29 June 2026

Beowulf Mining plc

("Beowulf" or the "Company")

Audited Financial Results for the year ended 31 December 2025 and Notice of Annual General Meeting

Beowulf (AIM: BEM; Spotlight: BEO), the mineral exploration and development company, announces its audited financial results for the year ended 31 December 2025 (the "Period").

The Annual Report and Accounts will be tabled to shareholders at the 2026 Annual General Meeting ("AGM") of the Company. The 2025 Annual Report and the Notice of AGM and Form of Proxy will shortly be posted to those shareholders who have requested a copy and will be available on the Company's website (https://beowulfmining.com/) and at the following links:

https://beowulfmining.com/wp-content/uploads/2026/06/2026-Notice-of-Annual-General-Meeting.pdf

https://beowulfmining.com/wp-content/uploads/2026/06/Beowulf-Mining-Plc-FY25-Annual-Report.pdf

The AGM of the Company will be held at 11:00 on Thursday 23 July 2026 at the offices of Fieldfisher LLP at Riverbank House, 2 Swan Lane, London, EC4R 3TT, United Kingdom.

The Company encourages shareholders to submit their voting instructions in advance by proxy whether or not they intend to attend. The "Notes" section of the Notice of AGM provides details on how to vote for Shareholders and holders of Swedish Depository Receipt.

Shareholders are invited to submit questions to the Board on matters to be discussed at the AGM in advance. Questions can be submitted by email to co-sec@oneadvisory.london by 11:00 a.m. (BST) on 21 July 2026.

Enquiries:

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Cautionary Statement

Statements and assumptions made in this document with respect to the Company's current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of Beowulf. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to , (i) changes in the economic, regulatory and political environments in the countries where Beowulf operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) Beowulf's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) metal prices, particularly as regards iron ore. In the light of the many risks and uncertainties surrounding any mineral project at an early stage of its development, the actual results could differ materially from those presented and forecast in this document. Beowulf assumes no unconditional obligation to immediately update any such statements and/or forecast.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I am pleased to introduce the Annual Report for 2025.

The Company has continued to advance and de-risk its two core assets during the year. The focus of activity at Kallak has been on progressing the PFS and preparations for the submission of the Environmental Permit application. Many technical and environmental workstreams have now been fully or substantially completed, and we have a clear plan for concluding those that remain outstanding. Engagement with local stakeholders continues to be a priority, and the Company has held numerous meetings over the year to inform and receive feedback on our future plans.

2025 was a milestone year for Grafintec with the completion of the PFS, which demonstrated the project is both technically robust and has exceptional economics. Securing a site for the future development of GAMP in the Keltakallio industrial area was a further major step forward. The area is an emerging battery hub which boasts excellent infrastructure, and we have enjoyed great support from the municipality of Kotka and Cursor, the local development agency. The next step for GAMP is pilot testing, and plans are in place to fund and deliver this critical stage on the way to becoming a key supplier of critical minerals in the European battery supply chain.

With the development of our two core assets remaining the priority, Beowulf has sought to streamline the broader portfolio and secure strategic support. The non-binding offer for Vardar is evidence of this effort, and we hope to be able to conclude the transaction in the coming months. Further, the proposed strategic investment from Bacchus Capital & Affiliates should be transformational for the Company, providing capital to stabilise the business and advance the core assets through to the end of 2027, adding a strategic cornerstone investor block to the shareholder register, and enhancing the Board and management team. We are focused on achieving the requisite approvals and concluding the financing within the coming weeks.

I would like to thank our shareholders and stakeholders for their continuing support.

J Röstin
Non-Executive Chairman
26 June 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEOWULF MINING PLC

Opinion

We have audited the financial statements of Beowulf Mining Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated and Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards 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 2025 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with 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.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which sets out that the Group and Parent Company will require additional funding within the 12 months following the date of approval of the financial statements in order to continue in operation and meet liabilities as they fall due. As disclosed in note 1, subsequent to the year end, the Company has entered into a binding agreement to raise £3.7 million through a strategic investment. This funding is subject to a number of conditions and approvals. Pending completion of this longer-term funding, the Company has secured interim financing through royalty arrangements over its Finnish and Swedish assets. As the strategic investment remains subject to various conditions and approvals, the completion of which is not guaranteed, these conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- critically reviewing the cashflow forecasts and budgets prepared by management for the period to 31 December 2027, corroborating and providing challenge to key assumptions and inputs used, including reviewing license agreements to confirm that committed expenditure is appropriately included in forecasts;
- comparing forecast expenditures to current year actual results and corroborating any significant variances;
- obtaining an understanding of cash preservation measures available to the group, and corroborating to supporting documentation where applicable;
- comparing historic forecasts to the actual results in the year to assess the historic accuracy of the forecasting process;
- reviewing post year-end bank statements and management information to ascertain the Group's and the Parent Company's latest financial position and post year-end performance, and comparing this to the forecasts; and
- reviewing and understanding the terms of any post-year end financing arrangements and considering the impact of post-year end events, including confirming receipt of royalty payments.

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

Emphasis of Matter

We draw attention to the disclosures made in the "Review of Operations and Activities" section of the Annual Report in relation to the 2025 update on Vardar Minerals Limited. Beowulf announced on 26 November 2025 that it had received a non-binding cash offer of €4 million (£3.5m) for its 100% interest in Vardar and subsequently confirmed that a non-binding Heads of Terms had been signed with the proposed buyer with whom discussions remain ongoing. Should the sale with the proposed buyer not proceed on these terms, this may result in the fair value less costs to sell of the held for sale assets (Note 26) being lower than their carrying value as at 31 December 2025.

Our opinion is not modified in this respect.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

We determined materiality for the Group and Parent Company financial statements to be:

	Group		**Parent Company**	
	£	**Basis**	**£**	**Basis**
Overall materiality	**370,000** *(2024: 258,000)*	2% of net assets *(2024: 1.5% of gross assets)*	**246,000** *(2024: 250,000)*	2% of net assets, capped below group performance materiality *(2024: 1.25% of gross assets)*
Performance materiality	**259,000** *(2024: 154,000)*	70% of materiality *(2024: 60% of materiality)*	**172,500** *(2024: 150,000)*	70% of materiality *(2024: 60% of materiality)*

Triviality	**18,500** *(2024: 12,000)* 5% of materiality *(2024: 5% of materiality)*	**12,300** *(2024: 12,000)* 5% of materiality *(2024: Group triviality)*
Rationale for the benchmark applied	The Group does not yet have commercial sales, and its key projects had not commenced full-scale operations as at 31 December 2025. During the year, the Group issued convertible loan notes. We consider net assets to be the most appropriate benchmark for determining materiality, incorporating the key assets from which the Group expects to generate future revenue, as well as its ability to manage operating costs and working capital effectively.	The Parent Company does not generate revenue, and its primary balance comprises investments in subsidiaries. During the year, the Parent Company issued convertible loan notes. We consider net assets to be the most appropriate benchmark for determining materiality, incorporating the underlying value of the Parent Company's investments and its overall financial position, which are the key areas of focus for shareholders.

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 financial statements were appropriately considered.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we apply performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures.

We set performance materiality at 70% of overall materiality for both the Group and the Parent Company (2024: 60%). The increase in the percentage applied appropriately reflects the inherent risk profile and the accumulation of additional knowledge following first-year audit procedures performed in the prior year, through which we obtained a more comprehensive understanding of the Group and Parent Company, including their systems, controls, and financial reporting processes. This enhanced knowledge, together with no significant issues identified in the prior year, supports a higher performance materiality while still maintaining an appropriately low level of audit risk.

In determining performance materiality, we considered the following factors:

- Our cumulative knowledge of the Group and Parent Company and its environment, including industry specific trends;
- Significant transactions during the year; and
- The level of judgement required in respect of the key accounting estimates.

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 £18,500 (2024: £12,000) (Parent Company: £12,300 (2024: £12,000) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Whilst performance materiality for the Group was set at £259,000 (2024: £154,000), we also assessed performance materiality for in-scope entities. We assessed there to be four material entities in the group (2024: four), including the UK Parent Company, and operating entities in Sweden, Finland and Kosovo. Full scope audits were performed on the UK Parent Company by us as group auditor, and on the Swedish and Finnish entities by component auditors in each jurisdiction. Audit procedures on certain account balances and classes of transaction were performed on the Kosovan entity by us as group auditor.

Aside from the Parent Company, materiality for which is detailed above, these three entities were audited to a performance materiality ranging from £77,000 to £171,500 (2024: £77,000 to £115,500), representing an appropriate percentage of the Group's performance materiality according to their relative net asset contribution and our assessment of inherent risk. Therefore, we conclude that this approach provides sufficient coverage of both significant and residual risks. The concept of materiality was applied throughout the audit, from planning to execution, as well as in evaluating the impact of misstatements.

Our approach to the audit

In designing our audit approach, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we assessed the areas requiring the board and management to make subjective judgements, for example in respect of significant accounting estimates including the carrying value of intangible assets and management override of controls.

An audit was performed on the financial information of the Group's four in-scope components as detailed in the previous section. Two of the four components, Sweden and Finland, were audited by component auditors.

The Group audit team provided instructions to component auditors regarding significant areas to be covered, including the relevant risks described below, and the required reporting information. The Group team visited the two component locations in Sweden and Finland to assess audit risk and strategy, conducting component file reviews accordingly. Discussions were held at all stages of the process with component auditors across all locations, and appropriate reporting appendices were received and reviewed in accordance with our instructions.

The audit of the Kosovan component, the Parent Company and the consolidation were performed in the United Kingdom by the Group audit team. Additionally, the Group audit team performed top-up work the Key Audit Matter relating to impairment of intangible assets, supplementing the work conducted by the Swedish and Finnish component auditors.

Key audit matters

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

In addition to the matter described in the Material uncertainty related to going concern section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Carrying value and assessment of impairment of intangible exploration evaluation assets (Note 9)	
The intangible exploration and evaluation asset represents capitalised exploration costs in respect of the Group's key projects in Finland and Sweden, and is the most significant asset on the Group's statement of financial position at the year end. There is a risk that the carrying value of intangible assets is not recoverable and an impairment charge is required.	Our work in this area included: • Obtaining confirmation that the Group has good title to the applicable exploration licences, including any new licences or renewals obtained during the year; • Testing a sample of additions to ensure costs have been capitalised in accordance with IFRS 6;

Given the early stage of development of the projects, management is required to exercise significant judgement in assessing the recoverability of these assets. As a result of the level of judgement required, we have determined this to be a key audit matter.	• Holding discussions with management, reviewing publicly available information, relevant technical reports, and Board minutes to ascertain the status of the projects, developments in the year and future plans, and to identify any potential impairment indicators; • Reviewing management's assessment of impairment and considering whether there are any indicators of impairment as per IFRS 6. Providing challenge to, and corroborating, key assumptions made in the assessment; • Where an impairment has been recorded during the year in respect of one or more licences, reviewing the circumstances leading to the impairment and ensuring this has been recorded at an appropriate amount; and • Reviewing disclosures in the financial statements to ensure that they are complete and in accordance with IFRS 6. Key observations Based on the audit work performed, we do not consider the carrying value of intangible assets at the year end to be materially misstated. However, we draw attention to the disclosures made in the "Review of Operations and Activities" section of the Annual Report in relation to the status of licences in Sweden and Finland, a number of which are due for renewal within the 12 months following the date of this report, or currently awaiting approval. Should the renewals be unsuccessful for any reason, this may result in impairment to the related intangible assets.
Capitalisation and impairment of development expenditure (Note 9)	
The Group holds a significant intangible development asset relating to the Graphite Anode Materials Project ("GAMP") in Finland. This asset represents capitalised expenditure incurred in progressing the Group's graphite anode materials strategy, including feasibility studies, technical development, permitting processes, and associated project work. Given the early stage of development of the project, management is required to exercise significant judgement in assessing the recoverability of this asset and also the capitalisation of expenditure to contribute to this balance in line with IAS 38. As a result of the level of judgement required, we have determined this to be a key audit matter.	Our work in this area included: • Testing a sample of additions to supporting documentation to ensure costs have been capitalised in accordance with IAS 38, including obtaining an understanding of the nature of the costs capitalised; • Obtaining any relevant technical reports prepared in relation to the project, including the GAMP Pre-Feasibility Study completed in 2025, and considering the conclusions made;

	- Holding discussions with management, reviewing publicly available information and Board minutes to ascertain the status of the project, developments in the year and future plans, and to identify any potential impairment indicators; - Obtaining management's impairment position paper in accordance with the requirements of IAS 36. Providing challenge to, and corroborating, key assumptions made in the assessment; and - Reviewing disclosures and ensuring these are in accordance with IAS 38.
Valuation of investments and intercompany receivables (Note 11 and 12)	
The parent company holds £817k of investments in subsidiaries and £16,184k of intercompany loans relating to its interest in Jokkmokk Iron Mines AB and Grafintec Oy. These are the most significant assets on the parent company's statement of financial position. There is a risk of material misstatement surrounding the recoverability of investments in subsidiaries and intercompany receivables. The carrying value of these investments and receivables is ultimately dependent on the value of the underlying assets. The key underlying assets are exploration projects and development assets for which it is difficult to definitively determine their value at the current stage of development. Valuations for these assets are therefore based on judgments and estimates made by the Directors, which leads to a risk of misstatement. As a result of the level of judgement required, we have determined this to be a key audit matter.	Our work in this area included: - Obtaining evidence of ownership for investments in subsidiaries; - Reviewing management's position paper in respect of the recoverability of investment balances and providing appropriate challenge, corroborating any key assumptions used; - Reviewing investment balances for indicators of impairment in accordance with IAS 36; - Reviewing the value of investment balances against the value of the underlying assets, including reference to work performed in respect of the carrying value of exploration expenditure in accordance with IFRS 6 and intangible development assets in accordance with IAS 36; - Considering the appropriateness of the methodology applied by management in the assessment of the recoverable amount of intercompany loans, and the calculation of expected credit loss provisions against these balances, in accordance with the requirements of IFRS 9; and - Ensuring disclosures made in the financial statements in relation to critical accounting judgements are adequate.

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 detailed discussions with management about and potential instances of non-compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the Group and Parent Company in this regard to be those arising from:
  - Companies Act 2006;
  - AIM Rules;
  - Quoted Companies Alliance (QCA) Corporate Governance code;
  - UK tax and employment law;
  - Anti-bribery and money laundering regulations; and
  - Local mining laws and regulations in Sweden, Finland and Kosovo.
- 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:
  - Making enquiries of management;
  - Reviewing legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations; and
  - Reviewing minutes of meetings of those charged with governance and Regulatory News Service announcements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the carrying value and assessment of impairment of intangible exploration assets, capitalisation and impairment of development expenditure and the valuation of investments and intercompany receivables. We addressed this by challenging the assumptions and judgements made by management in relation to this balance. The work performed on this area is disclosed above.
- 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; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing significant transactions in the banks statements to identify potentially large or unusual transactions that do not appear to be in line with our understanding of business operations.

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 Parent 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.

Imogen Massey (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
26 June 2026

30 Churchill Place
Canary Wharf
London E14 5RE

CONSOLIDATED INCOME STATEMENT

	Note	2025 £	(Restated)[1] 2024 £
Continuing operations			
Administrative expenses		(1,563,475)	(1,541,996)
Impairment of exploration assets	5	(12,397)	(72,563)
Operating loss from continuing operations		(1,575,872)	(1,614,559)
Finance costs	3	(60,766)	(61,104)
Finance income	3	2,224	3,404
Grant income	7	177	3,561
Fair value loss on listed investment	5	(1,500)	(3,313)
Loss on disposal of right of use asset		(3,715)	-
Other income	4	16,793	-
Loss before tax		(1,622,659)	(1,672,011)
Tax expense	6	-	-
Loss for the year from continuing operations		(1,622,659)	(1,672,011)
Loss from discontinued operations	26	(124,919)	(116,997)
Loss for the year		(1,747,578)	(1,789,008)
Loss attributable to:			
Owners of the parent		(1,747,578)	(1,771,325)
Non-controlling interests	16	-	(17,683)
		(1,747,578)	(1,789,008)
Loss per share attributable to the ordinary equity holder of the parent:			
Continuing operations Basic and diluted (pence)	8	(3.10)	(4.79)
Discontinued operations Basic and diluted (pence)	8	(0.24)	(0.34)

[1]The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2025 £	(Restated)[1] 2024 £
Loss for the year		(1,747,578)	(1,789,008)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange gains/(losses) arising on translation of foreign operations		1,481,363	(958,163)
		1,481,363	(958,163)
Total comprehensive loss		(266,215)	(2,747,171)
Total comprehensive loss attributable to:			
Owners of the parent		(266,215)	(2,709,387)
Non-controlling interests	16	-	(37,784)
		(266,215)	(2,747,171)

[1]The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Company Number 02330496	Note	2025	2024
		£	£
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	9	15,373,303	16,023,022
Property, plant and equipment	10	824	56,685
Right-of-use assets	13	21,245	48,333
Investments held at fair value through profit or loss	11	1,750	3,250
Loans and other financial assets	12	2,784	5,138
		15,399,906	16,136,428
CURRENT ASSETS			
Trade and other receivables	14	88,519	192,512
Cash and cash equivalents	15	329,647	881,349
		418,166	1,073,861
Assets classified as held for sale	26	3,600,177	-
		4,018,343	1,073,861
TOTAL ASSETS		19,418,249	17,210,289
EQUITY			
SHAREHOLDERS' EQUITY			
Share capital	17	13,397,580	12,356,927
Share premium	19	30,627,454	29,878,404
Capital contribution reserve	19	46,451	46,451
Share based payment reserve	19	1,413,206	1,124,131
Warrant reserve	19	68,640	-
Merger reserve	19	425,497	425,497
Translation reserve	19	(914,571)	(2,395,934)
Accumulated losses	19	(26,511,632)	(24,764,054)
		18,552,625	16,671,422
TOTAL EQUITY		18,552,625	16,671,422
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	318,189	508,124
Lease liabilities	21	8,049	20,727
Borrowings	22	333,958	-
Derivative financial liabilities	23	88,996	-
		749,192	528,851
Liabilities directly associated with assets held for sale	26	107,149	-
		856,341	528,851
NON-CURRENT LIABILITIES			
Lease liabilities	21	9,283	10,016
		9,283	10,016
TOTAL LIABILITIES		865,624	538,867
TOTAL EQUITY AND LIABILITIES		19,418,249	17,210,289

The financial statements were approved and authorised for issue by the Board of Directors on 26 June 2026 and were signed on its behalf by:

E Bowie – Director

COMPANY STATEMENT OF FINANCIAL POSITION

Company Number 02330496	Note	2025	2024
		£	£
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	10	542	723
Investments in subsidiaries	11	817,025	4,093,692
Investments held at fair value through profit or loss	11	1,750	3,250
Loans and other financial assets	12	16,187,149	14,995,747
		17,006,466	19,093,412
CURRENT ASSETS			
Trade and other receivables	14	28,451	20,150
Cash and cash equivalents	15	235,652	714,339
		264,103	734,489
Assets classified as held for sale	26	3,493,028	-
		3,757,131	734,489
TOTAL ASSETS		20,763,597	19,827,901
EQUITY			
SHAREHOLDERS' EQUITY			
Share capital	17	13,397,580	12,356,927
Share premium	19	30,627,454	29,878,404
Capital contribution reserve	19	46,451	46,451
Share based payment reserve	19	1,413,206	1,124,131
Warrant reserve	19	68,640	-
Merger reserve	19	425,497	425,497
Accumulated losses	19	(25,813,182)	(24,127,038)
TOTAL EQUITY		20,165,646	19,704,372
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	20	174,997	123,529
Borrowings	22	333,958	-
Derivative financial liabilities	23	88,996	-
TOTAL LIABILITIES		597,951	123,529
TOTAL EQUITY AND LIABILITIES		20,763,597	19,827,901

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent Company is not presented as part of these financial statements. The parent Company's loss for the financial year was £1,686,144 (2024: loss of £1,956,618).

These financial statements were approved and authorised for issue by the Board of Directors on 26 June 2026 and were signed on its behalf by:

E Bowie – Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £	Share premium £	Capital contribution reserve £	Share based payment reserve £	Merger reserve £	Warrant reserve £	Translation reserve £	Accumulated losses £	Totals £	Non – controlling interests £	Total equity £
At 1 January 2024		11,571,875	27,141,444	46,451	903,766	137,700	-	(1,457,872)	(23,235,514)	15,107,850	514,430	15,622,280
Loss for the year		-	-	-	-	-	-	-	(1,771,325)	(1,771,325)	(17,683)	(1,789,008)
Foreign exchange translation		-	-	-	-	-	-	(938,062)	-	(938,062)	(20,101)	(958,163)
Total comprehensive income		-	-	-	-	-	-	(938,062)	(1,771,325)	(2,709,387)	(37,784)	(2,747,171)
Transactions with owners												
Issue of share capital		732,725	3,657,859	-	-	-	-	-	-	4,390,584	-	4,390,584
Cost of issue		-	(920,899)	-	-	-	-	-	-	(920,899)	-	(920,899)
Issue of share capital for acquisition of NCI		52,327	-	-	-	287,797	-	-	-	340,124	-	340,124
Equity-settled share-based payment transactions	18	-	-	-	326,628	-	-	-	-	326,628	-	326,628
Step up interest in subsidiary	10	-	-	-	-	-	-	-	136,522	136,522	(476,646)	(340,124)
Transfer on lapse of options		-	-	-	(106,263)	-	-		106,263	-	-	-
Total transactions with owners		785,052	2,736,960	-	220,365	287,797	-	-	242,785	4,272,959	(476,646)	3,796,313
At 31 December 2024		12,356,927	29,878,404	46,451	1,124,131	425,497	-	(2,395,934)	(24,764,054)	16,671,422	-	16,671,422
Loss for the year		-	-	-	-	-	-	-	(1,747,578)	(1,747,578)	-	(1,747,578)
Foreign exchange translation		-	-	-	-	-	-	1,481,363	-	1,481,363	-	1,481,363
Total comprehensive income		-	-	-	-	-	-	1,481,363	(1,747,578)	(266,215)	-	(266,215)
Transactions with owners												
Issue of share capital		1,040,653	1,123,738	-	-	-	-	-	-	2,164,391	-	2,164,391
Cost of issue		-	(374,688)	-	-	-	-	-	-	(374,688)	-	(374,688)
Equity-settled share-based payment transactions		-	-	-	289,075	-	-	-	-	289,075	-	289,075
Issue of warrants arising from convertible loan note issue	23	-	-	-	-	-	68,640	-	-	68,640	-	68,640
Total transactions with owners		1,040,653	749,050	-	289,075	-	68,640	-	-	2,147,418	-	2,147,418
At 31 December 2025		13,397,580	30,627,454	46,451	1,413,206	425,497	68,640	(914,571)	(26,511,632)	18,552,625	-	18,552,625

The nature and purpose of the reserves are detailed in Note 19.

COMPANY STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £	Share premium £	Capital contribution reserve £	Share based payment reserve £	Merger reserve £	Warrant reserve £	Accumulated losses £	Total £
At 1 January 2024		11,571,875	27,141,444	46,451	903,766	137,700	-	(22,276,683)	17,524,553
							-		
Loss for the year		-	-	-	-	-		(1,956,618)	(1,956,618)
Total comprehensive income		-	-	-	-	-	-	(1,956,618)	(1,956,618)
Transactions with owners									
Issue of share capital		732,725	3,657,859	-	-	-		-	4,390,584
Cost of issue		-	(920,899)	-	-	-	-		(920,899)
Issue of share capital for acquisition of NCI		52,327	-	-	-	287,797	-		340,124
Equity-settled share-based payment transactions	18	-	-	-	326,628	-	-		326,628
Transfer on lapse of options		-	-	-	(106,263)	-	-	106,263	-
Total transactions with owners		785,052	2,736,960	-	220,365	287,797	-	106,263	4,136,437
At 31 December 2024		12,356,927	29,878,404	46,451	1,124,131	425,497	-	(24,127,038)	19,704,372
Loss for the year		-	-	-	-	-	-	(1,686,144)	(1,686,144)
Total comprehensive income		-	-	-	-	-	-	(1,686,144)	(1,686,144)
Transactions with owners									
Issue of share capital		1,040,653	1,123,738	-	-	-	-	-	2,164,391
Cost of issue		-	(374,688)	-	-	-	-	-	(374,688)
Equity-settled share-based payment transactions		-	-	-	289,075	-	-	-	289,075
Issue of warrants arising from convertible loan note issue	23	-	-	-	-	-	68,640	-	68,640
Total transactions with owners		1,040,653	749,050	-	289,075	-	68,640	-	2,147,418
At 31 December 2025		13,397,580	30,627,454	46,451	1,413,206	425,497	68,640	(25,813,182)	20,165,646

The nature and purpose of the reserves are detailed in Note 19.

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2025 £	2024 £
Cash flows from operating activities			
Loss before income tax	8	(1,747,578)	(1,789,008)
Depreciation of property, plant and equipment	10	24,681	26,127
Amortisation of right-of-use assets	13	44,112	37,205
Equity-settled share-based transactions	18	286,364	326,628
Impairment of exploration costs	9	12,397	72,563
Loss on disposal of property, plant and equipment	10	-	778
Gain on disposal of right of use assets	13	3,826	-
Impairment of disposal groups held for sale	26	32,423	-
Finance income	27	(2,224)	(3,404)
Finance cost	27	61,625	61,334
Fair value loss on listed investment	11	1,500	3,313
Impairment of fixed financial assets	12	2,523	-
Unrealised foreign exchange (losses)/gains		(10,202)	102,813
		(1,290,553)	(1,161,651)
Increase in trade and other receivables	14	95,144	(39,177)
(Decrease)/increase in trade and other payables	20	(110,175)	8,545
Net cash used in operating activities		(1,305,584)	(1,192,283)
Cash flows from investing activities			
Purchase of intangible assets	9	(1,484,938)	(2,265,113)
Initial payments for right of use assets	13	(3,792)	(6,108)
Grant receipt	9	12,750	152,941
Interest received	3	2,224	3,404
Net cash used in investing activities		(1,473,756)	(2,114,876)
Cash flows from financing activities			
Proceeds from issue of shares	17	1,999,142	4,246,105
Payment of share issue costs	17	(209,437)	(776,421)
Lease principal	21	(28,799)	(24,945)
Lease interest paid	21	(2,774)	(2,187)
Proceeds from borrowings, net of issue costs	22	742,795	723,881
Repayment of loan principal	22	(711,725)	(699,172)
Interest paid	21	(52,251)	(59,147)
Proceeds from issue of convertible loan notes, net of issue costs	23	484,994	-
Net cash generated from financing activities		2,221,945	3,408,114
(Decrease)/increase in cash and cash equivalents		(557,395)	100,955
Cash and cash equivalents at beginning of year		881,349	905,555
Effect of foreign exchange rate changes		5,693	(125,162)
Cash and cash equivalents at end of year		329,647	881,349

Major non-cash transactions

The issue of shares and related costs included non-cash transactions, further details are included in note 17.

There were no other major non-cash transactions during the year.

COMPANY STATEMENT OF CASH FLOWS

	Note	2025	2024
		£	£
Cash flows from operating activities			
Loss before income tax		(1,686,144)	(1,956,618)
Expected credit losses	12	326,919	467,651
Equity-settled share-based transactions	18	191,924	202,611
Depreciation of property, plant and equipment	10	181	241
Impairment of investments in subsidiaries	11	-	331,764
Impairment of assets held for sale	26	245,231	-
Finance income	3	(2,128)	(3,207)
Finance cost	3	58,686	59,147
Fair value loss on listed investment	11	1,500	3,313
Unrealised foreign exchange (gains)/losses		(22,432)	102,813
		(886,263)	(792,285)
(Increase)/decrease in trade and other receivables		(8,303)	29,007
Increase/(decrease) in trade and other payables		51,469	(4,689)
Net cash used in operating activities		(843,097)	(767,967)
Cash flows from investing activities			
Loans to subsidiaries	12	(1,882,762)	(2,633,108)
Interest received		2,128	3,207
Net cash used in investing activities		(1,880,634)	(2,629,901)
Cash flows from financing activities			
Proceeds from issue of shares	17	1,999,142	4,246,105
Payment of share issue costs	17	(209,437)	(776,421)
Proceeds from borrowings, net of issue costs	22	742,795	723,881
Repayment of loan principal	21	(711,725)	(699,172)
Interest paid	21	(52,086)	(59,147)
Proceeds from issue of convertible loan notes, net of issue costs	23	484,994	-
Net cash generated from financing activities		2,253,683	3,435,246
(Decrease)/increase in cash and cash equivalents		(470,048)	37,378
Cash and cash equivalents at beginning of year		714,339	794,909
Effect of foreign exchange rate changes		(8,639)	(117,948)
Cash and cash equivalents at end of year		235,652	714,339

Major non-cash transactions

There were no major non-cash transactions other than those disclosed in the consolidated statement of cash flows.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Material accounting policy information

Nature of operations

Beowulf Mining plc (the “Company”) is domiciled in England. The Company's registered office is 201 Temple Chambers, 3-7 Temple Avenue, London, EC4Y 0DT. These consolidated financial statements comprise the Company and its subsidiaries (collectively the “Group” and individually “Group companies”). The Group is engaged in the acquisition, exploration and evaluation of natural resources assets and has not yet generated revenues.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below:

Going concern

As at 31 December 2025, the Group had a cash balance of £0.33 million (2024: £0.88 million) and the Company had a cash balance of £0.24 million (2024: 0.71 million).

On 21 March 2025, in conjunction with the Company’s right issue, the Company entered into a short-term bridging loan of SEK 10 million (approx. £0.74 million) with the underwriters of the rights issue to ensure that the Company had sufficient financial resources to continue advancing its projects ahead of the right issue being finalised (see Note 22). The bridging loan accrued interest of 1.5% per 30-day period and was repaid using part of the proceeds from the capital raise, noted below.

On 8 May 2025, the Company announced the completion of the capital raise with a total of £2.2 million (SEK 28.1 million) gross raised to fund the continued development of the Company’s assets. The net funds raised after the loan repayment and share issue transaction costs are £1.25 million (see Note 17).

The Company announced in November 2025 that it received a non-binding offer for the purchase of Vardar and was seeking to secure a Business Finland loan and raise equity at the Grafintec level. The Company secured the £500,000 convertible loan note on 22 December 2025 to provide short-term working capital to provide time for the sale of Vardar to proceed. Under the convertible loan note agreement, any outstanding balance is repayable in December 2026. However, at the date of this report, the sale had not been concluded and remains non-binding. Grafintec has been informed that its initial application for the Research, Development and Piloting Loan had been unsuccessful due primarily to the Company failing an eligibility criterion. The Business Finland project team commended the loan application and recommended that, following resolution of the eligibility criterion, Grafintec reapply for the Research, Development and Piloting loan scheme, which is the Board's intention.

Following the year end, the Company announced on 12 June 2026, that it had entered into a binding agreement to raise a total of £3.7 million by way of a strategic investment from a consortium led by Bacchus Capital as part of total capital raise £4.3 million. The funding remains subject to a number of conditions and approvals including the Takeover Panel granting a waiver of the mandatory offer provisions set out in Rule 9 of the Takeover Code that would otherwise arise under Rule 9 of the Takeover Code for the Bacchus Capital and its Affiliates to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the shares pursuant to the proposed strategic investment, subject to the approval of independent shareholders (“Rule 9 Waiver”); independent shareholder approval of the Rule 9 Waiver; the passing of resolutions necessary to enable the issue of the new shares, to effect a capital reorganisation and the settlement with the Convertible Loan Noteholder, conduct a share split to reduce the nominal value of the Ordinary Shares (“Capital Reorganisation”); and regulatory approvals including Foreign Direct Investment (“FDI”) approvals in Sweden. The Company expects these approvals, which are primarily administrative in nature, to be granted and allow for completion of the strategic investment and financing around the end of July 2026.

In addition to this long-term funding, the Company secured interim financing for the period in which approvals are sought. Bacchus Capital and a third-party investor have acquired in total: a 2.25% royalty over the Company's Finnish assets for US$200,000 (approx. £149,231) pursuant to two royalty agreements dated 5 June 2026. The Company has an option to repurchase 50% of the Finnish royalties for a total of US$3.0 million (approx. £2.2 million).

In addition, Bacchus Capital has acquired a 2.25% royalty over the Company's Swedish assets for US$100,000 (approx. £74,615), pursuant to a royalty agreement dated 5 June 2026. The Company has the option to repurchase and cancel the Swedish royalty for i) a payment of US$115,000 (approx. £85,767) cash for a period of 30 days after the completion of the proposed strategic investment or, ii) after the 30 day period for a payment US$3.0 million (approx. £2.2 million).

The strategic investment remains subject to various approvals which indicate the existence of a material uncertainty, which may cast significant doubt over the Group's and the Company's ability to continue as going concerns and therefore, the Group and the Company may be unable to realise their assets and discharge their liabilities in the normal course of business. The Directors have a reasonable expectation that the funding will be forthcoming based on the advanced discussions and their past experience, and therefore believe that the going concern basis of preparation is deemed appropriate and as such the financial statements have been prepared on a going concern basis. The financial statements do not include any adjustments that would result if the Group and the Company were unable to continue as going concern.

Basis of preparation

The consolidated and individual Company financial statements have been prepared in accordance with UK adopted international accounting standards. The policies have been consistently applied to both the parent Company and Group. The financial statements are presented in GB Pounds Sterling. They are prepared on the historical cost basis or the fair value basis where the fair valuing of relevant assets and liabilities has been applied.

Merger relief under s612 of the Companies Act 2006 removes the requirement to credit the share premium account and where the conditions are met, the relief must be applied. However, it allows the investment to be accounted for at the nominal value of the shares issued or the fair value of the consideration. Where the investment is to be recorded at fair value, then the credit will be to the merger relief reserve.

The conditions to qualify for merger relief are:

- the consideration for shares in another company includes issued shares;
- on completion of the transaction, the company issuing the shares will have secured at least a 90% equity holding in the other company.

Merger relief was applied in acquisition of Grafintec and Vardar, in which the Company obtained 100% of the share capital of Grafintec and Vardar for shares issued by the Company. Further details of these acquisitions are outlined in Note 11.

New standards, amendments and interpretations

Standards and interpretations adopted during the year

There were no new standards, amendments and interpretations that are effective for the first time for periods beginning on 1 January 2025 that had a material effect on the Group and Company annual report and accounts.

Standards, amendments and interpretations that are not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2026:

- Amendments to IFRS 9 Financial Instruments (Amendments to the Classification and Measurement of Financial Instruments)
- Annual Improvement to IFRS Accounting Standards – Volume 11

The following amendments are effective for the period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements

Beowulf Mining Plc is currently assessing the impact of these new accounting standards and amendments.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for income and expenses during the year and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the revision is made.

Sources of estimation and uncertainty

Exploration assets

The Pitkäjärvi licence was renewed in 2021 and expired on 26 April 2024, with a further extension granted on 26 June 2024. However, this was appealed, but on 9 April 2025, the Eastern Finland Administrative Court rejected the appeal. No further appeals have been received and therefore the permit became legally binding for 3 years effective from 17 May 2025.

The Board has considered the impairment indicators as outlined in the Group's accounting policies, and having done so, is of the opinion that no impairment provisions are required for Group's main assets, Kallak and Aitolampi.

The Pirttikoski exploration reservation expired during 2025. Grafintec made the decision not to apply for an exploration license within the Pirttikoski reservation area, and as such, all exploration costs of £12,397 were fully written off (see Note 9).

Development costs

Expenditure incurred on internal development projects is capitalised as an intangible asset in accordance with IAS 38 to the extent that the technical, commercial and financial feasibility can be demonstrated by the Group. The Group have assessed that the GAMP project reached the development phase following the completion of the Coating PFS in July 2023, and therefore all costs have been capitalised from this date. Management consider the carrying amount to be less than recoverable amount of the asset and therefore no impairment is considered necessary.

Valuation of share-based payments

Accounting for all equity-settled share-based payment awards required the use of valuation models to estimate the future share price performance of the Company. These models require the Directors to make assumptions regarding the share price volatility, risk free rate and expected life of awards in order to determine the fair values of the awards at grant date (see Note 18).

Convertible loan notes

The measurement of the embedded derivative in the convertible loan issued during the year requires the use of valuation models that require a number of subjective assumptions and estimates that may have a material impact on the financial statements (see accounting policy below and Note 23).

Expected credit losses

The Company, in applying the ECL model under IFRS 9, must make assumptions when implementing the forward-looking ECL model. This model is required to be used to assess the intercompany loans receivable from subsidiaries for impairment.

Estimations were made regarding the credit risk of the counterparty and the underlying probability of default in each of the credit loss scenarios. The scenarios identified by management included Production, Divestment, Fire-sale and Failure. These scenarios considered technical data, necessary licences to be awarded, the Company's ability to raise finance, and ability to sell the project. A reasonable change in the probability weightings of both the downside scenarios of failure and fire-sale of 3% would result in further impairment of £691,489 (2024: £923,585).

Basis of consolidation

(i) Subsidiaries and acquisitions

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (and its subsidiaries) made up to 31 December each year. Control is recognised where an investor is exposed, 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.

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.

Non-controlling interests in subsidiaries are presented separately from the equity attributable to equity owners of the parent Company. When changes in ownership in a subsidiary do not result in a loss of control, the non-controlling shareholders' interests are initially measured at the non-controlling interests' proportionate share of the subsidiaries net assets. Subsequent to this, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. When the subsidiary is fully consolidated, the difference of the carrying amount of the non-controlling interest and the consideration paid is recognised directly in equity, attributable to the parent (Refer to Note 16). Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

(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.

Intangible assets – exploration costs

All costs incurred prior to the application for the legal right to undertake exploration and evaluation activities on a project are expensed as incurred. Each asset is evaluated annually at 31 December, to determine whether there are any indications that impairment exists.

Exploration and evaluation costs arising following the application and granting of the legal right, are capitalised on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs incurred include appropriate employee costs and costs pertaining to technical and administrative overheads.

Exploration and evaluation activities include:

- researching and analysing historical exploration data;
- gathering exploration data through topographical, geochemical and geophysical studies;
- exploratory drilling, trenching and sampling;
- determining and examining the volume and grade of the resource;
- surveying transportation and infrastructure requirements; and
- conducting market and finance studies.

Administration costs that are not directly attributable to a specific exploration area are expensed as incurred.

Exploration costs are carried at historical cost less any impairment losses recognised. When a project is deemed to no longer have commercially viable prospects to the Group, exploration costs in respect of that project are deemed to be impaired and written off to the statement of comprehensive income. Once the decision for investment is taken, the assets will be assessed for impairment and to the extent that these are not impaired, will be classified as development assets. From the point that production commences these assets will be depreciated.

Intangible assets – capitalised development costs

Development costs that are directly attributable to the GAMP project are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the intangible asset so that it will be available for use;
- management intends to complete the intangible asset and use or sell it;
- there is an ability to use or sell the intangible asset;
- it can be demonstrated how the intangible asset will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- the expenditure attributable to the intangible asset during its development can be reliably measured.

Directly attributable costs that are capitalised as part of intangible assets include employee costs and an appropriate portion of relevant overheads.

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use.

Impairment

Exploration assets

Whenever events or changes in circumstance indicate that the carrying amount of an asset may not be recoverable an asset is reviewed for impairment. An asset's carrying value is written down to its estimated recoverable amount (being the higher of the fair value less costs to sell and value in use) if that is less than the asset's carrying amount.

Impairment reviews for exploration costs 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 such as:

(i) unexpected geological occurrences that render the resource uneconomic;
(ii) title to the asset is compromised;
(iii) variations in mineral prices that render the project uneconomic;
(iv) substantive expenditure on further exploration and evaluation of mineral resources is neither budgeted nor planned;
(v) a material uncertainty regarding the availability of funding, to continue planned exploration and evaluation activities; and
(vi) the period for which the Group has the right to explore has expired and is not expected to be renewed.

Development costs

Capitalised development costs are reviewed for impairment where there is an indication that the asset may be impaired. Impairment indicators include internal and external sources of information.

Property, plant and equipment

Items of property, plant and equipment are stated at historical cost less accumulated depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment	-	25 per cent on reducing balance
Computer equipment	-	25 per cent on reducing balance
Motor vehicles	-	20 per cent on reducing balance
Machinery and equipment	-	20 to 25 per cent on reducing balance

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Leased assets

When entering into a contract, the Group assesses whether or not a lease exists. A lease exists if a contract conveys a right to control the use of an identified asset under a period of time in exchange for consideration. Leases of low value items and short-term leases (leases of less than 12 months at the commencement date) are charged to the profit or loss on a straight-line basis over the lease term in administrative expenses.

The Group recognises right-of-use assets at cost and lease liabilities at the lease commencement date based on the present value of future lease payments. The right-of-use assets are amortised on a straight-line basis over the length of the lease term. The lease liabilities are recognised at amortised cost using the effective interest rate method. Discount rates used reflect the incremental borrowing rate specific to the lease.

Investments in subsidiaries

Investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less.

Financial assets

The Group classifies its financial assets at amortised cost and at fair value through profit or loss. Management determines the classification of its financial assets at initial recognition.

Amortised cost

The Group's financial assets held at amortised cost comprise trade and other receivables, cash and cash equivalents and loans and other financial assets in the consolidated statement of financial position.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through financial assets where the objective is to hold their assets in order to collect contractual cash flows and the contractual cash flows are solely payments of the principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Expected credit loss provisions for other receivables are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Fair value through profit or loss

The Group's financial assets held at fair value through profit or loss comprise equity investments held. These are carried in the statement of financial position at fair value. Subsequent to initial recognition, changes in fair value are recognised in the statement of comprehensive income.

Financial liabilities

The Group's financial liabilities include trade and other payables and borrowings. All financial liabilities are recognised initially at fair value, net of transaction costs incurred, and are subsequently stated at amortised cost, using the effective interest method.

Borrowings include convertible debt with settlement terms that fail the fixed for fixed criterion and are treated as containing an embedded derivative liability, where this is recognised the loan value is allocated between the derivative value and the loan residual which is carried at amortised cost. Borrowings are derecognised when the obligation is extinguished.

Unless otherwise indicated, the carrying values of the Group's financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

Convertible loans

The Group's convertible loan notes are accounted for as a compound financial instrument. The convertible loan notes have attaching warrants, which are granted on the conversion of the convertible loan note. The conversion of the warrants meets the fixed-for-fixed criteria and is accounted for in equity.

The conversion feature is an embedded derivative liability and accounted for separately from the host instrument. The fair value of the embedded derivative liability is calculated first, then the present value of the debt host, and the residual value is assigned to equity.

On initial recognition, convertible loan notes were recorded at fair value net of issue costs. The initial fair value of the debt host was determined using the market interest rate applied by a market participant for an equivalent non-convertible debt instrument. Subsequent to initial recognition, the debt host is recorded at amortised cost using the effective interest method until extinguished on conversion or maturity of the notes.

The amortisation of the debt host and the interest payable in each accounting period is expensed as a finance cost. Equity derivatives embedded in the convertible instruments which are required to be recorded as financial liabilities are initially recognised at fair value. At each reporting date, the fair value of the derivative is reassessed by management.

On conversion of the convertible loans, the Group recognises the difference between (i) the carrying value of the debt host contract plus the carrying value amount (fair value) of the embedded derivative and (ii) the fair value of the shares issued at the conversion date in profit or loss.

Assets held for sale and discontinued operations

Disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the disposal group to fair value less costs to sell. Following their classification as held for sale, non-current assets (including those in a disposal group) are not depreciated.

The assets of a disposal group classified as held for sale are presented separately from the other assets in the statement of financial position. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the statement of financial position.

A discontinued operation is a component of the group that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

Share capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Where equity instruments are issued as part of an acquisition they are recorded at their fair value on the date of acquisition.

The Group's ordinary shares are classified as equity instruments.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised, using the liability method, in respect of temporary differences between the carrying amount of the Group’s assets and liabilities and their tax base.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority. Any remaining deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits, within the same jurisdiction, in the foreseeable future against which the deductible temporary difference can be utilised.

Deferred tax is determined using tax rates that are expected to apply in the periods in which the asset is realised or liability settled, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current and deferred tax is recognised in the profit or loss, except when the tax relates to items charged or credited directly in equity, in which case the tax is also recognised directly in equity.

Foreign currencies

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in GB Pounds Sterling which is the presentation currency for the Group and Company financial statements. The functional currency of the Company is the GB Pounds Sterling.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance sheet date.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are included in the statement of comprehensive income for the period.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in GB Pounds Sterling using exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are classified as other comprehensive income and are transferred to the Group's translation reserve.

Foreign currency movements arising from the Group's net investment, which comprises equity and long-term debt, in subsidiary companies whose functional currency is not the GB Pounds Sterling are recognised in the translation reserve, included within equity until such time as the relevant subsidiary company is sold, whereupon the net cumulative foreign exchange difference relating to the disposal is transferred to profit and loss.

Share-based payment transactions

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of all options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where equity instruments are granted to persons other than employees, the income statement or share premium account, if appropriate, are charged with the fair value of goods and services received. Where the equity instrument is cancelled or lapsed as a result of non-market vesting conditions not being satisfied, the Group shall account for the cancellation as an acceleration of vesting and shall therefore recognise immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period. Where equity instruments that have fully vested are cancelled or lapse, the amount recognised in the share-based payment reserve is transferred to accumulated losses.

2. Employees and directors

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Wages and salaries	696,594	737,809	325,577	364,350
Social security costs	188,232	135,158	45,101	42,989
Other benefits	23,490	14,947	10,500	10,500
Share-based payments	273,983	299,706	191,924	202,610
	1,182,299	1,187,620	573,102	620,449

Directors' remuneration is as follows:

	2025	2024
	£	£
Directors' emoluments, including salary and fees	336,076	374,850
Share-based payments	191,924	202,611
	528,000	577,461

Further details pertaining to Directors' remuneration can be found in the Directors' remuneration report on page 33.

The remuneration of the highest paid Director who served during the year was Ed Bowie, which consisted of base salary of £210,000 (2024: £210,000).

The average monthly number of employees and Directors during the year was as follows:

	Group 2025 Number	Group 2024 Number	Company 2025 Number	Company 2024 Number
Directors	4	4	4	4
Employees	10	12	-	-

3. Finance income and costs

	Group		Company	
		(Restated) [1]		
	2025	2024	2025	2024
	£	£	£	£
Finance income:				
Deposit account interest	2,224	3,404	2,128	3,207
	2,224	3,404	2,128	3,207
Finance costs:				
Interest on lease liabilities	1,915	1,957	-	-
Interest on loans and borrowings	52,251	59,147	52,086	59,147
Convertible loan - interest	6,600	-	6,600	-
	60,766	61,104	58,686	59,147

[1]The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

4. Other income

	2025	2024
	£	£
Other income	16,793	-
	16,793	-

Represents a €20,000 sale of exploration data relating to Åtvidaberg, a project previously held by the Company but that was fully impaired in the year ending 31 December 2023.

5. Loss before tax and auditor's remuneration

a. The loss before tax is stated after charging:

	2025	(Restated) 2024
	£	£
Depreciation of property, plant and equipment (Note 10)	181	241
Amortisation of right-of-use asset (Note 13)	34,691	36,975
Share-based payment expense (Note 18)	286,364	308,881
Foreign exchange differences	(345)	2,036
Loss on disposal of property, plant and equipment (Note 10)	3,715	-
Fair value loss on listed investment (Note 11)	1,500	3,313
Impairment of exploration costs (Note 9)	12,397	72,563

b. Auditor's remuneration

	2025	2024
	£	£
Fees payable to the Group's auditor for the audit of the consolidated financial statements	79,297	74,260
Fees payable to the Group auditor for other services:		
- review of quarterly financial statements	4,173	3,730
	83,470	77,990

6. Income tax

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2025 or for the year ended 31 December 2024.

Factors affecting the tax expense

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2025	2024
	£	£
Loss on ordinary activities before income tax	(1,747,578)	(1,789,008)
Profit Subject to UK Corporation tax at 25% (2024: 25%)	(436,895)	(447,252)
Effects of:		
Non-allowable expenditure	48,026	50,713
Potential deferred tax on UK loss	239,697	247,705
Difference in overseas tax rates	141,066	148,834
	-	-

The main rate of UK corporation tax for the year ended 31 December 2025 was 25%. The Group has estimated UK losses of £18,605,886 (2024: £17,647,092) and foreign losses of £8,464,217 (2024: £7,213,879) available to carry forward against future trading profits. The value of unrecognised deferred tax assets in respect of the UK losses amounts to £4,651,471 (2024: £4,411,773) and foreign losses of £1,459,564 (2024: £1,219,080). The Directors believe that due to the uncertainty over when the tax losses will be utilised it is appropriate not to recognise a deferred tax asset at this time.

7. Grant income

	2025	2024
	£	£
Business Finland	-	3,395
Other	177	166
	177	3,561

Grafintec was participating in a project titled “BATCircle – the development of a Finland-based Circular Ecosystem of Battery Metals”. BATCircle is part of the European Union (“EU”) Strategic Energy Technology Programme, and the grants were provided by Business Finland. The project concluded in the year. All of the grant income was capitalised to the related exploration costs in the current year (see Note 9).

8. Basic and diluted loss per share

The calculation of basic and diluted loss per share at 31 December 2025 was based on the loss attributable to ordinary shareholders and a weighted average number of Ordinary Shares outstanding during the year ended 31 December 2025 calculated as follows:

	2025 £	(Restated) [1] 2024 £
Loss attributable to ordinary shareholders		
From continuing operations	(1,622,659)	(1,654,328)
From discontinued operations	(124,919)	(116,997)
Total loss attributable to ordinary shareholders	(1,747,578)	(1,771,325)

[1]The prior year figures have been restated for the discontinued operations, refer to Note 26 for further details.

Weighted average number of ordinary shares

	2025 Number	2024 Number
Number of shares in issue at the beginning of the year	34,550,117	21,699,167
Effect of shares issued during year	17,846,044	12,850,950
Weighted average number of ordinary shares in issue for the year	52,396,161	34,550,117

The diluted earnings per share is identical to the basic loss per share as the exercise of warrants and options would be anti-dilutive.

9. Intangible assets – Group

	Exploration costs £	Other intangible assets £	Total £
COST			
At 1 January 2024	14,797,833	75,493	14,873,326
Additions for the year – cash	1,644,552	620,561	2,265,113
Additions for the year – non-cash	107,402	-	107,402
Grant income received	-	(180,644)	(180,644)
Foreign exchange movements	(955,907)	(13,705)	(969,612)
Impairment	(72,563)	-	(72,563)
At 31 December 2024	15,521,317	501,705	16,023,022
At 1 January 2025	15,521,317	501,705	16,023,022
Additions for the year – cash	1,259,320	225,618	1,484,938
Additions for the year – non-cash	832	-	832
Grant income received	-	(12,750)	(12,750)
Foreign exchange movements	1,448,902	31,457	1,480,359
Impairment	(12,397)	-	(12,397)
Transfer to assets held for sale (note 26)	(3,590,701)	-	(3,590,701)
At 31 December 2025	14,627,273	746,030	15,373,303
NET BOOK VALUE			
At 31 December 2025	14,627,273	746,030	15,373,303
At 31 December 2024	15,521,317	501,705	16,023,022

The net book value of exploration costs is comprised of expenditure on the following projects:

	2025	2024
	£	£
Kallak	12,590,320	10,271,536
Pitkäjärvi	1,749,466	1,627,258
Rääpysjärvi	224,097	188,016
Luopioinen	10,431	7,157
Emas	52,960	48,898
Pirttikoski	-	7,347
Mitrovica	-	2,425,900
Viti	-	663,106
Shala	-	282,099
	14,627,273	15,521,317

Total Group exploration costs of £14,627,273 (2024: £15,521,317) are currently carried at cost in the financial statements. The Group will need to raise funds and/or bring in joint venture partners to further advance exploration and development work. An amount of £206,044 was recorded against the projects for services provided by the Directors during the year (2024: £236,112). During the year, Vardar was classified as held for sale, and therefore exploration costs in relation to Mitrovica, Viti and Shala are £Nil at 31 December 2025.

In Sweden, during 2024, the Supreme Administrative Court delivered the verdict to uphold the Government's awarding of the Exploitation Concession for Kallak. Management have considered that there is no current risk associated with Kallak and thus have not impaired the project.

In Finland, the development of downstream capabilities is a key part of Grafintec's strategy. During the year, the GAMP PFS was completed demonstrating extremely positive economics. The Company's most advanced natural flake graphite project, Aitolampi, has an Indicated and Inferred Mineral Resource of 26.7 Mt at 4.8% TGC for 1,275,000 tonnes of contained graphite. The Company maintained the licenses in good standing through the payment of landowner fees, completion of environmental monitoring, and limited exploration and metallurgical work. Management have considered that there is no current risk associated with Grafintec and thus have not impaired the project.

In Kosovo, Vardar has three exploration licence areas, Mitrovica, Viti and Shala. Progress during 2025 was limited due to all exploration licences being or becoming subject to renewal, although during early 2025, low-cost mapping and surface sampling on the Shala licences was undertaken to define and refine exploration targets. At the year ended 31 December 2025, the exploration costs for Vardar have been transferred to assets held for sale, as the Company had received a non-binding cash offer for its 100% interest in Vardar (see note 26 for further details).

In the year, an impairment provision of £12,397 was recognised for project costs capitalised for projects at Pirttikoski (2024: £72,563 in projects at Karhunmäki) as the exploration reservation expired during the year and no exploration licence was applied for. In respect of the other licence areas, no impairment indicators have been identified. The impairment is charged as an expense and included within the consolidated income statement.

Other intangible assets capitalised are development costs, including salaries and external services incurred following the feasibility of GAMP project. This development has attained a stage that it satisfies the requirements of IAS 38 to be recognised as intangible asset in that it has the potential to completed and used, provide future economic benefits, its costs can be measured reliably and there is the intention and ability to complete. The development costs will be held at cost less impairment until the completion of the GAMP project at which stage they will be transferred to the value of the Plant and depreciated.

10. Property, plant and equipment

Group

	Office equipment	Motor vehicles	Machinery & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2024	4,633	135,215	140,161	1,006	281,015
Disposals	(3,179)	-	(1,950)	-	(5,129)
Foreign exchange movements	(146)	(7,664)	(8,318)	-	(16,128)
At 31 December 2024	1,308	127,551	129,893	1,006	259,758
Depreciation					
At 1 January 2024	3,468	95,419	94,331	42	193,260
Charge for year	390	12,069	13,427	241	26,127
Disposals	(2,401)	-	(1,950)	-	(4,351)
Foreign exchange movements	(149)	(5,416)	(6,398)	-	(11,963)
At 31 December 2024	1,308	102,072	99,410	283	203,073

Group

	Office equipment	Motor vehicles	Machinery & equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2025	1,308	127,551	129,893	1,006	259,758
Transfer to assets held for sale (note 26)	(1,442)	(111,221)	(114,610)	-	(227,273)
Foreign exchange movements	134	7,936	8,521	-	16,591
At 31 December 2025	-	24,266	23,804	1,006	49,076
Depreciation					
At 1 January 2025	1,308	102,072	99,410	283	203,073
Charge for year	-	11,460	13,040	181	24,681
Transfer to assets held for sale (note 26)	(1,442)	(95,772)	(96,276)	-	(193,490)
Foreign exchange movements	134	6,418	7,436	-	13,988
At 31 December 2025	-	24,178	23,609	464	48,252
Net book value					
At 31 December 2025	-	88	194	542	824
At 31 December 2024	-	25,479	30,483	723	56,685

Depreciation in the reconciliation includes amounts relating to discontinued operations of £24,500 (2024: £25,886). Depreciation recognised within continuing operations in the income statement is £181 (2024: £241)

Company

	Computer equipment £	Total £
Cost		
At 1 January 2024	1,006	1,006
At 31 December 2024	1,006	1,006
Depreciation		
At 1 January 2024	42	42
Charge for year	241	241
At 31 December 2024	283	283

Company

	Computer equipment £	Total £
Cost		
At 1 January 2025	1,006	1,006
At 31 December 2025	1,006	1,006
Depreciation		
At 1 January 2025	283	283
Charge for year	181	181
At 31 December 2025	464	464
Net book value		
At 31 December 2025	542	542
At 31 December 2024	723	723

11. Investments

	Group and Company listed investments	Company shares in subsidiaries
	£	£
Cost		
At 1 January 2024	6,563	3,961,315
Acquisitions	-	464,141
Impairment	-	(331,764)
Fair value losses	(3,313)	-
At 31 December 2024	3,250	4,093,692
At 1 January 2025	3,250	4,093,692
Acquisitions	-	97,151
Fair value losses	(1,500)	-
Transfer to assets held for sale (note 26)	-	(3,373,818)
At 31 December 2025	1,750	817,025

Listed investments

The listed investment includes equity investment of 50,000 shares in Marula Mining Plc, listed on the Aquis exchange, which is held at fair value.

Shares in subsidiaries

Additions to the investments in the share capital of subsidiaries in 2024 include the acquisition of Vardar to increase the Company's shareholding in Vardar from 61.1% to 100%, which was £340,124 in 2024.

The additional investment during the year includes a share-based payment expense of £97,151 in relation to share options granted to employees of the Company's subsidiaries Grafintec, Jokkmokk Iron and Vardar (2024: £124,017).

Included within the brought forward investment is 100 per cent of the share capital of Grafintec, that was acquired during the year ended 31 December 2016 and holds a portfolio of four early-stage graphite exploration projects. At the time of acquisition, Beowulf paid for 100 per cent of the share capital of Grafintec by issuing 2.55 million ordinary shares in the Company, with two further tranches of 2.1 million ordinary shares to be issued on achievement of certain performance milestones.

The first tranche of 2.1 million ordinary shares was issued on the anniversary of 24 months from the date of the acquisition, in accordance with Mr Blomqvist having worked for the Company as a full-time employee during that period. The second tranche of shares, being 42,000 ordinary shares following the 50 to one share consolidation completed in June 2024, will be issued on completion of a bankable feasibility study on one of the graphite projects in the portfolio. At the year end, there was £Nil recognised for the second tranche (2024: £Nil).

The remaining investment in subsidiaries includes the share capital of the Company's directly owned subsidiaries, listed below.

The Group consists of the following subsidiary undertakings:

Name	Incorporated	Activity	2025 % holding	2024 % holding
Grafintec Oy	Finland	Mineral exploration	100%	100%
Jokkmokk Iron Mines AB	Sweden	Mineral exploration	100%	100%
Beowulf Mining Sweden AB	Sweden	Mineral exploration	100%	100%
Wayland Copper Limited	UK	Holding company	100%	100%
Wayland Sweden AB	Sweden	Mineral exploration	(1)100%	(1)100%
Vardar Minerals Ltd	UK	Mineral exploration	100%	100%
Vardar Geoscience BVI Ltd	British Virgin Islands	Holding company	(1)100%	(1)100%
Vardar Geoscience Kosovo L.L.C	Kosovo	Mineral exploration	(1)100%	(1)100%
Vardar Exploration Kosovo L.L.C	Kosovo	Mineral exploration	(1)100%	(1)100%
UAV Geophysics (UK) Limited(2)	UK	Dormant	-	(1)100%

(1) Indirectly held
(2) UAV Geophysics (UK) Limited was dissolved on 1 July 2025.

The registered offices of the subsidiary undertakings as are follows:

Name	Registered office
Grafintec Oy	c/o Cursor Oy Invest in, Kyminlinnantie 6, 48600 Kotka, Finland, Finland
Jokkmokk Iron Mines AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Beowulf Mining Sweden AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Wayland Copper Limited	201 Temple Chambers, 3-7 Temple Avenue, London
Wayland Sweden AB	Berggatan 14, 962 32, Jokkmokk, Sweden
Vardar Minerals Limited	201 Temple Chambers, 3-7 Temple Avenue, London
Vardar Geoscience BVI Ltd	Trident Chambers, P.O. Box 146, Wickhams Cay 1 Road Town, British Virgin Islands
Vardar Geoscience Kosovo L.L.C	Rifat Berisha 23/10, Pristina, Republic of Kosovo
Vardar Exploration Kosovo L.L.C	Rifat Berisha 23/10, Pristina, Republic of Kosovo

12. Loans and other financial assets

Group

	Financial fixed assets £
At 1 January 2024	5,209
Foreign exchange movements	(71)
At 31 December 2024	5,138
At 1 January 2025	5,138
Impairment	(2,523)
Foreign exchange movements	169
At 31 December 2025	2,784

Company

	Loans to group undertakings £	Financial assets £	Total £
At 1 January 2024	12,837,081	2,784	12,839,865
Advances made in the year	2,633,108	-	2,633,108
ECLs in year	(477,226)	-	(477,226)
At 31 December 2024	14,992,963	2,784	14,995,747
At 1 January 2025	14,992,963	2,784	14,995,747
Advances made in the year	1,882,762	-	1,882,762
ECLs in year	(326,919)	-	(326,919)
Transfer to assets held for sale	(364,441)	-	(364,441)
At 31 December 2025	16,184,365	2,784	16,187,149

Reconciliation of provisions against receivables arising from lifetime ECLs

	31 December 2024 £	Current year movement £	31 December 2025 £
ECLs	3,575,437	326,919	3,902,356
Total provision arising from ECLs	3,575,437	326,919	3,902,356

The Directors have also assessed the cash flow scenarios of the above considerations. Estimations were made regarding the credit risk of the counterparty and the underlying probability of default in each of the credit loss scenarios. The scenarios identified by management included Production, Divestment, Fire-sale and Failure. These scenarios considered technical data, necessary licences to be awarded, the Company's ability to raise finance, and ability to sell the project. The expected credit loss is calculated based on the Fire-Sale and Failure outcomes, being the outcomes with an expected value of less than the carrying value of loans. A reasonable change in the probability weightings of 3% to failure and fire-sale would result in further impairment of £691,489 (2024: £923,585).

Further details of the transactions in the year are shown within related parties disclosure Note 28.

13. Right of use assets

Group	Motor vehicles	Buildings	Total
	£	£	£
Cost			
At 1 January 2024	-	93,900	93,900
Additions	28,572	-	28,572
Disposals	-	(16,868)	(16,868)
Foreign exchange movements	(2,673)	(6,396)	(9,069)
At 31 December 2024	25,899	70,636	96,535
Amortisation			
At 1 January 2024	-	30,742	30,742
Charge	5,165	32,040	37,205
Disposals	-	(16,868)	(16,868)
Foreign exchange movements	(129)	(2,748)	(2,877)
At 31 December 2024	5,036	43,166	48,202
Cost			
At 1 January 2025	25,899	70,636	96,535
Additions	21,959	16,798	38,757
Disposals	(28,850)	-	(28,850)
Transfer to assets held for sale (note 26)	-	(17,707)	(17,707)
Foreign exchange movements	5,289	8,957	14,246
At 31 December 2025	24,297	78,684	102,981
Amortisation			
At 1 January 2025	5,036	43,166	48,202
Charge	7,143	36,969	44,112
Disposals	(8,014)	-	(8,014)
Transfer to assets held for sale (note 26)	-	(8,892)	(8,892)
Foreign exchange movements	3,259	3,069	6,328
At 31 December 2025	7,424	74,312	81,736
Net book value			
At 31 December 2025	16,873	4,372	21,245
At 31 December 2024	20,863	27,470	48,333

14. Trade and other receivables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Other receivables	40,420	126,981	-	-
VAT	32,392	55,249	12,743	10,832
Prepayments and accrued income	15,707	10,282	15,708	9,318
	88,519	192,512	28,451	20,150

Included in other receivables is a deposit of £20,056 held by Finnish regulatory authorities (2024: £19,026).

15. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Bank accounts	329,647	881,349	235,652	714,339
	329,647	881,349	235,652	714,339

16. Non-controlling interests

The Group had material non-controlling interests arising from its subsidiaries Wayland Copper Limited and Vardar Minerals Limited, which were both consolidated from 12 November 2024 and 9 April 2024, respectively. These non-controlling interests can be summarised as follows:

	2025	2024
	£	£
Balance at 1 January	-	514,430
Total comprehensive loss allocated to NCI	-	(37,784)
Effect of step acquisitions	-	(476,646)
Total	-	-

Wayland Copper Limited is a 100% owned subsidiary of the Company that had a material non-controlling interest ("NCI") prior to the acquisition of the remaining NCI in 2024. Prior to the acquisition the Company owned 65.25% of Wayland Copper Limited.

Summarised financial information reflecting 100% of Wayland's relevant figures is set out below:

	2024
	£
Administrative expenses	(2,039)
Loss after tax	(2,039)
Loss allocated to NCI	(709)
Other comprehensive loss allocated to NCI	(247)
Total comprehensive loss allocated to NCI	(956)
Current assets	10,159
Current liabilities	(486,498)
Net liabilities	(476,339)
Net cash outflow	-
Non-controlling interest	-

Summarised financial information is not shown for the current year as the remaining NCI was acquired in the prior year.

Vardar Minerals Limited is a 100% owned subsidiary of the Company that had a material non-controlling interest ("NCI") prior to the acquisition on 9 April 2024. Prior to the acquisition the Company owned 61.1% of Vardar Minerals Limited.

Summarised financial information reflecting 100% of the Vardar Minerals relevant figures is set out below:

	2024
	£
Administrative expenses	(117,311)
Loss after tax	(117,311)
Loss allocated to NCI	(16,974)
Other comprehensive income allocated to NCI	(19,852)
Total comprehensive loss allocated to NCI	(36,826)
Current assets	14,436
Non-current assets	2,349,391
Current liabilities	(425,333)
Net assets	1,938,494
Net cash inflow/(outflow)	1,636
Non-controlling interest	-

Summarised financial information is not shown for the current year as the remaining NCI was acquired in the prior year.

17. Share capital

	31 December 2025 £	31 December 2024 £
Allotted, issued and fully paid		
Ordinary shares of 5p each	2,982,893	1,942,240
Deferred A shares of 0.9p each	10,414,687	10,414,687
	13,397,580	12,356,927

The number of shares in issue was as follows:

	Number of Ordinary shares
Balance at 1 January 2024	23,143,749
Issued during the year	15,701,041
Balance at 31 December 2024	38,844,790
Issued during the year	20,813,076
Balance at 31 December 2025	59,657,866

	Number of Deferred A shares
Balance at 1 January 2024	-
Issued during the year	1,157,187,463
Balance at 31 December 2024	1,157,187,463
Issued during the year	-
Balance at 31 December 2025	1,157,187,463

On 8 May 2025, the Company announced the completion of a capital raise which comprised a conditional placing to issue 8,980,877 ordinary shares of £0.05 which raised a total of £1.0 million (approximately SEK 12.8 million) before expenses; a Rights Issue which raised SEK 14.9 million (approximately £1.2 million) before expenses with the issue of 10,714,286 new SDRs; and a WRAP Retail Offer which raised £0.12 million (approximately SEK 1.6 million) before expenses with the issue of a total of 1,134,436 ordinary shares of £0.05.

	Share capital	Share premium	Total
	£	£	£
At 1 January 2025	12,356,927	29,878,404	42,235,331
Issue of new shares – cash	933,273	1,065,869	1,999,142
Issue of new shares – non-cash	107,380	57,869	165,249
Cost of issue	-	(374,688)[1]	(374,688)
At 31 December 2025	13,397,580	30,627,454	44,025,034

	Share capital	Share premium	Total
	£	£	£
At 1 January 2024	11,571,875	27,141,444	38,713,319
Issue of new shares – cash	732,725	3,657,860	4,390,585
Issue of new shares – acquisition	52,327	-	52,327
Cost of issue	-	(920,900)[2]	(920,900)
At 31 December 2024	12,356,927	29,878,404	42,235,331

All issues are for cash unless otherwise stated.

[1]Issue costs include £209,437 paid in cash and £165,251 in ordinary shares of the company.

[2] Issue costs include £776,421 paid in cash and £144,479 in ordinary shares of the Company.

The Company has removed the limit on the number of shares that it is authorised to issue in accordance with the Companies Act 2006.

There were 20,813,076 shares issued in 2025. There were 15,701,041 shares issued in 2024.

18. Share-based payments

During the year ended 31 December 2025, 2,272,000 options were granted (year ended 31 December 2024: 2,560,000). The options outstanding as at 31 December 2025 have an exercise price in the range of 5.0 pence to 262.5 pence (31 December 2024: 37.5 pence to 262.5 pence) and a weighted average remaining contractual life of 8 years, 167 days (2024: 8 years, 284 days).

The share-based payments expense for the options for the year ended 31 December 2025 was £286,364 (2024: £326,628).

The fair value of share options granted and outstanding were measured using the Black-Scholes model, with the following inputs:

	2025	2024	2024	2024	2023	2022	2022
Fair value at grant date	9p	24p	26p	15p	26p	180p	156p
Share price	10p	35p	37p	35p	84p	200p	200p
Exercise price	12p	38p	38p	38p	103p	5p	263p
Expected volatility	129.6%	77.5%	79.9%	77.5%	55.2%	100.0%	100.0%
Expected option life	6 years	6 years	6 years	2 years	2.5 years	5 years	6 years
Contractual option life	10 years	10 years	10 years	10 years	5 years	10 years	10 years
Risk free interest rate	4.130%	4.080%	4.100%	4.480%	4.800%	4.520%	4.480%

The options issued will be settled in the equity of the Company when exercised and have a vesting period of one year from date of grant.

Reconciliation of options in issue	Number	Weighted average exercise price(£'s)
Outstanding at 1 January 2024	895,000	2.30
Granted during the period	2,560,000	0.38
Lapsed during the period	(285,000)	3.31
Outstanding at 31 December 2024	3,170,000	0.65
Exercisable at 31 December 2024	688,333	1.51

Reconciliation of options in issue	Number	Weighted average exercise price(£'s)
Outstanding at 1 January 2025	3,170,000	0.65
Granted during the period	2,272,000	0.12
Outstanding at 31 December 2025	5,442,000	0.43
Exercisable at 31 December 2025	1,543,336	0.93

4,329,004 warrants were granted during the year (2024: Nil) with an exercise price of £0.12 per warrant. As the grant of the warrants was attached to the issue of the CLN, they have been treated as a component of the CLN and measured in accordance with IAS 32 (see Note 23). 4,329,004 warrants were outstanding and exercisable at 31 December 2025 (2024: Nil).

19. Reserves

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 above par value.
Capital contribution reserve	The capital contribution reserve represents historic non-cash contributions to the Company from equity holders.
Share-based payment reserve	Cumulative fair value of options charged to the consolidated income statement net of transfers to the profit or loss reserve on exercised and cancelled/lapsed options.
Warrant reserve	Represents the fair value of warrants attached to convertible loan note.
Translation reserve	Cumulative gains and losses on translating the net assets of overseas operations to the presentation currency.
Merger reserve	The balance on the merger reserve represents the fair value of the consideration given in excess of the nominal value of the ordinary shares issued in an acquisition made by the issue of shares where the transaction qualifies for merger relief under Section 612 of the Companies Act 2006.
Accumulated losses	Accumulated losses comprise the Group's cumulative accounting profits and losses since inception.

20. Trade and other payables

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Current:				
Trade payables	174,743	378,868	59,610	20,873
Other payables	14,250	11,036	10,422	2,601
Social security and other taxes	19,659	22,264	10,987	10,685
Accruals	109,537	95,956	93,978	89,370
	318,189	508,124	174,997	123,529

21. Lease liabilities

Nature of leasing activities

Vardar Geoscience leases buildings located in Str. Highway Prishtina Mitrovice Village Shupkove No.2, Kosovo. The lease in Vardar in included in the disposal group held for sale at 31 December 2025.

Jokkmokk Mining leases office premises located in 962 31 Jokkmokk, Sweden and motor vehicles for use by employees.

	2025	2024
	No.	No.
Number of active leases	3	2

Lease liabilities at year end

Group	2025	2024
	£	£
Current		
Lease liabilities	8,049	20,727
Non-current		
Lease liabilities	9,283	10,016
Total lease liabilities	17,332	30,743

Analysis of lease liabilities

Group	Motor vehicles	Buildings	Total
	£	£	£
At 1 January 2024	-	37,628	37,628
Additions	22,001	-	22,001
Interest expense	648	1,539	2,187
Lease payments	(3,879)	(23,253)	(27,132)
Foreign exchange movements	(1,978)	(1,963)	(3,941)
At 31 December 2024	16,792	13,951	30,743
Additions	21,959	17,433	39,392
Interest expense	1,368	1406	2,774
Lease payments	(9,675)	(21,898)	(31,573)
Transfer to assets held for sale (note 26)	-	(16,137)	(16,137)
Foreign exchange movements	3,028	5,245	8,273
Disposals	(16,140)	-	(16,140)
At 31 December 2025	17,332	-	17,332

Analysis of gross value of lease liabilities

Maturity of the lease liabilities is analysed as follows:

	2025
	£
Within 1 year	8,874
Later than 1 year and less than 5 years	9,613
Total principal cash flows	18,487
Less interest cash flows	(1,155)
At 31 December 2025	17,332

The total cash outflow for leases in 2025 was £31,573 (2024: £27,133).

22. Borrowings

Group and Company	2025	2024
	£	£
Current		
Bridging loan	-	-
Convertible loan notes – debt	333,958	-
Total borrowings	333,958	-

On 21 March 2025, the Company secured a Bridging loan from Nordic investors of SEK 10 million (approximately £0.74 million). The Loan had a fixed interest rate of 1.5% per stated 30-day period during the duration.

Accrued interest was compounding. The Loan had a commitment fee of 5.0% and a Maturity Date of 30 June 2025. The bridging loan principal and interest totalling £0.95 million was repaid early in May 2025 using part of the proceeds from the capital raise.

A reconciliation of the loan movements is included in Note 24.

Information on the convertible loan notes is detailed in Note 23.

23. Convertible loan notes

On 19 December 2025, the Company issued £500,000 unsecured convertible loan notes ("CLN"). At the same time, the Company granted 4,329,004 warrants to the investor at a price of £0.1155 per warrant. The CLN accrues interest at a rate of 10% per annum and has a term of one year.

From an accounting perspective, the CLN consists of three components:

- Component 1 is the obligation to not repay the CLN in cash and is recognised as a non-derivative financial liability and measured at amortised cost.
- Component 2 is recognised as the option to convert the CLN into Conversion Shares. This is a derivative, as the number of conversion shares varies based on the share price. The fixed-for-fixed criteria is not met and therefore the conversion option does not meet the definition of equity. The conversion option is therefore a derivative liability accounted for at fair value through profit or loss.
- Component 3 is the option to convert the warrants into a fixed number of ordinary shares at a fixed price. This component is therefore classified as equity.

	Convertible loan debt	Convertible loan derivative	Convertible loan equity	Total
	£	£	£	£
Principal	337,487	91,750	70,763	500,000
Cost of issue	(10,129)	(2,754)	(2,123)	(15,006)
Interest	6,600	-	-	6,600
Carrying value	333,958	88,996	68,640	491,594

The equity component of the CLN has been recognised in the warrant reserve in the statement of financial position.

Interest on the CLN is recognised using the effective interest method in accordance with IFRS 9.

The value of the CLN Conversion Option is a function of the Company's future share price. The value of the CLN Conversion Option depends on whether the lowest trading price in the 20 days before Conversion is higher or lower than the nominal value of the shares of the Company, being £0.05. Thus, a computational model is required which creates numerous iterations of possible daily share price evolution paths over the term of the CLN. The fair value of the Conversion Option can then be calculated for each iteration with the average of these values being the final fair value. This is known as the Monte Carlo method.

A valuation has been performed at the Issue Date. Due to the short time period between the Issue Date and 31 December 2025 and given there were no movements in the share price in this period, the impact of any fair value movement has been deemed to be immaterial.

24. Changes in liabilities from financing activities

Group	Leases	Borrowings	Derivative financial liabilities	Total
	£	£	£	£
Opening balance 1 January 2025	30,743	-	-	30,743
Cash movements				
Borrowings advancements	-	736,194	-	736,194
Issue of convertible loans	-	337,487	88,996	426,483
Lease payments	(31,573)	-	-	(31,573)
Funds repaid	-	(705,125)	-	(705,125)
Total	(830)	368,556	88,996	456,722
Non-cash movements				
Finance cost	2,774	58,686	-	61,460
Effect of FX	8,840	(89,755)	-	(80,915)
Lease additions	6,548	-	-	6,548
Closing balance 31 December 2025	17,332	337,487	88,996	443,815

Group	Leases	Borrowings	Total
	£	£	£
Opening balance 1 January 2024	37,628	-	37,628
Cash movements			
Borrowings advancements	-	723,881	723,881
Lease payments	(27,132)	-	(27,132)
Funds repaid	-	(758,319)	(758,319)
Total	10,496	(34,438)	(23,942)
Non-cash movements			
Lease additions	22,001	-	22,001
Finance cost	2,187	59,147	61,334
Effect of FX	(3,941)	(24,709)	(28,650)
Closing balance 31 December 2024	30,743	-	30,743

Company	Borrowings £	Derivative financial liabilities £	Total £
Opening balance 1 January 2025	-	-	-
Cash movements			
Borrowings advancements	736,194	-	736,194
Issue of convertible loans	337,487	88,996	426,483
Funds repaid	(705,125)	-	(705,125)
	368,556	88,996	457,552
Non-cash movements			
Finance cost	58,686	-	58,686
Effect of FX	(89,755)	-	(89,755)
Closing balance 31 December 2025	337,487	88,996	426,483

Company	Borrowings £	Total £
Opening balance 1 January 2024	-	-
Cash movements		
Borrowings advancements	723,881	723,881
Funds repaid	(758,319)	(758,319)
Total	(34,438)	(34,438)
Non-cash movements		
Finance cost	59,147	59,147
Effect of FX	(24,709)	(24,709)
Closing balance 31 December 2024	-	-

25. Financial instruments

The Group and Company's financial instruments comprise cash and cash equivalents, loans and other financial assets, trade and other receivables, trade and other payables, borrowings and lease liabilities that arise directly from its operations.

The Group and Company hold the following financial instruments:

Group

At 31 December 2025	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	329,647	-	329,647
Trade and other receivables	40,421	-	40,421
	370,067	-	370,067
Non-current financial assets			
Other financial assets	2,784	1,750	4,534
	2,784	1,750	4,534
Current financial liabilities			
Trade and other payables	298,532	-	298,532
Lease liabilities	8,049	-	8,049
Convertible loan - debt	333,958	-	333,958
Convertible loan - derivative	-	88,996	88,996
	605,114	88,996	694,110
Non-current financial liabilities			
Lease liabilities	9,283	-	-
	9,283	-	-

Company

At 31 December 2025	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	235,652	-	235,652
	235,652	-	235,652
Non-current financial assets			
Loans to group undertakings	16,184,365	-	16,184,365
Other financial assets	2,784	1,750	4,534
	16,187,149	1,750	16,188,899
Current financial liabilities			
Trade and other payables	164,008	-	164,008
Convertible loan – debt	333,958	-	333,958
Convertible loan - derivative	-	88,996	88,996
	497,966	88,996	586,962

Group

At 31 December 2024	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	881,349	-	881,349
Trade and other receivables	126,982	-	126,982
	1,008,331	-	1,008,331
Non-current financial assets			
Other financial assets	5,138	3,250	8,388
	5,138	3,250	8,388
Current financial liabilities			
Trade and other payables	485,865	-	485,865
Lease liabilities	20,727	-	20,727
	506,592	-	506,592
Non-current financial liabilities			
Lease liabilities	10,016	-	10,016
	10,016	-	10,016

Company

At 31 December 2024	Held at amortised cost	Fair value through profit and loss	Total
	£	£	£
Current financial assets			
Cash and cash equivalents	714,339	-	714,339
	714,339	-	714,339
Non-current financial assets			
Loans to group undertakings	14,992,963	-	14,992,963
Other financial assets	2,784	3,250	6,034
	14,995,747	3,250	14,998,997
Current financial liabilities			
Trade and other payables	112,844	-	112,844
	112,844	-	112,844

The carrying values of the Group’s financial liabilities measured at amortised cost represents a reasonable approximation of their fair values.

The main purpose of these financial instruments is to finance the Group's and Company's operations. The Board regularly reviews and agrees policies for managing the level of risk arising from the Group's financial instruments as summarised below.

a) Market risk

Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Group's and Company's income or the value of its holdings in financial instruments.

i) Foreign exchange risk

The Group operates internationally and is exposed to currency risk arising on cash and cash equivalents, receivables and payables denominated in a currency other than the respective functional currencies of the Group entities, which are primarily Swedish Krona, Euro and Sterling. The Group manages foreign currency risk by paying for foreign denominated invoices in the currency in which they are denominated. The Group's and Company's net exposure to foreign currency risk at the reporting date is as follows:

	Group		Company	
	2025	2024	2025	2024
	£	£	£	£
Net foreign currency financial assets:				
Swedish Krona	186,992	581,691	225,802	596,681
Euro	(55,098)	37,386	(7,777)	56,391
Total net exposure	131,894	619,077	218,025	653,072

Sensitivity analysis

A 10 per cent strengthening of sterling against the Group's primary currencies at 31 December 2025 would have decreased equity and profit or loss by the amounts shown below:

Group

	Profit or loss		Equity	
	2025	2024	2025	2024
	£	£	£	£
Swedish Krona	(18,699)	(58,169)	(18,699)	(58,169)
Euro	5,510	(3,739)	5,510	(3,739)
Total	(13,189)	(61,908)	(13,189)	(61,908)

Company

	Profit or loss		Equity	
	2025	2024	2025	2024
	£	£	£	£
Swedish Krona	(22,580)	(59,668)	(22,580)	(59,668)
Euro	777	(5,639)	777	(5,639)
Total	(21,803)	(65,307)	(21,803)	(65,307)

A 10 per cent weakening of sterling against the Group's primary currencies at 31 December 2025 would have an equal but opposite effect on the amounts shown above.

ii) Interest rate risk

The Group's and Company's policy is to retain its surplus funds on the most advantageous term of deposit available up to a 12-month maximum duration. Given that the Directors do not consider that interest income is significant in respect of the Group's and Company's operations no sensitivity analysis has been provided in respect of any potential fluctuations in interest rates.

Interest rate risk is the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that the Group uses. The Group's interest-bearing financial liability in the year is the bridging loan finance entered into in the prior year and repaid in the current year; this was at a fixed rate of interest. The interest-bearing financial liability in the prior year was the bridging loan finance, which was at a fixed rate of interest.

b) Credit risk

The Group's principal financial assets are the cash and cash equivalents and loans and receivables, as recognised in the statement of financial position, and which represent the Group's maximum exposure to credit risk in relation to financial assets. The Group and Company policy for managing its exposure to credit risk with cash and cash equivalents is to only deposit surplus cash with financial institutions that hold a Standard & Poor's, BBB-rating as a minimum.

The Company has made unsecured interest-free loans to its subsidiaries. Although they are repayable on demand, they are not expected to be repaid until the projects are successful and the subsidiaries start to generate revenues. An assessment of the expected credit loss arising on intercompany loans is detailed in Note 12.

The amounts used by the subsidiaries are as follows:

	2025	2024
	£	£
Jokkmokk Iron Mines AB	12,505,893	11,511,283
Vardar Minerals Limited	-	240,568
Grafintec Oy	3,678,471	3,241,111
Total	16,184,364	14,992,962

The loan to Vardar of £364,411 has been classified as held for sale during the year (see note 26).

Reconciliation of provisions against receivables arising from lifetime ECLs

	1 January 2025 £	Movement in the year £	31 December 2025 £
ECLs	3,575,437	326,919	3,902,356
Total provision arising from ECLs	3,575,437	326,919	3,902,356

	1 January 2024 £	Movement in the year £	31 December 2024 £
ECLs	3,107,786	467,651	3,575,437
Total provision arising from ECLs	3,107,786	467,651	3,575,437

i) Commodity price risk

The principal activity of the Group is the exploration for iron ore in Sweden, graphite in Finland and other prospective minerals in Kosovo, and the principal market risk facing the Group is an adverse movement in the price of such commodities/industrial minerals. Any long-term adverse movement in market prices would affect the commercial viability of the Group's various projects. The Board looks to mitigate this risk through the diversification of different prospective minerals.

c) Liquidity risk

To date the Group and Company have relied on shareholder funding and loan funding to finance operations. As the Group and Company have finite cash resources and no material income, the liquidity risk is significant and is managed by controls over expenditure and cash resources. The Group and Company have minimal exposure to liquidity risk as trade and other payables all have a maturity of less than one year, the only exception being the lease liability per Note 21. The rationale for the preparation of the accounts on a going concern basis is detailed in the Report of the Directors.

The undiscounted contractual maturities of the Group's financial liabilities are set out below:

31 December 2025	Less than 3 months £	Between 3 and 12 months £	Between 1 and 2 years £
Trade and other payables	318,189	-	-
Lease liabilities	2,218	6,655	9,613
Convertible loan	-	550,000	-
	320,407	556,655	9,613

31 December 2024	Less than 3 months	Between 3 and 12 months	Between 1 and 2 years
	£	£	£
Trade and other payables	508,124	-	-
Lease liabilities	5,505	15,222	10,016
	513,629	15,222	10,016

d) Capital management

The Groups capital structure consists of issued capital and reserves and accumulated losses. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital. The Group does not have any externally imposed capital requirements.

Group

Net working capital	2025	2024
	£	£
Cash and cash equivalents	329,647	881,349
Trade and other payables	(318,189)	(508,124)
Lease liabilities	(17,332)	(30,733)
Borrowings	(333,958)	-
Net (debt)/cash	(339,832)	342,492
Total equity	18,552,625	16,671,432
Net (debt)/cash to equity ratio	(1.83)%	2.05%

Company

Net working capital	2025	2024
	£	£
Cash and cash equivalents	235,652	714,339
Trade and other payables	(174,997)	(123,529)
Borrowings	(333,958)	-
Net (debt)/cash	(273,303)	590,810
Total equity	20,165,646	20,036,136
Net (debt)/cash to equity ratio	(1.36)%	2.95%

26. Discontinued operations

On 26 November 2025, the Company received a non-binding cash offer for its 100% interest in Vardar, and on 22 December 2025, the Company agreed Heads of Terms. Completion of the offer is contingent upon the satisfactory outcome of the due diligence process. Based on the information available at the reporting date, the Directors were not aware of any issues that would prevent a satisfactory conclusion and therefore concluded Vardar should be classified as held for sale from 22 December 2025, being the date the sale was considered highly probable.

In accordance with IFRS 5, the results of Vardar are presented within discontinued operations in the Consolidated Statement of Profit or Loss (for which the comparative statements and related notes have been restated). The net assets of Vardar have been reclassified as assets and liabilities held for sale. At 31 December 2025, the net book value of Vardar's assets and liabilities of £3,525,450 (€4,042,916) is higher than the non-binding cash offer of £3,493,028 (€4,000,000) and therefore an impairment of £32,423 has been recognised within loss from discontinued operations in the statement of profit or loss.

Financial information relating to the discontinued operations is set out below.

	2025	2024
	£	£
Expenses	124,919	116,997
Loss before tax	124,919	116,997
Income tax credit	-	-
Loss from discontinued operations	124,919	116,997

	2025	2024
	£	£
Net cash outflow from operating activities	(54,274)	(86,940)
Net cash outflow from investing activities	(98,519)	(128,973)
Net cash inflow from financing activities	149,138	217,549
Net (decrease)/increase in cash generated by discontinued operations	(3,655)	1,636

Group	2025
	£
Assets classified as held for sale	
Intangible assets	3,590,701
Property, plant and equipment	33,783
Right-of-use assets	8,116
Impairment of disposal group to fair value less cost to sell	(33,423)
Total assets of disposal group held for sale	3,600,177
Liabilities directly associated with assets classified as held for sale	
Trade and other payables	(98,770)
Lease liabilities	(8,379)
Total liabilities of disposal group held for sale	(107,149)
Net disposal group held for sale	3,493,028

Total impairment of £32,423 has been included within discontinued operations in the consolidated statement of profit or loss.

The investment in Vardar of £3,373,818 and the intercompany loan receivable of £364,441 have been classified as held for sale in the Company's statement of financial position, at fair value less cost to sell of £3,493,028. Impairment of £245,231 has been recognised in the parent company profit or loss.

27. Segment reporting

The Group has only one primary business activity being the exploration for, and the development of, iron ore, graphite and other mineral deposits. The Group also reports by geographical reportable segment in the countries in which it operates. The Group's exploration and development activities are focused on three countries - Sweden, Finland and Kosovo - with support provided from the UK headquarters. In presenting information on the basis of geographical reportable segments, the loss for the year, key statement of financial position data, property, plant and equipment additions and deferred exploration additions is based on the geographical location of the assets. The Group has adopted IFRS 8 'Operating Segments'. IFRS 8 requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the chief operating decision maker to allocate resources and assets.

2025	Sweden	Finland	UK	Unallocated[2]	Total
	£	£	£	£	£
Intangible assets	12,590,316	2,782,987	-	-	15,373,303
Other non-current assets	21,527	-	5,076	-	26,603
Current assets	72,964	77,825	267,377	3,600,177	4,018,343
Liabilities	(129,006)	(17,909)	(611,560)	(107,149)	(865,624)
Finance income	(96)	-	(2,128)	-	(2,224)
Finance costs	2,080	-	58,686	-	60,766
Grant income	(177)	-	-	-	(177)
Intangible asset additions	1,097,437	279,713	-	108,620	1,485,770
Impairment	-	12,397	32,423	-	44,820
Expenses[1]	165,676	341,328	1,134,849	-	1,641,853
Loss for the year	148,610	341,328	1,132,721	124,919	1,747,578
Total comprehensive loss	(1,075,547)	206,273	1,132,721	2,768	266,215

2024	Sweden	Finland	Kosovo	UK	Total
	£	£	£	£	£
Intangible assets	10,271,531	2,380,385	3,371,106	-	16,023,022
Other non-current assets	50,940	-	55,708	6,758	113,406
Current assets	204,306	128,771	12,146	728,638	1,073,861
Liabilities	(249,938)	(60,723)	(99,209)	(128,997)	(538,867)
Finance income	(197)	-	-	(3,207)	(3,404)
Finance costs	1,957	-	230	59,147	61,334
Grant income	(166)	(3,395)	-	-	(3,561)
Intangible asset additions	1,527,012	537,307	127,552	-	2,191,871
Impairment	-	72,563	-	-	72,563
Expenses[1]	127,033	370,779	79,811	1,218,350	1,795,973
Loss for the year	126,670	367,384	79,811	1,215,143	1,789,008
Total comprehensive loss	850,690	473,230	208,107	1,215,144	2,747,171

[1]Expenses include administrative expenses, impairment and finance costs.
[2]Unallocated includes amounts relating to discontinued operations (see note 26).

28. Related party disclosures

Transactions with subsidiaries

During the year, cash advances of £1,159,862 (2024: £1,633,485) were made to Jokkmokk Iron Mines AB and net settled costs of £39,211 (2024: net settled costs £59,861). The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end the intragroup loan amounted to £15,071,734 (2024: £13,872,661).

Beowulf Mining Sweden AB received cash advances of £Nil (2024: £Nil) and net settled costs of £Nil (2024: net settled costs of £Nil). The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £4,476,138 (2024: £790,632).

Grafintec Oy received cash advances of £527,286 (2024: £650,683) and net settled costs of £Nil (2024: net settled costs of £53,525) with the Company. The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £4,433,928 (2024: £3,906,643).

Vardar received cash advances of £58,773 (2024: £169,010) and net settled costs of £78,214 (2024: £53,324) with the Company. The advances are held on an interest free intragroup loan which has no terms for repayment. At the year end, the intragroup loan amounted to £482,536 (2024: £326,133).) before impairment of £118,095 (2024: £85,565). The loan is included in assets held for sale at 31 December 2025 (Note 26).

In accordance with its service agreement, Grafintec charges Beowulf Mining plc for time incurred by its staff on exploration projects held by other entities in the Group. In turn, Beowulf Mining plc recharges the other entities involved.

In addition, Beowulf Mining plc charges entities in the Group for time and expenses spent by Directors on providing services. An arm's length margin has been included at entity level, but this is subsequently eliminated on consolidation.

The Company has made unsecured interest-free loans to its subsidiaries. Although they are repayable on demand, they are not expected to be repaid until the projects becomes successful and the subsidiaries start to generate revenues. An assessment of the expected credit loss arising on intercompany loans is detailed in Note 12.

Transactions with other related parties

Key management personnel include all Directors and those who have authority and responsibility for planning, directing and controlling the activities of the entity, the aggregate compensation paid to key management personnel of the Company is set below.

	2025	2024
	£	£
Short-term employee benefits (including employers' national insurance contributions)	638,771	587,392
Post-retirement benefits	48,744	54,721
Share-based payments	273,983	299,706
	961,498	941,819

Short-term benefits include £7,767 (2024: £42,451) paid to Holistic Push AB, a Company controlled by Johan Röstin. The amount owed at year end was £Nil (2024: £Nil).

29. Capital commitments

As an exploration and development company, the Company has a portfolio of exploration projects held through subsidiary companies relevant to the local operations of the business. All of the Company's business interests carry financial commitments to remain in good standing, which are funded directly by the Company.

All the subsidiary companies require timely submission of regulatory filings, financial accounts and tax submissions. All exploration projects are held under exploration licences and permits, against which during the year renewals are expected to be processed with associated renewal fees attaching.

30. Contingent liabilities

At 31 December 2025, the Company has a possible obligation to pay up to two years' annual salary to the Board for a total of approximately £651,154 (2024: £420,000), in the event of them leaving their roles following a change in control. The Directors have waived this provision within their Service Agreements in relation to the change of control resulting from the proposed strategic investment.

31. Events after the reporting date

On 14 January 2026, the Company received notice from the investor to convert £25,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 395,131 new Ordinary Shares to the Investor in accordance with the investment terms.

On 22 January 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 790,263 new Ordinary Shares to the Investor in accordance with the investment terms.

On 6 February 2026, the Company received notice from the investor to convert £25,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 347,222 new Ordinary Shares to the Investor in accordance with the investment terms.

On 24 February 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 793,650 new Ordinary Shares to the Investor in accordance with the investment terms.

On 9 March 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 793,650 new Ordinary Shares to the Investor in accordance with the investment terms.

On 25 March 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 925,925 new Ordinary Shares to the Investor in accordance with the investment terms.

On 23 April 2026, the Company received notice from the investor to convert £50,000 of the outstanding balance of unsecured convertible loan notes into ordinary shares of 5 pence each in the Company. Accordingly, the Company will issue 1,000,000 new Ordinary Shares to the Investor in accordance with the investment terms.

On 5 June 2026, the Company announced that it had signed a Heads of Terms for a strategic investment of £3.7 million from a consortium led by Bacchus Capital as part of a total capital raise of £4.3 million. The Investment Agreement was subsequently signed on 12 June 2026. The funding remains subject to a number of conditions and approvals including the Takeover Panel granting a waiver of the mandatory offer provisions set out in Rule 9 of the Takeover Code that would otherwise arise under Rule 9 of the Takeover Code for the Bacchus Capital and its Affiliates to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the shares pursuant to the proposed strategic investment, subject to the approval of independent shareholders ("Rule 9 Waiver"); independent shareholder approval of the Rule 9 Waiver; the passing of resolutions necessary to enable the issue of the new shares, to effect a capital reorganisation and the settlement with the Convertible Loan Noteholder, conduct a share split to reduce the nominal value of the Ordinary Shares ("Capital Reorganisation"); and regulatory approvals including Foreign Direct Investment ("FDI") approvals in Sweden.

In addition to this long-term funding, the Company secured interim financing for the period in which approvals are sought. Bacchus Capital and a third-party investor have acquired in total a 2.25% royalty over the Company's Finnish assets for US$200,000 (approx. £149,231), pursuant to two royalty agreements dated 5 June 2026. The Company has an option to repurchase 50% of the Finnish royalties for a total of US$3.0 million (approx. £2.2 million).

In addition; and Bacchus Capital has acquired a 2.25% royalty over the Company's Swedish assets for US$100,000 (approx. £74,615), pursuant to a royalty agreement dated 5 June 2026. The Company has the option to repurchase and cancel the Swedish royalty for i) a payment of US$115,000 (approx. £85,767) cash for a period of 30 days after the completion of the proposed strategic investment or, ii) after the 30 day period for a payment US$3.0 million (approx. £2.2 million).