Serabi Gold plc
Annual Report
2024

COMPANY NUMBER – 5131528

We are Serabi Gold plc:

A leading developer of gold production in Brazil

Our vision is to become the premier gold growth company in Brazil by working in partnership with our stakeholders through responsible stewardship whilst employing best ESG practices.

Our shorter-term strategy is to increase production to 60,000 oz pa Au by end 2026 and become a 100,000 - 200,000 oz pa Au producer within 3-5 years by:

- **leveraging our extensive exploration portfolio**
- **capitalising on management's proven track record of successfully developing and operating mines in Brazil**
- **engaging in strategic M&A**

In the near term, implementing our strategy will significantly increase production and improve profitability, whilst advancing multiple development opportunities. This growth will:

- **reward shareholders**
- **develop our employees and reward their performance**
- **enhance the local economy and enrich community life**

KEY FIGURES

Revenue **$94.54 million (up 48%)**	**Cash Flow from Operations** **$30.9 million (up by US$18.8m)**
Gold Production **37,520 ounces (up 13%)**	**Average Grade processed** **5.71 g/t (down 10%)**
Cash Held at 31 December 2024 **$22.2 million (up by $10.6m)**	**Bank Borrowings at 31 December 2024** **$5.0 million (unchanged)**
Cash Costs per Ounce **$1,326**	**AISC per Ounce** **$1,700**

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Dear Shareholders,

Whilst 2024 was a remarkable year for Serabi, I am pleased to report that the momentum in our growth has continued into 2025, as the Company remains on track for executing its growth strategy, ramping up annual production to 60,000 oz per annum by 2026 year-end and ultimately growing into a +100,000 oz per annum producer thereafter through our 2025 and 2026 brownfield exploration programmes at the Palito Complex and Coringa.

Serabi kicked off the year with the announcement of the renewal of the 3-year GU trial mining license, a testament to the support from the Brazilian National Mining Agency - Agência Nacional de Mineração ("ANM") and the state environmental agency - Secretaria de Meio Ambiente e Sustentabilidade ("SEMAS"), which from a permitting perspective, underpins our ability in achieving the 60,000 oz per annum target for 2026. Alongside this, we remain in pursuit of the Installation License ("LI") at Coringa, which awaits final acceptance of the indigenous impact study ("ECI") by Fundação Nacional dos Povos Indígenas ("FUNAI"), the government agency for the indigenous population.

I am pleased to report that the progress in the ramp up of Coringa did not end there. Our operations team were able to install and commission the crusher and ore sorter ("Classification Plant") within a span of 10 months. Additionally, the Company published an updated Preliminary Economic Assessment for the Coringa Mine outlining the economics of utilizing the Classification Plant at Coringa with preconcentrated ore being processed at the Palito Complex. This demonstrated improved economics in comparison to building a stand-alone processing plant as contemplated in our 2019 Preliminary Economic Assessment. Dependent on the success of Phase 2 of our growth strategy, which has the goal of delineating a consolidated resource of 1.5 - 2.0 million ounces of gold with our upcoming brownfield drill programme, we will maintain the optionality of constructing a stand-alone processing plant in the future.

I commend the management team for increasing production 13.2% year-over-year. The production growth continues well into 2025 as guidance was issued by management at 44,000 to 47,000 ozs, demonstrating the focus of the management team to execute our growth strategy.

The macroeconomic backdrop during 2024 resulted in a rise in the price of gold, reaching record highs, a trend that has continued into 2025. Interest rate cuts by the US Federal Reserve, geopolitical uncertainty in Eastern Europe and the Middle East, the US Presidential Election, increased global central bank demand for gold, and market volatility all contributed to a higher-than-expected realised gold price at Serabi.

Significant free cash flow generation contributed to a strengthening balance sheet, as cash grew during the year, after the capital investment for the installation and commissioning of the Classification Plant and underground development at Coringa. At the date of this report, the price of gold has maintained its elevated levels with multiple market analysts calling for additional increases to the price of gold in 2025. Whilst I do not possess a crystal ball, our operations remain robust at current gold price levels. Given we don't have any significant capital investment required for the year, one can reasonably expect the cash flow generation of our operations to remain strong.

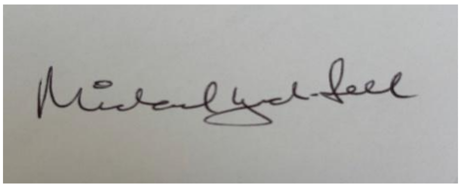
Our stand-alone strategy envisions growing the Palito Complex and Coringa into a consolidated +100,000 oz per annum producer, however, we remain amenable to inorganic growth opportunities, continuing to utilise a disciplined approach to M&A. While we do not intend to pay a dividend for our 2024 results, our policy going forward will be to make returns to shareholders through dividends or share buy back programmes of up to 20% to 30% of the Group's free cash flow, defined as net cash generated from operating activities less sustaining capital expenditure and necessary brownfield exploration.

Whilst we believe that the best use of surplus cash in the short-term would be to further drive organic growth, we will continue to evaluate investment opportunities and risk against shareholder return strategies.

In April 2025, we have had personnel changes at the Board of Directors. I would like to express sincere gratitude to Mark Sawyer and Carolina Margozzini for their significant contributions to Serabi during their tenure and wish them well on all of their future endeavours. Colm Howlin, who was appointed to the role of Chief Financial Officer on 31 December 2024, joined the Board on 25 April 2025.

My tenure as the Chair of Serabi continues to be exciting. Having joined the Board in August 2022, I remain pleased to be part of the transformation the Board and management have envisioned. Whilst I have no doubt there may be challenges which lie ahead, I do believe there are many reasons to remain confident and optimistic for the future of Serabi. The remainder of the year will be significant for Serabi, as we embark on Phase 2 of our growth strategy and plan for positive drilling success through our brownfield drill programme. I hope that I will be able to report further positive progress at the Annual General Meeting to be held in June and over the rest of the year.

My continuing thanks to the efforts from the management team and our employees and for the support of my fellow Board members.



Michael D Lynch-Bell
Chair
29 April 2025

2024 was a pivotal year for Serabi with the achievement of critical milestones in its plans for growth. In January 2024, the Group announced the receipt a 3-year extension to our trial mining license ("GUIA") for Coringa. The GUIA initiated an investment decision to install the ore crusher and ore sorter ("Classification Plant"), which was commissioned on time and on budget in a period of 10 months. Moreover, after two years of operations at Coringa, the Group's understanding of the geology and amenability to ore sorting significantly improved. We issued a new NI 43-101 compliant updated preliminary economic assessment ("PEA") for the Coringa project outlining our mine plan utilising the Classification Plant to preconcentrate Coringa ore, effectively trucking Coringa ore with an estimated grade of 10g/t Au, to be processed at the Palito Complex, roughly 200km by a paved, federally-owned, tolled highway. The 2024 PEA illustrated significant improvement over the previous study of 2019, and since its publication in late 2024, current gold prices at the time of this Annual Report only further add value.

We completed the year with a much balance sheet which bodes well for the continued growth of Serabi as we target an annual production run-rate of 60,000 oz by year end 2026, using current processing capacity and longer-term growth plans to achieve 100,000 oz per year production with our current mines.

The focus for the Group in the near-term will be on Phase 1 and Phase 2 of our growth strategy. Phase 1 of our strategy involves the ramp up of consolidated production to 60,000 oz per annum by 2026. Coringa continues to ramp up production with the utilisation of the benefits of increased grade and decreased volumes per truckload, and it will be a matter of executing on our production plan to achieve the 60,000 oz per annum target in 2026. In conjunction with this Phase 1 ramp up, Phase 2 will commence, as we begin a brownfield exploration programme designed to grow current resources from 1.0 million ounces to over 1.5 million ounces and beyond. The rationale behind this desired resource growth is to develop into a +100,000 oz per annum gold producer. During 2025 we will continue to work with the relevant authorities to secure the full mining permit for Coringa with the receipt of the Installation License ("LI").

Operations Overview

The Group significantly improved gold production year on year by 13.2%, as the increased contribution from Coringa to production for the year outweighed the lower than budgeted mined grades at Palito. As Coringa continues its ramp up, we are forecasting another significant increase in gold production for 2025, of between 44,000 and 47,000 ounces, with much of the increase coming from Coringa expansion. Additional mining crews working at Coringa have been, in part, relocated from Palito. Output from Palito continues to remain steady and in the near term I continue to reiterate that the Palito Complex will be a consistent contributor of 20,000 to 25,000 ounces of gold production annually, as Coringa ramps up.

Coringa

Coringa has been a far better performer than we had anticipated and to date has not produced any unexpected surprises. The favourable rock conditions mean the deposit is well suited to selective underground open stoping, the same methodology used at Palito. The most encouraging aspect has been the much better level of payability that we have experienced, compared to our forecasts. Payability is the percentage of inferred resources that converts to reserves. This translates into more ounces per vertical metre of development and in the long term will help drive down unit production costs.

At the start of 2024 we moved an underground drilling rig to Coringa with the intention of growing the mineral resource inventory of the Serra orebody. All previous exploration drilling has been undertaken from surface and the underground drilling programme has provided an excellent opportunity to evaluate the continuation of the orebody at depth, replenishing the mineral inventory and extending the mine life, as well as to infill areas where a lack of historic drilling has created information gaps.

The stark contrast of the quartz veins and the granite waste lends to the orebody's high amenability to optical ore sorting, where waste rock that inevitably enters the run of mine (ROM) extracted ore stream, can be removed resulting in a pre-concentrated ore product prior to being trucked to Palito for processing.

As the Classification Plant was only commissioned at the end of 2024, 2025 is expected to yield higher head grades from Coringa as well as bringing mining efficiencies. Before the Classification Plant was operational, split blasting was employed to minimise dilution as much as possible; this however came at a cost as it slows development. The ore sorting removes the need for split blasting, thereby accelerating underground development rates and ultimately reducing production costs.

The underground development of the Coringa mine made excellent progress in 2024. In the Serra zone, ore was mined at levels 260m and 225m, with development almost complete on levels 225m, 195m, and 165m, whilst the Serra ramp approached level 130m. While ore was primarily mined from the Serra zone, the portal in the second zone at Coringa, Meio was successfully completed in the fourth quarter of 2024, and the orebody intersected in December 2024.

On permitting at Coringa, in addition to securing the 3 year GUIA, the Group made significant progress towards obtaining the Installation License ("LI"). In July 2023, the Company previously reported that it concluded an agreement with the two associations representing the interests of the various indigenous tribes considered to be within the area of influence of the project ("Indigenous Agreement"). The Indigenous Agreement confirmed the indigenous communities' long-term support for Coringa and imposed certain obligations on both sides including the completion of an indigenous impact study ("ECI") by the Group. The ECI report was provided in draft to the indigenous agencies in December 2023 and on 19 December 2023, a further agreement with all stakeholders including the office of the Public Prosecutor, the neighbouring farming community of the Terra Nossa settlement, and various government agencies was signed and ratified in court. This enabled the National Mining Agency ("ANM") and the state environmental agency ("SEMAS") to renew the existing GUIA and accompanying Environmental Licenses for Coringa in January 2024.

The indigenous consultation process for the award of the LI at Coringa continues. The Group has engaged with the government agency for the indigenous population ("Fundação Nacional dos Povos Indígenas" or "FUNAI") to review the final ECI report and complete the indigenous consultation process. In April 2024, the Group received comments from FUNAI pertaining to the ECI, which were immediately considered by the Group and our responses accepted by FUNAI. We continue to await the final acceptance from FUNAI on the ECI, a crucial step in obtaining our LI, as this is required before SEMAS can award the LI. It is therefore hoped that this LI will be awarded in 2025. Without the LI, the GUIA license nonetheless provides the capacity for Serabi to ramp up consolidated production to 60,000 oz by 2026.

Exploration work undertaken to date indicates additional potential along an eight-kilometre northwest-southeast trending strike, primarily to the north, much of which has not been exposed by artisanal workings. There are multiple areas that have seen past artisanal mining but have yet to be drilled by the Group. Within the permitted area, there are approximately 30km of continuous soil geochemistry anomalies, which largely remains to be drilled and some of which will be a focus in 2025 and onward as we aim to fulfil Phase 2 of our growth strategy.

There is significant potential to materially grow the resource in the oncoming years. Whilst in the near term it makes economic sense to truck preconcentrated ore from Coringa for processing at Palito, depending on the drilling success of Phase 2 at both Coringa and Palito, there may eventually be economic justification for the construction of a dedicated gold plant, which is an option for the Company if justified once the LI is received.

Palito

Palito remains as it has for many years, a steady, albeit modest producer.

2024 production chiefly came from Chico da Santa, but it also saw the renaissance of the G3 vein and the discovery of new zones in Barrichello. The Barrichello zone was only discovered in mid-2023, and such has been its success, it will now form 50% of the mine production in 2025. The return to activity into G3 is most welcome. G3 was the backbone of Palito production from its opening year of production in the early 2000's until 2016. Drilling campaigns in 2023 and 2024 have breathed new life into the zone, and 2025 will see significant development on levels -85m south and below on level -210m. We are also re-entering upper levels as high as 210m, where a previously overlooked part of the vein was not mined. This area is especially interesting as it is very close to surface and therefore brings cheap and quick ounces.

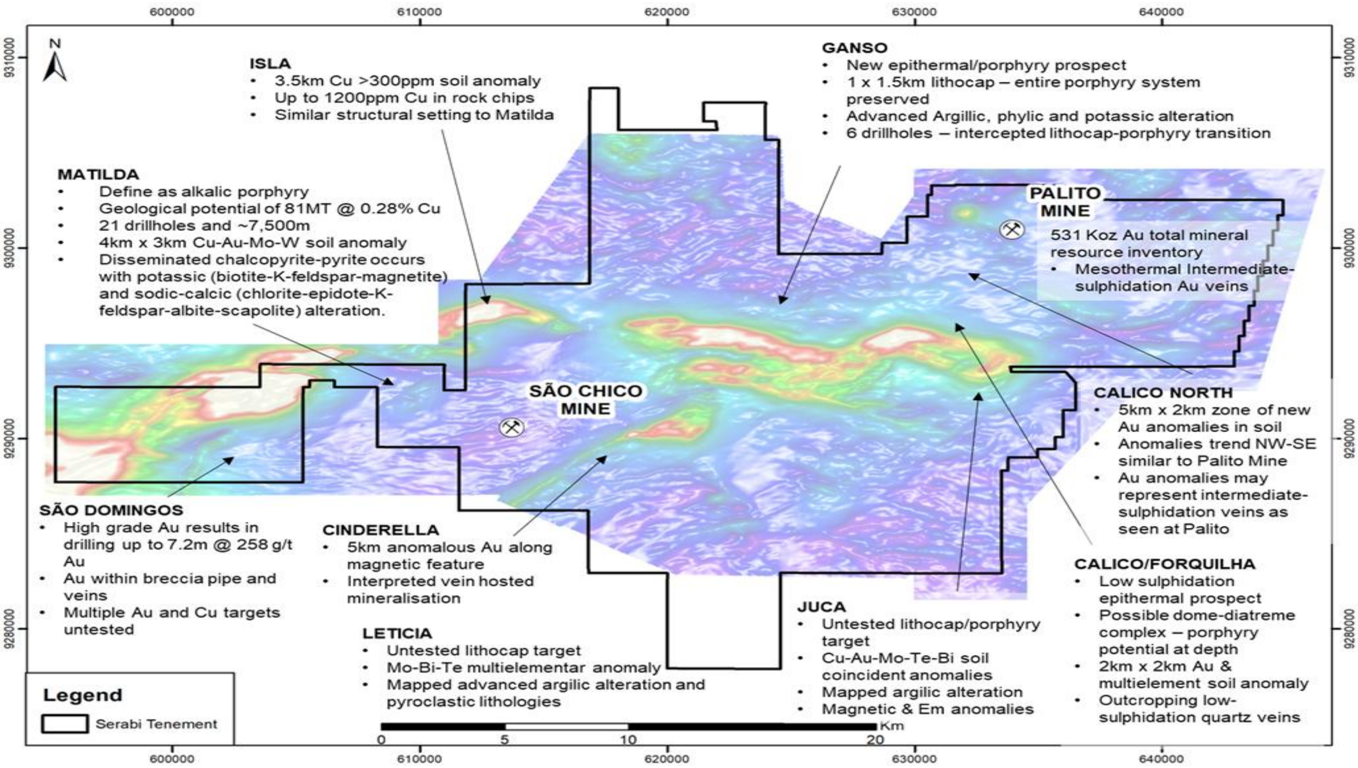
As mentioned above, Chico da Santa did contribute much of 2024 Palito production and the first 6 months of the year saw some challenges. One of which resulted from the need to employ bulk mining in the sector where selective mining had originally been planned. Bulk mining inevitably brings with it greater, unavoidable dilution and lower than budgeted head grades. Despite this decision being made based on safety concerns, sadly we suffered a fatality at Palito where a mining-related accident resulted in an employee regrettably succumbing to his injuries weeks later. As safety remains a top priority at Serabi, in light of this accident, we have implemented additional controls and training measures to prevent any future fatal accidents to the best of our ability as well as hiring a new Chief Operating Officer who now oversees the Health and Safety Department.

On a positive note, in the last quarter of 2024, Serabi was able to return to selective mining in the Chico da Santa sector, yielding a return to a head grade of >6.0g/t, in-line with our budget.

SUMMARY PRODUCTION STATISTICS FOR 2024 AND 2023											
		Q1 2024	Q2 2024	Q3 2024	Q4 2024	**Fiscal 2024**	Q1 2023	Q2 2023	Q3 2023	Q4 2023	**Fiscal 2023**
Group											
Gold production (1)(2)	*Ounces*	9,007	9,003	9,489	10,022	**37,520**	8,005	8,518	8,738	7,891	**33,153**
Mined ore	*Tonnes*	56,296	59,564	58,682	50,327	**225,049**	41,546	41,022	44,744	49,541	**176,853**
	Gold grade (g/t)	5.31	5.06	5.48	6.19	**5.49**	6.49	6.94	6.64	5.22	**6.28**
Milled ore	*Tonnes*	54,521	55,192	54,579	52,363	**216,655**	39,004	41,116	43,092	48,988	**172,201**
	Gold grade (g/t)	5.38	5.31	5.59	6.21	**5.61**	6.75	6.84	6.72	5.31	**6.35**
Horizontal development	*Metres*	3,131	3,550	3,325	3,511	**13,135**	2,464	2,977	2,923	3,134	**11,498**

Exploration

With the ending of the Exploration Alliance with Vale Base Metals at the start of the second quarter of 2024, the exploration team was left with a significant amount of exploration data to process. The focus of the year was on interpretation and incorporation of the ground geophysics and geochemistry conducted, 13,902 metres drilled across 53 drill holes, 24 kilometres of Induced Polarisation ("IP") studies completed and 6,772 soil samples taken with the $5 million funding through the Exploration Alliance.



The geochemistry results in conjunction with the geophysics and geological information already available to Serabi, significantly advanced Serabi's geological understanding of geological domains, structures and anomalies that now need to be validated and tested.

This resulted in over 70 regional targets which were ranked and prioritised by geochemical results, the level of detail of the geological knowledge and the location within defined clusters, amongst other factors. We expect to systematically drill these targets during Phase 2 of our growth strategy where we focus on brownfield exploration. High priority targets include São Domingos where we drilled 7.15m at 258g/t Au in 2021. Results from the second phase of drilling at São Domingos were highly encouraging, demonstrating potential for a satellite deposit at the Palito Complex.

With the exploration department's understanding of the geology considerably enhanced, I remain optimistic about Phase 2 of our growth strategy and look forward to sharing updates as we execute on Phase 2. Meanwhile, with the Classification Plant at Coringa now commissioned, we will finally redirect our focus back to brownfield exploration in 2025. I look forward to what is in store for the Company in 2025.

Corporate

Since our last Annual Report, Serabi has made numerous positive management changes. In 2024, we welcomed Andrew Khov as Vice President, Investor Relations & Business Development, based out of Toronto, Ontario, Canada. Andrew brings considerable experience in mining capital markets and M&A. In 2025, we promoted Colm Howlin to Chief Financial Officer and Executive Director, to replace Clive Line who retired in 2024 after over 20 years with the Company. Colm has been part of our finance team for over 11 years and is fluent in Brazilian Portuguese. Concurrently in 2025, we appointed Marcus Brewster to Chief Operating Officer. Marcus brings with him extensive experience in operating roles in West Africa and Brazil, and is also fluent in Brazilian Portuguese.

Finally, I would like to extend my sincere appreciation and personal thanks to Clive Line, who retired after over 20 years service at the year end. Clive has worked alongside me and his support and significant contribution to Serabi during those many years will be much missed. I wish him the very best for all of his future endeavours and retirement.

Michael Hodgson
Chief Executive
29 April 2025

The Group completes in-house mineral resource and reserve estimates on a regular basis and discloses mineral reserves and resources using the definitions adopted by the Canadian Institute of Mining, Metallurgy and Petroleum, and in accordance with NI 43-101. The scientific and technical information pertaining to the Palito, São Chico and Coringa gold deposits has been reviewed and approved by Michael Hodgson BSc, MSc FIMMM, the CEO of Serabi, who is a qualified person under National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and who has acted as the qualified person under the AIM Rules (“Qualified Person”). The Qualified Person has verified the information disclosed herein, including the sampling, preparation, security and analytical procedures underlying the information or opinions contained in this announcement in accordance with standards appropriate to their qualifications.

Whilst the Group takes all reasonable care in the preparation and verification of the mineral resource and reserve figures, these are estimates based in part on forward-looking information.

Estimates are based on management’s knowledge, mining methods, analysis of drilling results, the quality of available data and management’s best judgement. There is no assurance that the indicated levels of metal will be produced. For this reason the estimates are imprecise by nature and therefore, the Group re-estimate the mineral resources and reserves periodically, or when necessary, using the latest economical and production parameters. Changes on the geological interpretation of certain areas, or previous assumptions made as to metal price, currency exchange rates, production costs, recovery or operating and capital costs can change the overall economic outlook and make levels or sectors more or less profitable, economical or feasible.

The most recent mineral resource and reserve estimation for the Coringa mineral complex was published in November 2024. The most recent estimation for the Palito Complex, incorporating the Palito and São Chico gold deposits, was completed in July 2023. Both statements were provided by the independent consultancy of NCL Ingeniería y Construcción SpA of Santiago de Chile (“NCL”), and produced in compliance with Canadian National Instrument 43-101, and which is summarised in the table below.

The mineral resource and reserve estimates for the Palito Mine considers all available core drilling, underground chip sampling and other geological sampling by Serabi, generated during the period mid-2002 to July 2023. For the São Chico Mine, the mineral resource and reserve estimates, also prepared by NCL, considers core drilling chip sampling and other sampling by Serabi and previous operators during the period September 2011 to July 2023. The mineral resource and reserve estimates for the Coringa Mine considers all available core drilling, underground chip sampling and other geological sampling by Serabi and previous operators up until 16 April 2024.

The Palito complex has several orebodies and operates on a full mining licence. The Coringa mine is currently operating under a trial mining licence with all ore produced from the Coringa mine during 2024 being extracted from the Serra vein. The Meio vein portal and ramp development commenced during the fourth quarter of 2024 with mineralisation at Meio intersected in December 2024. Meio is expected to contribute significantly to Coringa production in 2025.

In addition to drilling and as part of the resource and reserves estimation process, the mine technical services team regularly executes mine sampling control, ensuring that the planning models are always informed with the most up to date technical information.

The tables below show the Mineral Resource estimates and Mineral Reserve Estimates.

Mineral Resource Estimates

Palito Mineral Resource Statement (effective 31 July 2023)

Resource Category	Tonnes (kt)	Au (g/t)	Au (koz)
Measured Resources	772.3	11.03	273.8
Indicated Resources	243.0	8.39	65.6
Measured + Indicated Resources	**1,015.3**	**10.40**	**339.4**
Inferred Resources	674.2	7.02	152.2

Notes:

(1) *Mineral Resources are not Mineral Reserves and have not demonstrated economic viability. Mineral Resources are reported inclusive of Mineral Reserves. All figures are rounded to reflect the relative accuracy of the estimates. Mineral Resources are reported within classification domains inclusive of in-situ dilution at a cut-off **grade of 3.32/t** gold assuming an underground extraction scenario, a gold price **of US$1,950/troy oz,** an operating **cost of $198/t**, and metallurgical **recovery of 95%.***

(2) *Serabi is the operator and owns 100% of the Palito Complex such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by NCL Consultoria en Ingenieria en Minas in accordance with the standard of CIM and Canadian National Instrument 43-101, with an effective date **of 31 July 2023** by Mr Nicolas Fuster, who is a Qualified Person under the Canadian National Instrument 43-101.*

(3) *A three dimensional block model was used for Resources estimates.*

São Chico Mineral Resource Statement (effective 31 July 2023)

Resource Category	Tonnes (kt)	Au (g/t)	Au (koz)
Measured Resources	122.5	8.10	31.9
Indicated Resources	28.5	7.07	6.5
Measured + Indicated Resources	**151.0**	**7.91**	**38.4**
Inferred Resources	8.2	6.53	1.7

Notes

(1) *Mineral Resources are not Mineral Reserves and have not demonstrated economic viability. Mineral Resources are reported inclusive of Mineral Reserves. All figures are rounded to reflect the relative accuracy of the estimates. Mineral Resources are reported within classification domains inclusive of in-situ dilution at a cut-off **grade of 3.32/t** gold assuming an underground extraction scenario, a gold price **of US$1,950/troy oz,** an operating **cost of $198/t**, and metallurgical **recovery of 95%.***

(2) *Serabi is the operator and owns 100% of the Palito Complex such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by NCL Consultoria en Ingenieria en Minas in accordance with the standard of CIM and Canadian National Instrument 43-101, with an effective date **of 31 July 2023** by Mr Nicolas Fuster, who is a Qualified Person under the Canadian National Instrument 43-101.*

(3) *A three dimensional block model was used for Resources estimates.*

Coringa Mineral Resource Statement (effective 6 April 2024)

Resource Category	Tonnes (kt)	Au (g/t)	Au (koz)
Measured Resources	171.5	8.96	49.4
Indicated Resources	623.2	6.49	130.1
Measured + Indicated Resources	**794.7**	**7.03**	**179.5**
Inferred Resources	1,453.6	5.81	271.3

Notes

(1) *Mineral Resources are not Mineral Reserves and have not demonstrated economic viability. Mineral Resources are reported inclusive of Mineral Reserves. All figures are rounded to reflect the relative accuracy of the estimates. Mineral Resources are reported within classification domains inclusive of in-situ dilution at a cut-off grade of 3.16g/t gold assuming an underground extraction scenario, an operating cost of $107/t for mining, crushing and sorting, sorting efficiency of 61% of the tonnes and 1.59 upgrade factor, $88/t for hauling to Palito, processing at Palito plant and site costs, metallurgical recovery of 97%, 4% on royalties and 2.3% for refining, insurance, freight and sales, and a gold price of $1,950/troy oz.*

(2) *Serabi is the operator and owns 100% of the Coringa Gold Project such that gross and net attributable mineral resources are the same. The mineral resource estimate was prepared by NCL Ingeniería y Construcción SpA in accordance with the standard of CIM and Canadian National Instrument 43- 101, with an effective date of 6 April 2024 by Mr Nicolás Fuster, who is a Qualified Person under the Canadian National Instrument 43-101. 10100001-RPT-0001 Page 15 Coringa Gold Project, Pará State, Brazil, Technical Report Date: November 13, 2024.*

(3) *NCL believes that the resource estimates shown in the table above meets the CIM standards for a resource estimate based on CIM Standards of Mineral Resources and Reserves Definitions and Guidelines adopted by the CIM council 10 May, 2014.*

Total Group Mineral Resource Statement

Resource Category	Tonnes (kt)	Au (g/t)	Au (koz)
Measured Resources	1,066.3	10.36	355.1
Indicated Resources	894.7	7.03	202.2
Measured + Indicated Resources	**1,961.0**	**8.84**	**557.3**
Inferred Resources	2,136.0	6.19	425.2

Notes:

Please note The Palito and São *Chico Mineral Resource and Reserve Estimates were prepared by NCL Ingeniería y Construcción SpA in accordance with the standard of CIM and NI 43-101, with an effective date of 31 July 2023, the Coringa Mineral Resource and Reserve Estimates were prepared by NCL Ingeniería y Construcción SpA in accordance with the standard of CIM and NI 43-101, with an effective date of 6 April 2024.*

Mineral Reserve Estimates

Classification	Tonnes (kt)	Au (g/t)	Au (koz)
Palito			
Proven	567.8	8.08	147.5
Probable	196.8	6.83	43.2
Total Palito	**764.6**	**7.76**	**190.8**
São Chico			
Proven	46.1	8.20	12.2
Probable	14.1	7.68	3.5
Total São Chico	**60.2**	**8.08**	**15.6**
Palito Mining Complex			
Proven	614.0	8.09	159.7
Probable	210.8	6.89	46.7
Total Palito Mining Complex	**824.8**	**7.78**	**206.4**

1) Mineral Reserves have been rounded to reflect the relative accuracy of the estimates. Proven Mineral Reserves are reported within the Measured classification domain, and Probable Mineral Reserves are reported within the Indicated classification domain.

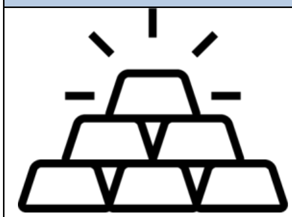
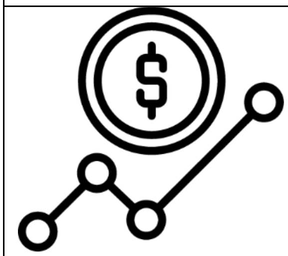
2) Proven and Probable Mineral Reserves are inclusive of external mining dilution and mining loss and are reported at a COG of 4.0 g/t gold assuming an underground shrinkage mining scenario, a gold price of US$1,800/oz, a 5.0:1 Brazilian Real to U.S. Dollar exchange rate, and metallurgical recoveries of 93.2% for Palito and 93.8% for São Chico.

3) Serabi is the operator and owns 100% of the Palito Mine such that gross and net attributable mineral reserves are the same.

4) The mineral reserve estimate was prepared by the NCL in accordance with the standard of CIM and NI 43-101, with an effective date of July 31, 2023, and audited and approved by Mr. Carlos Guzmán of NCL, who is a Qualified Person under NI 43-101.

Serabi has been present in the Tapajós region of Brazil for over 20 years during which time it has established a loyal and committed work force and developed strong relationships with local communities and government agencies.

Management wants to build on this base to grow Serabi's gold production and resource inventory in a measured and sustainable manner, minimising financial, environmental and social risk as much as possible.

	STRATEGY		LINK TO PRINCIPAL RISKS
	**1. Sustainable production**		2, 3, 5, 6, 7, 8, 9
	Producing operations provide the foundation for longer term growth		
	• Over 10 years of continuous gold production from the Palito Complex • Successful track record of resource replacement • Near term production growth to over 60,000 oz pa Au for 2026, is expected to drive an AISC reduction		
	**2. Exploration**		1, 2, 5, 6
	Identify high-quality opportunities through exploration within the Group's highly prospective tenement holdings		
	• Near mine exploration at Palito and Coringa to target a 1Moz Au resource at each project • 84,000ha exploration tenements in the highly prospective and under-explored Tapajós gold district • Exploration partnerships are being pursued to provide exposure to copper exploration and development in the Group's tenements		
	**3. Development**		1, 2, 4, 5, 6
	Leverage off an experienced work force, strong community and regional support to bring new opportunities into production		
	• Seasoned, technically focussed management team with deep experience in Pará and Brazil • Well established relationships with local communities. Historic expenditure on community support programmes of over $2 million since the beginning of 2017 • Direct employment of approximately 700 people in an historically poor region, with over 70% from within the State of Pará • 100% Brazilian in-country management		
	**4. Corporate opportunities**		1, 4, 7, 8
	The Coringa project is a demonstration of Serabi's ability to acquire complimentary development projects offering attractive financial returns and maintaining a focused gold production company		
	• Well-funded to pursue near-term growth opportunities • Cash balance of US$22.2 million at 31 December 2024 in comparison to US$11.6 million at 31 December 2023. Net cash position of US$16.2 million (no long-term debt). • Robust cash flow generation expected		

Current focus on successful development of its Coringa project.

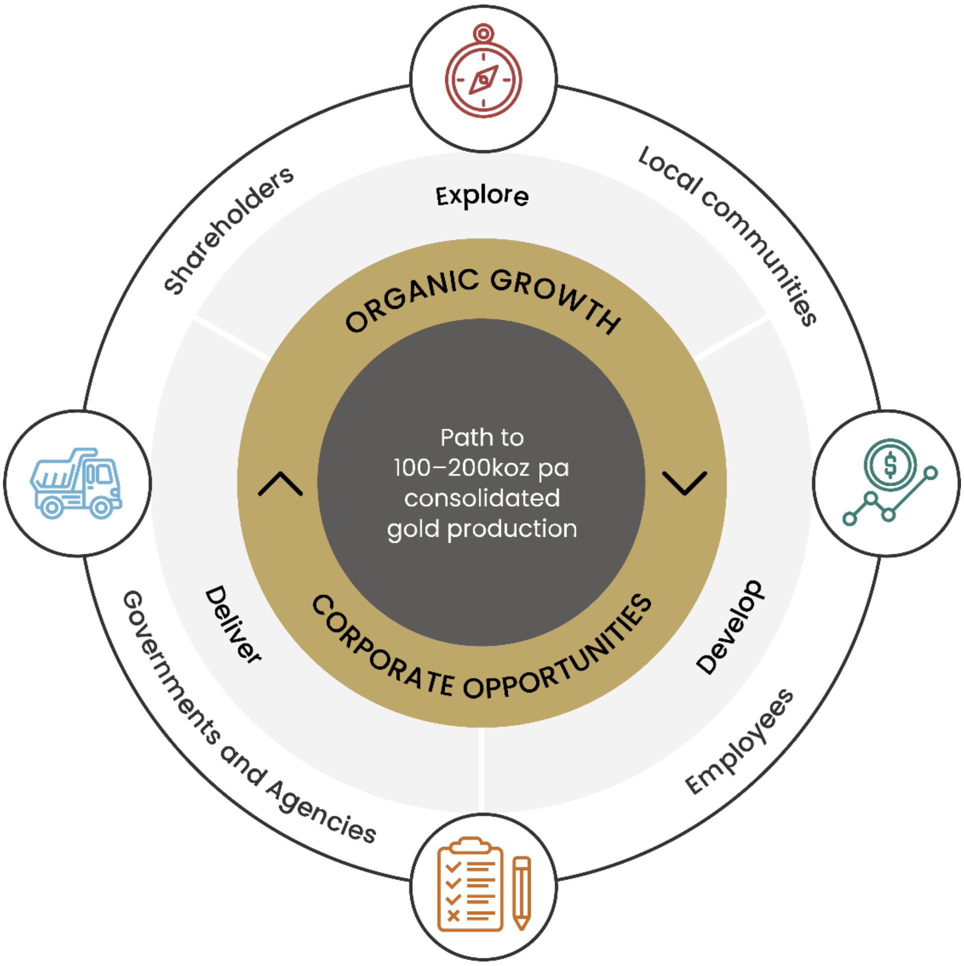
- Gold production is already underway with run of mine ("ROM") ore from the Serra vein being transported to the process plant at Palito.
- The Meio vein portal and ramp development commenced during the fourth quarter of 2024 with mineralisation at Meio intersected in December 2024. Meio is expected to contribute significantly to Coringa's production in 2025.
- The classification plant at Coringa was commissioned in December 2024. The ore sorting process reduces the mass of the ROM ore by more than 50 per cent with grade increasing as a result.
- Continued production growth forecast in 2025 and 2026.

Evaluate opportunities for organic growth

- 84,000ha exploration tenements in the highly prospective and under-explored Tapajós gold district.
- Near mine exploration at both Palito and Coringa to target an increase of 1Moz Au resource across both sites.

Modular plant expansion to accommodate increased mined volumes

- The Company owns mills to add up to an additional 750tpd of processing capacity (more than doubling current throughput).
- New satellite discoveries to provide increased ore feed for central Palito plant.
- "Hub and spoke approach" minimises upfront capital requirements and reduces development risk.



Growth opportunities from mine development and exploration activities

- An exploration programme with spend of up to US$9.0 million per year for each of the next two years began in January 2025 with the objective of adding Resource ounces at both the Palito Complex and Coringa sites. For 2025 the budget includes:
    - 30,000m of diamond drilling (16,000m at Coringa and 14,000m at the Palito Complex) to test:
        - Extensions of known ore bodies at both sites.
        - New IP geophysical targets at Palito.
        - Anomalous geochemical/geophysical trends at Coringa.
    - 100km IP geophysical survey at Coringa covering the Southwestern and Northern portions of the exploration tenements as well as soil sampling, primarily focused on targets at Demetrio and Sr Domingos.
    - Exploration continues at the Mae de Leite, Come Quieto, Valdete, and Galena veins.

- In addition to the US$9.0 million exploration programme forecast for 2025, the Group will undertake an underground resource definition and reserve conversion drilling campaign, targeting 6,000m at the Palito Complex and 13,000m at Coringa.
- 100% of the ore produced at the Coringa mine during 2024 was mined from the Serra vein with ore from the Meio vein expected to add to production during 2025.
- Use of ore-sorting and a centralised processing facility significantly reduces upfront project capital costs and eliminates the significant build, performance and cost over-run risk and environmental impact involved with the construction of a full independent plant.
- Enhanced cash flow anticipated from the increased production allows internal cash flow to fund further modular expansion of the process plant when necessary.
- Additional plant capacity can accommodate additional ore feed from new satellite opportunities including a potential re-start of São Chico and the discovery of new greenfield and brownfield resources at both Coringa and Palito.

Meeting the needs of all stakeholders

The delivery of our strategy is reliant on the support and commitment of our stakeholders

Key Stakeholder Groups

<table>
<tr><th>EMPLOYEES</th><th></th><th>SHAREHOLDERS</th><th></th><th>FINANCIERS</th></tr>
<tr><td>Why we engage</td><td></td><td>Why we engage</td><td></td><td>Why we engage</td></tr>
<tr><td>Serabi's employees, their welfare and working conditions are fundamental to our business. To drive the success of the business, we need to have a motivated workforce. Alignment with our staff on working practices is fundamental to providing good health and safety practices and maintaining our commitment to sustainable development.</td><td></td><td>Having invested risk capital in the business, we have a duty to engage with our shareholders and keep them informed of our strategic plans and progress towards these. Regular and open communication encourages confidence and continued long term support.</td><td></td><td>The Group considers that cash flow from existing operations provide enhanced opportunities to secure attractive borrowing terms for working capital or to fund capital programmes if and when required. Management therefore engages regularly with banks, credit funds, development financial institutions, streaming and royalty companies and off-take financiers.</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>How we engage</td><td></td><td>How we engage</td><td></td><td>How we engage</td></tr>
<tr><td>Employees are encouraged, at all levels, to provide feedback directly to management and senior management. There is an open dialogue at all levels. There are operational and safety briefings before the start of each shift. Employees are encouraged to report unsafe acts and near accidents openly and there is an anonymous reporting channel also. The Group provides welfare workshops to assist and raise awareness of physical and mental health issues and communicates each week with its employees on the Group's activities and industry related matters.</td><td></td><td>Prospective and existing investors:
• The AGM and Annual and Quarterly Reports.
• Investor roadshows and presentations.
• One-on-one investor meetings with the CEO, CFO, COO and the VP of Investor Relations & Business Development.
• Access to the Company's brokers and advisers.
• Regular news and project updates.
• Social media accounts.</td><td></td><td>One-to-one meetings with the CEO, CFO, COO and/or the VP Investor Relations and Business Development are undertaken on a regular basis with a range of potential debt and other finance providers for updates on the Group's activities and in particular its Coringa project. These meetings keep providers of financing solutions appraised of progress with all aspects of the Group's operations.</td></tr>
<tr><td></td><td></td><td></td><td></td><td></td></tr>
<tr><td>How the Board engaged</td><td></td><td>How the Board engaged</td><td></td><td>How the Board engaged</td></tr>
<tr><td>Executive Board members and management are present in-country every month and meeting with a variety of personnel during this time, obtaining feedback on new operational ideas and concerns. Other Board members undertake periodic site visits to familiarise themselves with the Group's operations and directly engage with management in Brazil at these times.</td><td></td><td>The AGM and other general meetings are key opportunities for shareholders to meet, whether virtually or in person, with Executive and non-executive Directors. In addition to investor conferences, the Executive Directors and management provide regular interviews and engage in road shows to supplement regulatory news announcements.</td><td></td><td>Direct engagement of the Board with non-equity providers of finance has not been necessary with no new significant financing facility put in place. Management provides regular feedback to the Board on discussions.</td></tr>
</table>

GOVERNMENTAL AGENCIES AND REGULATORS		CONTRACTORS AND SUPPLERS		LOCAL COMMUNITIES
Why we engage		**Why we engage**		**Why we engage**
Engagement with government bodies and regulators helps preserve our operational licences, provides a forum for discussion of potential regulatory change and encourages support for new licence applications.		We value the role our trusted contractors and suppliers play in delivering products and services and supporting our teams. We also need to ensure that our suppliers adhere to our values of ethics and sustainability whilst seeking to promote and support local enterprises wherever practical.		Establishing and maintaining good relations with the local community throughout the development, operation and, at some time in the future, the ultimate closure of the Group's mining operations is vital for the Group's social licence to operate. Engagement helps build trust and assists with better decision making. Dissemination of accurate information regarding both the Group's existing and future projects, and the early and ongoing engagement with community leaders, form a cornerstone of the Group's ESG policies. Approximately 68% of the Group's workforce reside within the State of Pará and the Group sources many of its support services from local businesses.
How we engage		**How we engage**		**How we engage**
Agencies and regulators are encouraged and assisted with visits and inspections of the Group's activities. Key management staff hold regular meetings with relevant officials and the Group provides regular monitoring and other reports as required.		The Group has a dedicated procurement department and a formal process for adding new suppliers to its approved list. Key supply contracts are only awarded after a formal tender process and the value and nature of the tender will determine the level of engagement of senior management in that process.		The Group's dedicated HSE department has regular dialogue with community leaders working with them to understand ways in which the Group can assist the communities to improve quality of life and receive feedback on concerns or issues. Specialist advisers and consultants are used to conduct independent assessment and reports for government as well as liaising with the appropriate government agencies in particular those responsible for indigenous communities The Group has an active programme of communication through social media channels to maintain open communication, promote its activities and inform communities of any short-term matters that may affect them as a result of the Group's operations.
How the Board engaged		**How the Board engaged**		**How the Board engaged**
In addition to assistance from the executive Directors, one of the Non-executive Directors, resident in Brazil, is in regular dialogue with representatives of government bodies on behalf of the Group and also assists with the development of strategy and regulations for the mining industry in Brazil. Together		Engagement with contractors and suppliers is carried out by members of the management team, with feedback provided to the Board.		Reports from the HSE department are summarised and received by the Board on a monthly basis and any significant community plans approved by the Board.

they provide regular feedback to the Board.				

As noted in the Strategy and Business Model, the Group considers its employees, local communities, shareholders and government agencies to be key stakeholders in the long-term success of the Group's activities. In addition, the Group considers that its potential financing partners and its contractors and suppliers will be significant stakeholders in the Group's growth and development. Whilst there are many potential customers in the form of refineries for the Group's gold production these are less critical to the Group's strategy and are therefore not considered to be key stakeholders.

Statement by the Directors in performance of their statutory duties in accordance with s.172(1) Companies Act 2006

The Directors of Serabi consider, both individually and collectively, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole (having regard to stakeholders and matters set out in section 172 (1) (a-f) of the Companies Act 2006) in the decisions taken during the year ended 31 December 2024.

Our stakeholders

The Directors endeavour to balance the needs and requirements of all stakeholders which, in addition to the Company's shareholders, include the Group's employees, the communities in the areas where it operates, government agencies and the Group's suppliers and customers, all of whom have a vested interest in the long-term success of the Group. As all the activities of the Group are currently undertaken in Brazil and managed by a single management team the Directors are not, at this time, required to consider any potentially competing interests of different members of the Group.

Our engagement

The Board and each Director acknowledge that the success of Company's and Group's strategy is dependent on the support and commitment of all of the Group's stakeholders. The Board, when necessary, engages directly with stakeholders as set out on pages 16 to 18.

However, considering the relative geographical locations of the operations and some of the Board members, much of the stakeholder engagement mainly takes place at an operational level and the Board is therefore reliant on management to help it fully understand the impact of the Group's operations on its stakeholders as set out on pages 16 to 18.

During the year in review, the Board considered information from across the Group's business and received presentations from management, working groups and Board advisers. In addition to this, the Board reviewed papers and reports and took part in discussions which considered, where relevant, the impact of the Group's activities on its key stakeholders. These activities, together with direct engagement by the Board and individual Directors with some of the Group's key stakeholders and shareholders, helped to inform the Board in its decision-making processes.

Our decision making

The Board recognises that balancing the needs and expectations of stakeholders is important. We set out below how we consider the matters in our decision making:

S172 factor	Our approach	Relevant disclosure
(a) the likely consequence of any decision in the long term.	The Board is always mindful of the long term and the consequence of any decision on this timeframe. The decision-making process has been structured to enable Directors to evaluate the merit of proposed business activities and the likely consequences of its decisions over the short, medium and long term, with the aim of safeguarding the Company and the Group so that it can continue in existence, fulfil its purpose and create value for stakeholders. The exploration and development required prior to initial gold production can be a long process, so the Board are always mindful of the longer-term plan including the longer-term strategic vision to become the premier gold growth company in Brazil. Decisions are therefore always made with this longer-term plan in mind.	Strategic report on pages 16 to 18.
(b) the interests of the company's employees.	Our employees and their welfare are fundamental to our business. Employees are encouraged to feedback directly to management and senior management. A Whistleblowing Policy is also operational across the Group to allow employees to feedback in an anonymous manner. The whistle blowing reports	Strategic report on **pages** 16 to 18 and pages 35 to 42.

	and the whistleblowing policy are regularly reviewed by the Audit and Risk Committee.	
(c) the need to foster the company's business relationships with suppliers, customers and others.	The Board is committed to fostering the Company's business relationships with contractors, suppliers and also governmental agencies and representatives. These relationships are vital to our business model so key management staff hold regular meetings with relevant officials and keep them appraised with regular reporting. Suppliers and contractors' relationships also require a high level of senior management engagement.	Strategic report on pages 16 to 18.
(d) the impact of the Company's operations on the community and the environment.	The Board recognises the importance of the Group's operations on the local community in which it operates and the environment. Early and continued engagement with the local communities is the cornerstone to The Group's ESG policies. How the Group's activities may impact these communities and the environment is always considered and monitored closely.	Strategic report on pages 16 to 18 and pages 35 to 42.
(e) the desirability of the company maintaining a reputation for high standards of business conduct.	The Board recognises the importance of operating to the highest standards of compliance across the business. Morality and ethics are central to the Company's values and define how we wish to interact with all stakeholders. Regulation, monitoring and scrutiny are welcomed and considered at each level of decision making.	Strategic report on pages 16 to 18. Corporate Governance Report on pages 56 to 66 .
(f) the need to act fairly as between members of the company.	The Board recognises the importance of treating all members fairly and monitors the views of all Company shareholders (including the views of the substantial shareholders) through reports on investor and analyst communications so that their views and opinions can be considered when setting strategy.	Strategic report on pages 16 to 18. Directors' Report on pages 87 to 91.

Overview

2024 was another great year for the Group with gold production of 37,520 ounces, permitting progress at Coringa with the renewal for three years of the trial mining permit, the successful build and commissioning of the Coringa classification plant and the issuing of a new Technical Report for the Coringa mine with 180,000 ounces of Measured and Indicated Resources. More importantly, despite continued development of the Coringa mine with increased activity at the Serra vein, as well as the portal and ramp development commencing at the Meio vein, cash has also improved, with cash almost doubling, increasing by US$10.6 million from US$11.6 million at 31st December 2023 to US$22.2 million at 31st December 2024. The Group has started 2025 positively with an excellent first quarter being recorded with cash balances further increasing to US$26.5 million as at 31st March 2025.

During 2024 cash generated from operations and after capitalised mine development expenditure was US$22.6 million, a significant improvement on the net cash inflow of US$7.7 million in 2023.

While gold production improved by 13 percent year on year, sales revenue was up by almost 48 percent as a result of the strengthening of the gold price during 2024 with the average gold price achieved during 2024 being up 24 percent in comparison to the previous year. At the same time total operating expenses only increased by 10 percent resulting in Operating Profit being up by US$24.0 million, a 319 percent increase, and EBITDA of US$35.9 million being up by US$22.1 million, a 160 percent improvement year on year.

Twelve months ago, we communicated that 2024 would be another year of investment for the Group as we sought to continue development of the Coringa mine as well as installing and commissioning the classification plant at the Coringa mine. We completed both of these long-term project plans within the planned timelines and under budget which is a great reflection on our entire Operations team. This will allow us to increase production in 2025 to our target of 44,000 - 47,000 ounces with the increase in production primarily attributable to Coringa, a direct result of the development work performed over the last 24 months.

The Group currently has a strong Balance Sheet with no long-term debt and only a short term working capital facility with a local bank in Brazil worth US$5.0 million. With US$22.2 million cash in bank at the end of 2024 which increased to US$26.5 million at the end of first quarter of 2025, the aim of the Group is to use this money as effectively as possible during 2025 to bring value to all of our shareholders and we are actively researching and planning the best way to deploy this cash.

Production for the first quarter of 2025 was positive with over 10,000 ounces produced and US$4.3 million added to our bank balance. This strong operational performance together with the commencement of an exciting exploration programme involving two diamond drill rigs at both the Palito Complex and the Coringa mine means the future for the Group is looking very exciting.

Subject to availability of distributable reserves, dividends will be paid to shareholders when the Board of Directors believe it is appropriate and prudent to do so. 2024 was a year for investment and development and we will continue to look at both organic and inorganic growth opportunities which should help the Group fulfil its potential of moving from the junior mining space into becoming a mid-tier producer in the medium term.

Revenue

For the year ended 31 December 2024, total revenue for the Group was US$94,536,392 in comparison to US$63,707,468 in the prior year. The Group generated US$30,534,432 (2023: US$31,103,442) in revenue through sales of an estimated 11,178 ounces of gold sold as copper/gold concentrate (2023: 14,819 ounces) and 26,504 ounces of gold bullion generating revenue of US$64,001,960 (2023: 16,873 ounces for revenue of US$32,604,026)

The average gold price received during 2024 was US$2,407 compared with a price of US$1,945 received during 2023.

Production of gold bullion for the year to 31 December 2024 was 27,087 ounces of gold compared with 17,718 ounces for the previous year, an increase of 53 per cent.

During the same 12 month period 1,459 wet tonnes of copper/gold concentrate, containing an estimated 10,434 ounces, was produced (12 months to 31 December 2023: 1,714 wet tonnes of copper/gold concentrate, containing 15,435 ounces of gold). The unsold material is held as inventory.

Revenue improved by US$30.8 million year on year as a consequence of the higher gold sales which were up by 19 per cent (5,990 ounces) from 31,692 ounces sold during 2023 to 37,682 ounces realised in 2024, as well as the improved average gold price which improved by 24 per cent from US$1,945 per ounce in 2023 to US$2,407 per ounce in 2024.

	12 months ended December 2024 US$	**12 months ended December 2023 US$**	**Variance US$**
Concentrate sold (ounces)	11,178	14,819	(3,641)
Bullion sold (ounces)	26,504	16,873	9,631
Total Ounces Sold	**37,682**	**31,692**	**5,990**
Average gold sales price achieved	US$2,407	US$1,945	462
Revenue from Ordinary Activity			
Gold (in Concentrate)	26,769,976	27,880,515	(1,110,539)
Copper (in Concentrate)	3,515,045	3,051,879	463,166
Silver (in Concentrate)	249,411	171,048	78,363
Total Concentrate Revenue	**30,534,432**	**31,103,442**	**(569,010)**
Gold Bullion	64,001,960	32,604,026	31,397,934
Total Sales	**94,536,392**	**63,707,468**	**30,828,924**
Costs of sales			
Operational costs	48,569,810	40,245,823	8,323,987
Stock impairment provision	(230,000)	230,000	(460,000)
Shipping costs	476,457	1,503,995	(1,027,538)
Treatment charges	667,658	703,381	(35,723)
Royalties	1,226,082	731,540	494,542
Accelerated amortisation of fixed assets	—	1,572,192	(1,572,192)
Amortisation of mine property	2,265,216	2,719,243	(454,027)
Depreciation of plant & equipment	2,008,108	1,948,121	59,987
Total operating costs	**54,983,331**	**49,654,295**	**5,329,036**
Gross profit	**39,553,061**	**14,053,173**	**25,499,888**

Costs of sales

Operational costs for the twelve months ended 31 December 2024 were US$48.6 million (2023: US$40.2 million). Operational costs include those related to the operational mining and administrative expenditures at Palito, Coringa and São Chico and the plant costs at the Palito Complex where the ore mined from the Palito, São Chico and Coringa deposits is processed. The increase in operational costs is a direct result of the increase in activity particularly at the Coringa mine.

	12 months ended December 2024	**12 months ended December 2023**	**Variance**
Tonnes mined	225,049	176,853	48,196
Tonnes milled	216,655	172,201	44,454
Ounces produced	37,520	33,153	4,367
Ounces sold	37,682	31,692	5,990
Operating Costs			
Labour	20,885	17,306	3,579
Mining consumables & maintenance	16,514	13,684	2,830
Plant consumables	6,557	5,433	1,124
General site	4,614	3,823	791
	48,570	40,246	8,324

Operational costs for 2024 are 21 percent higher than in 2023 which reflects the nineteen percent increase in ounces produced. The decrease in shipping is a result of changing freight providers which has results in more favourable shipping costs. During 2024 the average exchange rate was BrR$5.39 to US$1.00 compared with an average exchange rate of BrR$4.99 to US$1.00 during the same period of the previous year, an increase of approximately eight per cent.

Whilst Coringa is making a strong contribution to quarterly gold production, management considers that during 2024 the project remained only in a trial mining phase and not yet considered to be in full operation and therefore had not yet attained commercial production. Therefore, during 2024 the project costs were not subject to amortisation charges. In accordance with accounting regulations the gold sales and related operating costs of Coringa are being reflected in the Group’s income statement. The Group began recording amortisation charges against the value of the Coringa mining property on 1 January 2025 following the renewal of the 3 year GU trial mining licence and the commissioning of the Classification Plant at the Coringa mine during 2024.

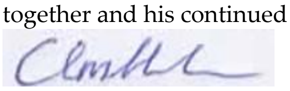
Trade Debtors

The trade debtor balance has decreased by US$0.3 million from US$2.9 million at 31 December 2023 to US$2.6 million at 31 December 2024. This is primarily due to timing differences on the receipt of sales proceeds from the sales of copper concentrate.

Borrowings

On 7 January 2024, the Group completed a US$5.0 million unsecured loan arrangement which carried an interest coupon of 8.47 per cent with Itaú Bank in Brazil. The proceeds raised from the loan were used for working capital requirements. The loan was repaid on 6 January 2025. On 22 January 2025 the Group secured a new US$5.0 million loan from Banco Santander. The new Santander loan is repayable as a bullet payment on 21 January 2026 and carries an interest coupon of 6.16 per cent. The Group also has access to an unsecured facility with HSBC Bank plc allowing the Group to enter into leasing of precious metals for up to 12 months at a time. The Group has not utilised this facility, but it provides a further opportunity for accessing short-term working capital.

Lastly, I would personally like to thank our outgoing CFO, Clive Line, for all his mentoring during the eleven years that we shared together and his continued support during the transition phase as I have stepped into the CFO role.



Colm Howlin
Chief Financial Officer
29 April 2025

Going Concern and Longer-Term Prospects

The Group's business activities, together with factors likely to affect its future development, performance and position are set out in this Strategic Report. At 31 December 2024, the Group held cash of US$22.2 million. It has subsequently reported that at 31 March 2025 it held cash of US$26.5 million, an increase of US$4.3 million during the first quarter of 2025.

Further details of the financial position of the Group, its cash flows and liquidity position are described in the Chief Financial Officer's Review, with details of its balance sheet commitments set out in notes 17 to 21 of the Group Financial Statements. The Group Financial Statements includes commentary in note 23 regarding the Group's objectives, policies, and processes for managing its capital; whilst details regarding the Group's objectives concerning its financial risk management objectives; details of its financial instruments; and its exposures to credit, market and liquidity risk are set out in note 26. The Group monitors its capital position and its liquidity risk regularly throughout the year, updating cash flow models and forecasts as required to take into account revised production estimates, foreign exchange rates and metal price estimates as well as any variations in capital or operating cost estimates. Sensitivities are prepared that reflect the key operational and financial parameters.

Whilst each of the risks outlined in the Principal Risks section below has a potential impact on the business, the Directors focussed on those that are the most critical to the Group's prospects, which are considered to be:

- Geological risk (risk 2);
- Mining risk (risk 3);
- Licencing and environmental risk (risk 5); and
- Gold price and exchange rate risk (risk 7).

The Group's base case going concern assessment assumed the following:

- average gold price of US$2,500 per ounce in 2025 and 2026;
- average exchange rate of BRL5.60 to USD1.00 in 2025 and 2026;
- gold production in line with published guidance;
- ore recovered from mining operations at Coringa continuing to be transported to the Palito Complex for processing; and
- a brownfield exploration programme to continue the advancement of certain gold exploration targets using the Group's own personnel and equipment supplemented by third party contractors as required

Under the base case scenario, the Board considers that the Group has sufficient liquidity with sufficient headroom for a period of at least 12 months from the date of this report to fund ongoing working capital requirements. The Group currently has access to an undrawn, unsecured lending facility with a major international bank that could replace the existing US$5 million loan as well as strong relationships with three Brazilian banks (including the current loan provider) willing to provide lines of credit. In addition, the Group has flexibility to restrict some of its capital plans and exploration activity to liberate additional working capital.

Since 1 January 2025, the gold price, quoted in US Dollars, has traded above the levels of the base case scenario, and during April has traded at a price in excess of US$3,400 per ounce. Over the same period the exchange rate between the US Dollar and the Brazilian Real has been above the 5.60 rate assumed in the base case scenario. The Group pays for up to 85% of its costs in Brazilian Real and therefore a weakening of the Brazilian Real will result in a reduction in its US Dollar reported costs.

The Group operations are subject to a variety of licences issued by differing governmental bodies. At the current time management consider that the Group is in compliance with its licence obligations and there is no expectation that any existing licence will be withdrawn or may not be renewed when appropriate. The withdrawal or suspension of any licence may restrict or result in a suspension of the current operations. In recent years legislation and/or regulations have been amended at short notice in reaction to events at other mining operations. The Group has been able to react and fund the costs of complying with such changes in the past and management anticipate, given the nature and size of its operations, that the Group would continue to be able to do so in the future.

Conclusion

The Directors have concluded that, based on the current operational projections, it remains appropriate to adopt the going concern basis of accounting in the preparation of these audited financial statements. The Directors acknowledge that the Group remains subject to operational and economic risks and any unplanned interruption or reduction in gold production or unforeseen changes in economic assumptions may adversely affect the level of free cash flow that the Group can generate on a monthly basis and its ability to secure further finance as and when required The Directors consider that the Group will be able to secure short term working capital finance if this is required for the ongoing operational activities and development of its projects. The Directors have received no indications that the necessary permits and licences will not be awarded.

Assessment of the Group’s longer-term prospects

The longer-term prospects of the Group are driven by its strategy and business model, as outlined on pages 13 to 15, whilst factoring in the Group’s principal risks and uncertainties (pages 26 to 34). Assessment of the business is performed over a number of different time periods for differing reasons, which include an annual budget cycle (with reforecasts made as appropriate during the year) and a long-term corporate model which incorporates the latest annual budget and provides forecast cash flow detail for each of the Group’s mining operations.

Extending the base case assessment (using long term gold prices of US$2,500 per ounce and an exchange rate of BRL5.60 to USD1.00), and assuming that Coringa production ramps up in a similar manner to that projected in the 2024 Preliminary Economic Assessment, the Group is projected to continue generating positive cash flows from operations sufficient to meet the ongoing requirements for the development of Coringa. Thereafter, the Group intends to use cash generated from operations to develop other opportunities that it identifies from successful exploration and seek attractive investment opportunities, focused on the gold sector in Brazil and South America to grow the underlying value of the Group and build a broader base to develop in the future.

There are many risks inherent with mining operations which to a greater or lesser degree companies can anticipate, plan for and seek to mitigate. These risks may impact on a company only in the short-term or may have longer-term implications for the success and development of the enterprise and its mining projects. When assessing the Group's operations, the Board and management are conscious that the Group can elect to assume or tolerate a risk, introduce controls and processes that are intended to mitigate that risk, transfer the risk to third parties through insurance or other means or not pursue certain activities or actions to eliminate the risk entirely.

Risk Framework
In addition to management of risks inherent in mining and development operations, the Board is responsible for putting in place a system to manage risk and implement internal controls. The Board has considered mechanisms by which the business and financial risks facing the Group are managed and reported to the Board. The Board and management consider that the principal business and financial risks have been identified and appropriate control procedures implemented. The Board acknowledges it has responsibility for reviewing the effectiveness of the systems that are in place to manage risk.

The Board determines the Group's "risk profile" and is responsible for overseeing and approving the risk management strategy and policies, internal compliance and internal control.

The Board has delegated to the Audit and Risk Committee responsibility for overseeing the implementation of the risk management system.

The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management.

Management is required to assess risk management and associated internal compliance and control procedures and report back to the Audit and Risk Committee at least annually. The Board reviews assessments of the effectiveness of risk management and internal compliance and control at least annually.

The Board is responsible for reviewing and approving overall Group strategy, budgets, and plans. Monthly results and variances from plans and forecasts are reported to the Board.

There are procedures for budgeting and planning, for monitoring and reporting to the Board business performance against those budgets and plans, and for forecasting expected performance over the remainder of the financial period. These cover cash flows, capital expenditures and balance sheets.

The Audit and Risk Committee meets at least four times during a year. The Committee discusses the annual audit approach and plan with the External Auditor as well as the key risk areas for the financial statements. The Committee reviews and recommends the annual financial statements and all interim financial statements to the Board.

The Audit and Risk Committee is responsible, inter alia, for:

- Reviewing the Group's risk management framework at least annually in order to satisfy itself that the framework continues to be sound and to determine whether there have been any changes in the material business risks the Group faces.
- Ensuring that the material business risks do not exceed the risk appetite determined by the Board.
- Overseeing the Group's risk management systems, practices and procedures to ensure effective risk identification and management, and compliance with internal guidelines and external requirements.
- Assisting the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, and operational and financial controls.
- Reviewing the adequacy of accounting and financial controls together with the implementation of any associated recommendations of the external auditor.

The Board considers that the following risks are those which present the most significant uncertainty for the Group at the current time and could have the most serious adverse effect on its performance and reputation.

Risk		Link to going concern assessment	Link to Strategy and Business Model			
			Sustainable production	Exploration	Development	Acquisition
1	Capital and funding requirements for development of new projects				●	●
2	Geological risk	●	●	●	●	
3	Mining risk	●	●			
4	Project development risk				●	●
5	Licencing and environmental risk	●	●	●	●	
6	Personnel and expertise		●	●	●	
7	Gold prices and exchange rates	●	●			●
8	Bribery and corruption		●			●
9	Litigation		●			

Current risk assessment matrix

Increasing likelihood	Very low	Low	Moderate	High	Very high
Almost certain					
Likely				7	
Possible			6		1 5
Unlikely		9	8	3 4	
Rare				2	

Increasing financial and non-financial consequences

Further details of these are set out below in the section Principal Risks and Uncertainties.

Internal Controls

The Group has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the senior management team, the Audit and Risk Committee, and the Board considering ongoing assessments of the significant risks facing the Group.

The Directors acknowledge their responsibility for the Group's system of internal controls and procedures and for reviewing the effectiveness of these and ensuring that management of its subsidiaries review the internal controls and procedures operating in the subsidiaries. Such controls and procedures are designed to safeguard the Company's and the Group's assets and ensure reliability of reporting information, financial and otherwise, for both internal use and external publication. The Group's management has designed internal controls over financial reporting, in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The Board and management, taking account of the size and nature of the Group, base the design of the Group's internal control procedures using the criteria set out by the Financial Reporting Council in their revised guidance for directors on internal controls for UK listed companies (issued September 2014). Nonetheless the Group's management, including the Chief Executive Officer and the Chief Financial Officer, does not expect that its disclosure controls and internal controls over financial reporting will prevent or detect all errors and fraud. A cost-effective system of internal controls, no matter how well conceived or operated, can provide only reasonable, not absolute, assurance that the objectives of the internal controls over financial reporting are achieved.

The Board is responsible for ensuring that a sound system of internal control exists in order to safeguard shareholders' interests and the Group's assets. In conjunction with the Audit and Risk Committee, it is responsible for the regular review of the effectiveness of the systems of internal control. Internal controls are necessarily designed to manage risk rather than eliminate it. The key features of the system that operated during the period and to date are:

- Regular Board meetings to consider the schedule of matters reserved for Directors' consideration;
- A risk management process
- Initial internal gap analysis programme began during the first quarter of 2025, as the first step in developing an internal audit function.
- An established organisation with clearly defined lines of responsibility and delegation of authority;
- Appointment of staff of the necessary calibre to fulfil their allotted responsibilities;
- Comprehensive budgets, forecasts and business plans, approved by the Board, reviewed on a regular basis, with performance monitored against them and explanations obtained for material variances;
- Documented whistle-blowing policies and procedures.

Key

Risk has decreased | No change | Risk has increased

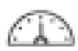
1. Capital and funding requirements for development of new projects		
The Group requires access to capital in order to develop its Coringa Mine and other future potential projects. Uncertainty over the future returns from these projects and other macroeconomic factors may constrain ability to raise external finance. Reliance on cash flow from the Group's operations may not provide sufficient cash flow to fund development projects organically.		**Change in risk level**
Potential Impact	Mitigation	Risk Movement
Impairment of development assets. Impairment of exploration assets. Ability to replace and grow mineral resource inventory. Loss of value for stakeholders.	Major new project developments need to have certainty of being fully funded before any construction and/or development decision can be taken. Delays in start-up are unlikely to result in revocation of licences or other authorisations. Establishing annual budgets for exploration activity funded from operational cash flow. Exploration obligations can be spread over the licence period improving the likelihood of extension or conversion into mining licences for the most prospective areas. Active engagement with providers of finance including current and potential shareholders. brokers, banks and other financing institutions. Looking at opportunities for joint ventures particularly for exploration activity which may significantly reduce funding risk whilst retaining significant upside optionality.	Continued improvement in the gold price which is currently above US$3,200 an ounce compared to a gold price of US$2,610 at 31 December 2024 has provided improved potential for cash generation both from existing and new projects reducing risk for lenders. Current interest rate projections are expected to result in reduced borrowing costs. Recent governmental change is not considered to have significantly changed the long-term political and economic risk rating for Brazil. The cash position of the Group at the end of 2024 is significantly stronger than at the end of 2023. The ramp up in activity at the Coringa Mine during 2024 has progressed in line with management plans.

2. Geological risk		
The Group's production and development projects are underground narrow vein gold deposits. By their nature, such ore bodies can be erratic in the grade of gold within the vein and also the widths of these veins. Geological interpretations and therefore mine plans can be subject to change as additional data becomes available and greater understanding regarding the nature of the veins and their origins is established.		**Change in risk level**
Potential Impact	Mitigation	Risk Movement
Reduction in gold production and associated cash flow. Impairment of development assets. Impairment of exploration assets. Ability to replace and grow mineral resource inventory.	The Group undertakes significant and systematic exploration activity before evaluating an ore body as an economic mineable resource and commissions independent technical experts to prepare reports to support the Group's internal assessments. Independent accredited laboratories are used to confirm assay data from samples recovered from exploration activity and confirm results from the Group's own laboratory facilities.	In November 2023, the Group published an updated Reserve and Resource estimate for the Palito Complex confirming 378,000 ounces in the Measured and Indicated category as well as 154,000 in the Inferred category. In November 2024, the Group published an updated Reserve and Resource estimate for the Coringa Complex confirming 179,000 ounces in the Measured and Indicated category as well as 271,000 in the Inferred category.

2. Geological risk		
	As part of its on-going daily operational expenditure the Group actively undertakes exploration activity to assist its medium and long-term mine planning. The Group seeks to maintain a number of mining faces at any one time to minimise the risk of unforeseen geological events significantly impacting production.	The mine development of the Serra Vein system at Coringa has resulted in better than predicted results in particular higher levels of payability. During the fourth quarter of 2024, development of the Meio vein began which will provide access to an additional ore body and increased production during 2025. Management concludes that geological risk to its current mining operations has reduced based on the results derived during 2024.

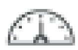
3. Mining risk	
The Group's production and development projects are underground narrow vein gold deposits. Underground mines have inherent risks including those resulting from geological faults or varying rock types which may ultimately compromise certain areas from being mined on the basis of safety.	**Change in risk level** 

Potential Impact	Mitigation	Risk Movement
Reduction in gold production and associated cash flow. Cessation or suspension of mine activity.	The Group employs personnel with significant experience and understanding of similar deposits and mining operations. Mining methods consider the ground conditions and competency of the host rock and appropriate and recognised measures are taken to provide support in areas where the integrity of the host rock may be compromised. The ground conditions at the Group's various operations have historically been very good with limited occurrences of faulting or other features that may present significant challenges to working conditions and employee safety. The Group uses remote controlled equipment in any areas that are considered to present any potential hazard.	The continued development of the Coringa Mine during 2024 and in particular with the opening of the portal of the Meio vein, has allowed management to understand better the prevailing ground conditions and evaluate and mitigate any potential problems that could impact the safety of mining operations of this new deposit. Whilst new areas continue to be identified and mined at the Palito deposit, there has been no identifiable change in the competency of the host rock.

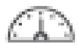
4. Project development risk	
The Group's Coringa Mine was originally scoped to include the construction of a full scale gold processing and production plant. With any engineering project there is always the potential for delays, cost-overruns or under-performance which can significantly impact economic viability or result in increased financial resources being required.	**Change in risk level** 

Potential Impact	Mitigation	Risk Movement

4. Project development risk		
Inability to secure funding because of perceived construction and development risks. Reduction in forecast gold production and associated cash flow. Inability to repay debt obligations resulting in breaches of covenants or other undertakings leading to security undertakings and other guarantees being enforced against the Group. Higher operational costs than forecast.	The Group's operations are based in Brazil, a country with a long and successful mining history and with a well-established and experienced network of contractors, fabricators and engineering expertise. The Group has an established and skilled workforce and access to engineering and fabrication specialists with experience of designing, building and operating similar mines and gold process plants. The Group owns and operates a gold process plant at its Palito Complex which has been processing gold ore recovered from Coringa since July 2022. The Group has successfully developed the Coringa Mine to the 158mRL approximately 190 metres below surface without encountering any significant issues. The Group has trialled successfully and now implemented on a commercial scale ore sorting on ore recovered from the Serra deposit at Coringa. Ore sorting test work has significantly reduced the levels of waste that would otherwise be processed and increased the underlying average grade of the resulting material that remains to be processed.	During the fourth quarter of 2024, a new 43-101 compliant technical report on the Coringa Mine was issued. The commissioning of the ore sorter at the Coringa Mine has reduced development risk, lowered capital costs and therefore financing needs. Future process capacity can be established by further expansion of the Palito Complex plant or a dedicated Coringa plant as originally envisaged but can be financed with the support of higher production levels and free cash flow subject always to prevailing metal prices and exchange rates.

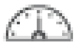
5. Licencing and environmental risk		
The Group's mining, development and exploration projects are subject to a variety of licencing conditions including environmental permits. The ability to continue mining operations, undertake construction and development activities or exploration is dependent on obtaining the necessary licences in good time, and maintaining these in good order.		**Change in risk level** 
Potential Impact	Mitigation	Risk Movement
Mining operations may be suspended or subject to other enforcements notices. Construction and development of new projects may be delayed whilst permits are obtained and permits and licences that have been granted may still be subject to legal appeals or other disruptive actions by other interested parties. Exploration activities may be delayed or cancelled if authorisations to obtain access or environmental permissions are delayed or denied.	The Group has operated in the Tapajós region of Pará, where its projects and exploration activities are located, for over 20 years. During this time, it has established strong relationships with the various governmental agencies and local communities and obtained excellent understanding of the necessary procedures and policies to be followed. The Group's operations have a small footprint, the mines are underground, and with high-grade ore. The volume of material required to be mined is low compared with surface mining operations and therefore have a relatively low environmental impact.	Under a court decision made in December 2021, following an action brought by the office of the Brazilian public prosecutors ("MPF"), the ANM (the National Mining Agency) and SEMAS (the State Environmental Agency) were not permitted to issue new licenses until appropriate consultations had been made with indigenous communities. The Group commenced in late 2021 the commissioning of the necessary studies and the steps required to complete the consultation process.

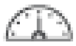
5. Licencing and environmental risk		
	The Group has established processes for monitoring and reporting and updates these as required to meet changing legislative and other requirements.	In July 2023, the Group, executed an agreement with the indigenous communities securing their ongoing support for the project. In December 2023, a further agreement with all other stakeholders was executed and ratified by the court which granted permission to the ANM and SEMAS to renew the existing licence arrangements for the project. In January 2024, the ANM issued a new trial mining licence for the project valid for three years. Climate change considerations continue to increase as well as the awareness of the potential for environmental damage arising from mining operations. The Group is dependent on actions, that the Group cannot control, being taken by the providers of electricity in the region to reduce key factors affecting its CO2 emissions. It is working with these providers and hopes that a new reliable power supply will be stablished during the next 24 months that will allow for a significant reduction in the Group's CO2 emissions. Nonetheless the Group's greenhouse gas emissions intensity of 532kgs CO_2.-e/ oz Au is 33% lower than the industry average.

6. Personnel and expertise		
The Group's is reliant on a small number of senior individuals who manage the day-to-day activities. In addition, the specialised nature of the Group's mining operations means that it is dependent on an operational team that has specific skills and experience in the mining of narrow vein underground deposits. These skills are not readily available in Brazil and the Group has trained its personnel in the particular skills and understanding relevant to its mining operations Although there is no significant similar mining operation expected to be developed in the near vicinity, other gold mining projects are being developed nearby resulting in increased competition for personnel and there is no guarantee that the Group will be able to attract and retain all personnel necessary for the operation and development of its business. Mining professionals are accustomed to relocating for the purposes of progressing their careers and therefore the Group's employees may be attracted to employment opportunities both in other parts of Brazil and in other countries.		**Change in risk level** 
Potential Impact	Mitigation	Risk Movement
Increased staffing costs as a result in increased salary levels required for staff retention. Reduced productivity as a result of higher staff turnover, unfilled vacancies and reduced experience and skill levels.	The Group seeks to provide attractive remuneration and benefits arrangements for its staff, designed to attract and retain key employees. The Group has established a loyal group of senior employees who have responsibility for planning and strategy. Bonus schemes in place to incentivise key employees.	During 2024, The Group increased activity at the Coringa Mine which resulted in an increase in the number of staff employed by the Group. The Group has been a significant employer in the region for a number of years with little competition from other mining companies. Tocantinzinho Gold Mine located approximately 60 kms from the Palito Complex commenced development

6. Personnel and expertise		
		during 2023 and had a negative impact on the level of staff turnover during 2023. Tocantinzinho announced commercial production in 2024 and have therefore reached the maximum projected levels of employment. As a result, the Group experienced a reduction in the level of staff turnover during 2024 which has helped to maintain momentum in the operations.

7. Gold prices and exchange rates		
The Group sells all of its product into the international market and receives prices for its gold and other metals linked to world market prices. Whilst revenues are denominated in US Dollars the Group estimates that 85 per cent of its expenditures are undertaken in Brazilian Real. It is therefore exposed to any adverse correlation between the gold price denominated in US Dollars and the Brazilian Real exchange rate with the US Dollar.		**Change in risk level** 
Potential Impact	Mitigation	Risk Movement
Reduced operating margins and cash flow generation. Reduced ability to raise finance because of perceived risk. Restrictions on cash flow may require that discretionary expenditure for project development or exploration be reduced or delayed.	The Group monitors the gold price in Brazilian Real to ascertain its exposure to gold price and exchange rate movements. Over the past 3 years, the average price per ounce has not declined below BRL8,500 for any significant period, providing an element of stability for planning purposes. The Group has available finance facilities that allow it to hedge some of its exposure to gold price and exchange rate fluctuations for a period of time.	Gold prices in BRL increased significantly during 2024 with the average price of BRL12,870 per ounce being 33% higher than the average price for 2023. The price has continued to increase, reaching all time highs above BRL19,000 per oz during the first four months of 2025, an increase of 48% in comparison to the full year average price in 2024. The average gold price achieved by the Group during 2024 was US$2,407, an increase of 24% in comparison to 2023. During the first four months of 2025, the gold price has reached all time highs above US$3,400 per ounce. The market price for gold appears relatively strong supported by uncertainty over interest rates and geopolitical uncertainties. The current projections by economic forecasters are for the Brazilian Real to be around BrR$5.80 to USD$1.00 for 2025.

8. Bribery and corruption		
The Group operates in a jurisdiction that has experienced a number of well documented high- and low-level cases of bribery and corruption and it is known that certain public and private sector officials have been involved in bribery or other corrupt practices. Any licence or permit that the Group is awarded could be rescinded in the event that it was identified that its award had been directly or indirectly influenced by actions of bribery or corruption.		**Change in risk level** 
Potential Impact	Mitigation	Risk Movement
Loss of licences may lead to cessation of production, inability to develop projects or limit exploration opportunities. Engagement in bribery is likely to limit the Group's competitiveness in the marketplace going forward, resulting in loss of value for stakeholders.	The Group's code of corporate governance specifies the measures the Group takes to comply with all applicable Anti Bribery & Corruption legislation. The Board, through its statutory oversight commitment, enforces adherence and management has implemented policies and provided training to all staff who have decision making responsibility and may, in their day-to-day activities, be solicited to engage in bribery or other corrupt practices. The Group operates a confidential whistle-blower line and any events are reported to the Audit and Risk Committee.	There have been no recent new high-profile proven cases of corruption, in the country. No events relating to potential instances of bribery/corruption or fraud have been reported via the whistle-blower line.

9. Litigation		
The Group is subject, as a matter of course, to various actions both as defendant and plaintiff. Actions against the Group are often brought by former employees seeking additional compensation related to their employment. The court process in Brazil can be lengthy with a number of stages of appeal as cases progress from Municipal to State to Federal levels. As a result, claims may take many years to be resolved.		**Change in risk level** 
Potential Impact	Mitigation	Risk Movement
Uncertainty over the level of potential compensations claims as actions may be vexatious or frivolous. Litigation can be time consuming and detract management focus from core activities. Contingent liabilities arising from litigation may impact on the Balance Sheet of the Group and its ability to raise finance.	The Group has robust recruitment and HR measures, medical monitoring and accident recording and prevention to minimise the potential for spurious accident or medically related claims. The Group employs specialist lawyers to manage the day-to-day court processes with the Group's HR personnel providing supporting documents and records as required. The Group seeks a negotiated settlement if and when it considers that the claimant has any justified claim.	The Group has not experienced any significant increase or decrease in claims in the past 12-month period. The Group dismissed a senior member of its Brazilian management in 2021 on suspicion of fraud against the Group. The individual counterclaimed for wrongful dismissal. The matter was resolved during the fourth quarter of 2024.

Serabi is committed to delivering value for all stakeholders through building a long-term, sustainable mining business. Through a series of programmes and initiatives, the Company seeks to minimise any environmental impacts whilst maximising the social benefits for the local communities and broader region. Serabi seeks to meet and exceed all operating standard requirements within Brazil and has the objective of achieving international best practice.

The Company enjoys strong local and regional support and has an excellent track record from an environmental perspective.

Senior management and the Board have put in place a reporting regime that tracks a large number of metrics across the areas of environmental control, and social and community engagements. This data is also used to provide regular reporting to the relevant Brazilian authorities to ensure constant compliance with all regulatory requirements. The following summarises the actions that Serabi has taken, and the performance achieved during the 2024 calendar year.

Key highlights

- Compliance with all **legal, environmental and regulatory** requirements to operate
- Continued **improvement in health & safety** with only Four Lost Time Injuries (LTIs) reported in the year, however it is disappointing to report that we had one fatality at the Palito mine in 2024.
- Responsible **environmental stewardship** with
    - small footprint from underground mines with no conventional tailing's dams
    - zero activity in primary rain forest
    - continuous monitoring of air and water quality
    - maximising recycling of water and waste materials
    - ongoing remediation of sites degraded by artisanal mining activity
    - monitoring of biodiversity and on-site nursery for cultivation of indigenous plants and trees
    - 52% of waste recycled or repurposed
- **Greenhouse Gas Emissions** remain well below industry average with Scope 1+2 emissions of 0.53t CO_2 equivalent per ounce of gold produced in 2024, compared with 0.42t CO_2 e/oz in 2023 an increase of 27% year on year. This is a result of the increased activity at the Coringa Mine and due to the need to increase the use of diesel generators at the Palito mine during 2024 as a result of the unstable power supply from the grid at Palito.
- **Supporting the local economy:**
    - 68% of employment sourced from Pará State (69% in 2023).
    - 46% of procurement of goods and services sourced from Pará State (46% in 2023)
- **Community & stakeholder support and engagement:**
    - 137 community / stakeholder meetings held.
    - investment of US$420,000 in community programmes.
    - investment of US$340,000 in environmental management programmes.
    - investment of US$41,000 in refurbishment of the Agamenon da Silva Menezes Municipal Auditorium in Novo Progresso.
    - 21,681 hours of training.
    - clean water and electricity to local communities.
    - 40 km of road and infrastructure maintenance.
    - support for local indigenous communities.
    - over 2,200 school children supported with the donation of musical instruments, support for sports events and awareness campaigns, in addition to help with infrastructure and equipment.

- 2,200 people from the local communities, passed through the Company's environmental education programmes.
- 1,200 community residents received medical support.
- 20 people participated in Young Apprentice programme

- Establishment of a committee of the Board of Directors with specific responsibility for monitoring ESG performance.

Serabi has been operating for over 20 years in the Tapajós region in the State of Pará and has close cooperation with the local communities around its mines, Jardim do Ouro, Moraes d'Almeida, Novo Progresso and Itaituba. The Group's presence has generated many jobs and opportunities for local communities, as well as other improvements in living conditions through assistance with infrastructure, educational and health projects. It is a key objective of the Group that its own successes and growth should also result in maximising the economic benefits for local companies and individuals and for the State of Pará.

All Serabi's socio-environmental activities are carried out ethically, in accordance with local laws and regulations, and aim to establish strong relationships with the local communities. Through consultation we try to identify social and environmental issues and work with local communities to find ways to address these with sustainable and responsible solutions.

Legal, environmental and regulatory compliance

During 2024, Serabi remained in compliance with all legal, environmental and regulatory requirements. Other than for planned maintenance downtime or power outages, the Company was required to stop the plant on only a single occasion due to unplanned maintenance on the plant discharge systems. There were no reportable environmental incidents during the year.

Occupational Health and Safety

Serabi continues to demonstrate a strong commitment to employee health and workplace safety through ongoing investment in established initiatives. The Group maintains two key programmes—the Risk Management Programme (PGR) and the Occupational Health and Medical Monitoring Programme (PCMSO)—which are reinforced by the Internal Commission for Accident Prevention (CIPA) and the Daily Health, Safety and Environment (DSSMA) initiative. These initiatives play a vital role in sustaining a culture of safety by promoting awareness and encouraging best practices to help prevent workplace accidents.

During 2024, a total of 37,599 hours of safety training was provided to employees, an average of 44 hours per employee, (2023: 16,646 hours, average of 25 hours per employee).

Injury rates remained low during the year with four Lost-Time Injuries ("LTIs") reported and six Total Reportable Injuries ("TRIs") compared with two and six respectively in 2023. However, the Company experienced one fatality during the year where a mining related accident resulted in an employee succumbing to his injuries several weeks later. The Group has implemented additional controls and training measures to prevent any future fatal accidents, as well as hiring a new Chief Operating Officer who will oversee the Health and Safety Department.

The Group undertakes regular health initiatives for all its staff covering matters such as mental health, stress management, sexually transmitted diseases and breast and prostate cancer awareness. These group sessions involving specialist health professionals, are aimed at improving understanding, prevention and treatment of these and other health problems.

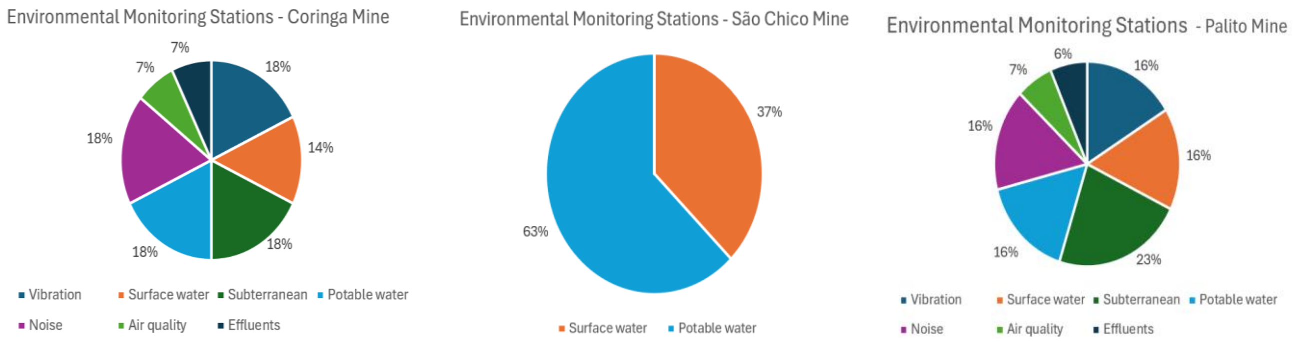
Environmental Stewardship

Operating within the Amazon basin brings additional responsibility on Serabi as well as added scrutiny. The Company welcomes this scrutiny and always seeks to minimise its impact on the environment and maintains a policy of undertaking zero activity within primary rainforest.

Continuous monitoring of any impacts the Company may have, ensures adherence to the required standards and allows the Company to identify any issues that may arise and address them. Sixty-seven environmental monitoring stations are established across each of the Group's operating sites, measuring the quality of air and surface, underground and potable water, whilst measuring noise and vibration levels and controlling the risk of effluent leakage.

In addition to the monitoring described above, the Company undertakes annual surveys of biodiversity at its operating sites. This is both to monitor the general health of biodiversity but also identify any endangered or threatened species. With tight controls on suppression of vegetation and protection of wildlife, Serabi's operating sites are typically more densely forested than the surrounding area which is frequently cleared for farming. As such, the operating sites become havens for wildlife with a broad spectrum of mammals, birds, amphibians and reptiles identified. Mammal species in particular were found to be in higher concentrations than expected.

Distribution of environmental monitoring stations operated by Serabi



Serabi has a nursery in which it grows native trees for rehabilitating deforested areas including areas licenced for suppression by the Company to undertake exploration activities and areas impacted by historic artisanal mining activity.

During 2024, a programme of reforestation around the Palito Complex has been undertaken with the planting of 331 native tress grown in Serabi's own nursery. Restoration of exploration drill sites has been on-going throughout the year using hydro-seeding of native grasses on the impacted areas.

Serabi aims to maximise the amount of process plant water it recycles to minimise its freshwater demand. In total, 46% of process water was recycled during 2024, up from 24% during 2023 following modifications in the process plant. The overall water usage, however, increased by almost 49% from 270,000m³ in 2023 to 403,013m³ in 2024.

In addition, the Company has a policy of recycling as much waste material as possible, achieving a level of 65% during the year compared with 73% in 2023.

Supporting the local economy:

Serabi seeks to ensure its activity maximises the benefits to the local region. 68% of employees come from Pará State and 24% are from the immediate communities. Whilst this latter figure is down slightly compared with 2023, it reflects the transfer of staff from the Group's Palito Complex to the Coringa Mine during the ramp up in activity. Year on year we continue to try and increase the numbers of staff recruited from both the neighbouring communities and the wider State of Pará. In addition, the Company tries to maximise its procurement of goods and services locally, sourcing US$12.8 million (46%) of its requirements from within Pará State including US$10.3 million (37%) sourced from within 100km of its operating sites.

Community programmes

The Group's community and social relations professionals undertake regular meetings with the neighbouring communities to understand the needs of the local residents, as well as explaining the role that Serabi can play in improving community life. These meetings with residents' associations and community representatives and the programmes that are generated through this dialogue, help strengthen ties with the community and reinforce the positive benefits that our operations bring to the region. In total 137 meetings were organised by the team, and the company supported 35 initiatives for the local communities and made several separate donations during the year. It is estimated that the impact of these actions benefitted over 7,000 residents.

Our staff have also run health awareness campaigns in the local communities, initiated programmes for environmental educational including waste disposal and recycling facilities, and provided continued support for local vaccination programmes.

We have also established partnerships with key groups including the City Hall of Novo Progresso and Lions Club International for road maintenance activities and health projects respectively.

Throughout 2024, Serabi has demonstrated a strong commitment to the social and economic development of neighbouring communities by providing consistent financial support for education and training initiatives. As part of this effort, the Group has sponsored a variety of professional training and income-generation programmes aimed at enhancing local capacity and promoting sustainable livelihoods. These initiatives included specialised courses such as Sausage and Smoked Meat Production, Bakery, and Dairy Product Processing, held in communities such as PDS Terra Nossa and Jardim do Ouro. By investing in these programs, Serabi has not only contributed to skill development but also empowered community members with practical tools to generate income and improve their quality of life.

We are constantly seeking to maximise the opportunities that can be made available to the local workforce and provide assistance with training and support in a number of fields. At school level, we have established a partnership with the schools in Moraes Almeida to stimulate and improve the reading skills of students, created a young apprentice's programme providing an opportunity for young people to prepare for working life, and are developing a technical training programme for young adults.

The Environmental Scouts Project was launched with the objective of educating and engaging young individuals in sustainable practices within the Jardim do Ouro community. The initiative included classes and activities focused on environmental awareness, sustainability, recycling, waste management, reforestation, protection of local fauna and flora, and the prevention of forest fires.

Historic direct expenditure on community support programmes has reached over $2 million since the beginning of 2017 in addition to the time and effort of our own employees involved in delivering these programmes.

Community health

Serabi, through its own medical staff, supports communities such as São Chico and Jardim do Ouro with medical and emergency care and for more serious cases the Group provides an ambulance to take patients to hospitals.

Indigenous population

Interaction with indigenous communities is strictly controlled by legislation, and Serabi has worked with government agencies to bring about improvements in the levels and quality of water supply to the Kayapó community. During 2024, working alongside it's long-term consultants and in collaboration with FUNAI, the government agency for indigenous communities, updated the impact assessment study for the Group's Coringa Mine. During this process we have continued to receive positive support and encouragement from the indigenous communities.

Diversity

The following tables summarises the levels of staff, by gender, employed by the Group at the end of 2024 and at the end of 2023.

	Male		Female	
Staff levels at the end of 2024	**Number**	**(per cent)**	**Number**	**(per cent)**
Board	5	71%	2	29%
Administrative Offices	8	57%	6	43%
Palito Mine	540	93%	41	7%
São Chico Mine	5	83%	1	17%
Coringa Mine	272	94%	16	6%

	Male		Female	
Staff levels at the end of 2023	**Number**	**(per cent)**	**Number**	**(per cent)**
Board	5	71%	2	29%
Administrative Offices	9	60%	6	40%
Palito Mine	516	94%	32	6%
São Chico Mine	5	83%	1	17%
Coringa Mine	141	93%	10	7%

Non-Financial and Sustainability Information Statement

The Board recognises the importance of adopting a sound framework that supports the business to enhance the sustainability of our resources and the environment. The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 amended sections 414C, 414CA and 414CB of the Companies Act 2006 to place requirements on companies the size of Serabi Gold listed on AIM to incorporate Task Force for Climate Related Financial Disclosures (TCFD) aligned climate disclosures in their annual reports. During the year the Company has carried out a TCFD gap assessment and going forward will develop a TCFD integration roadmap. We therefore set out below our TCFD aligned disclosures where we comply with TCFD as our Non-Financial and Sustainability Statement.

TCFD Recommendation	Recommended disclosures contained with this report	Reference
Governance Disclose the organisation's governance around climate-related risks and opportunities.	a) Describe the Board's oversight of climate-related risks and opportunities. b) Describe management's role in assessing and managing climate-related risks and opportunities.	Read more on page 44 to 45.
Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term. b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Read more on pages 45 to 50.
Risk management Disclose how the organisation identifies, assesses and manages climate-related risks.	a) Describe the organisation's processes for identifying and assessing climate-related risks. b) Describe the organisation's processes for managing climate-related risks. c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.	Read more on page 50.
Metrics and targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process. b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Read more on pages 50 to 51.

Governance

In line with the UK Listing Rules, and the Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022 (SI 2022/31), the Company confirms that its 2024 Annual Report includes climate-related financial disclosures consistent with the Task Force on Climate-related Financial Disclosures ("TCFD") recommendations, and that areas of non-compliance with the TCFD recommendations have been appropriately identified. This section contains the relevant disclosures or otherwise provides cross-references where the disclosures are located elsewhere in the report.

Disclose the organisation's governance around climate-related risks and opportunities.

Serabi Gold recognises the importance of adopting a sound framework that supports the business to enhance the sustainability of our resources and the environment.

Our commitment to sustainability is integral to our long-term growth strategy, and our governance framework has been designed to ensure accountability and robust decision-making processes regarding environmental concerns.

a) Describe the Board's oversight of climate-related risks and opportunities.

Board oversight

The Board has ultimate responsibility for overseeing the Group's sustainability strategy, including climate-related risks and opportunities. The Board actively reviews and approves climate-related objectives, ensuring these are integrated into corporate strategy and risk management frameworks. Climate-related risks are treated with the same importance as other principal risks to the business.

Board Committees

The Board has established a Sustainability Committee (SC) to provide dedicated oversight of environmental, social, and governance issues. This committee comprises the Chair of the Board (who also chairs the SC), a Non-executive Director, and the Chief Executive Officer. The SC convenes quarterly and presents climate-related updates to the Board, ensuring that climate-related considerations are aligned with corporate targets and strategic decisions.

The SC collaborates closely with the Audit and Risk Committee (ARC) to assess risks and ensure climate-related risks are incorporated into the company's risk management framework.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

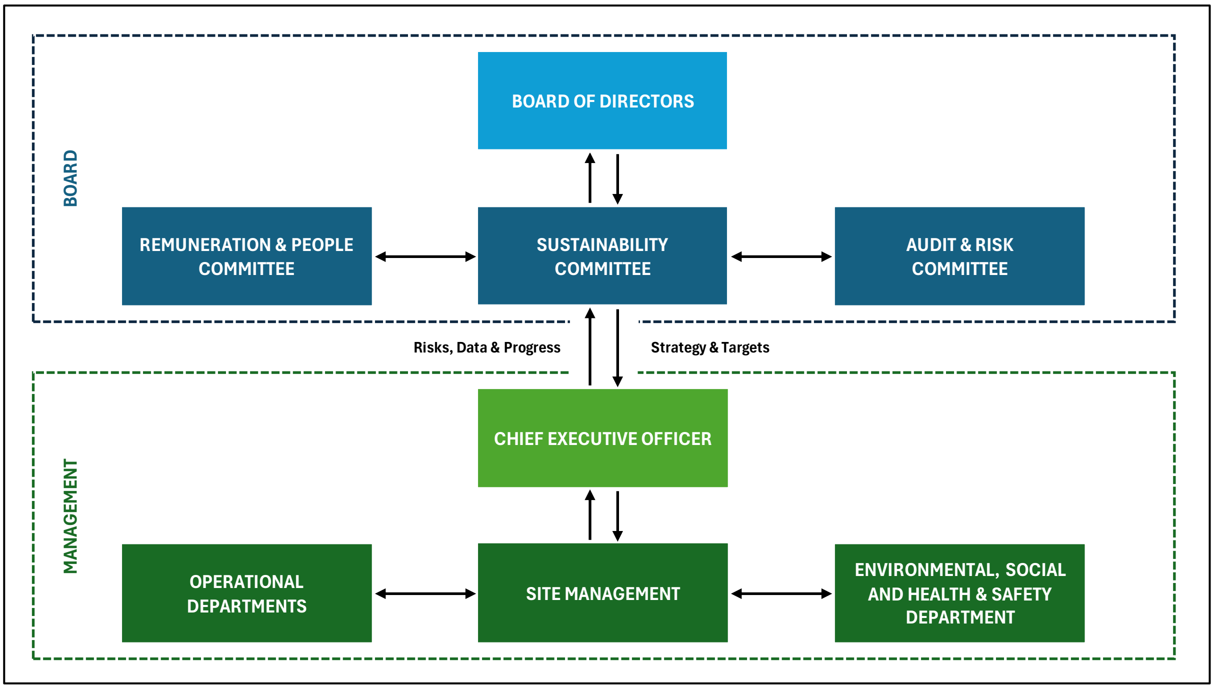
Management plays a critical role in executing climate-related strategy.

Chief Executive Officer (CEO)

The CEO plays a pivotal role in ensuring Serabi Gold's climate strategy is executed in alignment with the Board's vision. The CEO leads strategic climate initiatives and ensures accountability throughout the organisation by working closely with key teams and committees. Regular reporting on climate progress, key performance metrics, and alignment with strategy is provided to the Board and the SC by the CEO.

Site Management

On-site leadership teams, including department heads and operational managers, are responsible for implementing climate-related policies and initiatives. They manage environmental data collection, risk assessment, and ESG performance monitoring. The Environmental, Social, and Health & Safety Department leads this effort, gathering information submitted by operational departments and ensuring accurate and comprehensive reporting Monthly and quarterly performance reports on environmental data, key climate risks, and ESG progress are compiled for review by the SC and Board.



Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.

a) **Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.**
b) **Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.**
c) **Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.**

The Group recognises climate change as a material risk to its operations and long-term value and we integrate climate-related considerations into our overall risk framework accordingly. Across the short, medium, and long-term time horizons, we have identified a range of risks and opportunities associated with both the physical impacts of climate change and the broader global transition to a low-carbon economy.

In the short term, the Group faces primarily transition-related risks. These include increased costs of raw materials and fuel stemming from carbon tariffs and excise taxes, along with tightening climate reporting regulations that may demand enhanced emissions disclosure and supply chain tracking. However, this period also presents immediate opportunities. Improvements in regional hydroelectric infrastructure may enable us to reduce our reliance on diesel generation, helping to lower emissions and energy costs.

Over the medium term, regulatory risks are expected to grow as national and international climate policies evolve. Brazil's increasing commitment to its Nationally Determined Contribution targets could require operational changes, while investor expectations around ESG performance may influence access to capital. Equipment replacement cycles may also necessitate upgrades to accommodate alternative fuels. At the same time, we see opportunities in the advancement of nature-based solutions, such as reforestation and biodiversity actions, that can contribute to carbon reduction goals and enhance the Group's environmental value proposition.

In the long term, reputational and market-related risks are likely to intensify. Stakeholders, including investors and communities, may exert greater pressure on companies to demonstrate alignment with decarbonisation goals. Failure to meet such expectations could limit financing options or jeopardise the Group's social licence to operate. However, gold's historical role as a hedge during uncertain times and its emerging uses in clean technology suggest potential long-term demand stability. The Group's focus on high-grade, low-impact mining positions the Company to benefit from this changing landscape.

Physical Climate Risks – Scenario Analysis

We have assessed the physical climate risks affecting our operations under two climate scenarios: a moderate emissions scenario (SSP2-4.5) and a high emissions scenario (SSP5-8.5). These scenarios have been applied across the short-term, medium-term and long-term timeframes.

The following table presents the projected physical risks under each scenario, reflecting expected trends and potential operational impacts:

Physical Risk	Short-Term (1-2 years)	Medium-Term (3-5 years)	Long-Term (>5 years)	Risk Trend
Extreme Rainfall & Flooding	***SSP2-4.5:*** Heavy rainfall events remain a regular occurrence in the Amazon wet season. Near-term rainfall intensity is projected to stay within historical ranges. Localised flooding remains a seasonal but manageable challenge.	***SSP2-4.5:*** Intense rainstorms are projected to remain within historical variability, with no significant change in flood risk in the medium-term.	***SSP2-4.5:*** Rainfall levels and flood risk are projected to remain stable through to 2040.	Steady
	SSP5-8.5: No significant changes to rainfall intensity are projected, with no resultant change to flood risk anticipated.	***SSP5-8.5:*** Similarly, total rainfall and storm intensity show little projected change through to 2030. Flood risk at site stays comparable to today.	***SSP5-8.5:*** There is a slight downward trend in projected annual rainfall, with peak storm intensity remaining stable. Flood risk is considered to remain steady or slightly decrease.	Slightly Decreasing
Drought & Water Scarcity	***SSP2-4.5:*** Drought risk is low but emerging. Short dry spells may lengthen marginally (by a few days) in the short-term.	***SSP2-4.5:*** There is a moderate projected increase in dry-season intensity with longer dry spells expected occasionally, although this is manageable with current water sourcing strategies.	***SSP2-4.5:*** There is a persistent but manageable projected extension to the dry season. Adaptation to these events is possible with existing planning tools.	Slightly Increasing
	SSP5-8.5: A slightly higher probability of infrequent drought conditions could result in brief operational water-stress, but the risk remains consistent with today.	***SSP5-8.5:*** There is a growing risk of deeper dry seasons and water scarcity events could become less rare than previous decades.	***SSP5-8.5:*** Drought conditions are projected to become more prevalent over time under a high emissions scenario. By 2040 drought conditions could occur roughly twice as often as in the past.	Increasing
Extreme Heat	***SSP2-4.5:*** Average temperatures are rising gradually. In the short-term, maximum daily temperatures could rise by around +0.7°C above recent historical averages.	***SSP2-4.5:*** Incremental warming continues with maximum daily temperatures and heat index days >35°C increasing. Sporadic extreme heat events may have minor productivity impacts.	***SSP2-4.5:*** Continued warming is expected with average maximum temperatures projected to be ~1°C higher than past years and with the number of days with a heat index >35°C projected to increase.	Increasing
	SSP5-8.5: Maximum daily temperatures are projected to increase by around +0.7°C above recent historical averages, though heat index days >35°C remain infrequent, limiting the risk of heat-related impacts in the short-term.	***SSP5-8.5:*** More pronounced heat increases are projected. Peak temperatures could occasionally reach the high-30s°C and elevated heat index days (>35°C) become more common, resulting in a marginal increase in heat stress exposure for personnel and equipment.	***SSP5-8.5:*** Extreme heat becomes a more salient risk under a high emissions scenario. An exceptionally hot year today could be routine by 2040, and the hottest years may be ~2°C warmer than historical records, impacting worker health and overheating of equipment.	Increasing

Physical Risk	Short-Term (1-2 years)	Medium-Term (3-5 years)	Long-Term (>5 years)	Risk Trend
Wildfires	***SSP2-4.5:*** True rainforest (floresta úmida) does not burn easily, and wildfire risk remains low due to surrounding rainforest humidity. There is no notable increase in dry season ignition likelihood.	***SSP2-4.5:*** Wildfire risk remains low with substantial forest cover and humidity limiting fire spread near the mine sites.	***SSP2-4.5:*** A gradual fire risk is expected in the long-term due to marginal exposure increases from projected lengthening of the dry season and nearby deforestation activities.	Slightly Increasing
	SSP5-8.5: Projected increases in dry season duration could elevate wildfire potential, albeit only marginally.	***SSP5-8.5:*** Wildfire risk rises in deforested and degraded areas under a high emissions scenario with projected increases in temperature and extended duration of the dry season.	***SSP5-8.5:*** Hotter, drier conditions, coupled with regional deforestation activities could see a higher frequency of wildfires than today, though the mines themselves are not in high ignition zones.	Slightly Increasing

These findings suggest that whilst the region will likely continue to face intense rainfall and warm temperatures, the overall pattern of physical climate change impacts is manageable within the context of current mine life projections. Drought and heat-related risks are expected to increase in a high-emissions scenario, warranting proactive water management and worker safety planning, while flooding and extreme precipitation are forecast to remain within historical norms, indicating that existing infrastructure and mitigation systems can continue to support site resilience.

Climate Change Transition Risks

We have assessed the potential for transition risks under evolving policy, legal, technological, and market frameworks. These risks arise from the broader move toward a low-carbon economy and reflect the Company's exposure to changes in regulation, energy systems, and stakeholder expectations.

The following table summarises our transition risks and opportunities across the short, medium, and long term:

Risk/Opportunity	Area	Description	Impact	Probability	Mitigation
Short Term (1-2 years)					
Risk	Supply Chain & Carbon Costs	Introduction of carbon-related tariffs or fuel tax increases could raise the cost of key inputs (diesel, power). For example, suppliers may pass on costs from Brazil's implicit carbon pricing on diesel.	Low	High	The Company is taking action to significantly reduce its usage of fossil based fuel products and to improve energy efficiency to minimise potential impacts.
Risk	Legal	New climate disclosure requirements or supply chain due diligence laws could impose additional compliance burden.	Low	Medium	The Company is working on expanding its emissions data capture to include Scope 3 and strengthening its ESG reporting processes.
Opportunity	Renewable Energy	An improvement in the regional grid infrastructure will allow greater availability and use of hydroelectric power as an energy source, allowing the company to transition away from diesel-powered energy sources.	Medium	Medium	The Company is working with the local energy utility to transition the Palito site to a dedicated transmission line with increased capacity minimising the need for supplementary power to be provided from fossil fuel sources.

Risk/Opportunity	Area	Description	Impact	Probability	Mitigation
Medium Term (3-5 years)					
Risk	Legal	Legislative change requiring the business to implement process changes to reduce climate impacts.	Medium	Medium	The Group works closely with advisers to anticipate any impending legislative changes and is ready to adapt processes if required.
Risk	Capital costs	Climate risk and ESG scores could increasingly influence access to finance. Banks and investors may impose higher cost of capital for carbon-intensive operations.	Low	Medium	The Group targets high-grade mineral opportunities that have small carbon footprints, low water requirements, and minimal impact on flora and fauna, thereby inherently lowering their carbon intensity. Continuing to improve climate disclosures and performance will help maintain investor confidence.
Risk	Equipment costs	Transitioning away from diesel equipment (e.g. adopting electric mining fleets) could incur additional costs in the medium term, if regulations or economics force a shift to low-carbon equipment.	Low	Medium	The Group considers emerging technology for phased fleet replacement, evaluating hybrid or electric fleet options in its upcoming procurement cycles.
Opportunity	Reforestation	With an increased focus on finding nature-based solutions to tackle climate change, biodiversity actions, such as rehabilitation and reforestation, could contribute to lowering overall carbon emissions or providing value through carbon credits or similar schemes.	Low	Medium	The Group has a continuous programme of revegetation and remediation across its areas of operation. The Group plans to investigate finding reliable and quantifiable methods to record the carbon capture and biodiversity benefits of these programmes.
Long Term (greater than 5 years)					
Risk	Reputation – Access to capital	Investor demand for sustainable mining and increased focus on environmental and climate related disclosures may lead to an increased cost of capital or inability to access capital.	Medium	Medium	The Group proactively discloses climate performance and is continuously improving policies/procedures for GHG reduction. Engaging stakeholders with transparent ESG reporting will help maintain trust.
Risk	Reputation – Social	Communities and regulators may become less tolerant of projects with heavy environmental footprints. A failure to curtail emissions or local environmental impacts could lead to social challenges.	Medium	Medium	The Group strives to ensure that its environmental and climate related programmes are actively disclosed to the public to minimise negative perceptions and engages with local communities to demonstrate itself as a climate-conscious business.
Risk and Opportunity	Markets and Economy	Environmental pressure may reduce the demand for luxury items affecting prices for precious metals.	Medium	Medium	Cultural history supports significant personal demand for jewellery (~45% of demand) and is less likely to be swayed by environmental considerations.

Risk/Opportunity	Area	Description	Impact	Probability	Mitigation
		Conversely, heightened market volatility and uncertainty from climate-related risks will likely support the demand for gold as risk hedge and market insurance asset.			Gold for investment accounts for ~47% to 50% of demand with no obvious alternative.
Opportunity	Emerging Technology	Gold could play a role in emerging clean technologies (e.g. gold used in advanced electronics, fuel cells, or as a catalyst). Should such applications scale up, gold demand could get a structural boost.	Low	Low	An increase in the demand for gold as a potential supply component in climate-related future technologies could increase the value of gold.

This analysis highlights that while the most significant risks are currently of low to moderate likelihood and impact, their potential significance increases over time, particularly under more ambitious climate policy scenarios. Our transition risk strategy focuses on reducing fossil fuel reliance, improving energy efficiency, enhancing disclosure practices, and exploring renewable energy alternatives to ensure long-term operational and financial resilience.

Impacts on Business Model and Financial Planning

The Group’s core business of gold mining is expected to remain resilient in the face of climate-related changes. In the short and medium term, gold demand is not anticipated to be materially affected by climate considerations. Cultural and economic drivers suggest that jewellery demand will remain stable, and investment demand should continue as gold serves as a hedge in times of uncertainty. In fact, heightened market volatility resulting from climate-related risks may reinforce gold’s role as a safe-haven asset, potentially supporting demand in those periods.

Operationally, climate-related factors are influencing our planning and expenditures. We anticipate that goods and energy sources tied to fossil fuels will face rising costs due to carbon pricing mechanisms and fuel excise taxes. In response, we are focusing on energy efficiency and renewable energy integration to mitigate fuel cost inflation. For example, a dedicated hydroelectric power transmission line to the Palito complex is being pursued to reduce diesel consumption and increase renewable energy supply. Similarly, our fleet replacement strategy involves evaluating low-emission mining equipment (such as electric or hybrid underground vehicles) to reduce future carbon costs and improve operational efficiency. These initiatives not only lower carbon emissions but also buffer the business against potential carbon taxes or fuel price volatility.

Physical climate considerations have also been embedded into our business model and financial planning. Given the location of our operations in Pará State – an area vulnerable to Amazonian climate extremes – we allocate capital and resources to bolster site resilience. We maintain rigorous tailings storage facility standards, with design criteria that account for extreme weather scenarios, ensuring these structures remain secure even under severe rainfall conditions. In addition, our ongoing rehabilitation and reforestation initiatives not only aid environmental restoration but may eventually yield carbon offsets or credits, creating a potential financial opportunity in a future regulatory environment.

Strategy Resilience

The Group’s strategy has been tested against a range of climate scenarios, and we are confident in the resilience of our business model under both a low-carbon transition (a 2°C or lower pathway) and a higher-emissions future.

Under a 2°C-aligned scenario, which is characterised by aggressive global mitigation efforts, transition risks such as carbon regulation are expected to intensify, but we are well-positioned to adapt. Our focus on high-grade, low-volume mining with underground operations inherently results in a smaller environmental footprint and lower greenhouse gas intensity than the majority of gold producers. Even though our Scope 1 and 2 greenhouse gas emissions intensity rose to 532 kg CO_2e per ounce of gold in 2024 due to short-term challenges, they remained lower than the industry average of ~792 kg CO_2e per ounce of gold[1]. Our focus on lower carbon-intensive operations means that in a future with stricter carbon constraints or pricing, our operations

[1] Seblos, G. (2024). Primary Gold GHG Emissions Intensities Decline. S&P Global Market Intelligence.

would face relatively lower financial strain per unit of production. We have also begun expanding our climate-related data collection and enhancing ESG disclosures, which will help meet tightening reporting standards and stakeholder expectations in a low-temperature-rise scenario.

Conversely, under a scenario where global warming exceeds 2°C, such as the modelled SSP5-8.5 high emissions scenario, physical climate impacts become more pronounced by mid-century. In this environment, our adaptation measures and the location of our deposits provide robust defences. Our recent climate risk assessment indicates that through 2040, projected changes in rainfall and temperature can be managed with current and planned mitigations.

Overall, our strategy remains resilient to climate change risk, and we aim to regularly review climate scenarios as part of our strategic planning to ensure that as conditions evolve, we can respond effectively and sustain long-term value.

Risk management

Disclose how the organisation identifies, assesses and manages climate-related risks.

a) **Describe the organisation's processes for identifying and assessing climate-related risks.**
b) **Describe the organisation's processes for managing climate-related risks.**
c) **Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.**

The Group identifies climate-related risks through an integrated risk management framework. Climate risks are evaluated alongside other strategic and operational risks, ensuring their relative significance is comparable to other corporate risks.

Management maintains a comprehensive risk register – updated at least annually – which includes both emerging and principal climate-related risks that could affect the business. Risks are ranked according to their impact and probability and the mitigation strategies considered to assess their overall significance. The Audit and Risk Committee, on behalf of the Board, oversees this risk identification and assessment process, reviewing the consolidated risk matrix to ensure appropriate prioritisation and uses it to guide corporate risk oversight and resource allocation.

At the corporate level climate risks are interwoven with strategic planning, whilst at the operational level, ESG officers oversee mitigation plans and interact with local government agencies in establishing any requirements imposed by regulators. The Sustainability Committee receives aggregated climate data and progress updates, ensuring board-level visibility into climate performance. By having climate risk management integrated at all levels, from site operations up to Board oversight, we can ensure that we respond proactively to climate challenges.

In 2024, we enhanced our climate risk analysis by conducting a detailed climate scenario assessment, which supplements our risk matrix with forward-looking data. This exercise helps identify site-specific physical vulnerabilities and aids in the scoring of those risks. Our operational management and site-level ESG officers are utilised to report any new climate-related issues or near-misses. This bottom-up input is critical to capturing emerging risks in a timely manner. Climate risks that are deemed material are managed through targeted mitigation actions and incorporated into our site operational plans.

Transition risks are addressed by our decarbonisation and compliance strategies. For instance, to manage policy risks around carbon pricing, we are pursuing strategies to reduce our reliance on fossil fuels by improving energy efficiency through technological innovations such as our ore-sorter installations, as well as transitioning to renewable power sources by working with the local energy supplier to upgrade our transmission line to provide reliable and clean power.

We also remain focused on our greenhouse gas monitoring programme, positioning the Company to meet new reporting requirements as they arise and identify reduction opportunities. We manage market and reputation risks by maintaining a low emissions intensity and continuously improving our environmental performance. We provide open disclosure on our climate progress and aim to align with industry best practices, such as the Brazilian Mining Association's position on climate change.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) **Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.**
b) **Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.**
c) **Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.**

The Group recognises the importance of transparently disclosing its greenhouse gas (GHG) emissions data as part of our commitment to responsible mining. We use Scope 1 and Scope 2 GHG emissions, along with emissions intensity, as key metrics to assess our climate-related performance. Scope 1 emissions arise from direct fuel use at our sites, while Scope 2 represents indirect emissions from purchased electricity. These metrics are measured and calculated in accordance with the GHG Protocol guidelines.

In addition, we track our energy consumption and sources, including the amount of electricity drawn from the grid as a percentage of our total electricity consumption, to monitor our operational efficiency.

Our GHG emissions inventory encompasses our Tapajós region mining operations (Palito Complex and Coringa) and includes on-site contractors. Emissions from our corporate offices, regional offices and exploration sites are excluded from our emissions inventory on the basis of materiality.

Serabi aims to track the wider gold-mining industry's decarbonisation progress and has set a target to remain 30% or more below the industry average as reported by S&P Global. We are currently working with our ESG consultant in defining and setting targets for each of our strategic ESG goals. We are planning on moving toward a more comprehensive account of our carbon footprint in the near future by expanding our emissions data capture to include relevant Scope 3 categories.

Scope 1 and Scope 2 Emissions

In 2024, our total Scope 1 and 2 GHG emissions increased to 19,955 tCO_2e, up 43% from 13,908 tCO_2e in 2023, driven by higher emissions at both operations. The Palito Complex recorded emissions of 13,895 tCO_2e in 2024, a 25% increase from 11,134 tCO_2e in 2023, due to a combination of increased production at our process plant along with regional power challenges that necessitated the extended use of on-site diesel generators to maintain productivity. At the Coringa site, emissions rose to 6,059 tCO_2e, up from 2,774 tCO_2e in 2023, reflecting the ramp-up of mining production at the project. Coringa is yet to be connected to the grid.

Our Scope 1 emissions increased to 19,759 tCO_2e in 2024, representing a 52% year-on-year increase, whereas our Scope 2 location-based emissions fell to 703 tCO_2e, 27% lower than 2023, as our consumption of grid power was reduced due to inconsistent grid reliability. 2024 also marked the first year that we have included market-based Scope 2 emissions within our reporting as relevant data became available. Our Scope 2 market-based emissions were 195 tCO_2e in 2024, an amount significantly lower than the location-based consideration.

Our GHG emissions intensity, measured in kilograms of CO_2e per ounce of gold produced, was 532 $kgCO_2e$/oz Au in 2024 representing a 27% increase from 420 $kgCO_2e$/oz Au in 2023.

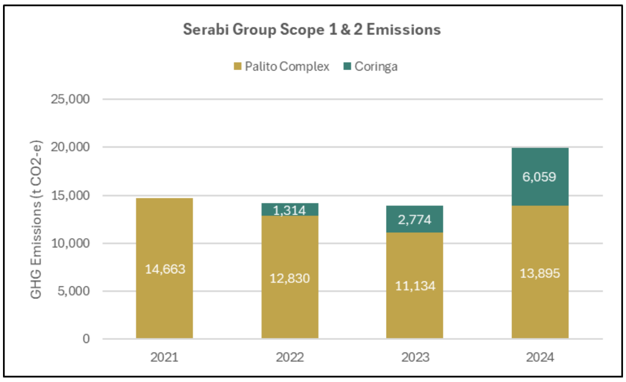
Metric	Unit	2021	2022	2023	2024
Scope 1 Emissions	tCO_2e	13,192	13,206	12,946	19,759
Scope 2 Emissions (Location-based[2])	tCO_2e	1,471	938	962	703
Scope 2 Emissions (Market-based[3])	tCO_2e	1,471	938	962	195
Total Scope 1 + 2 Emissions (Market-based)	tCO_2e	14,663	14,144	13,908	19,955
GHG Emissions Intensity	$kgCO_2e$ / oz Au	433	445	420	532
Palito Complex Scope 1 + 2 Emissions	tCO_2e	14,663	12,830	11,134	13,895
Coringa Mine Scope 1 + 2 Emissions	tCO_2e	0	1,314	2,774	6,059

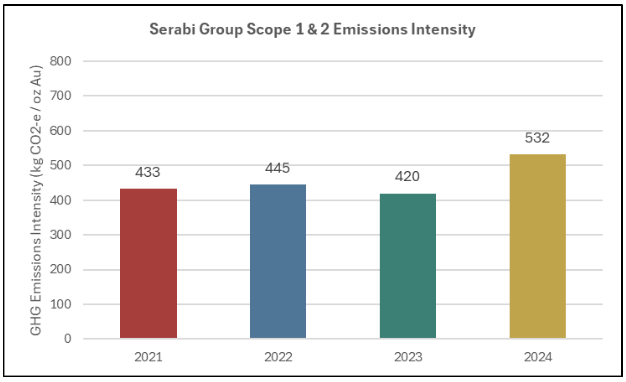
Scope 1: All direct GHG emissions.

Scope 2: Indirect GHG emissions from the consumption of purchased electricity. Scope 2 emissions are calculated using location-based emission factors.

[2] *Scope 2 location-based emissions were calculated using the IEA 2024 Emissions Factors dataset.*

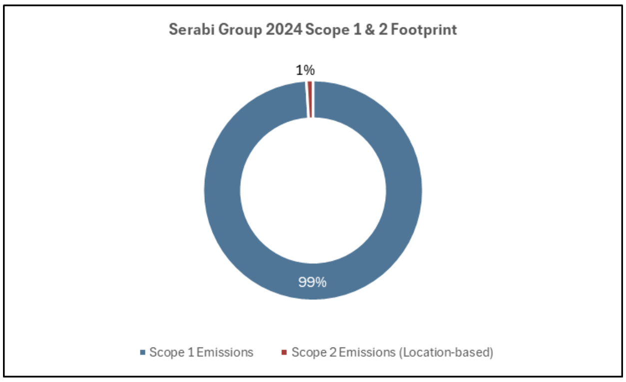
[3] *Scope 2 market-based emissions were calculated using Equatorial Energia's 2023 Sustainability Report.*

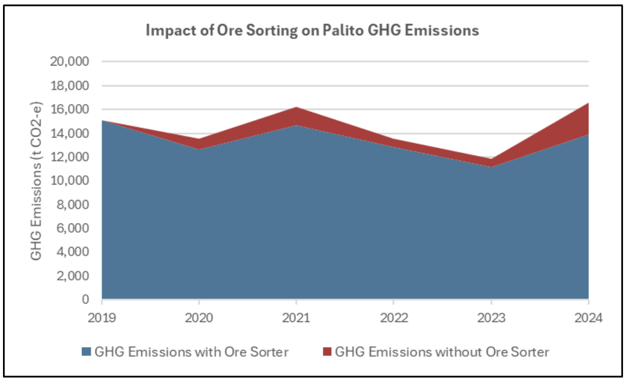




Despite the increase in emissions in 2024, reducing our carbon footprint remains a central focus and we continue to implement efficiency measures to trend this figure downward over the long term. The utilisation of ore sorting technology at our Palito Complex continues to improve energy efficiency and avoid emissions by reducing the volume of material sent for processing. In 2024, the use of ore sorting avoided over 2,700 tonnes of CO_2e from being generated at Palito.

Following the success at Palito, a second ore sorter was commissioned at Coringa in late 2024. The new unit is expected to deliver substantial emissions benefits in 2025 and beyond by significantly reducing the amount of ore transported from the Coringa Mine to the Palito processing plant and decreasing the diesel fuel used in haulage. In effect, only the higher-grade material will be hauled for processing, cutting down processing-related emissions and saving on transport fuel.



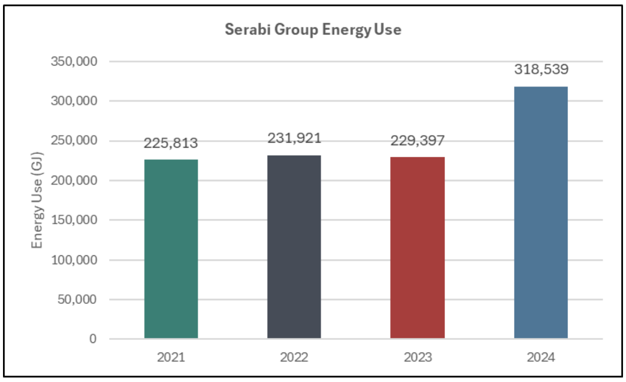


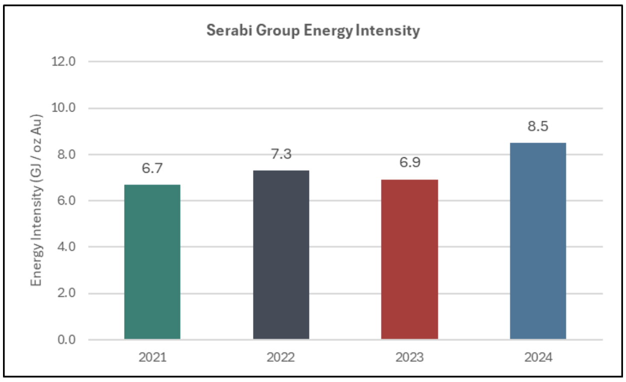
Energy Consumption

In 2024, our total electricity consumption was 27.92 million kWh, a 24% increase from 22.44 million kWh in 2023. This sharp rise was mainly due to increased production at the Palito process plant and the growing energy demand at Coringa as production ramped up. Only 39% of 2024's electricity came from the national grid, down from 58% in 2023, reflecting the heavier reliance on self-generated diesel generators during the year to maintain productivity.

Including all fuel and power sources, our total energy consumption in 2024 was 318,539 GJ, a 39% increase from 229,397 GJ in 2023. This increase was driven by substantially higher diesel use for power generation and mobile equipment. In particular, the extended use of diesel generators at Palito and the ramp-up of mining fleet activity at Coringa resulted in higher energy usage. Correspondingly, energy intensity increased to 8.5 GJ/oz Au, from 6.9 GJ/oz Au in 2023, an increase of 23% year-on-year.

Metric	Unit	2021	2022	2023	2024
Total Electricity Consumed	kWh	21,258,207	22,139,621	22,435,780	27,917,510
Grid Electricity	kWh	10,960,415	12,595,605	12,910,874	10,756,059
Grid Electricity Percent of Total Electricity	%	52%	57%	58%	39%
Energy Use	GJ	225,813	231,921	229,397	318,539
Energy Intensity	GJ / oz Au	6.7	7.3	6.9	8.5





This Strategic Report was approved by the Board on 29 April 2024
By order of the Board

Mike Hodgson
Chief Executive Officer
29 April 2025

Corporate Governance

Contents

CORPORATE GOVERNANCE
Chair's Introduction

Dear Shareholders,

Chair's introduction

I have pleasure in introducing Serabi's Corporate Governance Statement. As Chair of Serabi Gold plc, my role includes leading the Board and upholding the highest standards of corporate governance throughout the Group. As a Board, we recognise the benefits and value of a robust governance framework and how this supports the Group's continued growth. We have developed our governance structure to support these growth aspirations. The Board has an Audit and Risk Committee, Remuneration and People Committee, a Sustainability Committee, Mergers and Acquisitions Committee and a Disclosure Committee. The structure of the Board Committees is set out on page 61.

Application of the new QCA Corporate Governance Code

In recognising the importance of high standards of corporate governance, we continue to apply the Quoted Company Alliance Corporate Governance Code (the "QCA Code") and this year we are reporting against the new QCA Code which was updated in 2023. A description of how the Board complies with the principles of the new QCA Code is provided in this Corporate Governance Statement on pages 60 to 66.

In addition, the Company, as a result of the listing of its shares on the TSX, is obliged to comply with the Canadian National Policy - 58-201 - Corporate Governance Guidelines, which establishes corporate governance guidelines that apply to all public companies. The Company has instituted corporate governance practices that also, where practical, take consideration of these guidelines.

Succession planning

At the end of last year, we said farewell to Clive Line as a Board member when he retired from the Board on 31 December 2024. We welcomed Colm Howlin, who was previously Group Controller of Serabi, into the role of Chief Financial Officer ("CFO") to succeed Clive. Colm is a member of the Institute of Chartered Accountants of Ireland and has been with the Company since 2013. Colm is fluent in Portuguese. Clive remains with us as a consultant for a short period this year to ensure a smooth handover of his large scope of duties. On 25 April 2025, Colm was appointed to the Board.

On 1 January 2025 we welcomed Marcus Brewster to the newly created role of Chief Operating Officer ("COO"). Marcus has brought with him significant experience and expertise in both underground and surface mining operations, as well as advancing projects from later stages of construction through to full operations. Marcus was previously COO at Tristar Gold Inc and holds an MSc in Mining Geology and an MSc in Mining Engineering. He is also fluent in Portuguese.

In April 2025 we also said farewell to two directors who were representatives of two of the principal shareholders. We are grateful for the counsel of both Mark Sawyer and Carolina Margozzini and wish them well for the future. The Board will now take stock and assess the balance of the Board to understand what future Board appointments may be appropriate.

Board Evaluation

Between November 2023 and February 2024, a Board evaluation was undertaken by Ceradas Limited, a board effectiveness consultancy. Further details of the process of this board evaluation, the recommendations and our progress against those recommendations can be found on page 65. During March 2025 we have carried out an internal Board effectiveness questionnaire. Reporting on this process will be included in next year's Annual Report.

Michael D Lynch-Bell
Chair
29 April 2025.

The Board of Directors

Committee Membership

A	Audit & Risk Committee
D	Disclosure Committee
M	Mergers & Acquisitions Committee
R	Remuneration Committee
S	Sustainability Committee
	Chair

Michael Hodgson
Chief Executive

Committee Membership

D	**S**	**M**

Mike has worked in the mining industry for over 40 years and has extensive international experience in a variety of commodities and jurisdictions, with a South American gold focus for the last 18 years. Having initially joined Serabi as Technical Director, in 2008 he went on to be the Chief Executive Officer. Before Serabi, he worked as Chief Operating Officer for Canadian-based Orvana Minerals Corporation. Previous appointments include Manager, Technical Services and Operations for TVX Gold Inc., Technical Services Manager at South Crofty plc as well as earlier positions with Rio Tinto plc and Zambia Consolidated Copper Mines Ltd. Mike has, during his career, acquired extensive experience in narrow vein underground mining operations.

Originally qualified in mining geology, Mike is a Fellow of the Institute of Materials, Minerals and Mining, a Chartered Engineer of the Engineering Council of UK and a "Qualified Person" in accordance with the Canadian National Instrument 43-101 - Standards of Mineral Disclosure for Mineral Projects.

Michael Lynch-Bell
Non-executive Chair

Committee Membership

A	**D**	**M**	**R**	**S**

Michael spent a 38-year career with Ernst & Young (EY), where he led its Global Oil and Gas, UK IPO and Global Oil and Gas and Mining transaction advisory practices. He retired from EY as a partner in 2012 and continued as a consultant to the firm until November 2013. Since leaving EY, Michael has developed a strong board career including his position as Deputy Chair and Senior Independent Director of the then FTSE 250 large-scale blue-chip mining organisation, KAZ Minerals plc. He was previously non-executive director of Barloworld Limited, Lenta Limited and London-listed Gem Diamonds. Michael is currently independent non-executive chairman of ASX-listed Little Green Pharma Limited and non-executive director of London-listed Tirupati Graphite plc.

Michael graduated from the University of Sheffield with a BA Hons Economics and Accountancy and is a member of the Institute of Chartered Accountants in England and Wales.

Colm Howlin
Finance Director

Colm initially joined Serabi in October 2013 as Group Financial Controller. He has played a key role in the Company's development over the past decade, with responsibility for the implementation and oversight of the Group's financial systems, budgeting, and monthly and annual management and regulatory reporting processes. Before joining Serabi he spent two years as a Group Commercial controller for Kerry Group Latam, based in São Paulo, Brazil. Prior to this worked with KPMG in Dublin, Ireland.

Colm is a member of the Institute of Chartered Accountants of Ireland and is fluent in Portuguese.

Deborah Gudgeon
Independent Non-executive Director

Committee Membership

A	D	S	R

Deborah qualified as an ACA accountant at PwC (Coopers & Lybrand) before spending eight years as Finance Executive with Lonrho plc, the Africa-focused mining and trading group. Deborah subsequently held positions with Deloitte, BDO, Gazelle Corporate Finance and Penfida Limited. Deborah has significant experience in acting as an independent non-executive director, having held that position at Ithaca Energy plc, Petra Diamonds Limited, Evraz plc, Highland Gold Mining Limited and Acacia Mining plc. As well as being an independent non-executive director, Deborah is or was also chair of the audit committee for each of these entities.

Deborah has a degree in Economics from the London School of Economics, a post-graduate degree in Journalism and is a member of the Institute of Chartered Accountants of England and Wales.

Luis Azevedo
Independent Non-executive Director

Luis is a seasoned industry professional both as a licensed lawyer and geologist with over 38 years of international experience including Brazil. He is currently a Partner at FFA Legal Ltda, a legal firm he founded with its main office in Rio de Janeiro, Brazil, which is focused on natural resources companies. Luis is also Chairman and CEO of Bravo Mining Group and an Executive Director of Harvest Minerals Limited and Jangada Mines plc. Luis is also a Non-Executive Director of ASX listed, PVW Resources Limited. Luis previously worked for Western Mining Corporation, Barrick Gold Corporation and Harsco Corporation and was also an executive director of Avanco Resources Ltd.

Luis received a geology degree from Universidade do Estado do Rio de Janeiro in 1986, a law degree from Faculdade Integradas Cândido Mendes in 1992 and a post graduate degree from Pontifícia Universidade Católica of Rio de Janeiro in 1995.

The Management Team

Michael Hodgson
Chief Executive

Mike has worked in the mining industry for over 40 years and has extensive international experience in a variety of commodities and jurisdictions, with a South American gold focus for the last 18 years. Having initially joined Serabi as Technical Director, in 2008 he went on to be the Chief Executive Officer. Before Serabi, he worked as Chief Operating Officer for Canadian-based Orvana Minerals Corporation. Previous appointments include Manager, Technical Services and Operations for TVX Gold Inc., Technical Services Manager at South Crofty plc as well as earlier positions with Rio Tinto plc and Zambia Consolidated Copper Mines Ltd. Mike has, during his career, acquired extensive experience in narrow vein underground mining operations.

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Colm is a member of the Institute of Chartered Accountants of Ireland and is fluent in Portuguese.

Marcus Brewster
Chief Operating Officer

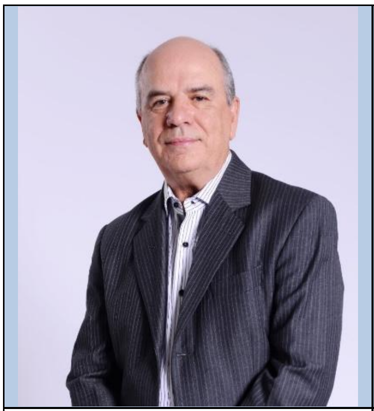
Mr Brewster has significant experience and expertise in both underground and surface mining operations and in taking projects from the latter stages of construction through to full operations. For the last two years he has been COO of Tristar Gold Inc which is developing the Castelo do Sonhos Project in Brazil. Previously he has held General Manager roles with Troy Resources in Brazil, Gold Fields, in Ghana, Endeavour Mining in Burkina Faso, Nordgold in Burkina Faso and he also served as COO for Hummingbird Resources Plc.

He holds an MSc in Mining Geology and an MSc in Mining Engineering, both from the Camborne School of Mines. Marcus is fluent in Portuguese.

Andrew Khov
VP Investor Relations & Business Development

Andrew has 13 years of experience in corporate finance, capital markets, and accounting roles primarily in the metals and mining sector. Over the years, he specialized in corporate finance, M&A, valuations, financial due diligence, investor relations, and financial reporting. Prior to joining Serabi, Andrew was most recently Vice President, Investment Banking at RBC Capital Markets and prior to that, held the same role at Raymond James, providing him with deal experience with senior mining companies through to early-stage exploration companies. He previously held positions in equity research at Cormark Securities and Canaccord Genuity. Prior to that, Andrew worked in public accounting at KPMG LLP & BDO Transaction Advisory Services. In his spare time, Andrew serves as a volunteer on the St. John Ambulance Resource Committee.

Andrew has a degree in Business Administration from the Schulich School of Business ('10) and holds the Chartered Professional Accountant and Chartered Financial Analyst designations.



Helio Tavares
Director of Operations and Projects – Brazil

Helio is a Brazilian mining engineer who has been involved with many international junior mining groups over the past 20 years. His career began as a Process Engineer in the Brazilian coal industry. He then expanded his experience through his involvement in the coordination, planning, design, assembly and management of a range of ore processing plants, before establishing his own drilling and industrial process design business. He was General Manager for Serabi from 2002 to 2005 and again between November 2012 and May 2019. He was also a consultant to several international junior mining groups working on projects across a range of minerals including gold iron ore, kaolin, diamonds and manganese.

Helio has a degree in Mine Engineering from the Federal University of Rio Grande Do Sul.

Lucimar Martins
Director of Finance and Administration - Brazil

Lucimar spent over 25 years working in Finance and Accounting roles with multinational companies involved in the Mining, Automotive and Steel industries. Over his career, he has managed multidisciplinary teams, coordinated strategic projects, implemented budgeting and reporting systems to improve cost control and cost management as well as developing new business lines always focused on generating positive results for the business. His career has included roles in Argentina, Austria, USA and Italy.

Lucimar graduated from Pontificia Universidade Católica (PUC), specialized in Controllership and Finance from Federal University of Minas Gerais (UFMG) and received a Masters in Administration from the University Fundação Mineira de Educação e Cultura (FUMEC).

Kilser Cardoso
Director of Finance and Administration - Brazil

Kilser has over 18 years of experience in small, medium, and large-scale underground and open-pit mining projects. Throughout his professional career, he has managed both processing operations and underground and open-pit mining activities including narrow vein mining operations. During his career he has worked for a number of multinational companies, including Vale, Equinox Gold, and Imerys, across mining operations producing gold, copper, iron and kaolin.

Kilser graduated from the School of Mines in Ouro Preto as a Mining Engineer.

Rogerio Alves
Exploration Manager - Brazil

Rogerio is an exploration geologist with more than 20 years experience, both in Brazil and internationally in the mining & metals industry, and has held previous roles with Kinross, Vale, Great Panther and AngloGold Ashanti. Rogerio has managed exploration programmes across a variety of mineral types and in addition to running programmes in Brazil has also worked in Chile and Africa. During his career he has gained experience supporting underground mine operations as well as brownfield and greenfield explorations and in particular, has a strong focus of growing mineral resources to extend the life of existing operations. He has managed large exploration teams and developed the necessary skills to implement new methodologies, manage projects, and build teams with a focus on to delivery of results.

A member of the Australian Institute of Geoscientists, he graduated from the University of Brasilia with a degree in Geology.

Corporate Governance Statement

Corporate Governance Code

The new QCA Code requires the Company to apply the ten principles of corporate governance as set out below and to publish certain related disclosures in the Annual Report, on the website, or a combination of both. The Company has complied with the new QCA Code's recommendations and has provided full disclosure relating to all of the principles below and in the Corporate Governance Statement on its website at Serabigold.com. Set out throughout this Corporate Governance Statement are details of our compliance.

QCA Code - Principle 1 - Establish a purpose, strategy and business model which promote long-term value for shareholders

The Board has collective responsibility for setting the Company's purpose, strategic aims and objectives. Serabi's objective is to become a pre-eminent junior gold mining company, securing future growth through expansion of its existing projects and, taking advantage of its position as a gold producer, to become involved with and successfully develop other carefully selected opportunities. The Group's business model and strategy are described in the Strategic Report on pages 13 to 15.

The Board continually monitors the implementation of strategy. We also have an annual strategy session within our Board meeting programme. In 2024 the Board held a strategy session in Brazil with a number of the Board members also visiting the mines as part of the country visit.

QCA Code - Principle 2 - Promote a corporate culture that is based on sound ethical values and behaviours

The Board, through its actions and direction, has sought to establish a corporate culture that places the emphasis on the Group's and Board's cultural priorities of social responsibility, transparency, health and safety, risk management and sustainability. The Group has in place a Code of Ethics and Conduct and this sets out the Company's vision, mission and values. The Code of Conduct clearly communicates internally the ethical and integrity standards required of Serabi's workers, including leadership, contractors and consultants. It emphasises integrity, transparency and compliance with laws and corporate governance best practises, including fair competition, anti-corruption, prevention of conflicts of interest, responsible use of company assets, promoting a safe, inclusive and discrimination free workplace, prohibiting harassment and unethical behaviour. It also enforces strict policies on environmental responsibility, occupational health and safety and anti-money laundering measures. It also incorporates a whistleblower channel.

The Board receives regular reports on staff morale and conduct. The Non-Executive Directors have spent time during the year at both the Belo Horizonte head office and the mines to meet and talk to staff themselves.

QCA Code - Principle 3 - Seek to understand and meet shareholder needs and expectations

The Board is committed to providing shareholders with clear and timely information on Serabi's activities, strategy and financial position. General communication with shareholders is coordinated by the Executive Directors together with the Investor Relations and Business Development Vice President. The Company publishes on its website a range of information which helps current and potential shareholders to make an assessment of the Group's position and prospects.

The Board maintains dialogue with the Company's major institutional investors. The Board also acknowledges that the majority of its private investors hold their shares via nominee shareholders and may not be able to fully exploit their shareholder rights effectively. Management attends selected industry events at which they are available to engage with private investors. The Board is kept informed of the views and concerns of shareholders through briefings from the Executive Directors and the Company's brokers.

The Annual General Meeting ("AGM") is the annual opportunity for all shareholders to meet with the Directors and to discuss with them the Company's business and strategy. The notice of AGM is posted to all shareholders at least 21 clear days before the meeting. Separate resolutions are proposed on all substantive issues for each resolution, shareholders will have the opportunity to vote for or against or to withhold their vote. Following the meeting, the results of votes lodged will be announced to the London Stock Exchange and displayed on the Company's website.

QCA Code - Principle 4 - Take into account wider stakeholder interests, including social and environmental responsibilities and their implications for long-term success

The Board recognises that the long-term success of the Company is reliant upon the efforts of its key stakeholders. The Group has staff dedicated to ensuring that it has active relationships with local communities who are within the vicinity of its operations to understand their concerns and expectations, thereby seeking to ensure mutually beneficial co-operation for both sides. The Group is subject to oversight by a number of different governmental and other bodies who directly or indirectly are involved with the licensing and approval process of mining operations in Brazil.

Additionally, given the nature of the Company's business, there are other parties who, whilst not having regulatory power, have interest in seeing that the Company conducts its operations in a safe, responsible, ethical and conscientious manner. The Board makes all reasonable efforts, directly or through its advisors, to engage in and maintain active dialogue with each of these governmental and non-governmental bodies, to ensure that any issues faced by the Company, including but not limited to regulations or proposed changes to regulations, are well understood and ensuring, to the fullest extent possible, that the Company is in compliance with all appropriate regulation, standards and specific licensing obligations, including environmental, social and safety, at all times.

The Group's community and corporate social responsibility disclosure is provided as part of the Environmental and Social section on pages 35 to 42. The Group's engagement model with wider stakeholders is described in the Strategic Report on pages 16 to 18.

QCA Code - Principle 5 - Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

The Board, supported by the Audit and Risk Committee and the Group's senior management, are responsible for the Group's Risk Management framework and ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company.

During the year the Sustainability Committee commissioned Embellie Advisory to undertake a review of the Group's ESG strategy, management systems and actions. The review's remit has included a review of the Group's risk management process and framework and provided recommendations for both the Sustainability Committee and the Audit and Risk Committee to work towards. The Group's risk management framework is described further in the Strategic Report on pages 26 to 34 and in the Audit and Risk Report on pages 67 to 70.

QCA Code - Principle 6 - Establish and maintain the board as a well-functioning balanced team led by the chair

Board Composition and independence

The Board is currently comprised of five Directors: the Chief Executive Officer, Mike Hodgson, the Chief Financial Officer, Colm Howlin and three Non-executive Directors. All of the Non-executive Directors are considered to be independent.

Until April 2025 the Board had two shareholder nominated non-executive Directors. Mark Sawyer nominated by Greenstone Resources II LP and Carolina Margozzini who was nominated by Fratelli Investments Limited. These Directors stepped down from the Board on 11 April 2025 and 21 April 2025 respectively.

The Company had entered into a Relationship Agreement with Greenstone Resources II LP who had been a principal shareholder holding 25.2% of the issued share capital of the Company but on 12 April 2025 entered into a binding agreement to dispose of approximately 15.15 million shares representing 19.99% of the issued shared capital of the Company. On 22 April 2025 Greenstone Resources II LP, pursuant to a placing, sold their remaining shares in the Company representing approximately 5.2% of the issued share capital of the Company. As a result the Company expects that 30 days following the completion of this share sale, under the terms of the Relationship Agreement with Greenstone, that agreement will automatically terminate.

The Company had also entered into a Relationship Agreement with Fratelli Investments Limited who had also been a principal shareholder holding 25.5% of the issue share capital but on 22 April 2025 Fratelli Investments Limited, pursuant to a placing, sold 11,752,903 ordinary shares representing 15.5% of the issued share capital. As a result, the Company expects that 30 days following the completion of this share sale, under the terms of the Relationship Agreement with Fratelli, that agreement will automatically terminate.

Board and Board Committee Structure

The Board has established an Audit & Risk Committee, a Remuneration & People Committee, a Disclosure Committee, a Mergers & Acquisitions Committee and a Sustainability Committee. In addition, at the executive level, there are two committees - the Executive Committee and the Project Steering Committee - which meet as and when necessary. The Board has not established a separate

Nominations Committee as it considers that this responsibility can be currently discharged by the Remuneration & People Committee or, if the circumstances so dictate, the Board as a whole.

Board Governance Framework

BOARD

Responsible for the strategy, management, performance and long-term success of the Group.

Key documents: Schedule of Matters reserved for the Board, Articles of Association.

AUDIT AND RISK COMMITTEE

Reviews the principles, policies and practices adopted in preparation of the financial statements and monitors the integrity of these financial statements.

Oversees the relationship with the external auditors, oversees the risk management framework.

REMUNERATION AND PEOPLE COMMITTEE

Responsible for determining and reviewing the policy for the remuneration of the Board, Chair and the Executive Directors.

SUSTAINABILITY COMMITTEE

Supports and monitors the sustainable development of Serabi's business and the communities in which it operates and oversees the integrity of the Company's sustainability reporting.

DISCLOSURE COMMITTEE

Responsible for overseeing the disclosure of information by the Company to meet its obligations under the UK version of the Market Abuse Regulations and other relevant disclosure regulations.

Maintains the procedures, systems and controls for identification, treatment and disclosure of inside information and for complying with the obligations falling on the Company and its Directors and employees under the Market Abuse Regulations.

MERGERS AND ACQUISITIONS COMMITTEE

Works closely with management to manage and have oversight of potential non-organic growth opportunities for Serabi.

Operation of the Board

The Board is responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of the Group's strategy, policies and plans. The Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and the Chief Operating Officer ("COO") are responsible for the daily operation of the Group and they involve other levels of management in the day-to-day operations as appropriate. The CEO, CFO and COO are also responsible for making recommendations to the Board regarding short and medium-term budgets, targets and overall objectives and strategies for the Group. During the year the formal schedule of matters specifically reserved for decision by the Board was updated and includes:

- setting the Company's purpose, values and long-term objectives and strategy
- approval of the annual budget;
- approval of material capital expenditure projects;
- any extension of the Group's activities into new business or geographic areas outside the UK or Brazil;
- changes relating to the Group's capital structure and major changes relating to the Group's corporate structure
- approval of acquisitions;
- approval of quarterly financial reports, trading updates, the half-yearly reports, announcement of year-end results and the Annual Report and Accounts;
- internal control and risk management; and
- material contracts, expenditure and Group borrowings.

The Board holds regular, scheduled meetings throughout the year to review the Group's financial and operational performance and to consider any other matters as appropriate, including risk management and shareholder feedback. The Board meeting timetable is based on the financial and reporting timetable. During the year there were nine scheduled Board meetings. There were also further ad-hoc Board meetings called at short notice to deal with transactional items. All of the Directors receive comprehensive Board packs in advance of Board and Committee meetings. A Board portal is used as a repository for Board and committee papers. This provides a confidential and efficient mechanism for the distribution of Board papers in a timely manner.

Given the geographical distribution of Directors, a number of the scheduled Board and Committee meetings are held online but meetings are also held in person whenever possible. During the year one Board meeting was held in Brazil with the rest of the face-to-face meetings being held in London. All Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board procedures are followed, and that applicable rules and regulations are complied with. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, as required.

A record of the number of meetings of the Board during the year and the attendance by each of the Directors is provided below:

Director	Board Meetings (Attended/Held)
Michael Lynch-Bell	9/9
Michael Hodgson	8/9
Clive Line (1)	9/9
Luis Azevedo	6/9
Deborah Gudgeon	9/9
Carolina Margozzini (3)	9/9
Mark Sawyer (2)	6/9

1. Resigned on 31 December 2024
2. Resigned on 11 April 2025
3. Resigned on 21 April 2025

Board Activities During the Year

Strategy	• A number of strategic presentations have been received at meetings throughout the year • The Board held a separate strategy session in Brazil
Operations	• The CEO presented a report at each Board meeting which includes updates on production, plant performance, health and safety, exploration, licenses and permits and ESG
Finance	• The Chief Financial Officer has presented a financial report and cash management report at each Board meeting • Approval of the Annual Report and interim report, quarterly reports and associated financial statements • Approval of the annual budget • Approval of an update to the Group Authority Limits
Audit and Risk	• The Chair of the Audit and Risk Committee reported to the Board on the proceedings of each Audit and Risk Committee meeting • The Board were updated on the whistleblowing procedures and the Audit and Risk Committee received details of whistleblowing reporting • The Audit and Risk Committee assessed the competency of the Group's auditors and reported their opinion to the Board.
Stakeholders	• Stakeholders including local communities, Governmental agencies and regulators, lenders and shareholders were regularly considered as part of the CEO's report and separately • HR reports were either reported separately or in the CEO's report • Share register analysis reports were provided at each meeting along with updates on investor meetings
Governance	• The Committee chairs reported on key matters discussed at the Board Committees • The Company Secretary reported on key governance regulatory developments • The Board has reviewed and updated the Group authority limits • A Board effectiveness review has been undertaken by an independent board effectiveness consultancy during 2023 and 2024 and an internal review using questionnaires has been carried out in 2025

Conflicts of Interest

The Board is satisfied that, as a whole, it is able to exercise independent judgement. The Articles of Association of the Company restrict the role of the Directors in any situation where there is considered to be a conflict of interest and requires such conflicted Director(s) to abstain from voting and participation in any meeting or voting where the matter giving rise to the conflict is to be considered. The Company Secretary keeps a register of conflicts of interest. The register sets out the situations where each Director's interest may conflict with those of the Company (situational conflicts). The register is considered and reviewed at each Board meeting so that the Board may consider and authorise any new situational conflicts identified. At the beginning of each meeting, the Chair reminds the Directors of their duties under sections 175, 177 and 182 of the Companies Act 2006 which relate to the disclosure of any conflicts of interest prior to any matter that may be discussed by the Board.

QCA Code - Principle 7 - Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience and skills and capabilities

As a publicly owned, junior gold mining company, the Board needs to represent a wide range of skills and competencies. The Serabi Board includes Directors with technical mining and geological expertise, financial backgrounds, a legal background specialising in the natural resources sector in Brazil and investment banking and corporate finance experience. Biographical details of the Directors, including relevant experiences are provided on pages 56 to 57.

The Group's governance structure has not changed during the year and is set out in the diagram under Principle 6.

Training and Development

Directors are encouraged to continue their ongoing professional development. During the year the Directors also received update training on Directors' duties and the AIM Rules from Beaumont Cornish Limited, the Company's Nominated Adviser ("Nomad"). The Company Secretary provides updates on governance and regulatory matters at each Board meeting.

Induction

On joining the Board, Directors receive an induction programme including meetings with members of the Board and senior management, access to Board and Committee papers, minutes, Company procedures and policies and meetings with relevant external advisers including the Nomad.

Time Commitment

All Directors pre-clear any proposed appointments to listed company boards with the Board, prior to committing to them. The Non-executive Directors are required, by their letters of appointment, to devote as much of their time, attention, ability and skills as are reasonably required for the performance of their duties. This is anticipated as a minimum of one day a month.

Advice

The Board has access to Travers Smith LLP, as UK legal advisers to the Company, to Peterson McVicar LLP as legal advisers in Canada and to Beaumont Cornish Limited as Nominated Adviser.

QCA Code - Principle 8 - Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board understands the importance of assessing the effectiveness and contributions of the Board as a whole and its governance structure.

Board Evaluation

Between November 2023 and February 2024, a Board evaluation was undertaken by Ceradas Limited, an independent board effectiveness consultancy. The objective of the review was to assess how the Directors perceive the progress that the Board and Company generally had made since its 2022 Board evaluation in order to identify and make recommendations to further improve the effectiveness of the Board and its committees. The Board review was undertaken using interviews of all Directors, meeting observations and key documentation research. A Board report setting out the assessment of the Board and the Committees was presented to the Board in February 2024. Generally, it was acknowledged that there was widespread evidence of significant improvements to the Board's overall effectiveness. There were also some opportunities for further improvements. The key recommendations from the review and the progress made during 2024 are as follows.

Recommendations:	Progress on the recommendations:
• Include on the Board timetable a standalone session to discuss strategic direction and milestones for the longer term	• A standalone strategy Board meeting was held in Brazil in August 2024
• Consider holding a Board meeting in Brazil at least once a year	• A Board meeting was held in Brazil in August 2024
• Include in the Board programme a regular session to review business performance on culture and ESG matters	• Business performance on culture and ESG is on the Board programme and included in the Sustainability Committee agenda • An ESG strategy review was commissioned during 2024
• Consider appointing one of the South American based Non-executive Directors as a Workforce Engagement Director to meet with representatives from the workforce on site in Brazil at least annually and report back to the Board	• Carolina Margozzini was appointed as the Workforce Engagement Director but has recently resigned (21 April 2025). The Board will appoint a replacement Workforce Engagement Director in due course.
• Consider options for bringing additional technical, engineering or mining expertise/advisors into the Board discussions	• The Board has appointed a Chief Operating Officer with extensive mining experience

QCA Code - Principle 9 - Establish a remuneration policy which is supportive of long-term value creation and company's purpose, strategy and culture

Details of the Company's Remuneration Policy and how it was implemented during FY24 are set out in the Directors' Remuneration Report on pages 71 to 84. The Remuneration Policy for Executive Directors includes a base salary, annual bonus which is linked to operational, financial and strategic targets and share based incentive arrangements which are designed to drive sustained long-term performance that supports the creation of shareholder value. The Remuneration Policy for Non-executive Directors entails a base fee and additional fees for Board Committee membership and or Board Committee chairmanship. In accordance with its terms of reference, the Remuneration and People Committee is responsible for providing an objective review and oversight of the Group's remuneration and people policies, frameworks and practices and outcomes to ensure they support the Group's purpose and the effective implementation of strategy and enable the recruitment, motivation, reward and retention of talent, particularly at Board and senior executive levels.

QCA Code - Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Board's approach to engaging with shareholders and other stakeholders is described throughout the Annual Report, in particular in the Our Stakeholders section and Section 172 statement on pages 16 to 20, the ESG review on page 35 to 42 and the disclosures under Principles 3 and 4 of the QCA Code above. The Board endeavours to balance the needs and requirements of all stakeholders which, in addition to the Company's shareholders, include the Group's employees, the communities in the areas where it operates, government agencies and the Group's suppliers and customers, all of whom have a vested interest in the long-term success of the Group. The Board recognises that balancing the needs and expectations of all these stakeholders is important and endeavours to engage with these stakeholders on a regular basis.

Audit and Risk Committee Report

The following report sets out the responsibilities and activities of the Audit and Risk Committee for the year ended 31 December 2024. This report is prepared in accordance with the Quoted Companies Alliance corporate governance code for small and mid-sized quoted companies, revised in 2023 (the New QCA Code 2023).

Committee Composition
The Audit and Risk Committee is comprised of Non-executive Directors. It is chaired by Deborah Gudgeon and its other members were Michael Lynch-Bell and Mark Sawyer. Mr Mark Sawyer resigned from the Board on 11 April 2025.

The Committee is considered, as a whole, to have the required competence relevant to the mining sector. Deborah Gudgeon has significant, recent and relevant financial experience. Deborah qualified as a Chartered Accountant with PwC (Coopers and Lybrand) and is currently chair of the Audit Committee of Ithaca Energy plc and Petra Diamonds Ltd. Michael Lynch-Bell is a chartered accountant with a 38-year career with Ernst & Young. More information on the Committee members' skills and experience can be found on pages 56 to 57.

The Committee meets at least four times a year. During the year, the Committee met eight times. Attendance at the Committee meetings is shown below.

Director	Audit Committee Meetings (Attended/Held)
Deborah Gudgeon (Chair)	8/8
Michael Lynch-Bell	8/8
Mark Sawyer[(1)]	4/8

(1) Resigned on 11 April 2025

The CFO is invited to attend the Committee meetings and the Committee has the right to request other Executive Directors and senior management to attend its meetings. Other advisers to the Group also attend meetings as requested by the Committee. The External Auditor attends the meetings to report on the planning, execution and results of the annual audit and has direct access to the Chair of the Committee. Following each meeting, the Committee Chair reports formally to the Board on the main issues considered by the Committee and its recommendations to the Board. The Company Secretary attends each meeting as Secretary to the Committee.

At least once a year, the Committee meets with the External Auditor without management present to receive their feedback and ensure that there are no issues in the relationship between management and the External Auditor that should be addressed.

Committee Responsibilities
The purpose of the Audit and Risk Committee ("ARC") is to assist the Board in discharging its governance responsibilities in respect of external audit, internal audit, risk and internal control and to oversee the integrity of the Group's financial reporting and associated narrative statement.

The main duties of the Committee are set out in the Terms of Reference. These Terms of Reference were reviewed and updated during the year and a copy can be found on the Company's website.

The Committee's key responsibilities include the following:

- monitoring the integrity of the Group's financial reporting including the annual and interim reports and other significant announcements relating to financial performance and reporting to the Board on significant issues;
- reviewing and challenging significant accounting policies and practices adopted by the Group;
- reviewing and challenging whether the Group has adopted appropriate accounting standards and policies and made appropriate estimates and judgements;
- advising on the clarity of disclosures and information contained in the financial reports;
- reviewing the procedures and systems established to identify, assess, monitor and manage risks, including emerging risks;
- reviewing the adequacy and effectiveness of the systems of internal control and the risk management framework;
- overseeing the relationship with the External Auditor, including their remuneration and the effectiveness of the audit processes and making recommendations on the auditor's appointment;

- maintaining and reviewing the External Auditor's independence and objectivity; and
- reviewing the Group's whistleblowing procedures and reports to the Board.

Activities during the year

Relationship with the external auditors

The Committee has primary responsibility for managing the relationship with the External Auditor, including assessing their performance, effectiveness and independence annually and recommending to the Board their reappointment or removal. Following a tender process in 2022, PKF Littlejohn LLP (PKF) were appointed as Serabi's auditor and KPMG Auditores Independentes ("KPMG") were appointed to undertake the statutory audits of each of the Group's subsidiaries in Brazil and support the audit work of PKF. During the year, the members of the Committee met with representatives from PKF without management present, to ensure that there were no issues in the relationship between management and the external auditor that it should address. In addition, the Chair of the Committee met KPMG in Brazil without management present. Neither PKF or KPMG raised any issues.

Audit Process

The Committee considers the nature, scope and results of the external auditor's work and reviews, develops and implements a policy on the supply of any non-audit services that are to be provided by the external auditor. It receives and reviews reports from the Group's auditors relating to the Group's annual report and accounts and the external audit process. In respect of the audit for the financial year ended 31 December 2024, PKF presented their audit plan (prepared in consultation with management) to the Committee in December 2024. The Audit Plan included an assessment of audit risks, and robust testing procedures. The Committee approved the implementation of the plan following discussions with both PKF and management.

Audit and non-audit fees

The Company has agreed to pay US$182,039 for the audit fees of the Group Auditor for the financial year ended 31 December 2024. In addition, it will pay a fee of US$172,909 to KPMG for the fee as the component auditor reporting to the Group Auditor. The Company has adopted a non-audit services policy which limits the External Auditor to working on the audit or such other matters where their expertise as the Company's auditor makes them the logical choice for the work. This is to preserve their independence and objectivity. The Company did not incur any non-audit fees with PKF or KPMG for the financial year ended 31 December 2024.

Effectiveness and independence

The Chair of the Committee speaks regularly to the audit partner to ascertain if there are any concerns, to discuss the audit reports and to ensure that the auditor has received support and information requested from management. The Committee continues to monitor the external auditor's objectivity and independence and is satisfied that PKF and the Group have appropriate policies and procedures in place to ensure these requirements are not compromised and that PKF and KPMG continue to be independent and objective.

Re-appointment of the external auditor

The Committee recommends to the Board the re-appointment of PKF Littlejohn LLP as auditor at the forthcoming Annual General Meeting (AGM)

Key judgements and estimates

The Committee reviewed the external reporting of the Group. In assessing the annual report, the Committee considers the key judgements and estimates. The significant issues considered by the Committee in respect of the year ended 31 December 2024 are set out in the table below:

Significant issues and judgement	How the issues were addressed
Valuation of capitalised exploration costs (IFRS6) As at 31 December 2024, the Group's Deferred exploration assets are valued at $18.8m (2023: $20.5m) and are key to the long-term success of the Group. Significant judgement and estimation is required by management to assess the recoverability of the	The ARC reviewed management reports detailing the exploration expenditures incurred and ensured that costs are capitalised according to accounting stands and in line with policies set by the Group. The ARC reviewed with management the validity of current exploration licences ensuring that they remain valid during the year and at the year-end; Management prepared details of future plans for each license including providing potential expenditure projections for each licence where necessary;

Significant issues and judgement	**How the issues were addressed**
balances and as a result there is the risk that these balances are incorrectly valued.	Consideration was given to the impairment indicators set out in IFRS 6 & IAS 36; and key external reports were reviewed for indicators of impairment. The ARC also considered the work undertaken by the Auditors and their reviews of the exploration and evaluation expenditures and assessment of their eligibility for capitalisation under IFRS 6 by corroborating spend to original source documentation.
Carrying value of mining assets As at 31 December 2024 the Group's Mining Assets totalled $53.6m (2023: $53.3m). Management assess the recoverable amounts of these balances on a cash generating unit (CGU) basis using a management prepared discounted cash flow model. Significant judgements and estimates used are used by management in determining the valuation of these assets.	The ARC reviewed and challenged management's projections of future revenues and costs for each cash generating unit ("CGU"). They have considered and satisfied themselves of the economic assumptions used by management in generating the discounted cash flow model and the discount rates used. The ARC assessed and reviewed any potential indicators of impairment that may apply to the Group or a CGU. Members of the ARC have visited the operations and discussed operational plans with site management. The ARC discussed with the Auditors the work that the Auditors have undertaken including own review of management's discounted cash flow model; involving: • assessing and challenging the appropriateness of management's inputs and assessment of each cash generating unit; • assessing and reviewing indicators of impairment as per IAS 36 and considering whether any apply to the Group; • ensuring that the basis of preparation of the model is in line with applicable accounting standards; • assessing and challenging the appropriateness of estimates and inputs; and • ensuring inputs into the model are in line with third party expert's opinion of total mineral resources available at each site. The ARC has also required management to undertake an independent verification of plant and equipment and discussed with the Auditors their separate verification work undertaken in respect of plant and equipment.
Valuation of investments and intercompany receivables As at 31 December 2024, the carrying value of investments in subsidiaries is $104.4m (2023: $103.3m). This value is ultimately dependent on the value of the underlying assets. The carrying value of these investments is material to the parent company financial statements. Valuations for these projects are therefore based on judgments and estimates made by the Directors - which leads to a risk of misstatement.	Ownership of investments held by the Parent Company were reviewed and confirmed An impairment review for all investments was prepared by management and management were challenged in respect of the assumptions and judgements made: • The value of the net investment in subsidiaries was reviewed against the underlying assets to assess the recoverability of investments; • Management's assumptions that the operation in Brazil is one cash generating unit (CGU) was reviewed and challenged; and • Management's cash flow forecast for the CGU was tested which underpins the value held as investments by Serabi Gold plc.

Commercial production at Coringa and its' implications

In December 2024, the Group announced the commissioning of the classification plant at Coringa, as well as announcing the receipt of a 3-year extension to the trial mining license ("GUIA") at Coringa in January 2024. As a result of achieving these two important milestones, the Committee determined commercial production had commenced at the Coringa mine on 1 January 2025. Therefore, the Group will begin to record amortisation charges against the value of the mining property from that date. Amortisation of mining property is calculated over the estimated life of the mineable inventory on a unit of production basis.

Risk management and internal controls

The Board oversees the Group's risk management and internal controls and determines the Group's risk appetite. The Board has, however, delegated responsibility for review of the risk management methodology and the effectiveness of internal controls to the Audit and Risk Committee. The Group's system of internal controls includes financial, operational and compliance controls and risk management, with the Group's policies and procedures including clearly defined levels of delegated authority. During the year the Committee reviewed and revised these defined levels of delegated authority and has ensured that they have been communicated throughout the Group. Internal controls have been implemented in respect of the key operational and financial processes of the business. These policies are designed to ensure the accuracy and reliability of financial reporting and govern the preparation of the Financial Statements.

The Board is ultimately responsible for the Group's system of internal controls and risk management and discharges its duties in this area by:

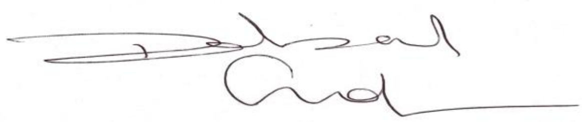
- holding regular Board meetings to consider the matters reserved for its consideration;
- receiving regular management reports which provide an assessment of key risks and controls;
- scheduling regular Board reviews of strategy including reviews of the material risks and uncertainties (including emerging risks) facing the business;
- ensuring there is a clear organisational structure with defined responsibilities and levels of authority;
- ensuring there are documented policies and procedures in place and reviewing these policies and procedures regularly;
- having comprehensive budgets, forecasts and business plans, approved by the Board, reviewed on a regular basis, with performance monitored against them and explanations obtained for material variances;
- reviewing regular reports containing detailed information regarding operational and financial performance, rolling forecasts, cashflows and key performance indicators; and
- having documented whistleblowing policies and procedures.

Internal audit function

The Group does not currently have an internal audit team. The need for this is reviewed annually by the Committee. During 2021/22 an external review of the Group's key internal controls at its operations in Brazil was undertaken by Deloitte Touche Tohmatsu Consultores Ltda in Brazil (Deloitte). The Committee has overseen the implementation of management's responses to the Deloitte recommendations and the implementation of these recommendations is largely complete. The Committee have concluded that it is now appropriate to establish an internal audit function to provide a key source of internal assurance going forward. A recruitment process during the year did not identify any appropriate candidates due to the combination of required audit and language skills and the location of operations. An outsourced supplier will therefore be sought to provide an internal audit function with a tender process planned in 2025. During the first quarter of 2025 an initial internal gap analysis programme began as the first step in developing an internal audit function.

Anti-bribery and whistleblowing

The Company is required to maintain, subject to the oversight by the Audit and Risk Committee, a mechanism for the confidential reporting of suspected fraud and other wrongdoing. The Group has in place a whistleblowing policy, which sets out the formal processes to be followed by employees and the procedures for reporting incidents. A confidential third-party email and phone number are provided within the policy to ensure staff can report on a confidential basis. The policy is provided to every employee of the Group and training is provided. The Audit and Risk Committee reviews the whistleblowing policy annually to ensure that it remains fit for purpose. The Committee receives regular whistleblowing reports and other reports on the effectiveness of the Whistleblowing policy and then reports regularly to the Board on these matters. During the year the Committee has also reviewed the Group Bribery policy.



Deborah Gudgeon
Chair of the Audit Committee
29 April 2025

Statement from the Chair of the Remuneration and People Committee

Serabi Gold is listed on the Alternative Investment Market (AIM) and therefore provides these remuneration disclosures on a voluntary basis. As such, charts and tables included here are unaudited.

As the Company Chair has set out earlier, during 2024 the Company has achieved some key milestones and we will continue to build on these in 2025. The Board recognises that compensation plays an important role in achieving short and long-term business objectives that drive success. The Group's principal goal is to create value for its shareholders. The compensation philosophy is based on the objectives of linking the interests of the senior management with both the short and long-term interests of the Group's shareholders and to the performance of the Group and the individual. The objectives are also to compensate senior management at a level and in a manner that ensures the Group is capable of attracting, motivating and retaining individuals with exceptional skills. The Remuneration Policy is designed to encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long-term. Base salaries are aligned with and judged against corporations of a comparable size and stage of development within the mining industry, thereby enabling the Group to compete for and retain executives critical to the Group's long-term success. Incentive compensation is directly tied to corporate performance. Share ownership opportunities are provided to align the interests of senior management with the longer-term interests of shareholders.

Implementation of the Remuneration policy during the year

Base Salary

The Committee has approved a salary increase of 10% for Mike Hodgson for 2025.

Annual Bonus

The 2024 Annual Bonus was based on health and safety targets, production targets, cash costs and permitting. The maximum theoretical payout for the Executive Directors was 75% of base salary for Michael Hodgson and 65% of base salary for Clive Line. Not all operational targets were achieved. The resultant out-turn based on performance against agreed KPIs was 24% of maximum for both Michael Hodgson and Clive Line.

Share Based Incentive Plans

Conditional share awards are awarded annually under the Serabi 2020 Restricted Share Plan (the "2020 Plan"). The performance criteria for these awards are Total Shareholder Return, Return on Capital Employment and Return on Sales. In respect of the 459,800 Conditional Share Awards granted for the calendar year 2021, the Board determined that none of the performance criteria were achieved and accordingly all 459,800 Conditional Share Awards have lapsed. Awards granted in respect of 2022 are due to vest in 2025. based on 40% Total Shareholder Return (TSR), 30% Return on Capital Employment (ROCE) and 30% on Return on Sales (ROS). There has been good progress against these performance targets. Performance against the TSR target is expected to far exceed the maximum target. Performance against the ROCE target is expected to reach the minimum target and performance against the ROS target is expected to exceed the maximum target for this measure. It is expected that 83% of these awards will vest.

Remuneration arrangements for 2025

For 2025 it is intended that the Executive Director remuneration framework will operate in line with the prior year and there will be minimal changes proposed to incentive opportunities or performance measures. The Committee undertook an independent third-party benchmarking exercise during 2023 so did not do so during 2024. The benchmarking review examined the competitiveness of the current remuneration arrangements relative to sector peers and typical market practice. It also reviewed the effectiveness of the current arrangements in supporting the delivery of the strategy and motivating the senior management team as well as its alignment with the expected governance standards for the Company. In general, the review concluded that total compensation was competitive. The review also concluded that the use of multiple metrics for the bonus plan ensured a more motivational bonus plan. The metrics used for the long-term incentive share-based plan were consistent with market peers although the review highlighted that binary targets were unusual and that it was more common to set an explicit performance range with vesting based on a straight-line sliding scale. A more linear approach was therefore taken for assessment of performance targets linked to the grant of awards in 2023 and 2024.

Closing remarks

The Board is committed to maintaining high standards of corporate governance and complies with the provisions of the Quoted Companies Alliance (QCA) corporate governance code updated in 2023 in so far as is practicable for the Company's size and structure. During 2024, there continued to be significant improvements to the Company's corporate governance arrangements as the Company grows. During 2024 the Committee further reviewed the appropriateness of the policy for its senior management and colleagues in Brazil. Conditional share awards were granted at the same time as being granted to Executive Directors to senior management including some key Brazilian management personnel.

On behalf of the Remuneration Committee

Deborah Gudgeon.

Chair of the Remuneration Committee

29 April 2025

Directors' Remuneration Policy framework

Following industry practice and best practice corporate governance guidelines, Serabi's Executive Directors' Remuneration Policy comprises fixed and variable annual compensation to drive delivery of near-term targets, with an additional overarching long-term incentive plan to maintain a longer-term focus on generating value for shareholders and stakeholders. A significant proportion of each Director's total remuneration package is structured to link rewards to the attainment of performance targets, both short-term and long-term.

Our Policy continues to ensure there are no rewards for failure, by providing clarity around the Committee's discretion under the Policy. This includes committee powers to override formulaic outcomes if pay-outs do not reflect overall business or individual performance, as well as discretion to pay some or all of the bonus in shares and/or to require deferral of a portion of the bonus.

Purpose and link to strategy	Operation	Opportunity	Performance metrics	Implementation of Remuneration Policy for 2025
Base salary				
To reflect size and scope of the role and individual's performance and contribution.	Reviewed on an annual basis with any increases normally taking effect from 1 January. The Committee reviews base salaries with reference to: • the size and scope of the individual's roles; • the individual's performance and experience; • business performance and the external economic environment; • market practice at other companies of a similar size and complexity; and • salary increases across the Group	There is no maximum salary increase. The Committee retains discretion to make appropriate adjustments to salary levels to ensure they remain appropriate in the context of the size and scope of the role and the size and complexity of the business.	Company and individual performance are considered when setting Executive Director base salaries.	Base remuneration will be increased by 10% for the CEO with effect from 1 January 2025 to £377,300 Base remuneration for the CFO will be €270,000 and will be prorated and applicable from his date of appointment on 25 April 2025.

Purpose and link to strategy	Operation	Opportunity	Performance metrics	Implementation of Remuneration Policy for 2025
Annual bonus To incentivise the delivery of annual operational and financial performance and the achievement of strategic business priorities.	Performance is measured on an annual basis for each financial year. Performance measures are reviewed at the start of the year to ensure they remain appropriate and align with the business strategy and priorities Stretch targets are set. At the end of the year the committee determined the extent to which these were achieved. Awards are paid in cash.	The maximum opportunity for the Executive Director is: CEO: 75% of base salary CFO: 65% of base salary	Performance measures are selected and their respective weightings may vary from year to year depending on financial and strategic priorities. The Committee has discretion to adjust the formulaic bonus outcomes both upwards (within the policy limits) and downwards to ensure alignment of pay with the underlying performance of the business over the financial year.	It is currently intended that the annual bonus will operate in line with the prior year.
Share based incentive plans To drive sustained long-term performance that supports the creation of shareholder value.	Conditional share awards (CSAs) under the 2020 plan reward delivery of sustained long-term improvements in shareholder returns by aligning performance directly with an increase in the fundamental measure of the generation of shareholder value. The Board seeks to award equity related incentives on an annual basis. Whilst it is generally expected that these will be equity settled, provisions exist, to be used at the discretion of the Board, for these awards to be cash settled on an equivalent basis where, for example, the tax treatment might significantly disadvantage an individual recipient.	The Executive Directors can receive annual awards of up to 100% of base salary.	The vesting of the CSAs is subject to company performance and continued employment.	It is currently intended that the CSA will operate in line with prior years with the performance measures operating on a linear basis.

Benefits and pension

Serabi offers health care benefits to its Executive Directors and employees. In Brazil this also extends to dental care. The Group does not operate any pension plans for its Executive Director except to the minimum extent required under UK law. The level of pension contribution made to an individual's defined contribution scheme will generally be linked to an employee's base salary, though the Committee may, at its election, approve single lump sum payments which can increase the overall level of retirement benefit provided for any individual. To the extent that a Director exceeds their annual allowance or lifetime allowance, they receive no additional remuneration in lieu of pension.

Notes on the Policy Table

Malus and clawback

Malus and clawback provisions may be applied to the share-based incentive plans in the following circumstances:

- Material misstatement of results
- An error in assessing the performance conditions
- An act or omission by the participant which would enable the Company to summarily dismiss them
- Any other instance where the Remuneration Committee regards it appropriate

Non-executive Director Policy Table

Details of the policy on fees paid to our Non-executive Directors and how this policy will be implemented for 2025 are set out in the table below:

Purpose and link to strategy	Operation	Opportunity	Performance metrics	Implementation of Remuneration Policy for 2025
Fees To attract and retain Non-executive Directors of the highest calibre with broad commercial and other experience relevant to the company.	The Chair and Non-executive Directors receive a basic fee for their respective roles. Additional fees may be payable to Non-executive Directors for additional services such as acting as Senior Independent Director or as Chair of any of the Board's Committees etc. Fee levels are reviewed from time to time against similar roles at comparable companies, taking into account time, commitment and responsibility of the role, with any adjustments normally effective 1 January in the year following review. The fees paid to the Chair are determined by the Committee, whilst the fees of the Non-executive Directors are determined by the Board.	It is expected that increases to Non-executive Director fee levels will be in line with salaried employees over the life of the policy. However, in the event that there is a material misalignment with the market or a change in the complexity, responsibility or time commitment required to fulfil a Non-executive Director role, the Board has discretion to make an appropriate adjustment to the fee level.	Not performance related.	The Base fees for Non-executive Directors and Chair is to be increased by 4.0% Chair: £86,695 Non-executive Directors: £46,598 The Chair and other Non-executive Directors also receive fees for membership and chairing a Board Committee Chair of a committee: £7,500 or £15,000 Membership of a committee: £5,000

Discretion

The Committee will operate all incentive plans according to the rules and discretions contained therein to ensure that the implementation of the Remuneration Policy is fair, both to the individual director, shareholders and stakeholders. The discretions cover aspects such as:

- selection of participants;
- timing of grant and vesting of awards;
- size of awards (subject to the Policy limits);
- choice of measures, weightings and targets;
- determining level of pay-out or vesting based on an assessment of performance and to override formulaic outcomes where appropriate;
- determining whether and, if so, the proportions at which the bonus will be payable in cash, deferred cash, shares or deferred shares and the terms applying to such shares and deferrals;
- treatment of awards on termination of employment and change of control;
- adjustment of awards in certain circumstances, e.g., changes in capital structure;
- adjustment of performance conditions in exceptional circumstances; and
- application of malus and/or clawback.

Any such use of discretion will be fully disclosed in the subsequent Annual Report.

Performance Measures and target setting

The Committee reviews annually performance measures and target weightings. Performance measures used under the annual bonus and long-term incentives are selected and reviewed annually to reflect the Group's main short and long-term objectives and reflect both financial and non-financial priorities. These will typically include a mix of strategic, financial, operational and health and safety targets. Performance measures are set to be stretching but achievable, taking into account a range of internal and external reference points, having regard to the particular strategic priorities and economic environment in a given year.

Recruitment policy for Executive Directors

In the case of a new externally appointed Executive Director, the Committee may make use of all existing components under the Remuneration Policy applying to existing Executive Directors, including salary, pension, benefits, annual bonus and CSA awards. The current maximum limits under the existing Policy will apply similarly on recruitment, except that the maximum annual bonus opportunity will be pro-rated to reflect the proportion of employment during the year. Depending on the timing of appointment, it may be appropriate to operate different performance measures for the remainder of that bonus period. Where appropriate and necessary to facilitate the recruitment of an individual, the Committee may consider using other remuneration tools and may exercise discretion, as appropriate, to make awards using a different structure.

Directors' service contracts and termination policy

The Executive Director has a rolling-term Service Agreement with the Group. The Executive Director's Service Agreement includes the ability for the Group, at its discretion, to pay basic salary only in lieu of any unexpired period of notice. Payments may be made as either a lump sum or in equal monthly instalments until the end of the notice period at the discretion of the Group. The Committee will seek to ensure that there are no unjustified payments for failure. For the current Executive Director, where the appointment is terminated by reason of the executive's death, redundancy, injury, ill health or disability, the Executive Director shall be entitled to participate in such bonus scheme arrangements of the Group applicable to Directors of the Group, in line with the Group's bonus policy. Any bonus awarded to the executives is entirely discretionary and may at the Group's discretion be paid to the executive as a combination of shares and cash.

The Service Agreements contain provisions enabling the Group to place the Executive Director on gardening leave during the period of notice.

Name	Date of Service Agreement	Notice by Group/Individual
Michael Hodgson	1 February 2007	12/6 months
Colm Howlin	31 December 2024	12/12 months
Non-executive Directors		
Michael Lynch-Bell	8 August 2022	N/A [(2)]
Luis Azevedo	27 April 2020	N/A [(2)]
Deborah Gudgeon	9 May 2023	N/A [(2)]

(1) Service agreements are not entered into with Non-executive Directors appointed by major shareholders pursuant to the Relationship Agreement between the Company and the respective shareholder.

(2) Non-executive Directors are appointed for terms of up to three years. The service agreements anticipate a Non-executive Director serving up to two terms, each of three years.

When considering exit payments, the Committee reviews all potential incentive outcomes to ensure they are fair to both shareholders and participants. The table below summarises how incentive awards are typically treated in specific circumstances. Whilst the Committee retains overall discretion on determining good leaver status, it typically defines a good leaver in circumstances such as death, redundancy, injury, ill health or disability, retirement with the agreement of the Group and personal circumstances affecting immediate family preventing the individual working for the Group. Other leavers may include those leaving employment for any other reason as well as those leaving due to misconduct, wilful failure to perform duties and any action that would entitle the Group to terminate employment without notice or payment in lieu of notice:

Component	Good leaver reasons	Other leaver reasons	Change of control
Annual bonus	Paid at the same time as continuing employees, to the extent that the performance conditions are achieved and pro-rating for the proportion of the financial year served, unless the Committee determines otherwise	No bonus payable unless the Committee determines otherwise (as set out above).	Paid immediately on the effective date of change of control, subject to the achievement of performance conditions and pro-rated for the proportion of the year served to the date of change of control, unless the Committee determines otherwise.
Conditional Share Awards	May retain their awards which will vest in accordance with the original terms and whilst continuing to be subject to performance conditions and pro-rating for the time elapsed since grant. These provisions may be over-ridden at the sole discretion of the Board	Shall cease to have any entitlements including the right to exercise any vested but unexercised options	All awards that have not vested shall vest on the date of the event and any Option must be exercised within 30 days (or such other period as the Board agrees) of the event. In certain circumstances the Board with the consent of the acquiring company may agree to exchange the awards for equivalent awards in the new company provided the terms of the awards are not modified in any significant way.

The Committee reserves the right to make any other payments in connection with termination of employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of a compromise or settlement of any claim arising in connection with the cessation of a director's office or employment. Any such payment may include, but is not limited to, paying reasonable fees for outplacement assistance and/or the director's legal or professional advice fees in connection with their cessation of office or employment.

External appointments

The Executive Directors are restricted under the terms of their Service Agreements from assuming any responsibilities or duties in any person without written Board consent. The Board may agree to such external appointments at its discretion, provided that any such external appointments do not and are unlikely to interfere with the Executive Director's duties to the Group. The Policy is for the individual to retain any fee earned in relation to an external appointment.

Consideration of employment conditions elsewhere in the Group

In making decisions on Executive Director remuneration, the Committee considers pay and conditions of other employees across the Group, and considers any informal feedback received. The Group does not formally consult with employees on executive remuneration as the size and scope of Serabi's operations at this stage in its development would make any consultation process ineffectual.

Shareholder views and voting at the forthcoming AGM

The Company has not, previously, sought formal shareholder approval for its Remuneration Policy although has always welcomed discussion with shareholders on the policy. Following the changes to the QCA Code the Committee will seek approval of the Remuneration Policy and the Remuneration Report at its 2025 Annual General Meeting in accordance with the QCA Code on an advisory basis.

Annual Report on remuneration

The following section provides details of how Serabi Gold's Remuneration Policy was implemented during the financial year ending 31 December 2024.

Remuneration Committee membership and activities in 2024

The Remuneration Committee's members as at 31 December 2024 were Non-executive Director Mark Sawyer, who was the Chair of the Committee up until his resignation from the Board on 11 April 2025, Carolina Margozzini up until her resignation from the Board on 21 April 2025, and Michael Lynch-Bell. Deborah Gudgeon was appointed Committee Chair on 23 April 2025.

Director	Remuneration Committee Meetings (Attended/Held)
Mark Sawyer (Chair) (1)	2/2
Michael Lynch-Bell	2/2
Carolina Margozzini(2)	2/2

(1) Mark Sawyer resigned from the Board on 11 April 2025.

(2) Carolina Margozzini resigned form the Board on 21 April 2025.

The Committee operates under agreed Terms of Reference which set out its duties, including reviewing senior executive appointments and determining the Group's policy in respect of the terms of employment, including remuneration packages of Executive Directors and other members of senior management.

The Committee's Terms of Reference were reviewed and updated during the year and are available on the Group's website. The Remuneration Committee met formally twice during 2024 and also on an ad-hoc basis when required.

Remuneration Committee activities during the year were as follows:

- Review and approval of Executive Director performance against annual bonus targets for 2023.
- Review and assess approval of Executive Director performance against 2021 CSA targets (lapsed).
- Determination of performance targets for the share incentives for 2024.
- Determination of performance targets for the 2024 annual bonus.
- Review of remuneration arrangements and policies for the Executive Director, senior management and the wider Group.
- Review and approval of salary increases for the Executive Director and senior management.

Director	Financial Year	Salary US$	Fees as Director US$	Other fees US$	Bonus US$	Pension US$	IFRS 2 charge for options granted US$	Other US$	Total US$
Michael Hodgson (1)	**2024**	**427,940**	**–**	**–**	**139,146**	**10,220**	**93,780**	**4,304**	**675,390**
	2023	398,906	–	–	138,126	9,989	82,174	5,574	634,769
Clive Line (1)(3)	**2024**	**307,830**	**–**	**–**	**–**	**78,315**	**66,288**	**3,587**	**456,020**
	2023	287,064	–	–	83,882	–	61,159	4,645	436,750
Michael Lynch-Bell (3)	**2024**	**–**	**135,224**	**–**	**–**	**–**	**–**	**–**	**135,224**
	2023	–	115,495	–	–	–	–	–	115,495
Deborah Gudgeon (5)	**2024**	**–**	**76,395**	–	–	–	–	–	**76,395**
	2023	–	44,349	–	–	–	–	–	44,349
Mark Sawyer (6) (7)	**2024**	**–**	**90,658**	**–**	**–**	**–**	–	**–**	**90,658**
	2023	–	–	–	–	–	633	–	633
Carolina Margozzini(4) (6) (8)	**2024**	**–**	**69,087**	**–**	**–**	**–**	**–**	**–**	**69,087**
	2023	–	–	–	–	–	–	–	–
Luis Azevedo (2)	**2024**	**–**	**57,126**	**–**	**–**	**–**	–	**–**	**57,126**
	2023	–	–	–	–	–	633	–	633
Total	**2024**	**735,770**	**428,490**	–	**139,146**	**88,535**	**160,068**	**7,892**	**1,559,900**
Total	2023	685,970	159,844	–	222,008	9,989	144,599	10,219	1,233,292

(1) Salaries and bonuses paid to the executive directors reflect the period to which they relate and may not have been received during those periods.
(2) Luis Azevedo is the owner of FFA Legal which provides legal services to the Group and its Brazilian subsidiaries. During 2024 charges issued by FFA Legal were US$428,583 of which US$61,000 was outstanding at the period end.
(3) Clive Line stepped down from the Board on 31 December 2024.
(4) Carolina Margozzini was appointed on 24 January 2023.
(5) Deborah Gudgeon was appointed on 9 May 2023.
(6) Fratelli Investments Ltd and Greenstone Resources II LP agreed to waive any fees due in respect of their nominee directors with effect from 1 July 2022 until 31 December 2023. Fees for the nominee directors were reinstated with effect from 1 January 2024.
(7) Mark Sawyer resigned from the Board on 11 April 2025.
(8) Carolina Margozzini resigned from the Board on 21 April 2025.

Incentive outcomes for the year ended 31 December 2024

Annual bonus in respect of 2024 performance

The maximum bonus award for 2024 was 75% of salary for Mike Hodgson and 65% of salary for Clive Line. Operational performance criteria were set for the annual bonus. These KPIs included: health and safety, production, costs, financing and permitting. The KPIs each had different weightings. The resultant out turn was 24% of the maximum for each Director. These bonus amounts will be settled to the individuals in 2025 and reflected in the remuneration paid in 2025.

Conditional Share Awards vesting in 2025

CSA granted in respect of the 2022 calendar year are scheduled to vest on 31 July 2025 or if earlier immediately following the date on which the Committee determines that the performance conditions have been satisfied (or not as the case may be) based on the performance measurements between 1 January 2022 to 31 December 2024. The awards were based on 40% Total Shareholder Return (TSR), 30% Return on Capital Employment (ROCE) and 30% on Return on Sales (ROS). There has been good progress against these performance targets. Performance against the TSR target is expected to far exceed the maximum target. Performance against the ROCE target is expected to reach the minimum target and performance against the ROS target is expected to exceed the maximum target for this measure. Subject to the necessary independent assessment of these targets against the audited results it is expected that 83% of these awards will vest.

Ordinary shares and options

The Directors of the Company, who held office during the year and as of 31 December 2024, had the following interests in the ordinary shares of the Company according to the register of Directors' interests:

	Shares held at 31 December 2024	Shares held at 31 December 2023
Michael Hodgson	70,066	70,066
Clive Line	73,332	73,332
Michael Lynch-Bell	–	–
Carolina Margozzini(2)	–	–
Luis Azevedo	–	–
Deborah Gudgeon	–	–
Mark Sawyer(3)	–	–

(1) Carolina Margozzini is Principal of Megeve Investments which is investment adviser to Fratelli Investments Limited which as at 31 December 2024 was interested in 19,318,785 ordinary shares. Carolina Margozzini resigned from the Board on 21 April 2025.

(2) Mark Sawyer is a partner of Greenstone Resources II LP which as at 31 December 2024 was interested in 19,083,394 ordinary shares. Mark Sawyer resigned from the Board on 11 April 2025.

During the year ended 31 December 2024 the Company's shares have traded between 47.00 pence and 123.00 pence.

Conditional Share Awards - The 2020 Plan

All employees of the Group (including Executive Directors who are employees) are eligible to participate in the 2020 Plan. Awards provide rights to acquire ordinary shares (subject to restrictions) in the capital of the Company (whether by transfer or subscription) in such form (including but not limited to conditional shares or options) as the Board may determine in its absolute discretion. The number of shares over which awards to subscribe for shares may be granted under the 2020 Plan on any date shall be limited so that the total number of shares issued and issuable pursuant to rights granted under any employee share scheme operated by the Company in any rolling ten year period is restricted to 10% of the Company's shares in issue calculated at the relevant time excluding any lapsed awards or those that are no longer capable of exercise. Awards may be granted subject to performance conditions which will be specified at the time of grant. All awards under the 2020 Plan are subject to malus and clawback provisions.

Grants in 2024

The Board approved the issue of CSA to the Executive Directors in respect of the annual Long Term Incentive Plan awards for the calendar year 2024. In accordance with the terms of the Serabi 2020 Restricted Share Plan (the "2020 Plan"), Michael Hodgson and Clive Line each received an entitlement equivalent in value to 50% of their respective salaries for the calendar year 2024. The awards are scheduled to vest, subject to the achievement of the stipulated performance criteria, on the third anniversary of the award.

Summary of Directors' Interests

The beneficial interests of the Executive Directors in share awards and share options as at 31 December 2024 are shown in the following tables.

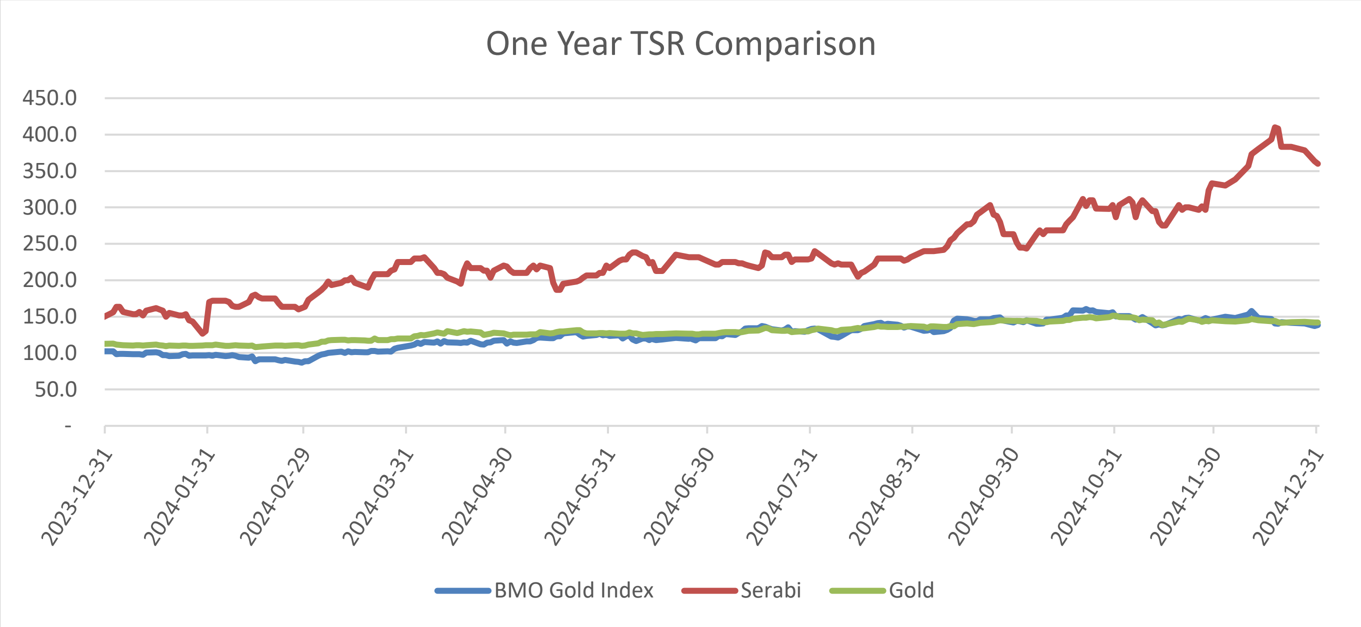
CSA – Conditional Share Awards (2020 Plan)

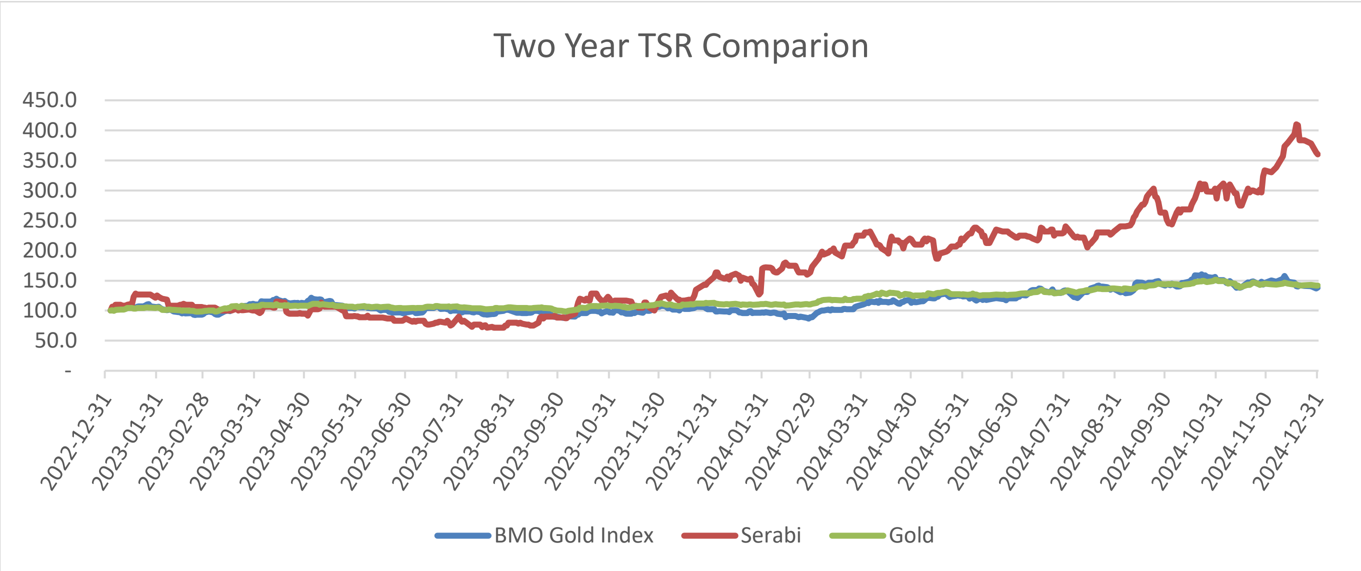
Michael Hodgson									
Award year	Plan	Vesting by	Share price at date of award £	Exercise price £	At 31 December 2023	Granted	Lapsed	Exercised	At 31 December 2024
2024	CSA	1 Feb 2027	UK£0.51	n/a	–	385,993	–	–	385,993
2023	CSA	31 Jul 2026	UK£0.25	n/a	490,400	–	–	–	490,400
2022	CSA	31 Jul 2025	UK£0.25	n/a	271,900	–	–	–	271,900
2021	CSA	7 Dec 2024	UK£0.67	n/a	193,000	–	(193,000)[(1)]	–	–
Total					**955,300**	**385,993**	**(193,000)**	**–**	**1,148,293**

(1) The performance criteria related to these CSA's were measured after 31 December 2023 and it was determined that none of the performance criteria had been met.

Clive Line									
Award year	Plan	Vesting by	Share price at date of award £	Exercise price £	At 31 December 2023	Granted	Lapsed	Exercised	At 31 December 2024
2024	CSA	1 Feb 2027	UK£0.51	n/a	–	271,208	–	–	271,208
2023	CSA	31 Jul 2026	UK£0.25	n/a	344,300	–	–	–	344,300
2022	CSA	31 Jul 2025	UK£0.25	n/a	190,500	–	–	–	190,500
2021	CSA	7 Dec 2024	UK£0.67	n/a	138,000	–	(138,000)[(1)]	–	–
Total					**672,800**	**271,208**	**(138,000)**	**–**	**806,008**

(1) The performance criteria related to these CSA's were measured after 31 December 2023 and it was determined that none of the performance criteria had been met.


One Year TSR Comparison
450.0
400.0
350.0
300.0
250.0
200.0
150.0
100.0
50.0
-
2023-12-31
2024-01-31
2024-02-29
2024-03-31
2024-04-30
2024-05-31
2024-06-30
2024-07-31
2024-08-31
2024-09-30
2024-10-31
2024-11-30
2024-12-31
BMO Gold Index
Serabi
Gold


Two Year TSR Comparion
450.0
400.0
350.0
300.0
250.0
200.0
150.0
100.0
50.0
-
2022-12-31
2023-01-31
2023-02-28
2023-03-31
2023-04-30
2023-05-31
2023-06-30
2023-07-31
2023-08-31
2023-09-30
2023-10-31
2023-11-30
2023-12-31
2024-01-31
2024-02-29
2024-03-31
2024-04-30
2024-05-31
2024-06-30
2024-07-31
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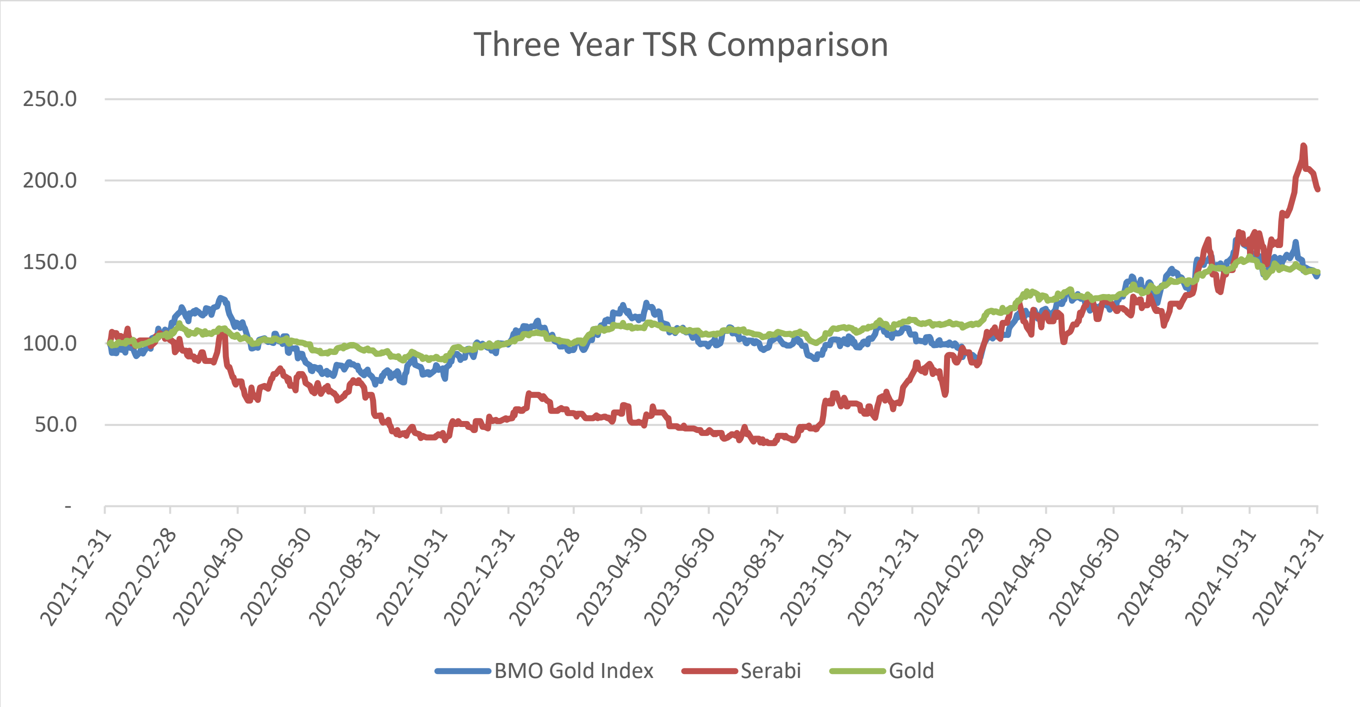
2024-10-31
2024-11-30
2024-12-31
BMO Gold Index
Serabi
Gold


Three Year TSR Comparison
250.0
200.0
150.0
100.0
50.0
-
2021-12-31
2022-02-28
2022-04-30
2022-06-30
2022-08-31
2022-10-31
2022-12-31
2023-02-28
2023-04-30
2023-06-30
2023-08-31
2023-10-31
2023-12-31
2024-02-29
2024-04-30
2024-06-30
2024-08-31
2024-10-31
2024-12-31
BMO Gold Index
Serabi
Gold

Sustainability Committee Report

The Board has established a Sustainability Committee to enhance Serabi's social licence to operate by supporting and monitoring the sustainable development of Serabi's business and the communities in which it operates and overseeing the integrity of its sustainability reporting.

Committee Composition

The Sustainability Committee is comprised of one Executive Director and three Non-executive Directors. It is chaired by Michael Lynch-Bell, Chair of the Company. Its other members are Mike Hodgson and Deborah Gudgeon. Mark Sawyer was also a member of the Committee up until his resignation from the Board on 11 April 2025. The Committee met twice during 2024.

Committee Responsibilities

The Committee has oversight of the following areas:

(a) Safety, including:
- (i) major hazards, including underground mines, tailings and water storage;
- (ii) critical risk management; and
- (iii) safety maturity;

(b) Health, including:
- (i) occupational health; and
- (ii) mental health and well-being in the workforce;

(c) Environment, including:
- (i) water management;
- (ii) air emissions, including dust;
- (iii) land stewardship and biodiversity;
- (iv) waste management; and
- (v) mine closure and legacy management,

(d) Climate change, including compliance with the Taskforce on Climate-related Financial Disclosure (***TCFD***) requirements and decarbonisation initiatives and targets

(e) Communities and social performance, including:
- (i) community relations, including with traditional owners and other indigenous peoples on whose lands Serabi operates and local politicians;
- (ii) the economic, cultural and social development of the communities in which Serabi operates, including employment, training and development, and local supply chain development;
- (iii) sustainable development issues as they relate to suppliers and supply chains, including modern slavery;
- (iv) security (being the security of the Group's people and assets, including business resilience); and
- (v) human rights monitoring (including oversight of equality, diversity and inclusion initiatives) and issue management.

Committee Activities during the year

The Committee has considered the reporting requirements that apply to the Company in 2024 and 2025 and the Company's compliance with these requirements. To further advise the Committee, proposals from ESG consultants have been considered by the Committee and Embellie Advisory, an independent consultancy with global offices including offices in Brazil, were appointed to undertake a review of the Group's ESG strategy, management systems and actions. The objective of the review was to understand the strengths and weaknesses of the current approach to ESG, ensure that the Group fully conformed with all current regulatory requirements and that the Company is prepared for future regulatory changes in Brazil, the UK and Canada.

To perform the review Embellie assessed the ESG strategy, internal policies, processes and procedures of Serabi against the AA1000 AP sustainability auditing standard, and the mining industry's performance standard, the Consolidated Mining Standard. Embellie also carried out baseline ESG risk assessments of Serabi's operations using their own methodology.

The results of the analysis were positive and the next stage of Embellie's support will be to create a roadmap to support the continued development of sustainable practices within the Group, as well as setting targets and measuring performance against them.

The Committee has reviewed and approved its TCFD aligned reporting disclosures, the environmental and social reporting in the Annual Report and is working on updating its annual reporting disclosures for the Modern Slavery Act and also the Canadian Fighting Against Forced Labour and Child Labour in Supply Chain Act.

Michael Lynch-Bell
Chair of the Sustainability Committee
29 April 2025

Directors' Report

The Directors present their report together with the audited financial statements for the year ended 31 December 2024.

Results and dividends

The Group profit for the year after taxation amounts to US$27,819,718, (2023: US$6,575,612). The Directors do not recommend the payment of a dividend in respect of the year ended 31 December 2024. The Board has agreed to adopt a future policy to make returns to shareholders of between 20% and 30% of the Group's free cash flow, defined as net cash generated from operating activities less sustaining capital expenditure and necessary brownfield exploration.

Dividends or other returns will only be paid provided there is sufficient cash remaining to meet working capital needs, contractual debt repayments and to invest in the strategy of the Group. The Group's current strategy is to double production to 60,000 oz pa Au by end 2026 and become a 100,000 – 200,000 oz pa Au producer within 3-5 years by leveraging its extensive exploration portfolio, capitalising on management's proven track record of successfully developing and operating mines in Brazil and engaging in strategic M&A. To execute its growth strategy the Group will prioritise commitment to investing in organic growth as well as continuing to analyse potential M&A opportunities, however with a sustained increase in the gold price there may be an opportunity to allocate a portion of the Group's capital in paying a dividend to its shareholders.

The results for the year are set out on page 99 in the statement of comprehensive income.

Principal activities and business review

The principal activity of the Company is that of a holding and gold sales company and a provider of support and management services to its operating subsidiaries. Together with its subsidiaries (see note 12), it is involved in the development of gold and other metals mining projects in Brazil and the operation of the Palito gold mine in the Tapajós region of Brazil. The Company does not have any branches outside of the UK and the operations in Brazil are conducted through wholly owned subsidiaries incorporated in Brazil.

A detailed review of activities, future developments and the Group's projects is included in the Chair's Statement and the Strategic Report.

The Board

The Directors, who served throughout the year unless stated otherwise are detailed below:

Name	Service in the year 31 December 2024
Michael Lynch-Bell	Served throughout the year
Michael Hodgson	Served throughout the year
Clive Line	Resigned 31 December 2024
Luis Azevedo	Served throughout the year
Deborah Gudgeon	Served throughout the year
Carolina Margozzini	Resigned 21 April 2025
Mark Sawyer	Resigned 11 April 2025
Colm Howlin	Appointed 25 April 2025

The roles and biographies of the Directors in office as at the date of this report are set out on pages 56 to 57.

Substantial shareholdings

The tables below show the interests in the shares notified to the Company in accordance with Chapter 5 of the Disclosure Guidance and Transparency Rules issued by the Financial Conduct Authority as at 31 December 2024 and as at 25 April 2025 (being the latest practicable date prior to the publication of this report):

As at 31 December 2024	Number of shares held	Percentage
Fratelli Investments Limited	19,318,785	25.5%
Greenstone Resources II LP	19,083,394	25.2%
Premier Miton Group PLC	3,569,225	4.7%
River and Mercantile Asset Management	3,622,550	4.8%

As at 25 April 2025 [1]	Number of shares held	Percentage
Fratelli Investments Limited	19,318,785	25.5%
Greenstone Resources II LP	19,083,394	25.2%
Premier Miton Group PLC	3,569,225	4.7%
Kave Sigaroudinia	3,241,021	4.2%

(1) The table above shows the shareholder position as at 25 April 2025 being the latest practicable date prior to publication. On 12 April 2025 however Greenstone Resources II LP entered into a binding unconditional agreement to dispose of approximately 15.15 million shares representing 19.99% of the issued share capital of the Company. On 22 April 2025 Greenstone Resources II LP pursuant to a placing sold their remaining shares in the Company representing approximately 5.2% of the issued share capital of the Company. Both of these sales transactions are expected to complete in the first week of May 2025. On 22 April 2025 Fratelli Investments Limited sold 11,752,903 ordinary shares in the Company representing 15.5% of the issued share capital of the Company. This sale transaction is also expected to complete in early May 2025.

Share capital

Details of the share capital and movements in share capital during the period are disclosed in note 22 to the financial statements. The Company's share capital consists of one class of ordinary share, which does not carry rights to fixed income. As at 31 December 2024, there were 75,734,551 ordinary shares of £0.10 each in issue. Ordinary shareholders are entitled to receive notice and to attend and speak at general meetings. Each shareholder present in person or by proxy (or by duly authorised corporate representatives) has, on a show of hands, one vote. On a poll, each shareholder present in person or by proxy has one vote for each share held.

Other than the general provisions of the Articles (and prevailing legislation) there are no specific restrictions on the size of a holding or on the transfer of the ordinary shares. The Directors are not aware of any agreements between holders of the Company's shares that may result in the restriction of the transfer of securities or on voting rights. No shareholder holds securities carrying any special rights or control over the Company's share capital. The Company did not undertake any purchases of its own shares during the period. As at 31 December 2024, there were no warrants in issue.

Company's listings

The Company's ordinary shares have been traded on AIM since 10 May 2005 and on the TSX since 30 March 2011.

Powers of Directors

Subject to the Company's Articles of Association, UK legislation and any directions given by special resolution, the business of the Company is managed by the Board, which may exercise all the powers of the Company. The Board's role is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls which enables risk to be assessed and managed. It also sets up the Group's strategic aims, ensuring that the necessary financial and human resources are in place for the Group to meet its objectives and review management performance. The Board also sets the Group's values, standards and culture. Further details on the Board's role can be found in the Corporate Governance Report on pages 56 to 91.

Directors' interests

Details of the Directors' share interests can be found in the Remuneration Committee Report on pages 71 to 84. All related party transactions are disclosed in note 25 to the financial statements.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Group Strategic Report. The financial position of the Group, its cash flows, and liquidity position are described in the Chief Financial Officer's Review and set out in the Group Financial Statements. Further details of the Group's commitments and maturity analysis of financial liabilities are set out in note 24 to 26 respectively of the Group Financial Statements. In addition, note 23 to the Group Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Directors have a reasonable expectation that, after taking into account reasonably possible changes in trading performance, and the current macroeconomic situation, the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Financial Statements. Further details are provided in Going Concern section of the Group Strategic Report on pages 24 to 25.

Website publication

The Directors are responsible for ensuring the Annual Report and the financial statements are made available on a website. Financial statements are published on the Group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Group's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Engagement with stakeholders

Details of the approach taken by the Directors to engage with its various stakeholders including its suppliers are outlined in the Strategic Report on pages 16 to 20.

Principal risks and uncertainties

The principal risks and uncertainties are outlined in the Strategic Report on pages 26 to 34.

Management of financial risks

Capital management and financial risk disclosures are provided within notes 23 to 26 of the financial statements.

Corporate governance

The Directors have responsibility for the overall corporate governance of the Group and recognise the need for the highest standards of behaviour and accountability. The Directors are committed to the principles underlying best practice in corporate governance and have adopted the Corporate Governance Code ("the QCA Code") prepared by the Quoted Companies Alliance ("QCA"). The QCA code was updated in 2023 ("the New QCA Code"). This updated version has applied to the Company during 2024 and the Company has disclosed compliance against the New QCA Code in its corporate governance statement and on its website. In addition, the Company as a result of the listing of its shares on the TSX observes the principles of Canadian National Policy 58-201 – Corporate Governance Guidelines which establishes corporate governance guidelines that apply to all public companies. The Group has instituted corporate governance practices that also, where practical, take consideration of these guidelines. Further details are set out in the Report on Corporate Governance on pages 55 to 66.

Employees

The Group has a policy of equal opportunities throughout the organisation and is proud of its culture of diversity and tolerance. Employees benefit from regular communication both informally and formally with regard to Group issues (external and internal developments, updates, etc.), including regular news updates distributed electronically and displayed at the mine site and in the corporate offices. Employees are made aware of the Company's share dealing policy, both to ensure compliance with listing rules but also to make them aware of the opportunity to participate in the Company's share performance.

Share dealing

The Company has adopted a share dealing code for Directors and employees in accordance with the AIM Rules and Market Abuse Regulations and takes proper steps to ensure compliance by the Directors and its employees.

Internal controls

Taking into account the principal risks, emerging risks and the ongoing work of the Audit & Risk Committee in monitoring the risk management and internal control systems on behalf of the Board, the Directors:

- are satisfied that they have carried out a robust assessment of the principal and emerging risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity; and
- have reviewed the effectiveness of the risk management and internal control systems and no significant failings were identified.

Key contracts

The Group has contractual arrangements with key suppliers for its operations notably for fuel, power, reagents and equipment spare parts. It also has an existing commitment to sell its production of copper/gold concentrate to a single customer which was entered into at the start of 2022 for a two year period and which has subsequently been extended for a further 12 month period. However, management considers that alternative suppliers and purchasers could be arranged if necessary and do not therefore consider that the Group is unduly reliant on any single contract or supplier.

The Group is reliant on retaining its exploration and mining licences and its operating licences which are subject to compliance with various Federal and State regulations and obligations. The Group considers such compliance a high priority in view of this reliance.

Relationship Agreements

Details of the relationship agreements with each of Fratelli Investments Limited and Greenstone Resources II LP, the Company's two principal shareholders are contained within the Corporate Governance Report on page 61.

On 12 April 2025 the Company was notified that Greenstone Resources II LP had entered into a binding agreement to dispose of approximately 15.15 million shares representing 19.99% of the issued share capital of the Company. On 22 April 2025 Greenstone Resources II LP pursuant to a placing sold their remaining shares in the Company representing approximately 5.2% of the issued share capital of the Company. As a result, the Company expect that the Greenstone Relationship Agreement will terminate within 30 days of the completion of their share sale.

On 22 April 2025 Fratelli Investment Limited pursuant to a placing sold 11,752,903 shares in the Company representing 15.5% of the issued share capital of the Company. As a result of this sale Fratelli retain a holding of 7,565,882 ordinary shares representing 10% of the issued share capital of the Company. The relationship agreement with Fratelli will therefore terminate within 30 days of the completion of their share sale.

Indemnification of Directors and officers

During the financial year, the Group paid a premium in respect of a contract, insuring the Directors of the Company, the Company Secretary and all executive officers of the Group against liability incurred as such a Director, Company Secretary or executive officer to the extent permitted under legislation. This insurance has been in place during the year and remains in place at the signing of this report.

Articles of Association

The Company's latest Articles of Association were adopted on 3 March 2014. The rules governing the appointment and replacement of Directors are contained in the Company's Articles of Association. Changes to the Articles of Association must be approved by shareholders in accordance with legislation in force from time to time. A copy of the Company's Articles of Association can be found on the Company's website at www.serabigold.com.

Political donations

No political donations were made in 2024 (2023: Nil).

Auditor

The auditor, PKF Littlejohn LLP, has confirmed its willingness to remain as auditor to the Company. A resolution to appoint PKF Littlejohn LLP will be put to the Annual General Meeting.

Annual General Meeting

The Annual General Meeting will be held on 26 June 2025. At the meeting, resolutions will be proposed to receive the Annual Report and financial statements, re-elect the Directors and appoint as auditor and authorise the Audit and Risk Committee to determine the remuneration of PKF Littlejohn LLP. In addition, it will be proposed that expiring authorities to allot shares and a resolution to repurchase shares will also be included. An explanation of the resolutions to be put to shareholders at the 2025 AGM and recommendations in relation to them will be set out in the 2025 AGM Notice.

Disclosure of audit information

As far as each of the Directors is aware, at the time this report was approved:

(a) there is no relevant available information of which the auditor is unaware; and

(b) they have taken all steps that ought to have been taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, the Director's Report and the Financial Statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company financial statements in accordance with United Kingdom ("UK") -adopted international accounting standards ("UK-IAS"). The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group Financial Statements in accordance with UK-IAS.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK-IAS and regulations have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- The Directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given pursuant to section 418 of the Companies Act 2006 and should be interpreted in accordance with and subject to those provisions.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Company is compliant with AIM Rule 26 regarding the Company's website.

By order of the Board

Kerin Williams
Company Secretary
29 April 2025

Financial Statements

Contents

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SERABI GOLD PLC

Opinion

We have audited the financial statements of Serabi Gold Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2024 which comprise the Group Statement of Comprehensive Income, the Group Balance Sheet, the Company Balance Sheet, the Group and Company Statements of Changes in Shareholders' Equity, the Group and Company Cashflow Statements 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 and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- obtaining the group cash flow forecast and assessing the reasonableness of underlying assumptions, including forecast levels of expenditure and revenue used in preparing these forecasts. To assess the reasonableness and timings of the cash inflows and outflows, we used our knowledge of the business and compared the forecasts to the Directors' approved budgets and challenged the inputs used;
- assessing whether a liquidity shortfall arises at any point during management's assessment;
- comparing forecast sales with recent historical financial information to consider accuracy of forecasting;
- verifying cash balances used in the forecast close to the date of sign off of these financial statements;
- performing sensitivity analysis thereon and evaluating potential mitigating factors that could be actioned by management; and
- assessing the appropriateness of the going concern disclosures included in the financial statements against the requirements of the relevant auditing standards.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of our audit.

Materiality for the group financial statements as a whole was $1,250,000 (2023: $900,000) with performance materiality set at $875,000 (2023: $630,000), being 70% (2023: 70%) of group materiality. Materiality for the financial statements as a whole was based upon 1.5% of the group’s revenues.

In determining materiality, we considered the Key Performance Indicators (“KPIs”) used in the Annual Report and Accounts. We consider revenue to be the primary measure used by the shareholders in assessing the performance of the group, driving profitability within the group and revenue is expected to provide a more stable measure year on year. The percentage applied to this benchmark has been selected to bring into scope all significant classes of transactions, account balances and disclosures relevant for the shareholders, and also to ensure that matters that would have a significant impact on the reported profit were appropriately considered.

In determining performance materiality, we have chosen to apply 70% for the purposes of the performance materiality calculation as this is our third audit and no material adjustments or significant control deficiencies were identified in prior years.

We agreed with the audit committee that we would report all individual audit differences identified for the group during the course of our audit in excess of $60,000 (2023: $45,000) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality applied to the company’s financial statements was $750,000 (2023: $850,000) with performance materiality set at $525,000 (2023: 595,000), being 70% of the company materiality.

The benchmark for determining materiality of the parent company was 60% (2023: 94%) of group materiality which equates to 0.6% of the company’s total assets. The significant judgements used by us in determining this were that total assets are the primary measure used by the shareholders in assessing the performance of the company. The percentage applied to this benchmark has been selected to bring into scope all significant classes of transactions, account balances and disclosures relevant for the shareholders, and also to ensure that matters that would have a significant impact on the reported profit were appropriately considered.

In determining performance materiality, we have chosen to apply 70% for the purposes of the performance materiality calculation as this is our third audit and no material adjustments or significant control deficiencies were identified in prior years.

We agreed with the Audit Committee that we would report all individual audit differences identified for the company during the course of our audit in excess of $52,500 (2023: $42,500) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

For each material component in the scope of our audit, we allocated a component performance materiality based on the maximum aggregate component performance materiality. The range of performance materiality allocated across components was between $525,000 and $700,000 (2023: $300,000 to $600,000), being a percentage of between 48% and 95% of group performance materiality.

Our approach to the audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity, risk and size.

As part of designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. These areas of estimate and judgement included:

- Quantification of mineral resources
- Revenue recognition
- Inventory valuation

- Impairment of mining assets and other property, plant and equipment
- Recoverability of debts including recoverable taxes
- Recoverability of investments in subsidiaries and inter-company debts
- Restoration, rehabilitation and environmental provisions

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.

Key Audit Matter	How our scope addressed this matter
Valuation of capitalised exploration costs (Note 9)	
• As at 31 December 2024, the Group's Deferred exploration assets are valued at $18.8m (2023: $20.4m) and are key to the long-term success of the Group. Details of these assets and the related critical judgements and estimates are disclosed in notes [1] and [9]. • Significant judgement and estimation is required by management to assess the recoverability of the balances and as a result there is the risk that these balances are incorrectly valued.	Our work in this area included: • Reviewing the exploration and evaluation expenditures to assess their eligibility for capitalisation under IFRS 6 by corroborating spend to original source documentation; • Obtaining the current exploration licences and ensured that they remain valid during the year and at the year end; • Challenging management over the future plans for each license including obtaining cashflow projections for each licence where necessary; • A consideration of any impairment indicators set out in IFRS 6 & IAS 36; and • A review of key external reports for indicators of impairment.
Carrying value of Mining assets (Note 10)	
As at 31 December 2024 the Group's Mining Assets totalled $53.4m (2023: $53.3m) and details of these assets and the related critical judgements and estimates are disclosed in notes [1] and [10]. Management assess the recoverable amounts of these balances on a cash generating unit (CGU) basis using a management prepared discounted cash flow model. Given the significant judgements and estimates used by management in determining the valuation of these assets there is the risk that the valuation of the mining assets is incorrect.	Our work in this area included: • Obtaining, reviewing & challenging management's discounted cash flow model; • Assessing & challenging the appropriateness of management's inputs and assessment of each cash generating unit; • Assessing and reviewing indicators of impairment as per IAS 36 and considering whether any apply to the Group; • Ensuring that the basis of preparation of the model is in line with applicable accounting standards;

	• Assessing & challenging the appropriateness of estimates and inputs; and • Ensuring inputs into the model are in line with third party expert's opinion of total mineral resources available at each site.
Valuation of investments and Intercompany receivables (Plc only) – (Note 12)	
As at 31 December 2024, the carrying value of investments in subsidiaries is $104.4m (2023: $103.4m). This value is ultimately dependent on the value of the underlying assets. The carrying value of these investments is material to the parent company financial statements. A significant portion of the underlying assets are exploration mining assets making it difficult to definitively determine their value. Valuations for these projects are therefore based on judgments and estimates made by the Directors - which leads to a risk of misstatement.	Our work in this area included: • Confirming ownership of investments held by the Parent Company to underlying documentation; • Obtaining the impairment review for all investments prepared by management and challenging management in respect of the assumptions & judgements made; • Reviewing the value of the net investment in subsidiaries against the underlying assets to assess the recoverability of investments; and • Obtaining and testing management's cash flow forecast for the CGU which underpins the value held as investments by Serabi Gold plc.

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 and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the group and parent company 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 and parent company financial statements, the directors are responsible for assessing the group and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the group and parent company and the sector in which they operate 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 and experience of the sector etc.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, UK-adopted international accounting standards, the AIM Rules for Companies, as well as local laws and regulations in the jurisdiction in which the group and parent company operate.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - conducting enquiries of management regarding potential instances of non-compliance;
    - reviewing RNS announcements;
    - reviewing legal and professional fees ledger accounts; and
    - reviewing board minutes and other correspondence from management.
- 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, whether key management judgements could include management bias was identified in relation:
    - Valuation of capitalised exploration costs
    - Carrying value of Mining assets
    - Valuation of investments and Intercompany receivables

  We addressed these as outlined in the Key audit matters section above. The potential for management bias also existed in the recognition and recoverability of current & deferred tax assets, valuation of inventory and share-based payments recognised in the year. Audit procedures were performed in this regard to recalculate the charge with reference to the underlying agreements.

- 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: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
- Compliance with laws and regulations at the subsidiary level was ensured through enquiry of management, communication with component auditors and correspondence for any instances of non-compliance

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

Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
29 April 2025

15 Westferry Circus
Canary Wharf
London E14 4HD

FINANCIAL STATEMENTS
Group Statement of Comprehensive Income
For the year ended 31 December 2024

	Notes	Group For the year ended 31 December 2024 US$	Group For the year ended 31 December 2023 US$
Revenue from continuing operations	2	**94,536,392**	**63,707,468**
Cost of sales		(50,940,007)	(43,184,739)
Stock impairment provision		230,000	(230,000)
Depreciation and amortisation charges		(4,273,324)	(6,239,556)
Total cost of sales		**(54,983,331)**	**(49,654,295)**
Gross operating profit		39,553,061	14,053,173
Administration expenses		(7,442,698)	(6,492,165)
Share-based payments		(248,911)	(197,344)
Gain on disposal of fixed assets		(274,557)	180,966
Operating profit	3	**31,586,895**	**7,544,630**
Foreign exchange gain		(1,515,370)	174,105
Other income – exploration receipts	4	331,144	4,680,414
Other expenses – exploration expenses	4	(299,612)	(4,339,554)
Finance expense	5	(674,399)	(739,245)
Finance income	5	2,848,358	847,523
Profit before taxation		**32,277,016**	**8,167,873**
Income tax expense	6	(4,457,298)	(1,592,261)
Profit for the period(1)		**27,819,718**	**6,575,612**
Other comprehensive income (net of tax)			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(16,679,024)	4,496,030
Total comprehensive profit for the period(1)		11,140,694	11,071,642
Earnings per ordinary share (basic) (1)	8	36.73	8.68c
Earnings per ordinary share (diluted) (1)	8	36.73	8.68c

(1) The Group has no non-controlling interests and all profits are attributable to the equity holders of the Parent Company.
(2) Notes to the Accounts on pages 105 to 147 form an integral part of these financial statements

Group Balance Sheet
As at 31 December 2024

Company Number 5131528

	Notes	Group At 31 December 2024 US$	Group At 31 December 2023 US$
Non-current assets			
Deferred exploration costs	9	18,839,836	20,499,257
Property, plant and equipment	10	53,593,723	53,340,903
Right of use assets	11	4,287,020	5,316,330
Taxes receivable	14	6,246,352	4,653,063
Deferred taxation	6	1,878,081	1,791,983
Total non-current assets		**84,845,012**	**85,601,536**
Current assets			
Inventories	13	13,115,648	12,797,951
Trade and other receivables	14	2,533,450	2,858,072
Prepayments	15	2,220,463	2,320,256
Derivative financial assets	20	—	115,840
Cash and cash equivalents	16	22,183,049	11,552,031
Total current assets		**40,052,610**	**29,644,150**
Current liabilities			
Trade and other payables	17	9,695,560	8,626,292
Interest-bearing liabilities	19	5,841,804	6,403,084
Accruals		419,493	649,225
Total current liabilities		**15,956,857**	**15,678,601**
Net current assets		**24,095,753**	**13,965,549**
Total assets less current liabilities		**108,940,765**	**99,567,085**
Non-current liabilities			
Trade and other payables	17	2,809,243	3,960,920
Provisions	18	1,839,916	2,663,892
Interest-bearing liabilities	19	109,952	150,224
Total non-current liabilities		**4,759,111**	**6,775,036**
Net assets		**104,181,654**	**92,792,049**
Equity			
Share capital	22	11,213,618	11,213,618
Share premium reserve		36,158,068	36,158,068
Share incentive reserve		221,613	175,573
Other reserves		19,486,684	15,960,006
Translation reserve		(78,459,765)	(61,780,741)
Retained surplus		115,561,436	91,065,525
Equity shareholders' funds attributable to owners of the parent		**104,181,654**	**92,792,049**

Other reserves comprise a merger reserve of US$361,461 and a taxation reserve of US$19,125,223 (2023: merger reserve of US$361,461 and taxation reserve of US$15,598,545).

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2025 and signed on its behalf by:

Colm Howlin
Chief Financial Officer
29 April 2025

Company Balance Sheet

As at 31 December 2024

Company Number 5131528

	Notes	Company At 31 December 2024 US$	At 31 December 2023 US$
Non-current assets			
Investments in subsidiaries	12	104,394,490	103,350,358
Other receivables	14	9,788,536	9,788,536
Total non-current assets		**114,183,026**	**113,138,894**
Current assets			
Trade and other receivables	14	2,192,843	2,491,548
Prepayments and prepaid taxes	15	191,656	226,216
Derivative financial assets	20	—	115,840
Cash and cash equivalents	16	18,102,225	7,713,125
Total current assets		**20,486,724**	**10,546,729**
Current liabilities			
Trade and other payables	17	44,608,434	33,527,595
Accruals		213,808	225,381
Total current liabilities		**44,822,242**	**33,752,976**
Net current liabilities		**(24,335,518)**	**(23,206,247)**
Total assets less current liabilities		**89,847,508**	**89,932,647**
Net assets		**89,847,508**	**89,932,647**
Equity			
Share capital	22	11,213,618	11,213,618
Share premium reserve		36,158,068	36,158,068
Share incentive reserve		221,613	175,572
Merger reserve		361,461	361,461
Retained surplus		41,892,748	42,023,928
Equity shareholders' funds attributable to owners of the parent		**89,847,508**	**89,932,647**

A separate statement of comprehensive income for Serabi Gold plc has not been prepared as permitted by Section 408 of the Companies Act 2006. The loss of the Company for the year ended 31 December 2024 was US$334,051 (2023: loss of US$1,562,831).

The financial statements were approved and authorised for issue by the Board of Directors on 29 April 2025 and signed on its behalf by:

Colm Howlin
Chief Financial Officer
29 April 2025

Statements of Changes in Shareholders' Equity
For the year ended 31 December 2024

Group	Share capital US$	Share premium US$	Share incentive reserve US$	Other reserves US$	Translation reserve US$	Retained surplus US$	Total equity US$
Equity shareholders' funds at 31 December 2022	**11,213,618**	**36,158,068**	**1,324,558**	**14,459,255**	**(66,276,771)**	**84,644,335**	**81,523,063**
Foreign currency adjustments	–	–	–	–	4,496,030	–	4,496,030
Profit for year	–	–	–	–	–	6,575,612	6,575,612
Total comprehensive income for the year	–	–	–	–	4,496,030	6,575,612	11,071,642
Transfer to taxation reserve	–	–	–	1,500,751	–	(1,500,751)	–
Share based incentives lapsed in period	–	–	(1,346,329)	–	–	1,346,329	–
Share based incentive expense	–	–	197,344	–	–	–	197,344
Equity shareholders' funds at 31 December 2023	**11,213,618**	**36,158,068**	**175,573**	**15,960,006**	**(61,780,741)**	**91,065,525**	**92,792,049**
Foreign currency adjustments	–	–	–	–	(16,679,024)		(16,679,024)
Profit for year	–	–	–	–		27,819,718	27,819,718
Total comprehensive income for the year	–	–	–	–	(16,679,024)	27,819,718	11,140,694
Transfer to taxation reserve	–	–	–	3,526,678	–	(3,526,678)	–
Share based incentives lapsed in period	–	–	(202,871)	–	–	202,871	–
Share based incentive expense	–	–	248,911	–	–	–	248,911
Equity shareholders' funds at 31 December 2024	**11,213,618**	**36,158,068**	**221,613**	**19,486,684**	**(78,459,765)**	**115,561,436**	**104,181,654**

Other reserves comprise a merger reserve of US$361,461 and a taxation reserve of US$19,125,223 (2023: merger reserve of US$361,461 and taxation reserve of US$15,598,545).

The following is a description of each of the reserve accounts that comprise equity shareholders' funds

Share capital	The share capital comprises the issued ordinary shares of the Company at par.
Share premium	The share premium comprises the excess value recognised from the issue of ordinary shares at par.
Share incentive reserve	Cumulative fair value of options charged to the statement of comprehensive income net of transfers to the profit and loss reserve on exercised and cancelled/lapsed options.
Other reserves	Other reserves is comprised of a merger reserve arising on the acquisition of Kenai Resources Limited, representing the difference between the nominal value of the shares issued and their fair value, and a warrant reserve being the cumulative fair value of warrants issued associated with equity shares issued. The Group has also established a taxation reserve. The reserve is used to accumulate taxation savings received by the Group as a result of a lower taxation rate being applied in Brazil through its eligibility for a tax incentive programme ("SUDAM"). SUDAM reduces the Group's effective tax rate from approximately 34 per cent to approximately 15.25 per cent. The regulations of the incentive programme require the Group to accumulate incentives received through tax savings in a taxation reserve. The taxation reserve is not considered a distributable reserve but can be used to meet the cost of regional investment programmes completed by the Group and approved by SUDAM.
Translation reserve	Cumulative gains and losses on translating the net assets of overseas operations to the presentation currency.
Retained surplus	Retained surplus / (accumulated losses) comprise the Group's cumulative accounting profits and losses since inception.

Statements of Changes in Shareholders' Equity
For the year ended 31 December 2024

Company	Share capital	Share premium	Share option reserve	Other reserve	Retained surplus	Total equity
	US$	US$	US$	US$	US$	US$
Equity shareholders' funds at 31 December 2022	**11,213,618**	**36,158,068**	**1,324,558**	**361,461**	**42,240,431**	**91,298,136**
Loss for the year	–	–	–	–	(1,562,831)	(1,562,831)
Comprehensive loss for year	–	–	–	–	(1,562,831)	(1,562,831)
Share based incentives lapsed in period	–	–	(1,346,328)	–	1,346,328	–
Share based incentive expense	–	–	197,343	–	–	197,343
Equity shareholders' funds at 31 December 2023	**11,213,618**	**36,158,068**	**175,573**	**361,461**	**42,023,928**	**89,932,648**
Profit for the year	–	–	–	–	(334,051)	(334,051)
Comprehensive loss for year	–	–	–	–	(334,051)	(334,051)
Share based incentives lapsed in period	–	–	(202,871)	–	202,871	–
Share based incentive expense	–	–	248,911	–	–	248,911
Equity shareholders' funds at 31 December 2024	**11,213,618**	**36,158,068**	**221,613**	**361,461**	**41,892,748**	**89,847,508**

FINANCIAL STATEMENTS
Cashflow Statements
For the year ended 31 December 2024

	Notes	Group For the year ended 31 December 2024 US$	Group For the year ended 31 December 2023 US$	Company For the year ended 31 December 2024 US$	Company For the year ended 31 December 2023 US$
Cash outflows from operating activities					
Profit/(loss) for the period		27,819,718	6,575,612	2,856,766	(1,562,831)
Net financial income		(690,121)	(623,243)	(276,080)	(638,250)
Depreciation – plant, equipment and mining properties		4,273,324	6,239,556	–	–
Provision for inventory impairment		(230,000)	230,000	–	–
Taxation expense	6	4,457,298	1,592,261	–	–
Share-based payments		248,911	197,344	248,911	197,343
Gain on fixed asset sales and other items		274,557	(180,966)	–	–
Taxation paid		(1,967,258)	(1,400,365)	(62,354)	(90,586)
Interest paid		(547,397)	(426,366)	–	–
Foreign exchange (loss)/gain		34,072	(82,829)	84,475	(10,067)
Changes in working capital					
Increase in inventories		(2,730,297)	(2,830,651)	–	–
Increase in receivables, prepayments and accrued income		(2,507,371)	1,614,497	333,266	2,690,814
Increase in payables, accruals and provisions		2,444,483	1,188,337	237,689	56,305
Increase in short-term intercompany payables		–	–	7,640,761	3,111,857
Net cash inflow from operations		**30,879,919**	**12,093,187**	**11,063,434**	**3,754,585**
Investing activities					
Purchase of property, plant, equipment, and projects in construction	10	(7,902,368)	(2,378,317)	–	–
Mine development expenditure	10	(6,332,004)	(4,425,839)	–	–
Geological exploration expenditure	9	(2,717,201)	(571,411)	–	–
Pre-operational project costs	10	(2,001,086)	–	–	–
Proceeds from sale of assets		64,956	326,727	–	–
Investment in subsidiaries	12	—	—	(1,044,132)	(399,396)
Interest received and other finance income		499,138	313,106	382,944	189,164
Net cash outflow on investing activities		**(18,388,565)**	**(6,735,734)**	**(661,188)**	**(210,232)**
Financing activities					
Receipt of short-term loan	19	5,000,000	5,000,000	–	–
Repayment of short-term loan	19	(5,000,000)	(5,096,397)	–	–
Payment of lease liabilities		(885,344)	(1,171,602)	–	–
Net cash outflow from financing activities		**(885,344)**	**(1,267,999)**	**–**	**–**
Net increase) in cash and cash equivalents		11,606,010	4,089,454	10,402,246	3,544,353
Cash and cash equivalents at beginning of period		11,552,031	7,196,313	7,713,125	4,156,908
Exchange difference on cash		(974,992)	266,264	(13,146)	11,864
Cash and cash equivalents at end of period		**22,183,049**	**11,552,031**	**18,102,225**	**7,713,125**

1 Significant accounting policies

(a) Basis of preparation

Serabi Gold plc (the "Company") is a public limited company incorporated and domiciled in England, the shares of which are listed on AIM, part of the London Stock Exchange, and the Toronto Stock Exchange. The public registered office and principal place of business are disclosed in the shareholder information section of the Annual Report.

The principal activities of the Group are described in the Directors' Report on page 87.

The consolidated financial statements are presented in US Dollars and has been selected based on the currency of the primary economic environment in which the Group as a whole operates on the basis that the Group's primary product is generally traded by reference to its pricing in US Dollars. The functional currency of the Company is also considered to be the US Dollar. The consolidated financial statements are prepared on the historical cost basis or the fair value basis where the fair valuing of relevant assets and liabilities has been applied.

The parent and consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards (UK IAS) and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into the UK law and became UK-adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. The Group prepares its consolidated financial statements in accordance with UK IAS.

Accounting standards, amendments and interpretations effective in 2024

The Group has not adopted any standards or interpretations in advance of the required implementation dates.

The following Accounting standards came into effect as of 1 January 2024

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	1 January 2024
IFRS S2 Climate-related Disclosures	1 January 2024
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements	1 January 2024
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	1 January 2024

Amendments IAS 1 – Classification of Liabilities as Current or Non Current and Non Current Liabilities with Covenants
The IASB issued amendments to IAS 1 Presentation of Financial Statements ("IAS 1"). The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period. Classification is unaffected by the entity's expectation or events after the reporting date. Covenants of loan arrangements will affect the classification of a liability as current or non-current if the entity must comply with a covenant either before or at the reporting date, even if the covenant is only tested for compliance after the reporting date. There was no significant impact on the Company's consolidated interim financial statements as a result of the adoption of these amendments.

There is no material impact on the financial statements from the adoption of these new accounting standards or amendments to accounting standards,

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company's current or future reporting periods.

Going concern and availability of finance

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the Group Strategic Report. The financial position of the Group, its cash flows, and liquidity position are described in the Chief Financial Officer's Review and set out in the Group Financial Statements. Further details of the Group's commitments and maturity analysis of financial liabilities are set out in note 24 and 26 respectively of the Group Financial Statements. In addition, note 23 to the Group Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

The Directors have a reasonable expectation that, after taking into account reasonably possible changes in trading performance, and the current macroeconomic situation, the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Financial Statements. Further details are provided in Going Concern section of the Group Strategic Report on pages 24 and 25.

(b) Basis of consolidation

(i) Subsidiaries and acquisitions

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December each year. Control is recognised where an investor is expected, or has rights, to variable returns from its investment with the investee, and has the ability to affect these returns through its power over the investee. Based on the circumstances of the acquisition an assessment will be made as to whether the acquisition represents an acquisition of a business or the acquisition of assets. In the event of a business acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair value at the date of acquisition. Any excess of the cost of the acquisition over the fair values of the identifiable net assets acquired is recognised as a "fair value" adjustment. If the cost of the acquisition is less than the fair value of net assets of the subsidiary acquired, the difference is recognised directly in profit or loss. In the event of an asset acquisition, assets and liabilities are assigned a carrying amount based on relative fair value.

The results of subsidiaries acquired or disposed of during the year are included in the statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

In the Company's balance sheet, investments in subsidiaries includes the investment in Kenai Resources Limited ("Kenai") which was calculated at fair value, and the difference between the value of the shares issued and their fair value has been credited directly to a merger reserve.

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

(ii) Transactions eliminated on consolidation

Intra-group balances and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(c) Foreign currencies

The Group's presentational currency is US Dollars and has been selected based on the currency of the primary economic environment in which the Group as a whole operates on the basis that the Group's primary product is generally traded by reference to its pricing in US Dollars. The functional currency of the Company is also considered to be the US Dollar.

Transactions in currencies other than the functional currency of a company are recorded at a rate of exchange approximating to that prevailing at the date of the transaction. At each balance sheet date, monetary assets and liabilities that are denominated in currencies other than the functional currency are translated at the amounts prevailing at the balance sheet date and any gains or losses arising are recognised in the income statement.

On consolidation, the assets and liabilities of the Group's overseas operations for which the US Dollar is not the functional currency are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rate for the period. Exchange differences arising on the net investment in subsidiaries are recognised in other comprehensive income.

The US Dollar/Sterling exchange rate at 31 December 2024 was 1.2577 (2023: 1.2769). The Brazilian Real/US Dollar exchange rate at 31 December 2024 was 6.1917 (2023: 4.9947).

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation (note 1(d) (iii)) and impairment losses (note 1(h)).

Upon demonstration of the feasibility of commercial production, any past deferred exploration, evaluation and development costs related to that operation are reclassified as projects in construction. When commercial production commences these expenditures are then subsequently transferred at cost to mining properties. Mining properties are stated at cost less amortisation charges and any provision for impairment.

(ii) Subsequent costs

Costs relating to maintenance and upkeep of the Group's assets, once such assets have been commissioned and entered into commercial operations, will generally be expensed as incurred. In the event, however, that the costs demonstrably result in extending the original estimated life of such asset or enhances its value, then such expenditure is added to the carrying value of that asset and amortised over its remaining estimated useful life.

(iii) Depreciation

Amortisation of mining property is calculated over the estimated life of the mineable inventory on a unit of production basis. Mineable inventory will be based on management's judgement as to the recoverability of Measured, Indicated and Inferred Resources and these judgements may vary from time to time as the level of management's understanding and historical operational performance information increases. Future forecasted capital mine development expenditure is included in the unit of production amortisation calculation. On 1 January 2024, the Group adjusted its amortisation estimate to only include its Measured and Indicated Resources in its calculations of amortisation. Prior to this the Group included all of its Measured, Indicated and Inferred Resources in its calculations of amortisation.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Mining assets

Processing plant	3 – 7 years
Other plant and assay equipment	2 – 10 years
Heavy vehicles	8 years
Light vehicles	3 years
Buildings	10 – 20 years
Mining properties	unit of production

Other assets

Furniture and fittings	4 years
Office equipment	4 years
Communication installations	5 years
Computers	3 years

The Group reviews the economic lives at the end of each annual reporting period.

The residual value, if not insignificant, is reassessed annually. Gains and losses on disposal are determined by comparing proceeds with carrying values and are included in profit or loss.

(e) Deferred exploration costs

All costs incurred prior to obtaining the legal right to undertake exploration and evaluation activities on a project are written off as incurred. Subsequent to the legal rights being obtained, all costs related to the exploration of mineral properties are capitalised on a project-by-project basis and deferred until either the properties are demonstrated to be commercially viable (see note 1(d)(i)) or until the properties are sold, allowed to lapse or abandoned, at which time any capitalised costs are written off to the income statement. In addition to the direct costs involved in exploration activity, including sample collection, drilling costs, geophysical surveys and assay expenses, exploration costs are also considered to include technical and administrative overheads directly attributable to the exploration department including the cost of consultants, security, salaries, travel and accommodation but not general overheads of the Group. Deferred exploration costs are carried at cost, less any impairment losses recognised.

At such time as commercial feasibility is established and a development decision is reached, the costs associated with that property will be transferred to and re-categorised as projects in construction and upon commercial production being achieved, re-categorised as mining property.

Property, plant and equipment used in the Group's exploration activities are separately reported.

(f) Trade and other receivables

Trade receivables are not interest-bearing and are stated at amortised cost at the balance sheet date.

Other receivables are not interest-bearing and are stated at amortised cost at the balance sheet date.

Receivables in respect of sale of gold/copper concentrate are re-valued using the best estimate of the forecast metal prices for the expected date of settlement (see Revenue policy - note 1(o)).

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost which comprise mainly trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL on trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

(g) Cash and cash equivalents

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

(h) Impairment

At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered impairment. Prior to carrying out impairment reviews, the significant cash generating units are assessed to determine whether they should be reviewed under the requirements of IFRS 6 - Exploration for and Evaluation of Mineral Resources or IAS 36 - Impairment of Assets. Such determination is by reference to the stage of development of the project and the level of reliability and surety of information used in calculating value in use or fair value less costs to sell. Impairment reviews performed under IFRS 6 are carried out on a project by project basis, with each project representing a potential single cash generating unit. An impairment review is undertaken when indicators of impairment arise; typically when one of the following circumstances applies:

- (i) sufficient data exists that render the resource uneconomic and unlikely to be developed
- (ii) title to the asset is compromised
- (iii) budgeted or planned expenditure is not expected in the foreseeable future
- (iv) insufficient discovery of commercially viable resources leading to the discontinuation of activities

Impairment reviews performed under IAS 36 are carried out when there is an indication that the carrying value may be impaired. Such key indicators (though not exhaustive) to the industry include:

- (i) a significant deterioration in the spot price of gold
- (ii) a significant increase in production costs
- (iii) a significant revision to, and reduction in, the life of mine plan

If any indication of impairment exists, the recoverable amount of the asset is estimated, being the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-

tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.
If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. Such impairment losses are recognised in profit or loss for the year.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss for the year.

At each balance sheet date, the Company reviews the potential recoverability of investments in subsidiaries and intercompany debts by reviewing the underlying value of the assets of those subsidiaries and the future cash generation of those subsidiaries to determine whether there is any indication that those assets have suffered impairment or the debts may not be repaid. As with the Group each subsidiary is reviewed to determine whether they should be reviewed under the requirements of IFRS 6 - Exploration for and Evaluation of Mineral Resources or IAS 36 - Impairment of Assets and this determination and the indicators of impairment are consistent with those applied to the Group.

(i) Share capital and share premium

The Company's ordinary shares are classified as equity.

Called up share capital is recorded at par value of 10 pence per ordinary share.

Monies raised from the issue of shares in excess of par value are recorded as share premium. Costs associated with the raising of capital are netted off this amount.

(j) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost with any difference between the proceeds (net of transaction costs) and the redemption value recognised in profit or loss over the period of the borrowings using the effective interest rate method.

If there is an adjustment to the repayment terms of any borrowings which generates a variation of more than 10 per cent of the future cash flows, under IFRS 9 this constitutes a substantial modification to the original valuation of the loan. Accordingly, the original loan under the terms of IFRS 9 would be considered to be repaid and a new loan is considered to have been taken out. If the variation is less than 10 per cent of the future cash flows, this variation would be considered a non-substantial modification.
For a non-substantial modification, the difference between the revised measurement of the liability (calculated as the present value of the revised cash flows discounted at the original effective interest rate) and the carrying amount at the point of the modification should be recognised through profit or loss.

Interest on borrowings used specifically to fund the acquisition of non-current assets is capitalised as part of the acquisition cost of the asset, otherwise borrowing costs are expensed as incurred. Borrowing costs comprise interest and other costs that the Group incurs in connection with the borrowing of finance.

(k) Employee benefits

(i) Share-based payment transactions and share options

The Group issues share-based payments including share options and restricted share awards to certain employees, which are measured at fair value at date of grant. The fair value of share options is determined at the grant date and expensed on a graded vesting basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Dependent on the nature of the award and any performance conditions attaching thereto, the Group use either Monte Carlo simulation methods or the Black-Scholes method to calculate fair value. The expected life of the instrument used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions (if any are imposed as a condition of the award but including periods when management and Directors are prevented from trading) and behavioural considerations.

The fair value of restricted stock awards is determined at the grant date based on the value of the award and expensed on a graded vesting basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The entity measures the fair value of the services received by reference to the fair value of the equity instruments granted, because typically it is not possible to estimate reliably the fair value of the services received. The fair value is measured at the date of grant. Where the equity instruments granted do not vest immediately but after a specified number of years, the fair value is accounted for over the vesting period.

(ii) Pension costs

The Group does not operate any pension plan for its employees although it does make contributions to employee pension plans in accordance with its arrangements with those employees. The Company has no contractual commitment as to the ability of those funds to provide any minimum level of future benefit to the individual and is contracted only to make pre-defined levels of contribution. Company contributions to such schemes are charged against profit as they fall due.

(l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when:

(i) the Group has a present legal or constructive obligation as a result of past events;

(ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and

(iii) the amount can be reliably estimated.

- Restoration, rehabilitation and environmental costs

Provision for environmental remediation and decommissioning of the Group's mining and exploration facilities has been estimated using current prices which are inflated and then discounted for the time value of money. While the provision has been based on the best estimates of future costs and economic life, there is uncertainty regarding the amount and timing of these costs.

- Employment provision

Provision for employment claims is made where sums are claimed by employees or employees by third parties contracted by the Group, based on management's best estimate of the potential value of any settlement that could arise based on legal opinion.

(m) Trade and other payables

Trade and other payables that are not interest-bearing are stated at amortised cost. Any interest charges or late payment penalties are recognised only when agreed with the supplying party or it is considered probable that they will be levied.

(n) Inventories

Inventories are stated at the lower of cost and net realisable value. Materials that are no longer considered as likely to be used by the Group, or their value is unlikely to be readily realised through a sale to a third party, are provided for.

Materials held for consumption within operations are valued based on purchase price or, when manufactured internally, at cost. Costs are allocated on an average basis and include direct material, labour, related transportation costs and an appropriate allocation of overhead costs.

Gold bullion, copper/gold concentrate, run of mine ore and any other production inventories are valued at the lower of cost and net realisable value. Dependent on the current stage of any product inventory in the process cycle, cost will reflect, as appropriate, mining, processing, transport and labour costs, as well as an allocation of mine services overheads required to bring the product to its current state.

Net realisable value is the estimated selling price in the ordinary course of business, after deducting any costs to completion and any applicable marketing, selling, shipping and other distribution expenses.

(o) Revenue

Revenue represents amounts receivable in respect of sales of gold and by-products. Revenue represents only sales for which contracts have been agreed and for which the product has been delivered to the purchaser in the manner set out in the contract. Revenue is stated net of any applicable sales taxes. All revenue is derived from the sales of copper/gold concentrates produced by the Palito Mine and gold doré produced from the Palito and São Chico ore bodies and the Coringa mine.

Revenues are recognised in full using contractual pricing terms ruling at the date of sale with adjustments in respect of final contractual pricing terms being recognised in the month that such adjustment is agreed. Fair value adjustments for gold prices in respect of any sale for which final pricing has not been agreed at any balance sheet date is accounted for using the gold price at that balance sheet date. Any unsold production, and in particular concentrate, is held as inventory and valued at the lower of production cost and net realisable value until sold. Under the terms of the sales contracts, the Group's performance obligation is considered to be the delivery of gold doré and copper/gold concentrate in accordance with agreed criteria.

The Group recognises 100 per cent of the revenue on transfer of title where it is considered highly probable there will be no reversals, having consideration of quality tests performed upon delivery of shipment.

The performance obligation and associated revenue from customers is recorded when the title for a shipment is transferred to the customer in accordance with the contract terms. On transfer of title, control is considered to have passed to the customer with the Group having the right to payment, but no ongoing physical possession or involvement with the concentrate or gold doré, legal title and insurance risk having transferred.

All sales revenue from incidental production arising during the exploration, evaluation, development and commissioning of a mineral resource prior to commercial production are taken as a contribution towards previously incurred costs and offset against the related asset accordingly.

Interest income is recognised on a time-proportion basis using the effective interest rate method.

(p) Financing expenses

Financing expenses comprise interest payable on borrowings calculated using the effective interest rate method and interest receivable on funds invested. It also includes charges arising on the unwinding of discount factors relating to the provisions for future charges.

(q) Financing income

Financing Income includes a once off receipt for an over payment of the local PIS/CONFINS tax for the period from 2019-2024. PIS and COFINS are federal social contributions imposed monthly on gross revenue earned.

(r) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the year end and any adjustments in respect of prior years.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the asset can be utilised. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

(s) Segmental reporting

An operating segment is a component of the Group engaged in exploration or production activity that is regularly reviewed by the Chief Operating Decision Maker ("CODM") for the purposes of allocating resources and assessing financial performance. The CODM is considered to be the Board of Directors. The Group has only one primary business activity namely the conduct of gold mining and exploration in Brazil. For management purposes, however, the Group recognises two separate segments, Brazil and UK. Copper/gold concentrate is produced in Brazil and sales routed through the UK, whilst sales of gold bullion are conducted directly from Brazil. The operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

The Group does not report geographic segments by location of customer as its business is the production of gold which is traded as a commodity on a worldwide basis. Sales are ultimately made into the bullion market, where the location of the ultimate customer is unknown.

(t) Investments in subsidiaries

Investments in subsidiaries are recognised at cost, less any provision for impairment.

(u) Financial instruments

Financial assets and financial liabilities are recognised in the Group statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset, and the net amount reported in the consolidated statement of financial position and statement of comprehensive income when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

(i) Classification of financial assets
The Company is a trading entity, selling directly to its end customers and receiving payments directly from such customers and as such within its business model all financial assets are treated on a hold to collect basis.
Financial assets that meet the following conditions are measured subsequently at amortised cost using effective interest rate method:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Group's trade receivables are subject to subsequent recognition at fair value through profit or loss ("FVTPL"). The Group does not otherwise hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income ("FVTOCI") or FVTPL.

(ii) Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets that are measured at amortised cost which comprise mainly trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL on trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The Company recognises lifetime ECL on intercompany loans, based on management's assessment and understanding of the credit risk attaching to each loan, changes in the level of credit risk between periods and assessment of the scenarios under which management expects the loan to be repaid. Any credit loss will be calculated as the net present value of the difference between the contractual and expected cash flows and the ECL will represent the weighted average of those credit losses based on the respective risks of each scenario. Further details of the reviews undertaken during the year are set out in note 14.

(iii) Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

(i) Classification of financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics.
All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of financial liabilities measured at amortised cost and financial liabilities at fair value through profit or loss.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The Group's financial liabilities measured at amortised cost comprise loans and other borrowings, equipment loans, leases, and other payables and accruals. The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

(ii) Derecognition of financial liabilities

A financial liability (in whole or in part) is derecognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the statement of comprehensive income.

(iii) Derivatives

This category comprises out-of-money derivatives where the time value does not offset the negative intrinsic value. They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading.

(v) Leases

The Group accounts for a contract, or a portion of a contract, as a lease when it conveys the right to use an asset for a period of time in exchange for consideration. Leases are those contracts that satisfy the following criteria:

- There is an identified asset;
- The Group obtains substantially all the economic benefits from use of the asset; and
- The Group has the right to direct use of the asset.

The Group considers whether the supplier has substantive substitution rights. If the supplier does have those rights, the contract is not identified as giving rise to a lease. In determining whether the Group obtains substantially all the economic benefits from use of the asset, the Group considers only the economic benefits that arise from use of the asset. In determining whether the Group has the right to direct use of the asset, the Group considers whether it directs how and for what purpose the asset is used throughout the period of use. If the contract or portion of a contract does not satisfy these criteria, the Group applies other applicable IFRSs rather than IFRS 16.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated based on the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right of use assets are amortised on a straight-line basis over the remaining term of the lease.

The Group has elected not to recognise right of use assets and lease liabilities for leases of low-value assets (where the value of the lease obligation over the lease period is less than US$5,000) and short-term leases (where the period of the contractual lease obligations is 12 months or less). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(w) Taxes receivable

The Group expects at any point in time to be due rebates of taxes in each of the jurisdictions that it has operations. The recoverability of these tax debts varies according to the jurisdictions and whether these taxes are recoverable at a Municipality, State or Federal level. Where permitted, the Group will always seek to offset any tax debts owing against tax debts that it is owed. The Group makes regular assessments as to the potential for non-recoverability and will make provision accordingly. In making its judgement, management will consider the legal advice that it receives, the history of recoverability both of itself and also other entities, arrangements that may be available for partial recovery through approved schemes and the timescale during which recovery may occur. The Group will make provision for the estimate of any taxes that are considered as potentially not recoverable within a reasonable time period (up to five years) and will also discount the value of any final amount that management estimates may be recoverable, for the time value of money. Taxes receivables are classified as long-term or short-term receivables based on the expected time frame over which they are expected to be recovered.

(x) Earnings per share

Basic earnings per share is calculated by dividing profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year. Any shares held by nominees of the Company in respect of any employee share trust arrangements are eliminated from the weighted average number of shares. Diluted earnings per share is calculated by dividing the profit after tax attributable to members of the holding company by the weighted average number of shares in issue during the year, adjusted for potentially dilutive share options, warrants or other equity related instruments that can be converted into shares of the Company and to the extent that these share options, warrants and other instruments have vested and are exercisable at the end of the year. Where there is a loss, and therefore the effect of dilution would be to increase the loss per share such dilutive effect is ignored, and the basic measure is used.

(y) Hedging activities

In order to reduce its exposure to foreign exchange and commodity price, the Group may from time to time enter into forward, option or other contracts. These derivatives, if classified as cash flow hedges, will initially be recognised at fair value and then re-measured at fair value at the end of each reporting date. For hedging instruments that are not classified as a cash flow hedge these derivative financial instruments will be accounted for at fair value through the profit and loss (FVTPL). Hedging instruments will be documented at inception and effectiveness will be tested throughout their duration.

Changes in the value of cash flow hedges will be recognised in other comprehensive income and any ineffective portion is immediately recognised in the income statement. If the firm commitment or forecast transaction that is the subject of a cash flow hedge results in the recognition of a non-financial asset or liability, then at the time the asset is recognised, the associated gains or losses on the derivative that had been previously recognised in other comprehensive income are included in the initial measurement of the asset or liability. For hedges that do not result in the recognition of an asset or liability, amounts deferred in other comprehensive income are recognised in the statement of comprehensive income in the same period in which the hedged item affects net profit.

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that hedging relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the entity actually uses to hedge that quantity of hedged item.

At inception of the hedge relationship, the group will document the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The group will also document its risk management objective and strategy for undertaking its hedge transactions.

Hedge ineffectiveness may occur due to:

- Fluctuation in volume of hedged item caused due to operational changes
- Index basis risk of hedged item vs hedging instrument

- Credit risk as a result of deterioration of credit profile of the counterparties

The Group did not enter in any hedging arrangements during 2024. However, during the first of quarter of 2023, the Group entered into a hedging contract with HSBC Bank plc whereby it acquired sell options over monthly quantities of gold over the period March 2023 to February 2024 totalling 10,215 ounces of gold at a price of US$1,800. At the same time, it sold to the bank options in favour of the bank to buy the equivalent monthly quantities of gold at prices ranging between US$2,000 and US$2,065 per ounce. It also acquired options to sell monthly receipts of US Dollars ranging between US$2.3 million and US$1.15 million for Brazilian Real at an exchange rate of BRL5.10 to USD1.00. At the same time, it sold to the bank options in favour of the bank to buy from the Group the equivalent Brazilian Real receipts at exchange rates ranging from 5.325 to 5.800 over the same 12 month period. In this way the Group has secured a minimum equivalent gold price in Brazilian Real of BRL9,180 per ounce in respect of 10,215 ounces and sold options in favour of the bank of future prices ranging between BRL10,650 per ounce and BRL11,997 per ounce depending on the option expiry date. The hedging arrangements are unsecured and not subject to margin calls.

The gold and hedging contracts entered into by the Group were valued on a mark-to market basis at the end of each period and any increase or decrease in value reported through the income statement. Any settlement values receivable or payable during the period are recognised in the period and reported through the income statement.

(z) Critical accounting estimates and judgements

The preparation of financial statements requires management to make judgements and assumptions about the future for the purpose of accounting estimates. These are based on management's best knowledge of the relevant facts and circumstances. However, these judgements and estimates regarding the future are a source of uncertainty and actual results may differ from the amounts included in the financial statements and adjustment will consequently be necessary. Estimates are continually evaluated, based on experience and reasonable expectations of future events.

Accounting estimates are applied in assessing and determining the carrying values of significant assets and liabilities.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

Mineral resources – see statement of Mineral resources and reserves in the Strategic Report

Quantification of mineral resources requires a judgement on the reasonable prospects for eventual economic extraction. These judgements are based on assessments made in accordance with the procedures stipulated under Canadian National Instrument 43-101 and the estimation undertaken in accordance with the requirements of Canadian National Instrument 43-101. These factors are a source of uncertainty and changes could result in an increase or decrease in mineral resources and changes to the categorisation or mineral resources between Mineral Reserves, Measured and Indicated Mineral Resources and Inferred Mineral Resources. Only Mineral Reserves have been established to have economic viability and only at the time that such estimation is undertaken, and any change in the underlying factors under which the economic assessment was made may give rise to management making a judgement as to the continuing economic viability of such Mineral Reserves and how they should be used for the purpose of forecasts. This would, in turn, affect certain amounts in the financial statements such as depreciation, which is calculated on projected life of mine figures, and carrying values of mining property and plant which are tested for impairment by reference to future cash flows based on projected life of mine figures.

Mineral Resources have not been established to have economic viability and to the extent that management includes Mineral Resources to calculate projected life of mine figures or in calculations of amortisation or depreciation, management will make judgements based on historical reports, future economic factors and other empirical measures to make estimates as to the level of Mineral Resources that it incorporates into its assessments.

The Group includes all of its Measured and Indicated Resources and Inferred Resources in its calculations its life of mine plans for the purposes of assessing the long-term value of its mines and in calculating its estimates for rehabilitation expenditures. Since 1 January 2024, the Group only includes its Measured and Indicated Resources in its calculations of amortisation.

In assessing amortisation, the Group is required to determine the future capital mine development required to gain access to all identified mineral resources used as the basis for amortisation. Management assesses the vertical extent of the remaining mineral resources to be mined and estimate, based on current operating costs and operating parameters, the expected costs of ramp development required to reach the lowest elevations of the mineral resources. A summary of the Group's mineral resources is set out in the Strategic Report in the section Mineral Reserves and Resources.

Revenue

Revenues are recognised in full using contractual pricing terms ruling at the date of sale with adjustments in respect of final contractual pricing terms being recognised in the month that such adjustment is agreed. In estimating the revenue derived from the sale of copper/gold concentrate the Group will use assay information provided by the Group's in house laboratory, and assessments of weight and humidity also provided by on-site personnel in the determination of the total metal content of the product being sold and therefore its sales value. These estimates are subject to amendment when the product is received at the refinery and is weighed and assayed under the scrutiny of the refinery, the purchaser and a representative of the Group. The final metal content is determined only based on the results of these measurements and the data derived from the Group's on-site laboratory is not used in the final calculation of metal content. Taking into account production time frames, transport and shipping, the final determination of metal content may occur up to six months after the date of production. Adjustments to revenue to reflect the final agreed metal content are generally made at the time that the metal content is agreed.

Inventory valuation (note 13)

Valuations of gold in stockpiles and in circuit require estimations of the amount of gold contained in, and recovery rates from, the various stages of work in progress. These estimations are based on analysis of samples and prior experience. A judgement is also required about when stockpiles will be used and what gold price should be applied in calculating net realisable value; these are both sources of uncertainty.

The amounts recognised in the consolidated financial statements are derived from the Group's best estimation and judgement.

Based on operational history management has high confidence in the estimations of gold contained in inventory and the expected recovery rates for the gold contained within each stage of work-progress. Once material enters the process plant it is transformed into a saleable product which will be sold within approximately six to eight weeks of that date. The prevailing price of gold and copper is the most critical variable in the assessment of valuation. At the end of 2023 the Group carried an impairment provision of US$230,000 against the carrying value of its low grade stockpile of Coringa ore. Theis provision was reversed during 2024 as a result of the improved grade in the stockpile of Coringa ore.

Impairment of mining property and other property, plant and equipment (note 10)

An initial judgement is made as to whether the mining assets are impaired based on the matters identified for mining assets in the impairment policy at 1 h) relating to IAS 36 impairment.

In considering the impairment of its mining assets in accordance with IAS 36, management will use gold prices and exchange rates applicable at the balance sheet date. The mine life will be based on the judgement of management of that portion of Measured, Indicated, and Inferred Resources that can be recovered on the basis that, given the nature of the Group's orebodies, the mineral reserves (that portion of the mineral resource that has been proven by independent study to have economic viability) comprises a small part of the total mineral resource of the Group's orebodies and does not reflect management's view of the true life of the orebody. Production costs, estimated capital costs and plant performance are based on current operating performance and costs. The value in use calculation will also be determined by the judgements made by management regarding any future changes in legislation or economic circumstances that might impact the operations.

Management has noted that over the last financial year and up to the date of the signing of the financial statements:

- The gold price has since March 2020 being trading at levels which represent an extended period of pricing at five year highs for gold.
- The Brazilian Real has since the end of 2019 generally been at a level of BrR$4.90 to US$1:00 or weaker representing an extended period of trading when the currency has been at its weakest for over 10 years. The Company incurs between 82 per cent and 85 per cent of its expenditure in Brazilian Real.

- The Group has continued to identify and replenish its total Mineral Resources

As a result of these considerations, management has determined that it is not aware of any indicator of impairment.

In the event that there is an indication of impairment, mining assets are assessed for impairment through an estimation of the value in use of the cash generating units ("CGUs"). The value in use calculation requires the entity to estimate the future cash flows expected to arise from a CGU and a suitable discount rate in order to calculate present value. A CGU is a group of assets that generates cash inflows from continuing use. Given their interdependences and physical proximity, the Palito and São Chico Mines are considered to be one single CGU. Management considers that there was no indicator of impairment identified in the year.

As described in note 1(d) (iii), the Group reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Further details regarding the annual review that has been undertaken is set out in Note 10.

Recoverability of debts including recoverable taxes (notes 14 and 15)

In making its judgements over the recoverability of any amounts owed to the Group management will assess the creditworthiness of the debtor, the legal enforceability of the Group's rights and the practicalities and costs of obtaining and enforcing judgements relative to the debt outstanding. Based on these assessments it will estimate the likely recoverability of sums that are due to the Group, the likely time period over when such debts might be received and any provision that needs to be established against the future recoverability. Recoverable taxes comprise any Federal or State levied input taxes incurred by the Group including taxes levied on the purchase of goods and services that are designated in law as being recoverable either in cash, kind or by way of set-off against other tax liabilities at either a Federal or State level. IFRS 9 requires the Parent Company to make assumptions when implementing the forward-looking expected credit loss model.

In making its judgement regarding recoverable taxes, management will consider the legal advice that it receives, the history of recoverability both of itself and also other entities, arrangements that may be available for partial recovery through approved schemes and the timescale during which recovery may occur. The Group will make provision for the estimate of any taxes that are considered as potentially not recoverable within a reasonable time period (up to five years) and will also discount the value of any final amount that management estimates may be recoverable, for the time value of money.

Recoverability of investments in subsidiaries and inter-company debts (note 12)

In making its judgements over the recoverability of any amounts invested into subsidiary companies by way of share capital or loans advanced to subsidiaries, management estimates the expected future cash flows that might be generated by the underlying projects owned and operated by these subsidiaries and the potential value of exploration and development projects owned and managed by these subsidiaries. As each of the subsidiaries is 100 per cent owned (directly or indirectly) by the Company the creditworthiness of the subsidiary is the same as the creditworthiness of the Company subject only to any restrictions that may be imposed on the repatriation of capital and loans by the host government of the subsidiary. Further details are set out in note (s) above.

Restoration, rehabilitation and environmental provisions (note 18)

Management uses its judgement and experience to provide for and amortise the estimated mine closure and site rehabilitation over the life of the mine. Provisions are discounted at a risk-free rate and cost base inflated at an appropriate rate. The ultimate closure and site rehabilitation costs are uncertain and cost estimates can vary in response to many factors including changes to relevant legal requirements or the emergence of new restoration techniques. The expected timing and extent of expenditure can also change, for example in response to changes in ore reserves or processing levels. As a result, there could be significant adjustments to the provisions established which could affect future financial results.

The following are the critical judgements that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Recoverability of deferred exploration expenditure (note 9)

The recoverability of exploration expenditure capitalised within intangible assets is assessed based on a judgement about the potential of the project to become commercially viable and if there are any facts or circumstances that would suggest the costs should be impaired. In making this judgement management will consider the items noted in the impairment policy in respect of exploration assets as noted in accounting policy 1 h). Should an indicator of impairment be identified the value in use is estimated on a similar basis as the mining asset as detailed above. Management determined that there were no indicators of impairment in the year. Management consider that the issues disclosed with regard to the issue of the Installation Licence for Coringa, are matters that are and will be resolved and in particular are not expected to create any material delay to the development of the project. Management has reached its conclusion based on advice from the Group's Brazilian lawyers but has also received positive indications from other parties with whom it has discussed the matter.

Utilisation of historic tax losses and recognition of deferred tax assets (note 6)

The recognition of deferred tax assets is based upon whether sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. Recognition of deferred tax assets therefore involves judgement regarding the future financial performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

Recoverability of ICMS tax debts (note 15)

ICMS tax is a State-imposed sales tax which is recoverable from the State of Pará. The Group has not to date received any cash refunds and as an exporter generates no output ICMS on its sales. It is reliant on its ability to offset ICMS tax payable against existing debt to minimise the accumulation of an increased level of tax recoverable from the State of Pará. It has identified certain arrangements that may allow the Group to recover over next five years some of the debt that is owed to the Group and has provided in full against the remainder. Management considers that based on legal advice received the Group has a good chance of being able to benefit from these schemes. In the event that it is unable to utilise these schemes or that the rate of recovery is slower than anticipated the amount of ICMS that may be recovered in the future will be reduced and may be nil. The Group does not take account of any future benefit from recovery of ICMS tax in its cash flow projections. The Group has made provision for recoverable ICMS that is not anticipated to be recovered within the next five years.

2 Segmental analysis

The following information is given about the Group's reportable segments, further details of which are set out in note 1(r).

The Chief Operating Decision Maker is the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance of the business. Management has determined the operating segments based on the reports reviewed by the Board.

An analysis of the results for the year by management segment is as follows:

	2024			2023		
	Brazil US$	UK US$	Total US$	Brazil US$	UK US$	Total US$
Revenue	**64,001,960**	**30,534,432**	**94,536,392**	**32,604,026**	**31,103,442**	**63,707,468**
Intra-group sales	22,702,436	(22,702,436)	**–**	26,582,279	(26,582,279)	**–**
Operating expenses	(46,530,077)	(4,409,930)	**(50,940,007)**	(39,361,191)	(3,823,548)	**(43,184,739)**
Stock impairment provision	230,000	–	**230,000**	(230,000)	–	**(230,000)**
Depreciation and amortisation	(4,104,050)	(169,274)	**(4,273,324)**	(6,069,205)	(170,351)	**(6,239,556)**
Gross profit/(loss)	**36,300,269**	**3,252,792**	**39,553,061**	**13,525,909**	**527,264**	**14,053,173**
Administration expenses	(3,206,559)	(4,236,139)	**(7,442,698)**	(3,250,393)	(3,241,772)	**(6,492,165)**
Share-based payments	–	(248,911)	**(248,911)**	–	(197,344)	**(197,344)**
Proceeds from sale of assets	(274,557)	–	**(274,557)**	180,966	–	**180,966**
Operating profit/(loss)	**32,819,153**	**(1,232,258)**	31,586,895	**10,456,482**	**(2,911,852)**	**7,544,630**
Net other income	31,532	–	**31,532**	340,860	–	**340,860**
Foreign exchange (loss)/gain	(1,490,853)	(24,517)	**(1,515,370)**	193,065	(18,960)	**174,105**
Finance expense	(612,045)	(62,354)	**(674,399)**	(648,659)	(90,586)	**(739,245)**
Finance income	2,458,583	389,775	**2,848,358**	123,942	723,581	**847,523**
Profit /(loss) before taxation	**33,206,370**	**(929,354)**	**32,277,016**	**10,465,690**	**(2,297,817)**	**8,167,873**
Income tax expense	(4,457,298)	–	**(4,457,298)**	(1,592,261)	–	**(1,592,261)**
Profit/ (loss) for the period	**28,749,072**	**(929,354)**	**27,819,718**	**8,873,429**	**(2,297,817)**	**6,575,612**

Transactions between segments are accounted for in accordance with the Group's accounting policy for a transaction of that nature. In particular inter-group sales which comprise sales of copper/gold concentrate are recognised at the same time as the Group makes the sale to the end purchaser, with the sale value made in accordance with the contractual terms between the separate entities of the Group. Inter-group sales are transacted at prices intended to conform with accepted norms of international transfer pricing practice.

An analysis of non-current assets by location is as follows:

	Total non-current assets	
	31 December 2024 US$	31 December 2023 US$
Brazil – operations	57,880,743	58,657,233
Brazil – exploration	18,839,836	20,499,257
Brazil – taxes receivable	6,246,352	4,653,063
Brazil – deferred tax	1,878,081	1,791,983
Brazil – total	**84,845,012**	**85,601,536**
UK	–	–
Total	**84,845,012**	**85,601,536**

An analysis of total assets by location is as follows:

	Total assets	
	31 December 2024 US$	31 December 2023 US$
Brazil	104,264,754	104,898,070
UK	20,632,868	10,347,616
Total	**124,897,622**	**115,245,686**

During the year, the following amounts incurred by project location were capitalised as pre-operating or deferred exploration costs (see note 9):

	Group	
	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Brazil	**2,717,201**	**571,411**

During the year, the following amounts were capitalised as land and buildings, mine assets, property, plant, equipment and projects in construction (see note 10):

	Group	
	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Brazil	**16,235,458**	**6,804,156**

Revenue

All of the Group’s revenue arises from its activities in Brazil.

An analysis of the revenue by reference to the domicile of the entity within the Group that concludes the sale is as follows:

	31 December 2024 US$	31 December 2023 US$
Brazil	64,001,960	32,604,026
UK	30,534,432	31,103,442
Total	**94,536,392**	**63,707,468**

An analysis of major customers (accounting for more than 10 per cent of the Group's revenues) is as follows:

	31 December 2024		31 December 2023	
	US$	%	US$	%
Customer 1 – sale concluded from UK	30,534,432	32.3%	31,103,442	48.8%
Customer 2 – sale concluded from Brazil	64,001,960	67.7%	22,170,738	34.8%
Other – sale concluded from Brazil	–	–	10,433,288	16.4%
Total	**94,536,392**	**100.0%**	**63,707,468**	**100.0%**

3 Operating profit

a. Group operating profit for the year is stated after charging the following:

	Group	
	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Staff costs	28,068,080	18,714,746
Depreciation (property, plant and equipment)	2,265,216	1,948,121
Amortisation of the mine asset	2,008,108	4,291,435

b. Auditor's remuneration

	Group	
	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	182,039	178,010
Fees payable to the Group's auditor and its associates for other services:		
- audit of the Group's subsidiaries pursuant to legislation	–	–
- tax compliance services	–	–
- audit-related assurance services	–	–

4 Other income and expense

Under the copper exploration alliance with Vale announced on 10 May 2023, the related exploration activities undertaken by the Group under the management of a working committee (comprising representatives from Vale and Serabi), were funded in their entirety by Vale during Phase 1 of the programme. Following the completion of Phase 1, Vale advised the Group, in April 2024, that it did not wish to continue the exploration alliance.

Exploration and development of copper deposits is not the core activity of the Group and further funding beyond the Phase 1 commitment would be required before a judgment could be made as to a project being commercially viable. There is a significant cost involved in developing new copper deposits and it is unlikely that, without the financial support of a partner, the Group would independently seek to develop a copper project in preference to any of its existing gold projects and discoveries. As a result, both the funding received from Vale and the related exploration expenditures was recognised through the income statement. As this is not a principal business activity of the Group these receipts and expenditures were classified as other income and other expenses.

5 Finance expense and income

	Group	
	12 months ended 31 December 2024 US$	12 months ended 31 December 2023 US$
Interest on short term unsecured bank loan	(424,639)	(453,675)
Interest in finance leases	(60,404)	(103,568)
Interest on short term trade loan	(62,354)	(90,586)
Variation on discount on rehabilitation provision	(127,002)	(91,416)
Total finance expense	**(674,399)**	**(739,245)**
PIS/COFINS recovered	2,342,388	—
Gain on revaluation of derivatives	—	431,348
Realised gain on hedging activities	6,832	103,069
Interest income	499,138	313,106
Total finance income	**2,848,358**	**847,523**
Net finance income	**2,173,959**	**108,278**

6 Taxation

	Group For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Current tax		
UK tax	–	–
Foreign tax – Tax on current year profits	4,999,173	2,199,658
Foreign tax – Adjustment to prior year's tax charges	–	–
Total current tax	**4,999,173**	**2,199,658**
Deferred tax		
Increase of deferred tax asset arising from temporary timing differences	(541,875)	(104,652)
Decrease of deferred tax liability arising from temporary timing differences	–	(502,745)
Total deferred tax	**(541,875)**	**(607,397)**
Income tax charge	**4,457,298**	**1,592,261**

The tax provision for the current period varies from the standard rate of corporation tax in the UK of 25.00% (2023: 25.00%). The differences are explained as follows:

	Group For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Profit/(loss) on ordinary activities before tax	**32,277,016**	**8,167,873**
Tax thereon at UK corporate tax rate of 25.00% (2023: 25.00%)	8,069,254	2,041,969
Factors affecting the tax charge:		
expenses not deductible for tax purposes	67,758	423,008
temporary differences (not recognised)	(769,335)	(64,933)
lower rate tax overseas – regional tax incentives	(1,950,079)	(917,056)
higher rate tax overseas	610,978	372,537
unrecognised tax losses carried forward and similar adjustments	(303,884)	(158,612)
reduction in prior period overseas taxes due	(627,392)	–
increase of deferred tax asset arising from temporary timing differences	(541,875)	–
other movements	(98,127)	(104,652)
Tax charge	4,457,298	1,592,261

Unrecognised gross deferred tax position - 2024	Trading losses US$	Temporary differences US$	Total US$
Tax losses brought forward	76,734,366	–	76,734,366
Movement in tax losses in the period	(6,539,029)	–	(6,539,029)
Total unrecognised gross deferred tax position at end of period	70,195,337	–	70,195,337

Unrecognised gross deferred tax position - 2023	Trading losses US$	Temporary differences US$	Total US$
Tax losses brought forward	72,372,386	–	72,372,386
Tax losses not recognised in the period	4,361,980	–	4,361,980
Total unrecognised gross deferred tax position at end of period	76,734,366	–	76,734,366

Unrecognised deferred tax asset	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Tax losses [(1)]	17,548,834	19,183,592
Temporary differences	–	–
Total unrecognised deferred tax asset	17,548,834	19,183,592
Recognised deferred tax asset		
Tax losses brought forward	1,791,983	1,545,684
Tax losses and untaxed expenses recognised in the period	541,875	104,652
Exchange	(455,777)	141,647
Net recognised deferred tax asset	1,878,081	1,791,983
Recognised deferred tax liability		
Untaxed income brought forward	–	480,922
Untaxed income recognised in the period	–	(502,745)
Exchange	–	21,823
Net recognised deferred tax liability	–	–

(1) the unrecognised deferred tax asset in respect of UK tax losses has been calculated by reference to the enacted rate of UK corporation tax of 25%.

The deferred tax asset has been recognised in the financial statements only to the extent that the Group has reasonable certainty as to the level and timing of future profits that might be generated and against which this asset may be recovered.

7 Employee information

The average number of persons, including Executive Directors, employed by the Group during the year was:

	Group		Company	
	For the year ended 31 December 2024 Number	For the year ended 31 December 2023 Number	For the year ended 31 December 2024 Number	For the year ended 31 December 2023 Number
Management and corporate administration	24	24	6	4
Exploration	9	12	–	–
Mine operations and maintenance	715	521	8	8
Mine management and administration	30	30	–	1
Plant and processing	81	68	–	–
Total	**859**	**655**	**14**	**13**

	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Staff costs				
Wages and salaries	20,706,857	14,407,282	4,981,054	4,173,534
Cost of incentive scheme shares	248,911	197,344	248,911	197,344
Social security costs	5,021,741	3,413,039	152,698	147,859
Termination costs	302,326	577,215	–	–
Pension contributions	90,571	119,866	90,571	119,866
Total	**26,370,406**	**18,714,746**	**5,473,234**	**4,638,603**

No company within the Group operates a pension plan for the Directors or the employees. For those Executive Directors and UK based employees who have an entitlement to pension provision, the premiums are paid directly to the personal pension plans selected by or agreed with the individuals. The Company's obligation is limited to making fixed payments to these individual plans.

Serabi Mineração SA, Chapleau Exploração Mineral Ltda and Gold Aura do Brasil Mineração Ltda all contribute via social security payments to the state pension scheme which operates in Brazil and to which all their respective employees are entitled.

Directors' remuneration

The compensation of the Directors is:

	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Salary and other benefits	1,311,296	916,343
Post-employment benefits	88,535	89,204
Total	**1,399,831**	**1,005,547**

The remuneration paid to the highest paid Director plus the charge in respect of share incentive awards during the year was US$675,390 (2023: US$568,986). This includes cash contributions made by the Company to their money purchase pension scheme of US$10,220 (2023: US$9,989).

During the year ended 31 December 2024, two of the Directors (2023: two) were contractually entitled to accrue retirement benefits under money purchase schemes.

During the years ended 31 December 2024 and 31 December 2023, none of the serving Directors exercised any share options nor did any shares vest pursuant to the Restricted Stock Plan operated by the Company. Details of share incentives held by the Directors at 31 December 2024 and other equity related interests are set out in the Remuneration Report on pages 71 to 84.

8 Earnings per share

	For the year ended 31 December 2024	For the year ended 31 December 2023
Profit/(loss) attributable to ordinary shareholders (US$)	27,819,718	6,575,612
Weighted average ordinary shares in issue	75,734,551	75,734,551
Basic profit per share (US cents)	36.73	8.68
Diluted ordinary shares in issue (1)	75,734,551	75,734,551
Diluted profit per share (US cents)	36.73	8.68

(1) At 31 December 2024 there were 2,814,632 conditional share awards in issue (31 December 2023 - 2,075,400). These are subject to performance conditions which may or not be fulfilled in full or in part. These CSAs have not been included in the calculation of the diluted earnings per share.

9 Intangible assets

Deferred exploration costs

	Group	
	31 December 2024 US$	31 December 2023 US$
Cost		
Opening balance	20,499,257	18,621,180
Exploration and evaluation expenditure	2,717,201	571,411
Foreign exchange movements	(4,376,622)	1,306,666
Total as at end of period	**18,839,836**	**20,499,257**

The value of these assets is dependent on the development of mineral deposits.

Past exploration and evaluation expenditures for a project are transferred to mining property and projects in construction at the commencement of the mine and process plant construction activities for that project.

10 Tangible assets

Property, plant and equipment – Group

2024	Land and buildings – at cost US$	Mining property – at cost US$	Projects in construction – at cost US$	Plant and equipment – at cost US$	Total US$
Cost					
Balance at 31 December 2023	**5,742,373**	**77,170,200**	**7,140,181**	**18,196,683**	**108,249,437**
Additions	626,030	8,333,090	4,829,206	2,447,132	**16,235,458**
Reallocations from projects in construction	1,656,770	5,648,893	(10,688,479)	3,382,816	–
Changes in estimates in provision for rehabilitation	–	(118,729)	–	–	**(118,729)**
Disposals	–	–	(9,380)	(1,389,166)	**(1,398,546)**
Foreign exchange movements	(4,610,521)	(12,438,258)	(227,855)	(5,120,269)	**(22,396,903)**
At 31 December 2024	**3,414,652**	**78,595,196**	**1,043,673**	**17,517,196**	**100,570,717**
Depreciation					
Balance at 31 December 2023	**(1,714,994)**	**(39,755,827)**	–	**(13,437,713)**	**(54,908,534)**
Charge for period	(480,654)	(2,850,190)	–	(998,241)	**(4,329,085)**
Released on asset disposals	–	–	–	1,123,989	**1,123,989**
Foreign exchange movements	599,312	7,621,531	–	2,915,793	**11,136,636**
At 31 December 2024	**(1,596,336)**	**(34,984,486)**	–	**(10,396,172)**	**(46,976,994)**
Net book value at 31 December 2024	**1,818,316**	**43,610,710**	**1,043,673**	**7,121,024**	**53,593,723**

No costs of borrowing have been capitalised during the period (2023: nil).

2023	Land and buildings – at cost US$	Mining property – at cost US$	Projects in construction – at cost US$	Plant and equipment – at cost US$	Total US$
Cost					
Balance at 31 December 2022	**2,589,667**	**66,114,988**	**11,106,563**	**18,099,900**	**97,911,118**
Additions	236,907	4,425,839	841,845	1,299,565	**6,804,156**
Reallocations from projects in construction	2,616,100	1,014,644	(4,902,222)	1,271,478	–
Changes in estimates in provision for rehabilitation	–	1,222,800	–	–	**1,222,800**
Disposals	–	–	(60,598)	(4,511,613)	**(4,572,211)**
Foreign exchange movements	299,699	4,391,929	154,593	2,037,353	**6,883,574**
At 31 December 2023	**5,742,373**	**77,170,200**	**7,140,181**	**18,196,683**	**108,249,437**
Depreciation					
Balance at 31 December 2022	**(1,287,242)**	**(34,406,476)**	–	**(13,734,881)**	**(49,428,599)**
Charge for period	(270,396)	(3,016,791)	–	(1,512,472)	**(4,799,659)**
Released on asset disposals	–	–	–	2,798,953	**2,798,953**
Foreign exchange movements	(157,356)	(2,332,560)	–	(989,313)	**(3,479,229)**
At 31 December 2023	**(1,714,994)**	**(39,755,827)**	–	**(13,437,713)**	**(54,908,534)**
Net book value at 31 December 2023	**4,027,379**	**37,414,373**	**7,140,181**	**4,758,970**	**53,340,903**

In determining the recoverability of the carrying value of these assets, the Group prepares estimates of future cash flows based on management's best estimates of future production rates, costs and capital expenditure. Production estimates are based on utilisation of current estimates of mineral resources at each ore deposit operated by the Group.

Management used a base price of US$2,500 per ounce for the duration of its cash flow projection and a fixed exchange rate of BrR$5:60 to US$1:00. The projection was for the period to 31 December 2033.

Management considered a range of discount rates and was satisfied that even at a 23% discount rate which is above the current WACC of the Group, there was no indicator of impairments.

Management has assumed *inter-alia* that:

- current production rates from the Palito ore body will be maintained.
- ore production from Coringa will increase as the Serra orebody continues to be produce ore, and the Meio orebody continues to be developed.

11 Right of use assets

	Plant and equipment	
	31 December 2024 US$	31 December 2023 US$
Cost		
Opening balance	7,759,843	7,199,992
Additions	376,648	–
Foreign exchange movements	(1,741,844)	559,851
Total as at end of period	**6,394,647**	**7,759,843**
Depreciation		
Opening balance	(2,443,513)	(1,825,950)
Charge for period	(226,561)	(460,919)
Foreign exchange movements	562,447	(156,644)
Total as at end of period	**(2,107,627)**	**(2,443,513)**
Net book value at end of period	**4,287,020**	**5,316,330**

The Group only leases underground mining equipment. As at 31 December 2024, the future minimum lease payments due in respect of outstanding lease contracts for mining equipment are US$361,671 (2023: US$844,624). The net present value of these lease contracts is US$308,106 (2023: US$726,831).

	31 December 2024 US$	31 December 2023 US$
Current lease liabilities		
Plant and equipment	251,719	694,400
	251,719	694,400
Non-current lease liabilities		
Plant and equipment	109,952	150,224
	109,952	150,224
Total lease liabilities	**361,671**	**844,624**

12 Investments in subsidiaries

The Group consists of the following subsidiary undertakings:

Name	Incorporated	Registered office address	Activity	% holding
Serabi Mineração SA	Brazil	Rodovia Transgarimpeira, km 22, Bairro Jardim do Ouro – Itaituba/PA CEP 68181-000 Brazil	Gold mining and exploration	100%(1)
Kenai Resources Ltd	British Columbia, Canada	Royal Centre, P.O Box 11125, Suite 1750-1055 W Georgia Street, Vancouver, Canada	Investment	100%
Gold Aura do Brasil Mineração Ltda	Brazil	Rodovia Transgarimpeira, KM 54 Comunidade São Chico – Itaituba/PA CEP 68181-000 Brazil	Gold mining and exploration	99.9%(1)
Serabi Mining Ltd	British Virgin Islands	Craigmuir Chambers, Road Town, Tortola, British Virgin Islands	Investment	100%
Chapleau Resources Ltd	British Colombia, Canada	Royal Centre, P.O Box 11125, Suite 1750-1055 W Georgia Street, Vancouver, Canada	Investment	100%
Chapleau Resources (USA) Inc	Alaska, USA	1029 West 3rd Avenue Suite 400 Anchorage, Alaska USA	Gold exploration	100%(1)
Chapleau Exploração Mineral Ltda	Brazil	Avenida Jornalista Ricardo Marinho no 360, loja 113 Barra da Tijuca Rio de Janeiro RJ Brazil CEP 22.361-350	Gold mining and exploration	100%(1)
Serabi Gold Nominee Limited	England	66 Lincoln's Inn Fields London WC2A 3LH England	Dormant	100%

(1) indirectly held.

	Company	
	31 December 2024	31 December 2023
	US$	US$
Cost at start of period	113,135,280	112,735,884
Investment in subsidiary during period	1,044,132	399,396
Cost at end of period	114,179,412	113,135,280
Impairment provision	(9,784,922)	(9,784,922)
Net book value at end of period	104,394,490	103,350,358

The value of these investments is dependent on the development of the Group's mineral deposits in Brazil. The Company established an initial impairment provision against the carrying value of its investments in subsidiary entities in 2008. Subsequent to that date the Company has made further acquisitions and invested new capital into certain of its subsidiaries. At the end of 2024 the Company has made an assessment as to whether any indicators exist that could give rise to a potential impairment of or restriction on the future recoverability of the value of the investments that it holds in subsidiary entities and in particular the investments made since 2008. The Board has determined that based on its assessment, it is not aware of any indicators of further impairment.

In determining the recoverability of the carrying value of these assets, management has considered the cash flow projections described in Note 10 above and the value attributed to exploration assets that are not currently considered in the Group's current life of mine operating plans. Following this analysis management considers that there has been no indicator of impairments.

13 Inventories

	Group	
	31 December 2024	31 December 2023
	US$	US$
Consumables	3,881,486	4,112,470
Stockpile of mined ore	2,464,724	1,230,046
Other material in process	3,554,571	3,835,693
Finished goods awaiting sale	3,214,867	3,619,742
Inventories	**13,115,648**	**12,797,951**

14 Trade and other receivables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	US$	US$	US$	US$
Current				
Trade receivables	2,182,170	2,478,386	2,182,170	2,478,386
Other receivables	351,280	379,686	10,673	13,162
Trade and other receivables	2,533,450	2,858,072	2,192,843	2,491,548
Non-current				
Taxes receivable	8,099,363	6,300,583	–	–
Amounts owed by subsidiaries	–	–	18,180,258	18,180,258
Gross receivable	8,099,363	6,300,583	18,180,258	18,180,258
Impairment provision	(1,853,011)	(1,647,520)	(8,391,722)	(8,391,722)
Net value of non-current other receivables	**6,246,352**	**4,653,063**	**9,788,536**	**9,788,536**

The trade receivables owed to the Group at the balance sheet date are recoverable from parties with which the Group has had long standing relationships and at the balance sheet date none of the amounts owed to the Group were overdue. The Group has not made any provision for any expected credit losses in respect of these trade receivables.

The Group, in common with all businesses in Brazil, is subject to a number of State and Federal taxes on goods that it purchases. As an exporter of goods, it is exempt from any sales taxes on its products. As a result, it is due tax rebates by both Federal and State tax bodies. In general, the Company is able to utilise its tax debts by way of offset against other taxes that it owes. The Group has however determined, based on the actions of the State tax authorities and the expected future operational expenditures over the next 12 months, that certain State taxes that it is able to recover and is owed at 31 December 2024, are not expected to be recovered through such an offset arrangement during the next 12 months and has therefore categorised the balance owed in respect of these State taxes as being due in more than 12 months. The Group has received legal advice confirming that these taxes owed to the Group by the State of Pará are fully recoverable.

At 31 December 2024, Serabi Gold plc has two loans outstanding to subsidiaries that are not fully impaired.

These loans are owed by Chapleau Exploração Mineral Ltda. (“CEML”) and Kenai Resources (“Kenai”). Both advances were made on an interest free loan basis and at the time of the initial and each subsequent advance the Company has determined that there was no significant credit risk attaching to each of the loan advances being made.

In determining the credit risk attached to the CEML loan, management has considered different scenarios through which the loan will be recovered.

a) Scenario 1 – the loan is repaid within the next five years from the successful start up of the Coringa project.
b) Scenario 2 – the loan is repaid in less than 12 months from the sale of equipment and machinery.

The loan to Kenai is for a total amount of US$9,015. The credit risk is considered to be immaterial.

15 Prepayments and prepaid taxes

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Recoverable State and Federal taxes	1,123,071	438,861	–	–
Supplier down payments	349,195	424,685	–	–
Other prepayments and employee advances	748,197	1,456,710	191,656	226,216
Prepayments	**2,220,463**	**2,320,256**	**191,656**	**226,216**

16 Cash and cash equivalents

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Cash and cash equivalents	**22,183,049**	**11,552,031**	**18,102,225**	**7,713,125**

Funds are primarily held with HSBC Bank plc in the UK, and Bradesco Bank, ITAU SA, and Santander Bank all in Brazil. All of the banking institutions have an A or better credit rating.

17 Trade and other payables

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Current				
Trade payables	3,948,977	3,587,065	607,671	364,120
Other payables	1,107,906	1,260,628	–	–
Employee benefits	920,406	778,746	51,011	45,300
Other taxes and social security	3,718,271	2,999,853	–	–
Amounts due to subsidiaries	–	–	43,949,752	33,118,175
Due in less than one year	**9,695,560**	**8,626,292**	**44,608,434**	**33,527,595**
Non-current				
(Between one and five years)				
Long term tax payable	1,730,003	3,367,626	–	–
Other taxes and social security	1,079,240	593,294	–	–
Due in more than one year	**2,809,243**	**3,960,920**	**–**	**–**

18 Non-current provisions

Environmental rehabilitation provision

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Opening balance	2,663,892	1,190,175	–	–
Provided for in year				
as a result of additions on initial recognition	–	–	–	–
as a result of changes in estimates	(118,729)	1,222,800	–	–
as a result of variations in discount	(127,002)	(91,416)	–	–
as a result of exchange variations	(578,245)	342,333	–	–
Total provided for in year	(823,976)	1,473,717	–	–
Total non-current provisions	**1,839,916**	**2,663,892**	**–**	**–**

The environmental rehabilitation provision has been established to cover any asset decommissioning and rehabilitation obligations for the Palito, São Chico and Coringa Mines. Such obligations include the dismantling of infrastructure, removal of residual materials and remediation of disturbed areas. The provision does not allow for any additional obligations expected from future developments. The timing and scope of the rehabilitation is uncertain and is dependent on mine life and quantities extracted from the mine.

Cost estimates are formally reviewed at regular intervals and the provisions are adjusted accordingly.

In calculating the rehabilitation provision, management consider the anticipated date of closure based on the latest available estimations of mineral resources. In addition, the future costs involved in dismantling, earthmoving, on-going monitoring, site clearance and revegetation are based on quotations or management's best estimates, based on historic costs or estimates.

Costs have been inflated using the current cost inflation rate in Brazil of 4.6 per cent (2023: 3.9 per cent) and discounted to provide a fair value using a discount rate of 11.29 per cent (2023: 12.25 per cent) being the Brazilian Government Bond Rate at the time of calculation.

19 Interest-bearing liabilities

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Current				
Short term loan	5,590,085	5,708,684	–	–
Obligations under right of use leases (note 11)	251,719	694,400	–	–
Due in less than one year	5,841,804	6,403,084	–	–
Non-current				
(Between one and five years)				
Obligations under right of use leases (note 11)	109,952	150,224	–	–
Due in more than one year	**109,952**	**150,224**	**–**	**–**

Each right of use lease is secured against the underlying assets that are the subject of that lease.

Short term loan

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Short term loan				
Balance of short term loan at the start of the period	5,708,684	5,001,608	–	–
Repayment of short-term loan	(5,000,000)	(5,096,397)	–	–
Drawdown of short term loan	5,000,000	5,000,000	–	–
Interest repaid	(358,384)	(334,523)	–	–
Accrued interest	392,755	453,675	–	–
Impact of exchange rate	(152,970)	684,321	–	–
Value of short term loan at the end of the period	**5,590,085**	**5,708,684**	**–**	**–**

Reconciliation of net cash flow to movement in net funds

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Change in cash resulting from cash flows	11,606,010	4,089,454	10,402,246	3,544,353
Translation movements on cash	(974,992)	266,264	(13,146)	11,864
Movement in cash in the period	10,631,018	4,355,718	10,389,100	3,556,217
Opening net funds	4,998,723	247,894	7,713,125	4,156,908
Movement in interest bearing loans and borrowings				
Drawdown of loan	(5,000,000)	(5,000,000)	–	–
Loan repayment	5,000,000	5,001,608	–	–
Loan and interest repayments	(590,085)	(708,684)	–	–
Movement in lease liabilities				
Non cash movement	306,293	(69,415)	–	–
Cash movement	885,344	1,171,602	–	–
Closing Net Funds	**16,231,293**	**4,998,723**	**18,102,225**	**7,713,125**

	Group		Company	
	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Analysis of net funds:				
Cash and cash equivalents	22,183,049	11,552,031	18,102,225	7,713,125
Interest-bearing liabilities - current	(5,841,804)	(6,403,084)	–	–
Interest-bearing liabilities – non-current	(109,952)	(150,224)	–	–
Closing net funds	**16,231,293**	**4,998,723**	**18,102,225**	**7,713,125**

20 Derivatives

	Group		Company	
Foreign exchange hedging contracts	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Fair value at start of period	158,475	–	158,475	–
Movement in fair value during period	(158,475)	158,475	(158,475)	158,475
Fair value at end of period	–	158,475	–	158,475

Foreign exchange hedging contracts	31 December 2024 US$	31 December 2023 US$	31 December 2024 US$	31 December 2023 US$
Fair value at start of period	(42,635)	–	(42,635)	–
Movement in fair value during period	42,635	(42,635)	42,635	(42,635)
Fair value at end of period	–	(42,635)	–	(42,635)
Total fair value of financial asset at end of period	–	**115,840**	–	**115,840**

The Group has determined that the gold and foreign exchange hedges entered into by the Group do not meet the eligibility criteria to be accounted for under the provisions of IFRS 9 – Hedge Accounting. These contracts are therefore fair valued on a mark-to-market basis at the end of each period and any increase or decrease in value reported through the income statement. Any settlement values receivable or payable during the period are recognised in the period and reported through the income statement.

Fair value was determined using a Black-Scholes model and by reference to quoted mid-market prices at each balance sheet date for the ordinary shares. The fair value of the derivative has been measured using level 1 and level 2 inputs.

The conversion rights embedded in the warrant notes represented a derivative as the Group's functional currency is United States Dollars but the conversion price was denominated in Pounds Sterling. Therefore, the amount to be released in US Dollars on conversion was variable dependent upon the exchange rate between the US Dollar and GB Pound.

21 Analysis of changes in liabilities arising from financial activities

	Current obligations under right of use assets	Non-current obligations under right of use assets	Total
At 1 January 2024	**694,400**	**150,224**	**844,624**
Cash flows	(658,391)	–	(658,391)
Non-cash flows			
Transfers	7,494	(7,494)	–
New lease arrangements	270,628	–	270,628
Exchange rate movements	(62,412)	(32,778)	(95,190)
At 31 December 2024	**251,719**	**109,952**	**361,671**

	Current obligations under right of use assets	Non-current obligations under right of use assets	Total
At 1 January 2023	1,109,518	837,293	1,946,811
Cash flows	(1,171,602)	–	(1,171,602)
Non-cash flows			
- Transfers	716,923	(716,923)	–
- Exchange rate movements	39,561	29,854	69,415
At 31 December 2023	**694,400**	**150,224**	**844,624**

22 Share capital

Each of the ordinary shares carries equal rights and entitles the holder to voting and dividend rights and rights to participate in the profits of the Company and in the event of a return of capital equal rights to participate in any sum being returned to the holders of the ordinary shares. There is no restriction, imposed by the Company, on the ability of the holder of any ordinary share to transfer the ownership or any of the benefits of ownership to any other party.

	2024		2023	
	Number	US$	Number	US$
Allotted, called up and fully paid				
Ordinary shares in issue at start of period	75,734,551	11,213,618	75,734,551	11,213,618
Shares issued in period	–	–	–	–
Ordinary shares in issue at end of period	**75,734,551**	**11,213,618**	75,734,551	11,213,618

Conditional Share Awards

On 16 June 2020, shareholders approved the adoption of the Serabi 2020 Restricted Share Plan (the "2020 Plan") which was subsequently adopted by the Board on 10 November 2020. Details of the 2020 Plan were set out in the Notice of Annual General Meeting dated 15 May 2020, which is available from the Company's website. The 2020 Plan as a Long-term Incentive Plan ("LTIP") replaced the Serabi 2011 Share Option Plan.

Details of the number of the conditional shares awards outstanding under the 2020 Plan are as follows:

	31 December 2024 Number	31 December 2023 Number
Awards in issue at start of period	2,075,400	864,500
Issued in period		
2024 awards	1,199,032	–
2023 awards	–	986,000
2022 awards	–	629,600
Expired in period	(459,800)	(404,700)
Awards in issue at end of period	**2,814,632**	**2,075,400**

During the Company announced that the performance conditions in respect of the 2021 awards had not been achieved and therefore 459,800 conditional share awards issued in respect of 2021 lapsed.

During 2024, the Company also announced the issuance of a further 1,119,032 Conditional Share Awards to employees (including directors) of the Company.
During the first quarter of 2025, the Company announced the issuance of a further 543,017 Conditional Share Awards to employees (including directors) of the Company.

The awards are subject to a three-year performance period during which time certain performance criteria stipulated by the Board must be attained. Vesting only occurs at the end of the performance period. The performance criteria and minimum thresholds to be achieved can be summarised as follows:

- 40% of the award is subject to Total Shareholder Return, (where TSR must be 1.2 times or more the BMO Junior Gold Index)
- 30% of the award is subject to Return on Capital Employed (where ROCE premium over Weighted Average Cost of Capital must be 1.2 times or more), and
- 30% of the award is subject to Return on Sales (where ROS must exceed average annual budget by 10 per cent or more)

The number of Conditional Shares awarded for the 2024 calendar year was calculated by reference to the 30 day VWAP average of the Company's shares on 30 January 2024. The underlying shares to be issued pursuant to each of the Conditional Share Awards will only be issued at the time of vesting and only in such amount (if any) as is required based on the achievement of the performance criteria.

The awards are granted as part of the Company's normal annual compensation review.

During the year a charge of US$248,911 (2023: US$187,074) has been recorded in the financial statements in respect of these conditional share awards.

23 Capital management

The Group considers that its capital is comprised of funds available for long term investment plans including project development and exploration activities which may be generated from both internal activities and external sources. The Group has historically sourced equity capital through share issues on the London Stock Exchange and the Toronto Stock Exchange and the Board has managed the capital structure of the Group and aligned this with the risk profiles of its underlying assets.

The Group's objectives, when managing its capital are to maintain financial flexibility to achieve its development plans, safeguard its ability to continue to operate as a going concern through management of its costs whilst optimising its access to capital markets by endeavouring to deliver increases in value of the Group for the benefit of shareholders. In establishing its capital requirements, the Group will take account of the risks inherent in its plans and proposed activities and prevailing market conditions.

The Group plans to undertake the projected continuing operational and development needs for its Palito and Coringa mining operations and its brownfield and regional exploration programmes, using cash flow generated from its current operations. If required, the Group would expect to borrow additional funds to supplement any additional working capital requirements. The Group's borrowings currently comprise a 12 month, US$5 million bank loan maturing in January 2026, and lease finance obligation of a further US$0.36 million. The Group currently has an undrawn facility with a major UK bank and indications of additional lines of credit with three Brazilian banks. It is therefore confident of being able to refinance or repay existing debts as they fall due and meet the costs for the development of Coringa. Should additional funding be required the Group would explore a variety of sources which could include a combination of longer term bank debt, royalty, streaming of gold and copper revenues, convertible loans and new equity capital.

The Company's shares are listed on both AIM and the TSX and quoted on the OTCQX. which management considers increases the potential of the Group to raise finance through further issues of shares in the future.

24 Commitments and contingencies

Capital commitments

The Group holds certain exploration prospects which require the Group to make certain payments under rental or purchase arrangements allowing the Group to retain the right to access and undertake exploration on these properties. Failure to meet these obligations could result in forfeiture of any affected prospects.

Management estimates that the cost over the next 12 months of fulfilling the current contracted commitments on these exploration properties in which the Group has an interest is US$0.02 million (2023: US$0.02 million).

Capital Purchases

At 31 December 2024 the Group not made any commitments for capital purchases.

Lease commitments

The Group has elected not to recognise right of use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Contingencies

Employment legislation in Brazil allows former employees to bring claims against an employer at any time for a period of two years from the date of cessation of employment and regardless of whether the employee left the company voluntarily or had their contract terminated by the company. The Group considers that it operates in compliance with the law at all times but is aware that claims are made against all companies in Brazil on a regular basis. Whilst not accepting legal liability, the Group makes provision or accrues for all known claims. Further claims may arise at any time.

25 Related party transactions

Transactions with intergroup entities

During the period the Company made no loans to subsidiaries (2023: US$2,500). There were no loans converted into new shares issued by subsidiaries during 2024 (2023: US$Nil). The balance of these loans at 31 December 2024 was US$9.79 million (2023: US$9.79 million).

The Company has loans receivable from subsidiaries totalling US$18,180,258 (2023: US$18,180,258) before any provision for the impairment of these loans (see note 14).

The Company has purchased, during the year from its subsidiary SMSA, 1,600 tonnes of copper/gold concentrate for a consideration of US$19,916,364 (2023: 1,560 tonnes; US$26,602,457). At the end of the period the Company owed US$40,758,935 to its subsidiary SMSA (2023: US$33,118,175).

During the year the Group has received legal advice from FFA Legal, a Brazilian based law firm totalling US$428,583 (2023: US$484,350) for which US$61,000 was outstanding at the period end. Luis Mauricio, a non-executive Director of the Group, is the founding Partner of FFA Legal

Key management remuneration

Key management comprises the Executive Directors and the Non-executive Directors only. Their compensation is:

	For the year ended 31 December 2024 US$	For the year ended 31 December 2023 US$
Short-term employee benefits	1,311,296	916,343
Post-employment benefits	88,535	89,204
Share-based payments	160,068	145,430
Total	**1,559,899**	**1,150,977**

Further details regarding the remuneration of the Executive Directors and the Non-executive Directors is set out in the Remuneration Report and in note 7.

26 Financial risk management

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risk nor its objectives, policies and processes for managing those risks or the method used to measure them from the previous period unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group up during the year to 31 December 2024 from which financial instrument risk arose or may arise in the future are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Convertible loan notes
- Loans and borrowings
- Leases and asset loans
- Derivative

The principal financial instruments by category are as follows:

Group financial assets

	Fair value through profit or loss		Amortised cost	
	2024 US$	2023 US$	2024 US$	2023 US$
Cash and cash equivalents	–	–	22,183,049	11,552,031
Trade and other receivables	2,533,450	2,858,072	–	–
Total financial assets	2,533,450	2,858,072	22,183,049	11,552,031

Group financial liabilities

	Fair value through profit or loss		Amortised cost	
	2024 US$	2023 US$	2024 US$	2023 US$
Trade and other payables	–	–	12,504,803	12,587,212
Other loans and borrowings	–	–	5,951,756	6,553,308
Total financial liabilities	**–**	**–**	**18,456,559**	**19,140,520**

Company financial assets

	Fair value through profit or loss		Amortised cost	
	2024 US$	2023 US$	2024 US$	2023 US$
Cash and cash equivalents	–	–	18,102,225	7,713,125
Trade and other receivables	2,192,843	2,491,548	–	–
Total financial assets	**2,192,843**	**2,491,548**	**18,102,225**	**7,713,125**

Company financial liabilities

	Fair value through profit or loss		Amortised cost	
	2024 US$	2023 US$	2024 US$	2023 US$
Trade and other payables	–	–	44,608,434	33,527,595
Total financial liabilities	–	–	44,608,434	33,527,595

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The Board receives regular information from the Group's management through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group’s competitiveness and flexibility.

The Group is exposed to commodity price volatility, interest rate risks, credit risks, liquidity risks and currency risks arising from the financial instruments it holds.

The main financial risks arising from the Group's activities remain unchanged from the previous financial year, namely, commodity prices, currency, liquidity, credit and interest rates. The Board reviews and agrees policies for managing each of these risks and these are summarised below:

Commodity price risk

By the nature of its activities the Group and the Company are exposed to fluctuations in commodity prices and, in particular, the price of gold and copper as these could affect its ability to raise further finance in the future, its future revenue levels and the viability of its projects. During February 2023, the Group entered into commodity price hedging arrangements for approximately 10,000 ounces of gold production over a 12 month period to help protect cash flow. These hedge positions expired during 2024. The Group has, however, not established a formal policy regarding hedging of its commodity or currency exposures.. The Group closely monitors the prices of these commodities and the Board does regularly review the Group's strategy towards hedging and the nature and cost of the hedging products available to the Company.

Trade receivables are subject to future variation in commodity prices and accordingly the results for the period and the equity position of the Group may be affected by any change in commodity prices subsequent to the end of the period. Any subsequent adjustment is recognised at FVTPL.

Whilst not representing a financial instrument all inventory as at 31 December 2024 which is unsold, is subject to future variation in commodity prices and accordingly the results for the period and the equity position of the Group may be affected by any change in commodity prices subsequent to the end of the period.

Interest rate risk

The Group and the Company has fixed rate finance leases for the acquisition of some equipment and utilises fixed rate short-term trade finance (approximately 30 days) in respect of sales of copper/gold concentrate production.

On 7 January 2024, the Group completed a US$5.0 million unsecured loan arrangement with Brazilian bank Itau which carried a fixed interest coupon of 8.47 per cent. The loan was repaid as a bullet payment on 6 January 2025. On 22 January 2025, the Group completed a further US$5.0 million unsecured loan arrangement with a different Brazilian bank (Santander) which carries a fixed interest coupon of 6.16 per cent. This loan is repayable on 16 January 2026.

As a result, neither the Group nor the Company had any material exposure to market rate movements.

Group

				Fixed interest maturity		
2024	Weighted average effective interest rate %	Non-interest-bearing US$	Floating US$	One year or less US$	Over one to five years US$	Total US$
Financial assets						
Cash	–	–	22,183,049	–	–	22,183,049
Receivables	–	2,533,450	–	–	–	2,533,450
Total	**–**	**2,533,450**	**22,183,049**	**–**	**–**	**24,716,499**
Financial liabilities						
Payables	–	12,924,296	–	–	–	12,924,296
Interest-bearing liabilities	8.37%	–	–	5,841,804	109,952	5,951,756
Total	**–**	**12,924,296**	**–**	**5,841,804**	**109,952**	18,876,052

2023	Weighted average effective interest rate %	Non-interest-bearing US$	Floating US$	Fixed interest maturity: One year or less US$	Fixed interest maturity: Over one to five years US$	Total US$
Financial assets						
Cash	–	–	11,552,031	–	–	11,552,031
Receivables	–	2,858,072	–	–	–	2,858,072
Total	**–**	**2,858,072**	**11,552,031**	**–**	**–**	**14,410,103**
Financial liabilities						
Payables	–	13,236,437	–	–	–	13,236,437
Interest-bearing liabilities	7.81%	–	–	6,403,084	150,224	6,553,308
Total	**–**	**13,236,437**	**–**	**6,403,084**	**150,224**	**19,789,745**

Company

2024	Weighted average effective interest rate %	Non-interest-bearing US$	Floating US$	Fixed interest maturity: One year or less US$	Fixed interest maturity: Over one to five years US$	Total US$
Financial assets						
Cash	–	–	18,102,225	–	–	18,102,225
Receivables	–	12,173,035	–	–	–	12,173,035
Total	**–**	**12,173,035**	**18,102,225**	**–**	**–**	**30,275,260**
Financial liabilities						
Payables	–	41,631,425	–	–	–	41,631,425
Total	**–**	**41,631,425**	**–**	**–**	**–**	**41,631,425**

2023	Weighted average effective interest rate %	Non-interest-bearing US$	Floating US$	Fixed interest maturity: One year or less US$	Fixed interest maturity: Over one to five years US$	Total US$
Financial assets						
Cash	–	–	7,713,125	–	–	7,713,125
Receivables	–	12,506,300	–	–	–	12,506,300
Total	**–**	**12,506,300**	**7,713,125**	**–**	**–**	**20,219,425**
Financial liabilities						
Payables	–	33,752,976	–	–	–	33,752,976
Total	**–**	**33,752,976**	**–**	**–**	**–**	**33,752,976**

Liquidity risk

Historically the Group has relied primarily on funding raised from the issue of new shares to shareholders but has also received short-term loans from its shareholders and other recognised lenders and during 2020 issued convertible loan notes to one of its shareholders. It also uses floating rate short-term trade finance and fixed rate finance leases to finance its activities.

On 7 January 2024, the Group completed a US$5.0 million unsecured loan arrangement with Brazilian bank Itau which carried a fixed interest coupon of 8.47 per cent. The loan was repaid as a bullet payment on 06 of January 2025. On 22 January 2025, the Group completed a further US$5.0 million unsecured loan arrangement with a different Brazilian bank (Santander) which carries a fixed interest coupon of 6.16 per cent. This loan is repayable on 16 January 2026.

In addition to the above, the Group had obligations under fixed rate right of use asset leases amounting to US$0.36 million (2023: US$0.84 million) (see note 19).

The following table sets out the maturity profile of the financial liabilities as at 31 December 2024:

	Group		Company	
	2024	2023	2024	2023
	US$	US$	US$	US$
Due in less than one month				
Trade payables and accruals	1,213,806	1,089,407	5,378,669	3,397,836
Interest-bearing liabilities	20,977	57,867	–	–
Total due in less than one month	**1,234,783**	**1,147,274**	**5,378,669**	**3,397,836**
Due in less than three months				
Trade payables and accruals	3,439,118	3,117,037	15,239,562	9,120,065
Interest-bearing liabilities	5,632,038	5,824,417	–	–
Total due in less than three months	**9,071,156**	**8,941,454**	**15,239,562**	**9,120,065**
Due between three months and one year				
Trade payables and accruals	5,462,129	5,069,073	24,204,011	21,235,075
Interest-bearing liabilities	188,789	520,800	–	–
Total due between three months and one year	**5,650,918**	**5,589,873**	**24,204,011**	**21,235,075**
Total due within one year	**15,956,857**	**15,678,601**	**44,822,242**	**33,752,976**
Due more than one year				
Trade payables and accruals	2,809,243	3,960,920	–	–
Interest-bearing liabilities	109,952	150,224	–	–
Total due more than one year	**2,919,195**	**4,111,144**	**–**	**–**
Total	**18,876,052**	**19,789,745**	**44,822,242**	**33,752,976**

Currency risk

Although the Company is incorporated in the United Kingdom, its financial statements and those of the Group are presented in US Dollars which is also considered to be the functional currency of the Company as funding of activities of its subsidiaries is generally made in US Dollars, all sales for the Group are denominated in US Dollars and future remittances of dividends, loans or repayment of capital from the subsidiaries are expected to be received in US Dollars.

Share issues have historically been priced solely in Sterling but an issue of special warrants undertaken in December 2010 and an issue of new ordinary shares and warrants on 30 March 2011, were priced in Canadian Dollars. The Company expects that future issues of ordinary shares may be priced in Sterling or Canadian Dollars. Expenditure is primarily in Brazilian Real and also in US Dollars, Sterling, Euros and Australian Dollars.

The functional currency of the Company's operations is US Dollars, which is also the reporting currency for the Group. The Group's cash holdings at the balance sheet date were held in the following currencies:

	Group	
	31 December 2024 US$	31 December 2023 US$
US Dollar	17,971,304	7,619,990
Canadian Dollar	50,471	24,108
Sterling	186,930	27,765
Australian Dollar	21,454	15,146
Euro	154,400	55,777
Brazilian Real	3,798,490	3,809,245
Total	**22,183,049**	**11,552,031**

The Group is exposed to foreign currency risk on monetary assets and liabilities, including cash held in currencies other than the functional currency of operations.

The Group seeks to manage its exposure to this risk by ensuring that the majority of expenditure and cash holdings of individual subsidiaries within the Group are denominated in the same currency as the functional currency of that subsidiary. Income is generated in US Dollars. However, this exposure to currency risk is managed where the income is generated by subsidiary entities whose functional currency is not US Dollars, by either being settled within the Group or by ensuring settlement in the same month that the sale is transacted where settlement is with a third party. The following table shows a currency analysis of net monetary assets and liabilities by functional currency of the underlying companies:

	Functional currency			
Currency of net monetary asset/(liability)	Brazilian Real 31 December 2024 US$	Canadian $ 31 December 2024 US$	United States $ 31 December 2024 US$	TOTAL 31 December 2024 US$
US Dollar	–	7,021	12,956,352	12,963,373
Canadian Dollar	–	4,973	24,108	29,081
Sterling	–	–	(852,628)	(852,628)
Australian Dollar	–	–	15,146	15,146
Euro	(361,671)	–	55,777	(305,894)
Brazilian Real	(7,651,162)	–	–	(7,651,162)
Total	**(8,012,833)**	**11,994**	**12,198,755**	**4,197,916**

The above indicates that the Group's and the Company's primary exposure is to exchange rate movements between UK Pounds Sterling and the US Dollar and the Euro and the Brazilian Real.

The table below shows the impact of changes in exchange rates on the results and financial position of the Group and the Company.

	Against US Dollar US$
10% weakening of Brazilian Real	(223,936)
10% strengthening of Brazilian Real	223,936

	Against Sterling US$
10% weakening of US Dollar	(85,263)
10% strengthening of US Dollar	85,263

	Against Euro US$
10% weakening of Brazilian Real	(36,167)
10% strengthening of Brazilian Real	36,167

The Group's main subsidiaries operate in Brazil with their expenditure being principally in Brazilian Real and their financial statements are maintained in that currency. The Group's policy for dealing with exchange differences is outlined in the statement of Significant Accounting Policies under the heading "Foreign currencies".

The Group does not presently utilise swaps or forward contracts to manage its currency exposures, although such facilities are considered and may be used where appropriate in the future.

The Group seeks to minimise its exposure to currency risk by closely monitoring exchange rates and holding surplus funds in currencies considered most appropriate to their expected future utilisation.

Credit risk

The Group's exposure to credit risk is limited to its cash and cash equivalents and trade and other receivables amounting to US$33,183,314 (2023: US$21,499,262). It is the Group's policy to only deposit surplus cash with financial institutions that hold acceptable credit ratings.

The Group currently sells all of its gold bullion to a single customer. The Group seeks to receive full settlement by bank transfer on delivery of its product to the purchaser to minimise its exposure to any credit risk on that customer.

During 2024, the Group sold all of its shipments of its copper/gold concentrate production to a single customer, a publicly quoted metals refining group. Settlement terms were in accordance with industry norms. The customer has a strong reputation within the industry and has a good credit risk history. As at the balance sheet date there were no amounts owed to the Group that were overdue (2023: amount overdue: US$Nil).

The Company's exposure to credit risk amounted to US$30,275,260 (2023: US$20,219,425). Of this amount US$9,788,536 (2023: US$9,788,536) is due from subsidiary companies, US$18,102,225 represents cash holdings (2023: US$7,713,125) and a significant portion of the remainder is represented by trade debtors for the sale of copper/gold concentrate.

Since the inception of its operations the Group has incurred no credit losses nor at any time has the Group been required to consider any impairment of any financial asset. The Group makes its selection of its preferred customers and other credit risk counterparties having given appropriate consideration to their creditworthiness and reputation. On this basis it considers that the credit risk associated with its cash and cash equivalents and in respect of its trade and other receivables to be low. At no time has any customer or credit counterparty been in default of contractual payment terms or sought to vary such terms. The Group would consider a customer to be in default of their obligations in the event that they failed to make payment on the due date without prior notification and agreement or having sought a variation of payment terms failed to make settlement by the revised date. The Group would consider any other credit risk counterparty to be in default of their obligations in the event that they failed to make payment promptly in accordance with contractual arrangements.

In the event that the Group considered that an event had occurred which might indicate that there was no reasonable expectation of recovery, the Group would recognise an impairment at that time. At this time and given publicly available knowledge of its counterparties and their affairs the Group does not consider that it will incur any credit losses in the next 12-month period nor does it consider that any of its credit risk as at 31 December 2024 has been impaired subsequent to the end of the year.

The Company is exposed to credit risk through amounts due from its subsidiary undertakings. Refer to note 1(t) and note 14 for details on the credit loss allowance made.

27 Ultimate controlling party

At 31 December 2024 and Greenstone Resources II LP owned 19,083,395 ordinary shares representing 25.2 per cent of the voting shares. At 31 December 2024 Fratelli Investments Ltd owned 19,318,785 ordinary shares representing 25.5 per cent of the voting shares. Both shareholders are completely independent and neither is therefore considered to be a controlling party.

On 12 April 2025 Greenstone Resources II LP entered into a binding agreement to dispose of approximately 15.15 million shares representing 19.99% of the issued shared capital of the Company. On 22 April 2025 Greenstone Resources II LP, pursuant to a placing, sold their remaining shares in the Company representing approximately 5.2% of the issued share capital of the Company. Both of these sales transactions are expected to complete in the first week of May 2025

On 22 April 2025 Fratelli Investments Limited, pursuant to a placing, sold 11,752,903 ordinary shares representing 15.5% of the issued share capital. As a result of this sale Fratelli retain a holding of 7,565,882 ordinary shares representing 9.99% of the issued share capital of the Company.

28 Post balance sheet events

On 7 January 2024, the Group completed a US$5.0 million unsecured loan arrangement with Brazilian bank Itau which carried a fixed interest coupon of 8.47 per cent. The loan was repaid as a bullet payment on 6 January 2025. On 22 January 2025, the Group completed a further US$5.0 million unsecured loan arrangement with a different Brazilian bank (Santander) which carries a fixed interest coupon of 6.16 per cent. This loan is repayable on 16 January 2026.

Except as set out above, there has been no item, transaction or event of a material or unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the continuing operation of the entity, the results of these operations, or the state of affairs of the entity in future financial periods.

Glossary

"actinolite"	amphibole silicate mineral commonly found in metamorphic rocks, including those surrounding cooled intrusive igneous rocks.
"Ag"	means silver.
"alkalic porphyry"	A class of copper-porphyry mineral deposits characterised by disseminated mineralisation within and immediately adjacent to silica-saturated to silica-undersaturated alkalic intrusive centres and being copper/gold/molybdenum-rich.
"albite"	is a plagioclase feldspar mineral.
"aplite"	An intrusive igneous rock in which the mineral composition is the same as granite, but in which the grains are much finer.
"argillic alteration"	is hydrothermal alteration of wall rock which introduces clay minerals including kaolinite, smectite and illite.
"AISC"	means All-In Sustaining Cost – a non IFRS performance measurement established by the World Gold Council.
"ANM"	means the Agencia Nacional de Mineral.
"Au"	means gold.
"assay"	in economic geology, means to analyse the proportions of metal in a rock or overburden sample; to test an ore or mineral for composition, purity, weight or other properties of commercial interest.
"biotite"	A phyllosilicate mineral composed of a silicate of iron, magnesium, potassium, and aluminum found in crystalline rocks and as an alteration mineral.
"breccia"	a rock composed of large angular broken fragments of minerals or rocks cemented together by a fine-grained matrix.
"brecciation"	Describes the process where large angular broken fragments of minerals or rocks become cemented together by a fine-grained matrix.
"CIM"	means the Canadian Institute of Mining, Metallurgy and Petroleum.
"CIP" or "Carbon in Pulp"	means a process used in gold extraction by addition of cyanide.
"chalcopyrite"	is a sulphide of copper and iron.
"copper porphyry"	copper ore body formed from hydrothermal fluids. These fluids will be predated by or associated with are vertical dykes of porphry intrusive rocks.
"Cu"	means copper.
"cut-off grade"	the lowest grade of mineralised material that qualifies as ore in a given deposit; rock of the lowest assay included in an ore estimate.
"dacite porphyry intrusive"	a silica-rich igneous rock with larger phenocrysts (crystals) within a fine-grained matrix.
"deposit"	is a mineralised body which has been physically delineated by sufficient drilling, trenching, and/or underground work, and found to contain a sufficient average grade of metal or metals to warrant further exploration and/or development expenditures; such a deposit does not qualify as a commercially mineable orebody or as containing ore reserves, until final legal, technical, and economic factors have been resolved.
"electromagnetics"	is a geophysical technique tool measuring the magnetic field generated by subjecting the sub-surface to electrical currents.
"epidote"	is a calcium aluminium iron sorosilicate mineral.
"garimpo"	is a local artisanal mining operation.
"garimpeiro"	is a local artisanal miner.
"geochemical"	refers to geological information using measurements derived from chemical analysis.
"geophysical"	refers to geological information using measurements derived from the use of magnetic and electrical readings.
"geophysical techniques"	include the exploration of an area by exploiting differences in physical properties of different rock types. Geophysical methods include seismic, magnetic, gravity, induced polarisation and other techniques; geophysical surveys can be undertaken from the ground or from the air.
"gold equivalent"	refers to quantities of materials other than gold stated in units of gold by reference to relative product values at prevailing market prices.
"gossan"	is an iron-bearing weathered product that overlies a sulphide deposit.
"grade"	is the concentration of mineral within the host rock typically quoted as grams per tonne (g/t), parts per million (ppm) or parts per billion (ppb).
"g/t"	means grams per tonne.

"granodiorite"	is an igneous intrusive rock like granite.
"hectare" or a "ha"	is a unit of measurement equal to 10,000 square metres.
"hematite"	is a common iron oxide compound.
"igneous"	is a rock that has solidified from molten material or magma.
"indicated mineral resource"	is that part of a mineral resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough for geological and grade continuity to be reasonably assumed.
"inferred mineral resource"	is that part of a mineral resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.
"IP"	refers to induced polarisation, a geophysical technique whereby an electric current is induced into the sub-surface and the conductivity of the sub-surface is recorded.
"intrusive"	is a body of rock that invades older rocks.
"lithocap"	Lithocaps are subsurface, broadly stratabound alteration domains that are laterally and vertically extensive. They form when acidic magmatic-hydrothermal fluids react with wallrocks during ascent towards the paleosurface.
"measured mineral resource"	is that part of a mineral resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.
"mineralisation"	the concentration of metals and their chemical compounds within a body of rock.
"mineralised"	refers to rock which contains minerals e.g. iron, copper, gold.
"mineral reserve"	is the economically mineable part of a measured or indicated mineral resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined.
"mineral resource"	is a concentration or occurrence of diamonds, natural solid inorganic material or natural fossilised organic material including base and precious metals, coal, and industrial minerals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.
"Mo-Bi-As-Te-W-Sn"	Molybdenum-Bismuth-Arsenic-Tellurium-Tungsten-Tin.
"magnetite"	Magnetic mineral composed of iron oxide found in intrusive rocks and as an alteration mineral.
"monzodiorite"	Is an intrusive rock formed by slow cooling of underground magma.
"monzogranite"	a biotite rich granite, often part of the later-stage emplacement of a larger granite body.
"mt"	means million tonnes.
"NI 43-101"	means Canadian Securities Administrators' National Instrument 43-101 – *Standards of Disclosure for Mineral Projects.*
"ore"	means a metal or mineral or a combination of these of sufficient value as to quality and quantity to enable it to be mined at a profit.
"oxides"	are near surface bed-rock which has been weathered and oxidised by long-term exposure to the effects of water and air.
"paragenesis"	Is a term used to describe the sequence on relative phases of origination of igneous and metamorphic rocks and the deposition of ore minerals and rock alteration.
"phyllic alteration"	is a hydrothermal alteration zone in a permeable rock that has been affected by circulation of hydrothermal fluids.
"porphry"	any of various granites or igneous rocks with coarse grained crystals.
"ppm"	means parts per million.
"proterozoic"	means the geological eon (period) 2.5 billion years ago to 541 million years ago.

"pyrite"	an iron sulphide mineral.
"quartz-alunite ± kaolinite"	Alunite is a hydroxylated aluminium potassium sulfate mineral. It presence is typical in areas of advanced argillic alteration and usually accompanied by the presence of quartz (a crystalline silica mineral) and sometimes kaolinite (a clay mineral).
"saprolite"	is a weathered or decomposed clay-rich rock.
"scapolites"	are a group of rock-forming silicate minerals composed of aluminium, calcium, and sodium silicate with chlorine, carbonate and sulfate.
"sulphide"	refers to minerals consisting of a chemical combination of sulphur with a metal.
"tailings"	are the residual waste material that it is produced by the processing of mineralised rock.
"tpd"	means tonnes per day.
"vein"	is a generic term to describe an occurrence of mineralised rock within an area of non-mineralised rock.
"VTEM"	refers to versa time domain electromagnetic, a particular variant of time-domain electromagnetic geophysical survey to prospect for conductive bodies below surface.
"vuggy"	a geological feature characterised by irregular cavities or holes within a rock or mineral, often formed by the dissolution or removal of minerals leaving behind empty spaces.

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