mt at 1.1% Li₂O, which is unchanged from the 2019 resource estimate, and the next phase of drilling will include additional metres with potential to expand Sogola-Baoulé.
- Boumou prospect remains open along strike and drilling is planned to target an additional 750m strike length.
- Ngoualana resource is undergoing open pit optimisation and the mine design is being updated to capture the increased resources, and to support the final planning of the Ngoualana prospect's DMS development.

The next drilling campaign will commence imminently, focussing on further resource definition, infill and exploration drilling at Boumou and Sogola-Baoulé prospects, as well as those not included in the MRE to date, including Kola and Bougouni South, all located within the current Bougouni mining licence.

Bougouni Lithium Project – Engineering Development

Bougouni Lithium project is an advanced lithium project which has a mining permit for an initial twelve-year period, renewable in ten-year blocks until all resources are mined, covering 97 km² of highly prospective lithium deposits, which to date has a JORC Mineral Resource Estimate of 31.9Mt of Li₂O at 1.06%.

The Stage 1 development, for the DMS plant, is progressing well, with the access road upgrade and construction nearing completion and clearance of site for the proposed processing plant development commencing.

The Engineering design of the DMS modular units is complete and engineering representatives from Hainan and Kodal recently visited the Johannesburg offices of our engineering consultant DRA Global to review the proposed units.

Engineering works are continuing with the commencement of the procurement of long lead items and in Mali, our development team is building our internal capacity for the construction phase and future operations of the Bougouni Lithium project.

Environmental and Social Governance

Kodal was granted an Environmental Permit over the Project in November 2019. Supplemental studies have been ongoing in 2023, including dust and noise monitoring, surface water and hydrogeological assessments, and waste rock geochemistry analysis.

The Company has finalised the upgrade of local access roads following the end of the rainy season (October 2023), utilising Malian contractors. This upgrade of existing roads in the project area has improved conditions for the local community as they approach the harvest season as well as benefiting the Company in upgrading access to the Ngoualana deposit for the site development activities.

The Company is continuing to work with the local community to prioritise a community development programme, which involves direct consultation with the local communities, in order to document a programme that will jointly establish priority community development projects and identify how the Company can provide support for these initiatives.

Bernard Aylward, CEO of Kodal Minerals, said: *“This year has been transformational for Kodal as we move towards the development and commencement of production from the Bougouni Lithium mine with our new partner, the Hainan Group. During this year we have completed the major Funding package that ensures the development of the Bougouni Lithium mine as well as supplies additional funding for further exploration and development. We have increased our JORC compliant Mineral Resource estimate by over 40% and have identified advance targets to continue that resource growth and have fast tracked our project development with continued detailed engineering and commencement of site works.”*

“Kodal ends the year 2023 in a strong financial position with a cash balance exceeding £11,236,000 that will allow us to continue to explore our 100% owned projects in Mali and Côte d’Ivoire as well as review opportunities that offer further growth and expansion opportunities for the Company. Kodal has demonstrated an expertise in the acquisition, exploration and development of Lithium and Battery Mineral Projects and the Company will continue to explore these opportunities that will utilise our successful team.”

“The Bougouni Lithium project remains a focus for the Company as we work with our development partner to complete construction and commence production during 2024. Kodal will continue the exploration and mineral resource development of the Bougouni Lithium project with an extensive drilling programme commencing at the Boumou prospect and continuing to test additional high priority pegmatite targets to support the future development of a Flotation Processing plant to significantly expand the production of spodumene concentrate from the project.”

Chairman's Statement

I am very pleased to report on the status of our Company following a remarkable 2023 year. The Company enters the 2024 calendar year in a very strong financial position, having secured full funding for the development of our flagship Bougouni Lithium project through the partnership with the Hainan Group.

The development of the Bougouni Lithium project will ensure Kodal plays a role in the future energy transition away from fossil fuels as our lithium spodumene concentrate product provides the key base material for battery production. This year has seen the lithium price retreat from the recent highs noted in 2022 that marked, at that time, a 10-fold increase in price over a two year timeframe. The current price for lithium spodumene concentrate is in line with the Company’s prices used in its feasibility studies and underlines the robustness of our project.

Kodal continues to review the lithium sector and notes that the decarbonisation and the energy transition are expected to fuel sustained commodity demand growth and notes that a report published by the International Energy Agency has estimated that global battery and minerals supply chains need to expand ten-fold to meet projected critical minerals needs by 2030.

The demand for lithium is supported by the increasing primary markets for lithium that include electric vehicle (“EV”) batteries, other batteries, ceramics and glass. EV batteries are the fastest growing segment and the key driver of demand growth. The take-up of electric vehicles is predicted to continue to strongly grow over the next decade as Government policies, population demand and increased vehicle choice drive the market.

In addition to the Bougouni Project, Kodal is now also well-funded to undertake further work on its range of 100% owned exploration projects in Mali and Côte d’Ivoire. The Company has advanced gold exploration projects with potential for near term resource definition and we are working on a strategy to maximise the value of these assets.

In the 6-month period ended 30 September 2023, the Group has recorded a loss of £509,000 compared to losses of £491,000 for the 6 months to 30 September 2022 and £1,461,000 for the year to 31 March 2023.

Cash balances as at 30 September 2023 were £1,706,000 compared to £2,628,000 at 30 September 2022 and £545,000 at 31 March 2023. Cash as at 21 December 2023 was £11,236,000.

We have a very exciting period ahead of us as we move into the construction and production phase at the Bougouni Lithium project in partnership with the Hainan Group. We look forward to reporting on our progress during 2024.

Robert Wooldridge
Non-Executive Chairman

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KODAL MINERALS PLC

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

		Unaudited 6 months to 30 September 2023 £	Unaudited 6 months to 30 September 2022 £	Audited Year ended 31 March 2023 £
Continuing operations				
Revenue		-	-	-
Other operating income	6	158,138	-	-
Administrative expenses		(511,978)	(368,850)	(944,473)
Share based payments		(154,899)	(122,006)	(516,581)
OPERATING LOSS		(508,739)	(490,856)	(1,461,054)
Finance costs		-	-	-
LOSS BEFORE TAX		(508,739)	(490,856)	(1,461,054)
Taxation		-	-	-
LOSS FOR THE PERIOD/YEAR		(508,739)	(490,856)	(1,461,054)
OTHER COMPREHENSIVE INCOME				
Items that may be subsequently reclassified to profit and loss				
Currency translation (loss)/gain		(54,725)	259,162	331,259
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR		(563,464)	(231,694)	(1,129,795)
Loss per share				
Basic and diluted – loss per share on total earnings - pence per share	3	(0.0030)	(0.0029)	(0.0087)

KODAL MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

	Note	Unaudited as at 30 September 2023 £	Unaudited as at 30 September 2022 £	Audited as at 31 March 2023 £
NON-CURRENT ASSETS				
Intangible assets	6	17,000,095	12,788,905	14,521,888
Property, plant and equipment	7	76,992	1,356	91,771
		<u>17,077,087</u>	<u>12,790,261</u>	<u>14,613,659</u>
CURRENT ASSETS				
Other receivables		17,793	18,700	11,175
Cash and cash equivalents		<u>1,705,534</u>	<u>2,628,334</u>	<u>544,988</u>
		1,723,327	2,647,034	556,163
Non-current assets classified as held for sale		267,991	-	513,109
CURRENT LIABILITIES				
Trade and other payables		<u>(4,348,457)</u>	<u>(598,543)</u>	<u>(800,007)</u>
NET CURRENT (LIABILITIES) / ASSETS		<u>(2,357,139)</u>	<u>2,048,491</u>	<u>269,265</u>
NET ASSETS		<u>14,719,948</u>	<u>14,838,752</u>	<u>14,882,924</u>
EQUITY				
Attributable to owners of the parent:				
Share capital	10	5,319,525	5,282,416	5,315,619
Share premium account	10	18,808,801	18,456,035	18,765,206
Share based payment reserve		1,849,685	1,272,684	1,537,779
Translation reserve		(42,093)	(59,466)	12,632
Retained deficit		<u>(11,215,970)</u>	<u>(10,112,917)</u>	<u>(10,748,312)</u>
TOTAL EQUITY		<u>14,719,948</u>	<u>14,838,752</u>	<u>14,882,924</u>

KODAL MINERALS PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

	Share capital £	Share premium account £	Share based payments reserve £	Translation reserve	Retained deficit £	Total equity £
At 31 March 2022 (audited)	4,947,595	15,933,071	1,150,678	(318,627)	(9,622,062)	12,090,655
Comprehensive income						
Loss for the period	-	-	-	-	(490,855)	(490,855)
Currency translation gain	-	-	-	259,161	-	259,161
Total comprehensive income for the period	-	-	-	259,161	(490,855)	(231,694)
Transactions with owners						
Proceeds from shares issued	334,821	2,522,964	-	-	-	2,857,785
Share based payment	-	-	122,006	-	-	122,006
At 30 September 2022 (unaudited)	5,282,416	18,456,035	1,272,684	(59,466)	(10,112,917)	14,838,752
Comprehensive income						
Loss for the period	-	-	-	-	(970,199)	(970,199)
Currency translation gain	-	-	-	72,098	-	72,098
Total comprehensive income for the period	-	-	-	72,098	(970,199)	(898,101)
Transactions with owners						

Proceeds from exercise of share options	33,203	309,171	-	-	-	342,374
Lapse of share options	-	-	(334,804)	-	334,804	-
Share based payment	-	-	599,899	-	-	599,899
At 31 March 2023 (audited)	5,315,619	18,765,206	1,537,779	12,632	(10,748,312)	14,882,924

Comprehensive income

Loss for the period	-	-	-	-	(508,739)	(508,739)
Currency translation (loss)	-	-	-	(54,725)	-	(54,725)
Total comprehensive income for the period	-	-	-	(54,725)	(508,739)	(563,464)

Transactions with owners

Proceeds from exercise of share options	3,906	43,595	-	-	-	47,501
Lapse of share options	-	-	(41,081)	-	41,081	-
Share based payment	-	-	352,987	-	-	352,987
At 30 September 2023 (unaudited)	5,319,525	18,808,801	1,849,685	(42,500)	(11,215,970)	14,719,948

KODAL MINERALS PLC

**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023**

	Unaudited 6 months to 30 September 2023 £	Unaudited 6 months to 30 September 2022 £	Audited Year ended 31 March 2023 £
Cash flows from operating activities			
Loss before tax	(508,739)	(490,856)	(1,461,054)
Adjustments for non-cash items:			
Profit on sale of exploration and evaluation assets	(158,138)		
Share based payments	154,899	122,006	516,581
Operating cash flow before movements in working capital	(511,978)	(368,850)	(944,473)
Movement in working capital			
(Increase)/decrease in receivables	(6,618)	(12,931)	(5,406)
Increase/(decrease) in payables	802,706	192,202	393,666
Net movements in working capital	796,088	179,271	388,260
Net cash inflow / (outflow) from operating activities	284,110	(189,579)	(556,213)
Cash flows from investing activities			
Purchase of tangible assets	-	-	(103,633)
Purchase of exploration and evaluation assets	(2,473,559)	(1,045,662)	(3,006,324)
Disposal of exploration and evaluation assets	400,000	-	-
Net cash outflow from investing activities	(2,073,559)	(1,045,662)	(3,109,957)
Cash flow from financing activities			
Prepayment on share subscription	2,745,744	-	-
Net proceeds from share issues	-	2,857,785	2,857,785
Net proceeds from exercise of share options	47,501	-	342,374
Net cash inflow from financing activities	2,793,245	2,857,785	3,200,159
Increase/(decrease) in cash and cash equivalents	1,003,796	1,622,544	(466,011)
Cash and cash equivalents at beginning of the period	544,988	1,045,515	1,045,515
Exchange gain / (loss) on cash	156,750	(39,725)	(34,516)

	<u>1,705,534</u>	<u>2,628,334</u>	<u>544,988</u>
Cash and cash equivalents at end of the period			

KODAL MINERALS PLC

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

General information

Kodal Minerals plc is a public limited company incorporated and domiciled in England & Wales. The Company's shares are publicly traded on the AIM market of the London stock exchange. Kodal Minerals Plc and its subsidiaries are involved in the exploration and evaluation of mineral resources in West Africa.

Basis of preparation

These unaudited condensed consolidated interim financial statements for the six months ended 30 September 2023 were approved by the board and authorised for issue on 21 December 2023.

The basis of preparation and accounting policies set out in the Annual Report and Accounts for the year ended 31 March 2023 have been applied in the preparation of these condensed consolidated interim financial statements. These interim financial statements have been prepared in accordance with the historical cost convention and in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 that are expected to be applicable to the consolidated financial statements for the year ending 31 March 2024 and on the basis of the accounting policies expected to be used in those financial statements.

The figures for the six months ended 30 September 2023 and 30 September 2022 are unaudited and do not constitute full accounts. The comparative figures for the year ended 31 March 2023 are taken from the 2023 audited accounts, which are available on the Group's website, and have been delivered to the Registrar of Companies, and do not constitute full accounts.

The Group has not earned revenue during the period to 30 September 2023 as it is still in the exploration and development phases of its business. The operations of the Group are currently being financed from funds which the Company has raised from the issue of new shares.

The directors have prepared cash flow forecasts for the next 12 months. The forecast includes the proceeds from the shares issued as part of the Funding Transaction with Hainan, the costs of targeted exploration of some of the company's gold assets, and the ongoing overheads of the Group. The forecast shows that the Group has sufficient cash resources available to allow it to continue as a going concern and meet its liabilities as they fall due for a period of at least 12 months from the date of the approval of these interim results. Accordingly, the interims have been prepared on a going concern basis.

KODAL MINERALS PLC

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2023

1. SEGMENTAL REPORTING

The operations and assets of the Group are focused in the United Kingdom and West Africa and comprise one class of business: the exploration and evaluation of mineral resources. The parent Company acts as a holding company. At 30 September 2023, the Group had not commenced commercial production from its exploration sites and therefore had no revenue for the period.

Six months to 30 September 2023 (Unaudited)	West	West	UK	Total
	African Gold	African Lithium		
	£	£	£	£
Other operating income	-	158,138	-	158,138
Administration expenses	(1,815)	(19,832)	(490,331)	(511,978)
Share based payments	-	-	(154,899)	(154,899)
Loss for the period	(1,815)	138,306	(645,230)	(508,739)

At 30 September 2023

Intangible assets - exploration and evaluation expenditure	3,515,208	13,484,887	-	17,000,095
Property plant and equipment	846	76,146	-	76,992
Trade and other receivables	-	-	17,793	17,793
Cash and cash equivalents	18,929	6,205	1,680,400	1,705,534
Assets held for resale	-	267,991	-	267,991
Trade and other payables	-	(1,402,138)	(2,946,289)	(4,348,457)
Net assets	3,534,983	12,433,091	(1,250,096)	14,719,948

Six months to 30 September 2022 (Unaudited)	West	West	UK	Total
	African	African		
	Gold	Lithium		
	£	£	£	£
Administration expenses	(293)	(9,986)	(358,570)	(368,849)
Share based payments	-	-	(122,006)	(122,006)
Loss for the period	(293)	(9,986)	(480,576)	(490,855)

At 30 September 2022

Intangible assets - exploration and evaluation expenditure	3,068,268	9,720,637	-	12,788,905
Property plant and equipment	338	1,018	-	1,356
Trade and other receivables	17,088	806	806	18,700
Cash and cash equivalents	23,049	311	2,604,974	2,628,334
Trade and other payables	(4,645)	(481,624)	(112,274)	(598,543)
Net assets	3,104,098	9,241,148	2,493,506	14,838,752

Year to 31 March 2023 (Audited)	West	West	UK	Total
	African	African		
	Gold	Lithium		
	£	£	£	£
Administration expenses	4,288	27,795	912,390	944,473
Share based payments	-	-	516,581	516,581
Loss for the year	4,288	27,795	1,428,971	1,461,054

At 31 March 2023 (Audited)

Intangible assets - exploration and evaluation expenditure	3,305,948	11,215,940	-	14,521,888
Tangible assets	1,042	90,729	-	91,771
Trade and other receivables	-	-	11,175	11,175
Cash and cash equivalents	90,426	28,858	425,704	544,988
Assets held for resale	-	513,109	-	513,109
Trade and other payables	-	(670,675)	(129,332)	(800,007)
Net assets	3,397,416	11,177,961	307,547	14,882,924

2. OPERATING LOSS

The operating loss before tax is stated after charging:

	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year ended
	30 September	30 September	31 March
	2023	2022	2023
	£	£	£
Audit services	-	-	53,000
Share based payment	154,899	122,006	516,581
Directors' salaries and fees	97,883	80,530	182,247
Employer's National Insurance	-	-	10,598

3. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

The following reflects the loss and share data used in the basic EPS computations:

	Loss	Weighted average number of shares	Basic loss per share (pence)
	£		
Six months to 30 September 2023	508,739	17,019,270,573	0.0030
Six months to 30 September 2022	490,855	16,715,347,911	0.0029
Year ended 31 March 2023	1,461,054	16,812,417,355	0.0087

Diluted loss per share is calculated by dividing the loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares. Options in issue are not considered diluting to the earnings per share as the Group is currently loss making. Diluted loss per share is therefore the same as the basic loss per share.

4. SHARE BASED PAYMENTS

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year ended
	30 September	30 September	31 March

	2023	2022	2023
Share options			
outstanding			
Opening balance	582,500,000	250,000,000	250,000,000
Lapsed in the period	-	(72,500,000)	(77,500,000)
Issued in the period	-	640,000,000	470,000,000
Exercised in the period	<u>(12,500,000)</u>	<u>-</u>	<u>(60,000,000)</u>
Closing balance	<u>570,000,000</u>	<u>817,500,000</u>	<u>582,500,000</u>
	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year ended
	30 September	30 September	31 March
	2023	2022	2023
Performance share			
rights outstanding			
Opening balance	240,000,000	175,000,000	175,000,000
Issued in the period	-	75,000,000	75,000,000
Exercised in the period	<u>-</u>	<u>-</u>	<u>(10,000,000)</u>
Closing balance	<u>240,000,000</u>	<u>250,000,000</u>	<u>240,000,000</u>
	Unaudited	Unaudited	Audited
	6 months to	6 months to	Year ended
	30 September	30 September	31 March
	2023	2022	2023
Share warrants			
outstanding			
Opening balance	326,250,000	205,000,000	205,000,000
Lapsed in the period	-	(12,500,000)	(12,500,000)
Issued in the period	-	-	170,000,000)
Exercised in the period	<u>-</u>	<u>-</u>	<u>(38,250,000)</u>
Closing balance	<u>326,250,000</u>	<u>192,500,000</u>	<u>326,250,000</u>

5. TAXATION

There is no taxation charge for the period to 30 September 2023 (6 months to 30 September 2022: £nil, year to 31 March 2023: £nil) as the group continues to incur losses.

No deferred tax asset has been recognised in respect of losses as the timing of their utilisation is uncertain at this stage.

6. INTANGIBLE ASSETS

	<u>Exploration and evaluation</u>
	£
COST	
At 31 March 2022	11,442,403
Additions in the period	1,047,742
Effects of foreign exchange	298,760
	<hr/>
At 30 September 2022	12,788,905
Additions in the period	2,179,214
Classified as held for sale	(513,109)
Effects of foreign exchange	66,878
	<hr/>
At 31 March 2023	14,521,888
Additions in the period	2,684,613
Effects of foreign exchange	(206,406)
	<hr/>
At 30 September 2023	17,000,095
	<hr/>
AMORTISATION	
At 31 March 2022 and 30 September 2022 and 31 March 2023 and 30 September 2023	-
	<hr/>
NET BOOK VALUES	
At 30 September 2023 (Unaudited)	17,000,095
	<hr/>
At 30 September 2022 (Unaudited)	12,788,905
	<hr/>
At 31 March 2023 (Audited)	14,521,888
	<hr/>
	<u>Assets held for resale</u>
	£
COST	
	513,109

At 31 March 2023

Disposals in the period	(241,862)
Effects of foreign exchange	<u>(3,256)</u>

At 30 September 2023**267,991**

On 18 April 2023, the Company announced the sale of the Bougouni West project. This was held as an asset for resale at 31 March 2023 and 30 September 2023. During the period, sale of one of the Bougouni West licences completed, resulting in other operating income for the Group of £158,138.

7. PROPERTY, PLANT AND EQUIPMENT**Plant and machinery****£****COST**

At 31 March 2022	27,633
Additions in the period	-
Effects of foreign exchange	<u>(127)</u>
At 30 September 2022	27,761
Additions in the period	103,633
Effects of foreign exchange	<u>264</u>
At 31 March 2023	131,403
Additions in the period	-
Effects of foreign exchange	<u>(1,813)</u>
At 30 September 2023	<u>129,590</u>

DEPRECIATION

At 31 March 2022	24,324
Charge for the period	<u>2,081</u>
At 30 September 2022	26,405
Charge for the period	<u>13,227</u>
At 31 March 2023	39,632
Charge in the period	<u>12,966</u>
At 30 September 2023	<u>52,598</u>

NET BOOK VALUES

At 30 September 2023 (Unaudited)	<u>76,992</u>
At 30 September 2022 (Unaudited)	<u>1,356</u>
At 31 March 2023 (Audited)	<u>91,771</u>

8. SUBSIDIARY ENTITIES

The consolidated financial statements include the following subsidiary companies:

<u>Company</u>	<u>Subsidiary of</u>	<u>Country of incorporation</u>	<u>Equity holding</u>	<u>Nature of Business</u>
Kodal Norway (UK) Limited	Kodal Minerals Plc	United Kingdom	100%	Dormant company
International Goldfields (Bermuda) Limited	Kodal Minerals Plc	Bermuda	100%	Holding company
International Goldfields Mali SARL	International Goldfields (Bermuda) Limited	Mali	100%	Mining exploration
International Goldfields Côte d'Ivoire SARL	International Goldfields (Bermuda) Limited	Côte d'Ivoire	100%	Mining exploration
Jigsaw Resources CIV Limited	International Goldfields (Bermuda) Limited	Bermuda	100%	Holding company
Corvette CIV SARL	Jigsaw Resources CIV Limited	Côte d'Ivoire	100%	Mining exploration
Future Minerals Limited	International Goldfields (Bermuda) Limited	Mali	100%	Mining exploration
Kodal Mining UK Limited	Kodal Minerals Plc	United Kingdom	100%	Holding company

9. ORDINARY SHARES

Allotted, issued and fully paid:

	Note	Nominal Value	Number of Ordinary Shares	Share Capital £	Share Premium £
At 30 September 2022			16,903,730,956	5,282,416	18,456,035
March 2023	a		106,250,000	33,203	309,171
At 31 March 2023			17,009,980,956	5,315,619	18,765,206
May 2023	b		12,500,000	3,906	43,595
At 30 September 2023			17,022,480,956	5,319,525	18,808,801

Share issue costs have been allocated against the Share Premium account.

Notes:

- a) On 20 March 2023, a total of 106,250,000 shares were issued pursuant to the exercise of options, warrants and Performance Share Rights from certain directors, senior management and consultants of the Company. The shares were issued at between 0.14 and 0.38 pence per share.
- b) On 12 May 2023, a total of 12,500,000 shares were issued pursuant to the exercise of options. The shares were issued at 0.38 pence per share.

10. RELATED PARTY TRANSACTIONS

Transactions with related parties

Robert Wooldridge, a Director, is a member of SP Angel Corporate Finance LLP (“SP Angel”) which acts as financial advisor and broker to the Company. During the six months to 30 September 2023, SP Angel received fees of £15,000 (6 months to 30 September 2022: £157,005, year to 31 March 2023: £173,605). The balance due to SP Angel at 30 September 2023 was £nil (30 September 2022: £nil, 31 March 2023: £nil).

Matlock Geological Services Pty Ltd (“Matlock”), a company wholly owned by Bernard Aylward, a Director, provided consultancy services to the Group during the six months to 30 September 2023 and received fees of £112,500 (6 months to 30 September 2022: £61,754, year to 31 March 2023: £139,514). The balance due to Matlock at 30 September 2023 was £88,690 (30 September 2022: £13,270, 31 March 2023: £nil).

Geosmart Consulting Pty Ltd (“Geosmart”), a company wholly owned by Qingtao Zeng, a former Director, provided consultancy services to the Group during the six months to 30 September 2023 and received fees of £nil (6 months to 30 September 2022: £18,948, year to 31 March 2023: £24,627). The balance due to Geosmart at 30 September 2023 was £nil (30 September 2022: £nil, 31 March 2023: £nil).

Zivvo Pty Ltd (“Zivvo”), a company wholly owned by Steven Zaninovich, a Director, provided consultancy services to the Group during the six months to 30 September 2023 and received fees of £105,000 (period to 30 September 2022: £37,370, year to 31 March 2023: £140,000). The balance due to Zivvo at 30 September 2023 was £nil (30 September 2022: £37,370, 31 March 2023: £nil).

11. CONTROL

No one party is identified as controlling the Group.

12. EVENTS AFTER THE REPORTING PERIOD

On 27 October 2023, the Company announced that it, Kodal Mining UK Limited, Hainan Mining Co. Limited, and Hainan’s wholly owned UK-incorporated subsidiary Xinmao Investment Co, Limited had agreed terms to complete the funding package announced on 19 January 2023. The agreement for completion of the transaction follows from the waiving of certain conditions precedent relating to the reorganisation of Kodal's Mali lithium assets.

On 14 November 2023, the Company announced that it had received US\$17.75 million (approximately £14.5 million) from Xinmao Investment Co, Limited in consideration for the issue of 2,937,801,971 new ordinary shares at a price of 0.4912 pence per share. The Subscription proceeds include the US\$3.5m previously advanced by the Hainan Group as announced on 3 August 2023.

On 15 November 2023, the Company announced the completion of the funding transaction for US\$117.75 million originally announced on 19 January 2023. The Funding Transaction consists of the US\$17.75 million equity subscription into Kodal, noted above, and also includes a US\$100 million investment into Kodal's UK subsidiary company, Kodal Mining UK Limited by the Hainan Group, primarily to provide the financing to construct the Bougouni lithium production operation.

On 16 November 2023, the Company announced that it had received notices of exercise for options, warrants and Performance Share Rights from certain directors, former directors, senior management and consultants of the Company to subscribe for a total of 280,833,333 new ordinary shares. Total subscription proceeds for the Company from these exercises was £651,833.