AFRICAN PIONEER PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

(Company no 008591V)

CONTENTS:

COMPANY INFORMATION

DIRECTORS
C Bird (Executive Chairman)
R Samtani (Finance Director)
C Cordier (Business Development Director)
K Thygesen (Independent Non-Executive Director)
J Cunningham-Davis (Non-Executive Director)

SECRETARY
Cavendish Secretaries Limited

REGISTERED OFFICE
19-21 Circular
Douglas
Isle of Man
IM1 1AF

FINANCIAL ADVISER
Beaumont Cornish Limited
Building 3,
566 Chiswick High Road,
London W4 5YE, England

BANKERS
Standard Bank
Standard Bank House
One Circular Road
Douglas, Isle of Man
IM1 1SB

REGISTERED NUMBER
008591V

AUDITORS
RPG Crouch Chapman LLP
40 Gracechurch Street
London EC3V OBT, England

REGISTERED AGENT
Cavendish Trust Company Limited
19-21 Circular
Douglas, Isle of Man
IM1 1AF

KEY HIGHLIGHTS

- Consolidated Net assets – £ 5,214,181 (2022 – £ 5,238,820)
- Consolidated (Loss)/Profit - Loss – £ (689,213) (2022 - (670,871))
- The Group reports its results and raises funds in Pounds Sterling (GBP).
- Its primary assets are in Zambia, Namibia, and Botswana

CHAIRMAN' STATEMENT

Dear Shareholder,

African Pioneer continues to make good technical progress in a climate where smaller mining companies are starved for attention.

Despite the lengthy period of smaller company neglect, your board remains convinced that it has an enviable portfolio of projects, which can only benefit from the forecasted decline in copper production, against an unprecedented demand for the metal.

In Zambia, we have four exploration licences, which are under option to First Quantum Mineral Ltd ("First Quantum"). During the period under review, First Quantum exercised their option on two of the licences and post review period exercised their option on the other two. We are fortunate in having First Quantum as a joint venture partner, who throughout our association have exhibited diligence and transparency over their intent and results.

Our joint venture exploration with First Quantum have resulted in proof of concept that the rich Congo style and lithology of the Congo extends into Zambia and possibly beyond into Angola. The exploration programmes have produced numerous intersections of copper mineralisation close to surface and our deeper holes have intersected all the pre-cursors necessary for the Kamoa and western Foreland style, evidenced by Ivanhoe Resources. Thus, the architecture for mineralisation is in place and our partners are busily modelling as well as practically pursuing the objective of discovery.

At our Namibian operation, Omgombo, we carried out a near surface drilling programme and extended the previously identified open-pittable mineralisation.

In addition, we remodelled the population of boreholes and as announced on 16 May 2023 announced an increased gross [1] Indicated Mineral Resource Estimate (MRE) in our 85% owned Ongombo project of 5.7Mt at 1.1% Cu Equivalent (CuEq), 0.94% Cu and 0.23g/t Au and a very substantial Inferred underground potential Resource of 23Mt at 1.1% CuEq, 0.95% Cu and 0.24g/t Au. This result includes the eastern shoot, though not completely drilled and thus no account has been taken of the gold values, which is known to exist. We intend to embark upon a further drilling programme to ascertain the contribution of gold and test the possibility of mineralisation between the eastern and central shoot, which has been postulated but not properly tested. The Omgombo project has the benefit of a 20-year mining licence and an environmental clearance certificate, which makes it a valuable asset with the company's portfolio of copper projects.

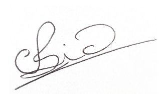
Our projects in the Botswana Kalahari Copperbelt are considered to be too small to satisfy the requirements of Sandfire and yet remain as active projects for our own activities. The propensity for small mine discovery (5,000-10,000 tonnes per annum) exists as a future exploration activity for the Company.

[1] gross representing 100% MRE and African Pioneer has 85% interest in the Project

The board considers the 4 Zambian licences held with First Quantum are ideally placed in a much sought-after exploration region and are optimistic for future exploration. As a result of our general exploration work in Zambia, we have elected to prioritize Zambia as our key exploration destination and to this end are pursuing a number of licence acquisitions to complement our existing licences.

I would like to thank my fellow board members and management for their hard work during the year and look forward to adding significant value to our existing portfolio and acquiring new positions, further enhance the value of our copper portfolio.

Yours sincerely,



Colin Bird, Executive Chairman
African Pioneer Plc
30 April 2024

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Colin Bird - Executive Chairman
Colin is a chartered mining engineer and a Fellow of the Institute of Materials, Minerals and Mining with more than 40 years' experience in resource operations management, corporate management, and finance. Colin has multi commodity mine management experience in Africa, Spain, Latin America and the Middle East. He has been the prime mover in a number of public company listings in the UK, Canada and South Africa. His most notable achievement was founding Kiwara Resources Plc and selling its prime asset, a copper property in Northern Zambia, to First Quantum Minerals for US$260 million in January 2010.

Raju Samtani – Finance Director
Raju is currently also finance director of Tiger Royalties and Investments Plc and Bezant Resources Plc, both listed on AIM. His previous experience includes three years as Group Financial Controller at marketing services agency WTS Group Limited, where he was appointed by the Virgin Group to oversee their investment in the WTS Group Ltd. He was also involved as founder shareholder and finance director of Kiwara Plc which was acquired by First Quantum Minerals Ltd in January 2010. Over the last few years, he has been involved in senior managerial positions for several AIM/Johannesburg Stock Exchange listed companies predominantly in the resource sector and has also been involved in FCA compliance work within the investment business sector.

Christian Cordier – Business Development Director
Christian has had considerable involvement in corporate finance and investments in both public and private mining and exploration companies for over 25 years. His portfolio includes joint ventures with major international mining houses, investments in listed companies in the United Kingdom, Australia and Southern Africa as well as private mining operations. He has extensive experience in sourcing natural resource projects and nurturing them through the value curve by packaging and arranging venture funding, managing the permitting and exploration process, negotiating off-take agreements and the formation of a strong management team. He worked as CFO and senior accountant as well as company secretary for private and public companies and is a member of SA Institute for Professional Accountants ("SAIPA"). Christian has done transactions in Coal, Platinum Group Metals, Chrome, Copper, Potash, Phosphates, Diamonds, Gold, Lithium and Manganese. Christian focuses on business development and wealth creation for private and publicly listed companies in the mining and exploration sector.

Kjeld Thygesen – Independent Non-Executive Director
Kjeld Thygesen is mining investment veteran of more than 45 years. After being a mining analyst at James Capel in the latter half of the 1970's he was manager of the commodities department at Rothschild Asset Management between 1980-89. In 1990 he formed Lion Resource Advisors (LRA) as a specialist adviser in the mining and natural resource sectors. LRA was the advisor to the Midas Fund in the US between 1992 – 2000, which was one of the top performing finds during that period. From 2002-2008 he was Investment director of Resources Investment Trust Limited, a London listed investment trust which returned a threefold investment during that period. He has served on several mining company boards over the past twenty years.

James Cunningham-Davis – Non-Executive Director
James Cunningham-Davis was a Solicitor but is no longer practising and a Fellow of the Chartered Institute for Securities & Investment and is founder and Managing Director of Cavendish Trust Company Ltd, and Cavendish Secretaries Limited, all of which are headquartered in the Isle of Man. Cavendish Trust and Cavendish Secretaries provide professional services to many private companies and various listed companies, across a number of sectors of industry and finance in many jurisdictions, though particularly in the Natural Resources/Mining, Technology and Property sectors. James has worked within the international legal and corporate finance/service sectors for more than 25 years and has held many directorships in both private and listed companies.

FINANCIAL CORPORATE AND OPERATIONAL REVIEW

INTRODUCTION

African Pioneer Plc a company engaging in development of natural resources exploration projects in Sub-Saharan Africa presents its year-end results for the year ended 31 December 2023.

The Directors are required to provide a year-end report in accordance with the Financial Conduct Authorities ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Directors consider this Financial, Corporate and Operational Review along with the Chairman's Report, the Strategic Review and the Director's Report provides details of the important events which have occurred during the period and their impact on the financial statements as well as the outlook for the Company going forward.

The Company's short to medium term strategic objectives are to enhance the value of its mineral resource Projects through exploration and technical studies conducted by the Company or through joint venture or other arrangements (such as the Option Agreement with First Quantum on its 4 North-West Zambian licences) with a view to establishing the Projects can be economically mined for profit. With a positive global outlook for both base and precious metals, the Directors believe that the Projects provide a base from which the Company will seek to add significant value through the application of structured and disciplined exploration.

FINANCIAL REVIEW

Financial highlights:

- Consolidated (Loss) Loss: £689k loss after tax (2022: £671k – loss)
- Approximately £372k cash at bank at the period end (2022: £72k).
- The basic and diluted profit (losses) per share are summarised in the table below

Profit (Loss) per share (pence)			
		2023	2022
Basic & Diluted	Note 6	(0.33)p	(0.35)p

- Net assets as at 31 December 2023 was £5.2m (31 December 2022 £5.2m)

Fundraisings:

On 19 June 2023 the Company announced a fundraising of £790,000 (gross) from existing shareholders, new investors and Directors and the issuing 1,222,222 ordinary shares with no par value ("Ordinary Shares") to settle £27,500 of accrued consultancy fees.

CORPORATE REVIEW

Company Board: The Board of the Company comprises Colin Bird, Executive Chairman Raju Samtani, Finance Director Christian Cordier, Business Development Director Kjeld Thygesen, Independent Non-executive Director James Nicholas Cunningham-Davis, Non-executive Director.

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

Listing: The Company was admitted to the Official List (Standard Segment) and commenced trading on the Main Market for listed securities of the London Stock Exchange on 1 June 2021 (the "**Listing**" or "**IPO**").

Corporate Transactions:

1. **First Quantum Option Agreement:** On 19 January 2022, the Company and its 80% owned subsidiary African Pioneer Zambia Ltd ("African Pioneer Zambia") entered into an option agreement with First Quantum Minerals Ltd ("**First Quantum**") (listed on the Toronto Stock Exchange) in relation to 4 of the 5 Zambian exploration licences held by African Pioneer Zambia (the "**First Quantum Option Agreement**"). On 26 October 2023 the Company announced that First Quantum had issued an Option Exercise Notice in relation to 2 of the 4 Zambian exploration licences the subject of the First Quantum Option Agreement and post the period end on 16 February 2024 that First Quantum had issued an Option Exercise Notice in relation to the 2 other Zambian exploration licences the subject of the First Quantum Option Agreement.

Highlights of First Quantum Option Agreement:

- The four exploration licences the subject of the First Quantum Option Agreement are in the highly prospective Central Africa Copperbelt in northwest Zambia which is the largest and most prolific mineralized sediment- hosted copper province in the world and are located less than 100km from First Quantum's giant Sentinel copper mine.

- The exploration licenses include geological formations similar in age and rock type to that hosting the major copper deposits of the Copperbelt

- Prior to exercising its option First Quantum had met is initial expenditure requirement by spending US500,000 on each of the exploration licences 27767-HQ-LEL, 27768-HQ-LEL, 27770-HQ-LEL, and 27771-HQ-LEL (the "**Zambian Projects**").

- Although First Quantum has exercised its option it has at this stage not earned any shares in African Pioneer Zambia, just the right to proceed to the First Earn In Period.

- During the First Earn In Period which expires on 28 February 2026 , First Quantum has the right but not the obligation to prepare a Technical Report in respect of the Zambian Projects demonstrating an Indicated Mineral Resource of at least 300,000 tonnes of contained copper (the "**Technical Report Requirement**"). First Quantum is to fund the Technical Report. Once the Technical Report is issued First Quantum has the right to be issued shares equal to a 51% shareholding in African Pioneer Zambia. This will also trigger the Second Earn-In Period.

- In the Second Earn-In Period First Quantum shall have the right but not the obligation to complete all necessary mining, metallurgical and development studies to establish a mine at the Property and make a public announcement that it intends to proceed towards commercial development of a Mine on the Property (a "**Decision to Mine**"). First Quantum is to fund all costs related to the Decision to Mine. Once First Quantum announces a Decision to Mine First Quantum has the right to be issued shares in African Pioneer Zambia to increase their 51% shareholding in African Pioneer Zambia to 75%.

First Quantum: is one of the world's top 10 copper producers operating in several countries including Zambia where it owns the Sentinel and Kansanshi mines in North West Zambia and is known for its specialist technical engineering

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

construction and operational skills which have allowed it to develop and successfully run complex mines and processing plants. Colin Bird, the chairman of African Pioneer, was a founder of and floated Kiwara Plc in around 2008 which discovered copper in northwest Zambia and was sold to First Quantum in January 2010 for U$260 million. First Quantum then developed the Kiwara Plc projects into the Sentinel mine which is the world's 14th largest copper mine.

Exploration licence 27769-HQ-LEL which is not covered by the Option Agreement has been transferred from African Pioneer Zambia to African Pioneer Chongwe Ltd a new Zambian company owned 80% by the Company and 20% by its local partners and is in the Zambezi area located within the Zambezi belt of southern Zambia that hosts a Lower Katanga supergroups.

2. Sandfire Option Agreement: The Sandfire Option Agreement was announced on 4 October 2021 and was for two years from 2 October 2021 and relates to PL 100/2020, PL 101/2020, PL 102/2020 and PL 103/2020 (the "**Included Licences**"). Sandfire paid US$500K and issued 107,272 Sandfire ordinary shares to the Company at the time of entering into the Sandfire Option Agreement . As announced on 29 September 2023 Sandfire notified the Company that it would not be exercising its option under the Sandfire Option Agreement. Sandfire's Exploration Commitment under the Sandfire Option Agreement was to fund US$1 million of exploration expenditure on the Included Licences (the "**Exploration Commitment**") within the Option Period with 60% of the Exploration Commitment to be on drilling and assay costs. If the Exploration Commitment is not spent, any shortfall is due to be paid by Sandfire to African Pioneer. The Company is reviewing the Exploration Commitment with Sandfire. Sandfire have confirmed that they will provide Exploration Information that it holds in relation to the Included Licences.

All the Botswana licences are currently under review by the Company in cooperation with its external geological consultant with specific expertise of Botswanan copper geology. The region represents a significant copper exploration and resource development destination and as such all exploration ground has potential strategic importance particularly in the case of African Pioneer which has several licences in the general area.

Whilst the exploration to date on the licences which were the subject of the Sandfire Option Agreement does not currently indicate prospectivity for a large scale mining operation the Board believes that there is prospectivity for a smaller to medium sized mining operation targeting in the range of 5,000 to 10,000 tonnes of contained copper per annum. Although too small for a large scale miner a mine of this size would fit very well into the demand for small to medium mines to help bridge the gap in the predicted shortfall of copper to meet future projected demand.

OPERATIONAL REVIEW

The Company completed an Initial Public Offering (IPO) on the Standard List of the London Stock Exchange and the acquisition of its projects in Zambia, Namibia, and Botswana in 2021. The primary metal in all countries is copper with by-product potential in all of our projects. In Zambia we have potential for cobalt, in Namibia for gold and in Botswana for silver In 2022 the Company granted an option to First Quantum in relation to 4 of the 5 Zambian exploration licences held by African Pioneer Zambia which First Quantum has exercised more details of which are provided in the Corporate Highlights section of this review.

The Company's main focus during the period was on evaluating and advancing its 85% owned Namibian Projects, including the Ongombo mining licence application, and the Zambian licence (80% owned) and Botswana Projects (100% owned) that are not the subject of options.

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

NAMIBIA:

The Company has a 85% interest in the Namibian Projects and on 16 May 2023 announced an Independent updated total (gross) [2] Indicated Mineral Resource Estimate (MRE) for its Ongombo project of 5.7Mt at 1.1% Cu Equivalent (CuEq), 0.94% Cu and 0.23g/t Au and a very substantial Inferred underground potential Resources of 23Mt at 1.1% CuEq, 0.95% Cu and 0.24g/t Au.

The Ongombo Mining Licence granted in September 2022 is subject to completion of Environmental and Social Impact Assessment ("ESIA"). On 25 April 2023 the Company announced the award of an Environmental Clearance Certificate. by the Ministry of Environment, Forestry and Tourism (MEFT): Department of Environmental Affairs (DEA). The award of a production-related ECC is an important step as it achieves compliance with the Environmental Management Act No,7 (2007) and its associated 2012 regulations, and means that the Project has now surmounted the last significant permitting hurdle in the pathway to production, initially by way of low-cost, open-pit extraction of the surface copper - gold resource. in advance of a second-phase, underground mine based around a JORC (2012) Mineral Resource Estimate.

In compliance with the requirements of the ECC, an Environmental and Social Impact Assessment (ESIA) is ongoing as is initial delivery of the now Ministry- approved Environmental Management Plan that is to accompany mine development and ore processing operations.

As the result of a successful drill programme in 2022 the Company was on 16 May 2023 able to announce an updated new Mineral Resource Estimate resulting in an additional 100,000 tonnes in contained copper metal and an additional 84,000 oz of gold across all Resource categories. The Ongombo mineralization remains open at depth with scope for the addition of further tonnage and based on recent twinned drilling, potential for significantly enhanced gold grades in the East - Ost shoots

The updated Mineral Resource Estimate was completed by Addison Mining Services Ltd., an independent consultancy based in the United Kingdom and is reported in accordance with the JORC Code 2012 edition. The gross [3] Resources are of Indicated and Inferred categories and include:

- Total Indicated Resources of 5.7 million tonnes gross at 1.1 % Cu Equivalent ("CuEq"), 0.94 % Cu, 0.23 g/t Au and 4.4 g/t Ag, for 53,000 t Cu, 42,000 oz Au and 800,000 oz Ag, including:
    - Open pit potential Resources of 0.93 million tonnes at 0.68% CuEq, 0.57 % Cu, 0.19 g/t Au and 2.6 g/t Ag, for 5,300 t Cu, 5,700 oz Au and 78,000 oz Ag, above a cut-off grade of 0.25% CuEq
    - Underground potential Resources of 4.7 million tonnes at 1.2% CuEq, 1.0% Cu, 0.24 g/t Au and 4.7 g/t Ag, for 48,000 t Cu, 36,000 oz Au and 72,000 oz Ag, above a cut-off grade of 0.5% CuEq
- Inferred Underground potential Resources of approximately, 23 million tonnes at 1.1% CuEq, 0.95% Cu, 0.24 g/t Au and 5.8 g/t Ag, for 220,000 t Cu, 180,000 oz Au and 4.3 million oz Ag, above a cut-off grade of 0.5% CuEq

Immediately to the north-west of the open pit in the "central shoot" there is an estimated underground Resource inventory of 2.1 million tonnes at 1.2% Cu which may be readily accessed by developing access from the high wall of the open pit, representing potential for a timely and efficient transition from open pit to underground mining. The remainder of the Indicated underground resource may then be accessible following further development. Further studies are required to assess the economic viability of such an operation.

Project Background: The Ongombo project is situated in Exclusive Prospecting License (EPL) 5772 in the Khomas region of the Windhoek District of Namibia, 45 km from Windhoek, the capital of Namibia. The project area has relatively well-developed infrastructure on the farms Ongombo Ost and Ongombo West. The property is easily accessed by a tar road from Windhoek to Gobabis and then on a gravel road up to the project area. There is also a railway line from Gobabis to Walvis

[2] gross representing 100% MRE and African Pioneer has 85% interest in the Project

[3] gross representing 100% MRE and African Pioneer has 85% interest in the Project

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

Bay, via Windhoek running parallel to the tarred road. The Ongombo Project is located 15km northeast from Otjihase Mine which consists of two underground mines (Otjihase and Matchless) and an 800ktpa copper concentrator.

The Ongombo project lies within the Matchless Member of the Kuiseb Formation, a conspicuous assemblage of lenses of foliated amphibolites, chlorite-amphibolite schist, talc schist and metagabbro. This belt, up to 5km wide in the Otjihase area, stretches 350km east-north-eastwards in the Southern Zone of the Damara Orogen from the Gorob – Hope area. The deposit is generally described as a Besshi-type massive sulphide. These are described as thin sheet-like bodies of massive to well-laminated pyrite, pyrrhotite, and chalcopyrite within thinly laminated clastic sediments and mafic tuffs. At the Ongombo project mineralisation occurs in one continuous zone approximately 7 km long and 0.5 – 1 km wide. The mineralisation zone dips consistently 15-20° northwest and plunges 5° northeast. Mineralisation is gradually thinning westward.

The pending renewal application for EPL 5772 which expired on 8 March 2023 is now reflected on the Namibian Mines and Energy Cadastre Map Portal and is for an additional two-year extension. A conditional Environmental Clearance Certificate for mining activities was granted on EPL 5772 and is valid until 16 April 2026. A 20 Year Mining Licence, ML 240, was granted on 10 August 2022 and covers a portion of EPL 5772 and approximately one third of the open pit resource. An extension to the Mining Licence was submitted on 6 September 2022 to encompass the wider Resource Area.

ZAMBIA:

As mentioned in the Corporate Transactions summary above First Quantum has issued Option Exercise Notices in relation to all 4 of the 4 Zambian exploration licences the subject of the First Quantum Option Agreement.

The licence package the subject of the First Quantum Option Agreement covers part of the north-western extension of the Zambian Copperbelt. The properties are located within 80-100km of First Quantum's giant Sentinel copper mine, one of the largest copper mines in Africa, with a reported Measured and Indicated Resources of 891Mt @ 0.45% Cu. They also lie close to the Enterprise nickel deposit (37.7Mt @ 1.03% Ni) which is being reportedly moved towards development.

The Projects lie on the Lufilian Fold Belt in the Domes region of the Central African Copperbelt, straddling the western boundary of the Kabompo Dome, underlain principally by rocks of the Lower and Upper Roan, as well as the stratigraphically higher Kundelungu and Nguba Groups. This geological package is similar in age and rock type to that hosting the major copper deposits of the Copperbelt, including Sentinel. Therefore, the licence areas are considered to be strongly prospective for Copperbelt-type copper/cobalt and/or nickel deposits. They are historically underexplored, representing the westerly extension of the Copperbelt which has not been investigated in detail, as previous work focussed primarily on the central part of the zone.

Exploration licence 27769-HQ-LEL which is not covered by the Option Agreement is in the Zambezi area located within the Zambezi belt of southern Zambia that hosts a Lower Katanga supergroups succession.

Exploration through July 2023

Through July 2023 First Quantum completed an extensive work programme on all the optioned licences including, mapping, soil sampling, ground geophysics, air core drilling and diamond drilling.

Several near surface targets have emerged (as detailed in prior quarterly reports), and three of these prospects at Turaco, Chipopa and Chibwika were selected for follow-up work including air core and diamond drilling.

In addition to the near surface targeting using soil geochemistry, First Quantum has conducted a broadscale 'Generative' programme employing comprehensive proprietary datasets such as airborne gravity, magnetics and radiometrics as well as remote sensing imagery. These datasets have been combined with detailed litho-structural mapping, geochronological analysis and deep-sensing magneto-telluric (MT) traverses to generate an integrated interpretive model of the district. This model has, for the first time, clearly defined the key structural architecture domains of the area including the important boundary between the Western Foreland and Central fold and thrust terrain of the Katangan basin.

In 2022 First Quantum utilised this architecture model to site two deep diamond holes (‘framework holes’) in the Western Foreland succession. These holes were designed to test prospective stratigraphic positions in the sequence for mineralisation similar to that found in north of the border in the DRC at Kamoa-Kakula. The framework holes successfully delineated the Katangan sequence including a key reduced ‘diamictite’ horizon. Localised intercepts of chalcocite copper mineralisation on the boundary of reduced and oxidised strata suggest that the same mineralising processes are occurring on the African Pioneer licences as seen north of the border in the DRC.

Further modelling and MT lines have recently been conducted to define the crucial structural and sedimentalogical features known to be associated with the high-grade copper accumulations at Kamoa-Kakula.

In the first quarter of 2023 the First Quantum drilling resulted in multiple high grade copper intercepts peaking at 8m @ 1.25% Cu will be followed up on the Turaco prospect. High-grade cobalt mineralisation was also identified peaking at 0.23% Co over 4m within the Fold and Thrust Belt.

Exploration during the second half of 2023

Post the year end on 16 April 2024 the Company announced an update on the exploration conducted and funded by First Quantum Minerals Limited during the six-month period to 31 December 2023. The exploration was over the licences located in NW Zambia within both the Fold & Thrust Belt and Western Foreland and which are covered by the First Quantum Option Agreement.

Highlights

- Drilling confirmed proof of concept that licences are in the right lithology confirming Congo-style mineralisation.
- 4 diamond drill holes completed at the Turaco target for 1,297.1m.
- A 772.3m deep diamond drill hole completed over the Ikatu on an Audio Magneto Telluric (“AMT”) generated target. Awaiting results.
- 9 reverse circulation (“RC”) holes drilled at the Chipopa target for a total of 780m. Awaiting results.
- During the course of the programme FQM confirmed their intention to exercise their option as reported on 16 February 2024.
- The parties have met and agreed an appropriate ground relinquishment strategy consistent with licence renewal required later in 2024 together with an aggressive exploration programme.

Exploration completed during the second half of 2023 included diamond and reverse circulation (‘RC”) drilling guided initially by the Audio Magneto Telluric (“AMT”) and Passive Seismic geophysical surveys and geological mapping and extensive soil geochemical anomalies completed in late 2023. This exploration work has successfully provided a much-improved context to the broader geology and has resulted in the construction of a regional section that brings to the fore the architecture critical to both Kamoa and Kolwezi-type mineralisation and the anticipated location of both the Fold and Thrust Belt and the Western Foreland.

Follow-up diamond drilling was undertaken at the Turaco Target on Licence 27770-HG-LEL over earlier scout drilling with intercepts peaking at 1.18% Cu over 8m from 5m depth. Four holes were completed for a total of 1297.1m. Some holes were potentially stopped prematurely in andesitic basalt and more recent surface geochemical data suggests that conditions suitable for a redox front and copper deposition may occur beneath the base of the basalt cover. First Quantum will consider further drilling closer to the up-dip extension of the basalt unit to test this possibility.

A 772.3m diamond drill hole was drilled as part of the AMT follow-up programme at Ikatu with no significant Cu Mineralization and a further 9 RC holes were completed for a total of 780m at the Chipopa Target.

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

Drilling was curtailed in late December 2023 partly due to limited availability of diamond drill rigs and in the case of RC drilling, unfavourable conditions brought on by the Rainy Season.

Turaco drilling intercepted a diamictite with a carbonaceous shale with disseminated pyrite and chalcopyrite, interpreted to be the Grand Conglomérat. Salt related brecciation and complex faulting significantly disrupts stratigraphy and further work is required to better understand the complexities of this Thrust and Fold Belt target.

The Ikatu diamond drilling in the Western Foreland was collared to test the continuous conductor identified from the AMT survey. The hole intersected the fine-grained carbonaceous siltstone and shale unit with associated chalcopyrite conductor at 245m to 320m. The hole was extended to 772.3m and generated a substantial amount of valuable geological information that has helped build the regional geological section. U-Pb provenance geochronology on the sandstones intersected and Re-Os dating on the carbonaceous shales has been proposed by FQM to better constrain the stratigraphy.

Nine RC holes totalling 780m were completed at Chipopa testing soil anomalies within the Fold & thrust Belt. Analyses are pending.

BOTSWANA

The Botswana projects comprise 5 prospecting licences which have been renewed through 31 March 2026 and comprise approximately 770 sq. km. in the Kalahari Copperbelt. Whilst the exploration to date on the licences which were the subject of the Sandfire Option Agreement does not currently indicate prospectivity for a large scale mining operation the Board believes that there is prospectivity for a smaller to medium sized mining operation targeting in the range of 5,000 to 10,000 tonnes of contained copper per annum. Although too small for a large scale miner a mine of this size would fit very well into the demand for small to medium mines to help bridge the gap in the predicted shortfall of copper to meet future projected demand.

All the Botswana licences are currently under review by the Company in cooperation with its external geological consultant with specific expertise of Botswanan copper geology. The region represents a significant copper exploration and resource development destination and as such all exploration ground has potential strategic importance particularly in the case of African Pioneer which has several licences in the general area.

OUTLOOK

Outlook for Copper: During the second half of 2023 and into 2024 the copper price has recovered and is currently around US$9,000 per tonne. Forecasts for the price of copper and its by-product metals remain positive in the range of US$10-US$15,000 per tonne. The outlook for copper supply remains quite pessimistic as most large copper mining projects have been shelved as a result of political or economic reasons but we anticipate this will lead to both smaller but profitable mines being developed , and junior mining companies with good copper resources in reliable jurisdictions becoming potential targets for acquisitions by major mining companies. As a result, the Company is well positioned with all its projects, to take part in a potential acquisition boom or alternatively to attract financing for its own operations which might not otherwise have been available.

The major mining companies are seeking new projects for acquisition and all our projects have the fundamentals which may attract the attention of larger companies as reflected in the fact that First Quantum has as reported in the Corporate review section above issued an Option Exercise Notice in relation to the 4 Zambian exploration licences the subject of the First Quantum Option Agreement.

FINANCIAL CORPORATE AND OPERATIONAL REVIEW (continued)

The Board feels the Group has assembled an enviable portfolio of projects and we are pleased that Sandfire has taken and retained a significant equity position in the Company. We look forward to advancing all our projects and providing our shareholders with the prospects of enhanced value flowing into next year.

By Order of the Board

30 April 2024

DIRECTORS' REPORT

The directors present their report on the affairs of African Pioneer Plc (the "Company") for the year ended 31 December 2023. The Company was incorporated on 20 July 2012.

PRINCIPAL ACTIVITIES

The principal activity of the Company and its subsidiaries (the "Group") is the exploration for base metals in Zambia, Namibia and Botswana.

Investing in small natural resource projects and mineral exploration projects can be very rewarding, but because of the issues and uncertainties arising from exploration, resource estimation, commodity price volatility, politics and the financing of such projects, there is a significant possibility of such reward not materialising. As a result of the nature and size of the Company it will, in the early years particularly, be exposed to a concentration of risk either by sector or geographically, or possibly both. These risks are outlined in more detail in the Strategic Report.

REVIEW OF THE BUSINESS

During the year, the Group made a loss of £689,213 – (2022: loss of £670,871).

A review of the current and future development of the Group's business are included in the Strategic Report.

The Directors do not recommend the payment of a dividend.

SUBSEQUENT EVENTS

Details of subsequent events after the year end are disclosed in note 18 of the financial statements

DIRECTORS

The names of the Directors who served throughout the period and subsequent to the year end, are as follows:

C Bird
R. Samtani
C Cordier
K Thygesen
J Cunningham-Davis

Directors' interests in the ordinary share capital of the Company at the date of this report are disclosed within the Directors Remuneration Report

DIRECTOR'S REMUNERATION

The Directors' remuneration is detailed in the Directors' Remuneration Report on pages 17 to 19

DIRECTORS' AND OFFICERS' INDEMNITY INSURANCE

The Group has purchased Directors' and Officers' liability insurance which provides cover against liabilities arising against them in that capacity.

DIRECTORS' REPORT (continued)

USE OF FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Details of the use of financial instruments and associated risk management by the Group are included in note 3 to the financial statements.

SUBSTANTIAL SHAREHOLDINGS

Other than Directors interests which are set out below on a separate table in this report, the following shareholders held 3% or more of the issued share capital of the Company at 26 April 2024. These holdings are extracted as they appear in the relevant custodian account on the Company's share register.

Registered Shareholder	No. of Shares	Percentage
The Bank Of New York (Nominees) Limited *	39,091,269	17.14%
Vidacos Nominees Limited *	28,418,932	12.46%
Jim Nominees Limited *	25,185,057	11.04%
Vidacos Nominees Limited *	24,028,866	10.54%
Hargreaves Lansdown (Nominees) Limited *	17,565,285	7.70%
Mohamad Ali Ahmad	15,000,000	6.58%
Hargreaves Lansdown (Nominees) Limited *	9,567,345	4.20%
	158,856,754	69.66%

*Nominee shareholder; not beneficial owner.

UK STREAMLINED ENERGY AND CARBON REPORTING

The Group's UK energy and carbon information is not disclosed as the Company qualifies as it consumed less than 40MWh and is a Low Energy user in the UK as defined in the Environmental Reporting Guidelines Including streamlined energy and carbon reporting guidance March 2019 (Updated Introduction and Chapter 1) and as such is not required to provide detailed disclosures of energy and carbon information. The Company is based in the Isle of Man and has no UK-based subsidiaries and its overseas subsidiaries, some of which own exploration licences and conduct exploration activities outside the U.K. are not required to report U.K. energy consumption in their own right. The Company was also below this threshold in 2022.

POLITICAL DONATIONS

The Group made no political donations during the year (2022: none).

STATEMENT AS TO THE DISCLOSURE OF INFORMATION TO THE AUDITORS AND DIRECTORS' RESPONSIBILITIES

The Directors (being Colin Bird-Chairman, Raju Samtani-Finance Director, Christian Cordier-Business Development Director, Kjeld Thygesen -Independent Non-Executive Director and James Cunningham-Davis Non-Executive Director, who were in office at the date of approval of this report, confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware of and that they have taken all reasonable steps to take themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

DIRECTORS' REPORT (continued)

The Directors are responsible for preparing the financial statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Financial Reporting Standards as adopted by the United Kingdom.

The Directors confirm to the best of their knowledge that:

- the financial statements have been prepared in accordance with the relevant financial reporting framework and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the Company; and

- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the financial position of the Group and the Company, together with a description of the principal risks and uncertainties that it faces; and

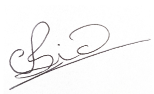
- the annual report and financial statements, taken as a whole, are fair, balanced, and understandable and provide the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

AUDITORS

The auditors, RPG Crouch Chapman LLP have indicated their willingness to continue in office. A resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

Signed on behalf of the Board:

30 April 2024



Colin Bird	Raju Samtani
Executive Chairman	Director

DIRECTORS' REMUNERATION REPORT

This Remuneration Report sets out the Group's policy on the remuneration of Directors, together with details of Directors' remuneration packages and service contracts for the year ended 31 December 2023.

The Company's policy is to maintain levels of remuneration to attract, motivate, and retain Directors and Senior Executives of the highest calibre who can contribute their experience to deliver industry-leading performance with the Company's operations. The Company is nonetheless mindful of the need to balance this objective with the fact that it is pre-revenue.

Since listing on 1 June 2021, the Company's Directors have largely remunerated through a combination of modest salaries and/or fees and where relevant, equity positions as founders and as a result the total salaries and fees payable to directors has been relatively modest.

As the Company grows, and increasingly makes hires, it will become necessary to move to a more long-term and sustainable policy, which continues to align the interests of Directors and senior staff with those of shareholders while recognising that new hires will not initially have a significant equity position.

Accordingly, it is likely that compensation packages for Executive Directors will need to move over time to a level more consistent with the market. Currently, Directors' remuneration is not subject to specific performance targets. The Company is sufficiently small that the Board does not consider that it is necessary to impose such targets as a matter of principle but believes that exceptional performance can be rewarded on an ad hoc basis.

The Board proposed and shareholders approved at the 2022 AGM a share option scheme which is to incentivise both Executive and non-Executive Directors as well individuals holding positions of responsibility in the Company ("**Share Option Scheme**"). On 24 January 2023 the Company announced that pursuant to the Share Option Scheme approved at the Company's Annual General Meeting ("**AGM**") held on 23 August 2022 16,850,000 options over Ordinary Shares ("**Options**") were awarded, 6,600,000 of the Options were awarded to directors of the Company, as detailed further in Note 18 and the balance of 10,250,000 Options to other eligible participants. The Company had not previously issued any Options.

The 2022 AGM also approved the Company establishing new incentive schemes to more closely align the interest of directors, officers, employees and consultants with those of shareholders by providing for the payment of short-term, annual and transaction incentive awards in cash or Company shares (the "**Proposed Incentive Schemes**"). Awards under the Proposed Incentive Schemes are not intended to replace the Share Option Scheme arrangements and the Proposed Incentive Schemes, shall continue in place until the Board of the Company have put an alternative incentive scheme to the Company's shareholders which the Company's shareholders have approved.

The Board considers the remuneration of Directors and senior staff and their employment terms and makes recommendations to the Board of Directors on the overall remuneration packages. No Director takes part in any decision directly affecting their own remuneration.

There has been no correspondence to date from shareholders relating to Directors' remuneration matters and therefore no such matters have been considered by the Board in formulating the Company's remuneration policy.

In determining Executive Director remuneration policy and practices, the Board aims to address the following factors:

- **Clarity** - remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;
- **Simplicity** - remuneration structures should avoid complexity and their rationale and operation should be easy to understand;

DIRECTORS' REMUNERATION REPORT (Continued)

- **Risk** - remuneration arrangements should ensure reputational and other risks from excessive rewards, and risks that can arise from target-based incentive plans, are identified and mitigated;
- **Predictability** - the range of possible values of rewards to individual directors and any other limits or discretions are identified and explained at the time of approving the policy;
- **Proportionality** – the clarity of the link between individual awards, the delivery of strategy and the long-term performance of the company should be clear; and
- **Alignment to culture** - incentive schemes, when implemented will drive behaviours consistent with company purpose, values and strategy.

Directors' remuneration

Remuneration of the Directors for the years ended 31 December 2023 and 2022 was as follows:

	2023			2022
	Directors' Fees £	Consulting Fees £	Total Emoluments £	Total Emoluments £
C. Bird	18,000	42,000	**60,000**	60,000
R. Samtani	18,000	32,003	**50,003**	50,004
C Cordier	18,000	12,000	**30,000**	30,000
K Thygesen	18,000	-	**18,000**	18,000
James Cunningham-Davis	14,400	-	**14,400**	14,400
Total	86,400	86,003	**172,003**	172,004

Each of the Directors entered into service agreements at the time of the Company's admission to the market on 1 June 2021. Details of Directors' Letters of Appointment and Service Agreements as disclosed in Note 17 of these Financial Statements.

There were no pensions or other similar arrangements in place with any of the Directors during the years ended 31 December 2023 or 2022.

Payments to past directors

The Company did not pay any compensation to past Directors in 2023 and 2022.

DIRECTORS' INTERESTS

The beneficial interest of the directors, their spouses and minor children in the share capital of the Company are as follows:
Ordinary Shares of No Par Value

	Date of this report	**31 December 2023**	31 December 2022
C Bird*	**24,492,284**	**24,117,284**	21,061,728
R Samtani	**18,395,061**	**18,395,061**	16,061,728
J Cunningham-Davis***	**-**	**-**	-
C Cordier**	**17,222,222**	**17,222,222**	15,000,000
K Thygesen	**1,033,334**	**1,033,334**	200,000

DIRECTORS' REMUNERATION REPORT (Continued)

* Colin Bird's shareholding includes 5,000,000 ordinary shares held by Campden Park Trading, a company owned and controlled by Colin Bird, the Company's Chairman
** Christian Cordier's shareholding includes 4,000,000 ordinary shares held by Tonehill Pty Ltd as trustee for The Tonehill Trust and 5,222,222 ordinary shares held by Coreks Super Pty Ltd as trustee for Coreks Superannuation Fund both of which companies are owned and controlled by Christian Cordier. It also includes 8,000,000 ordinary shares held by Breamline Pty Ltd of which Christian Cordier is a director and which is a trustee company for Breamline Ministries
*** 230,000 warrants are held by Cavendish Trust of which James Cunningham-Davis is a director and a controlling majority shareholder.

The Directors have also been granted fully vested options over ordinary shares detailed below, the options are exercisable at 4.5 pence per Ordinary Share and expire on 23 January 2033 one day prior to the tenth anniversary of the grant of the options. Further details of the terms of the options are in note 15

Directors	No. of Options
Executive Directors:	
Colin Bird Executive Chairman	5,000,000
Christian Cordier Commercial Director	500,000
Raju Samtani Finance Director	600,000
Non Executive Directors:	
Kjeld Thygesen Independent	500,000
James Cunningham-Davis	Nil
Total Directors	6,600,000

There have been no further changes in directors' interests in the Company's shares since the year end other than those noted above.

Approved by the Board on 30 April 2024.

CORPORATE GOVERNANCE REPORT

Corporate Governance

The Board guides and monitors the business and affairs of the Company on behalf of the Shareholders to whom it is accountable and is responsible for corporate governance matters. While certain key matters are reserved for the Board, it has delegated responsibilities for the day-to-day operational, corporate, financial and administrative activities to the Business Development Director, the Executive Chairman and the Finance Director.

In assessing the composition of the Board, the Directors have had regard to the following principles:

- the role of the Executive Chairman and the other directors should not be exercised by the same person;

- the Board should include at least one independent non-executive director, increasing where additional expertise is considered desirable in certain areas, or to ensure a smooth transition between outgoing and incoming non-executive directors; and

- the Board should comprise of directors with an appropriate range of qualifications and expertise.

The Company believes it complies with each of these principles.

Both James Cunningham-Davis and Kjeld Thygesen are the Non-Executive Directors of the Company. James Cunningham-Davis is one of the directors of Cavendish Secretaries Limited, a subsidiary of Cavendish Trust Company Limited, which provides secretarial services to the Company in the Isle of Man and is therefore for these purposes not considered independent.

Kjeld Thygesen has a holding of Ordinary Shares representing 0.45 per cent. of the issued share capital and he is considered independent given this holding is de minimis.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's Articles of Association.

The QCA Corporate Governance Code, as published by the Quoted Companies Alliance, is tailored for small and mid-size quoted companies in the United Kingdom. The Company follows, to the extent practicable for a company of its size and nature, follow the QCA Corporate Governance Code (2018). The Directors are aware that there are currently certain provisions of the QCA Corporate Governance Code that the Company is not in compliance with, given the size and early stage nature of the Company. These include, inter alia:

- The Company does not currently have a remuneration, nomination or risk committee. The Board as a whole will review remuneration, nomination and risk matters, on the basis of adopted terms of reference governing the matters to be reviewed and the frequency with which such matters are considered. The Board as a whole will also take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Company's financial statements and take responsibility for any formal announcements on the Company's financial performance.

- Unless further independent non-executive directors are appointed, the Board will not comply with the provision of the QCA Corporate Governance Code that at least to members of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent.

- The Executive Chairman of the Company is an executive director rather than an independent non-executive director as suggested by the QCA corporate governance code

CORPORATE GOVERNANCE REPORT (continued)

Share Dealing Code

The Company has adopted, with effect from Admission, a share dealing policy regulating trading and confidentiality of inside information for the Directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are admitted to trading on the Official List (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company takes all reasonable steps to ensure compliance by the Directors and any relevant employees with the terms of that share dealing policy.

Audit Committee

The Audit Committee is chaired by James Cunningham-Davis and its other member is Christian Cordier. The Audit Committee meets at least twice a year, or more frequently if required. The Audit Committee is responsible, amongst other things, for making recommendations to the Board on the appointment of auditors and the audit fee, monitoring and reviewing the integrity of the Company's financial statements and any formal announcements on the Company's financial performance as well as reports from the Company's auditors on those financial statements.

In addition, the Audit Committee considers and reviews the Company's internal financial control and risk management systems to assist the Board in fulfilling its responsibilities relating to the effectiveness of those systems, including an evaluation of the capabilities of such systems in light of the expected requirements for any specific acquisition target.

Meetings of the Directors

The number of meetings of the board of directors of the Company and its committees held during the year ended 31 December 2023 and the number of meetings attended by each director is tabled below.

2023

	Meetings		Meetings attended	
	Board	Audit	Board	Audit
C. Bird	2	-	2	-
R. Samtani	2	-	2	-
J. Cunningham-Davis	2	2	2	2
K Thygesen	2	-	2	-
C. Cordier	2	2	2	2

2022

	Meetings		Meetings attended	
	Board	Audit	Board	Audit
C. Bird	2	-	2	-
R. Samtani	2	-	2	-
J. Cunningham-Davis	2	2	2	2
K Thygesen	2	-	2	-
C. Cordier	2	2	2	2

Diversity Policy

The Board operates a policy whereby Directors and other individuals considered for employment and professional services across the Group are selected on the basis of their experience, professional qualifications and ability and a such the Company does not discriminate on aspects such as age, gender or educational and professional background.

CORPORATE GOVERNANCE REPORT (continued)

The Company is a small exploration company and the Company's only employees comprising of the 5 Board Directors who have been in office since the Listing on 1 June 2021 and were the Board members on the basis of whose experience and expertise investors invested in the Company at the time of the Listing. The Company has at the date of these accounts not expanded or changes the composition of its Board and accordingly has not met the following targets on board diversity
(i) at least 40% of the individuals on its board of directors are women; and

(ii) at least one of the following senior positions on its board of directors is held by a woman (A) the chair; (B) the chief executive; (C) the senior independent director; or (D) the chief financial officer.

The Company has met the target that at least one individual on its board of directors s from a minority ethnic background

The diversity composition of the Board is shown in the table below:

☐ Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
Men 5	100 %	3	3	100%
Women 0	Nil	-	-	Nil

Ethnic Background of Board members

	Number of board members	Percentage of the board	Number of senior positions on the board (CEO, CFO, SID and Chair)	Number in executive management	Percentage of executive management
White British or other White (including minority-white groups)	4	80%	2	2	66%
Mixed/Multiple Ethnic Groups					
Asian/Asian British	1	20%	1	1	33%
Black/African/Caribbean/Black British					
Other ethnic group, including Arab					
Not specified/ prefer not to say					

CORPORATE GOVERNANCE REPORT (continued)

Internal controls

The Board is responsible for establishing and maintaining the Group's system of internal control. Internal control systems manage rather than eliminate the risks to which the Group is exposed and such systems, by their nature, can provide reasonable but not absolute assurance against misstatement or loss.

There is a continuous process for identifying, evaluating and managing the significant risks faced by the Group. The key procedures which the Directors have established with a view to providing effective internal control, are as follows:

- Identification and control of business risks The Board identifies the major business risks faced by the Group and determines the appropriate course of action to manage those risks.

- Budgets and business plans Each year the Board approves the business plan and annual budget. Performance is monitored and relevant action taken throughout the year through the regular reporting to the Board of changes to the business forecasts.

- Investment appraisal Capital expenditure is controlled by budgetary process and authorisation levels. For expenditure beyond specified levels, detailed written proposals must be submitted to the Board. Appropriate due diligence work is carried out if a business or asset is to be acquired.

Environmental, Social and Governance (ESG) Policy

African Pioneer plc practises responsible exploration as reflected in our ESG policy and our activities. By doing so we reduce project risk, avoid adverse environmental and social impacts, optimising benefits for all stakeholders while adding value to our projects.

Our business associates, consultants and contractors perform much of our primary activities at our projects and therefore we require that all representatives and contractors working on our behalf or for our subsidiaries accept and adhere to the principles set out in this policy. We encourage input from those with local knowledge and we review this policy on a regular basis.

Our ESG policy is guided by the Prospectors & Developers Association of Canada's (PDAC) Framework for Responsible Exploration (known as e3 Plus) which encourages mineral exploration companies to complement and improve social, environmental and health and safety performance across all exploration activities around the world.

Adopting Responsible Governance and Management: African Pioneer is committed to environmentally and socially responsible mineral exploration and has developed and implemented policies and procedures for corporate governance and ethics. We ensure that all staff and key associates are familiar with these and have the appropriate level of knowledge of these policies and procedures.

The Company employs persons and engages contractors with the required experience and qualifications relevant to their specific tasks and, where necessary, seeks the advice of specialists to improve understanding and management of social, environmental, human rights and security, and health and safety.

African Pioneer's Corporate Governance Statement can be viewed on our website and the Company has an Anti-Bribery and Corruption policy and an Anti-Slavery policy.

- **Applying Ethical Business Practices:** As well as our shareholders and staff, our stakeholders include local communities and local leadership, government and regulatory authorities, suppliers, contactors and consultants, our local business partners and other interested parties. Our corporate culture and policies require honesty, integrity, transparency and accountability in all aspects of our work and when interacting with all stakeholders.

CORPORATE GOVERNANCE REPORT (continued)

The Company takes all necessary steps to ensure that activities in the field minimise or mitigate any adverse impacts on both the environment and on local communities.

- **Respecting Human Rights:** The exploration activities of African Pioneer are carried out in line with applicable laws on human rights and the Company does not engage in activities that have adverse human rights impacts.

- **Commitment to Project Due Diligence and Risk Assessment:** We make sure we are informed of the laws, regulations, treaties and standards that are applicable with respect to our activities. We ensure that relevant parties are informed and prepared before going into the field in order to minimise the risk of miscommunication, unnecessary costs and conflict, and to understand the potential for creating opportunities with local communities where possible.

- **Engaging Host Communities and Other Affected and Interested Parties:** African Pioneer is committed to engaging positively with local communities, regulatory authorities, suppliers and other stakeholders in its project locations, and encourages feedback through this engagement. Through this process, the Company develops and fosters the relationships on which our business relies for success.

- **Protecting the Environment:** We are committed to ensuring that environmental standards are met or exceeded in the course of our exploration activities. Applicable laws and local guidelines in all project jurisdictions are followed diligently and exploration programmes are only carried out once relevant permits and approvals have been secured from the appropriate regulatory bodies.

  African Pioneer is committed to good practices in rehabilitation and repair during its mineral exploration activities and, where possible, choose less impactful exploration methods to limit disturbance.

- **Safeguarding the Health and Safety of Workers and the Local Population:** Company activities are carried out in accordance with good practice and applicable laws related to Health and Safety.

Environment Health, safety and community statement

The Group is committed to providing a safe working environment for all its employees and to responsibly manage all of the environmental interactions of its business. Its objective is to perform and achieve at a level notably in excess of the regulatory minima required by the host countries in which it does business.

The following specific principles are adhered to by the Group:

Health & Safety

- Provision of health and safety training to all employees;
- All necessary measures are taken to minimise workplace injuries, and
- Establishment of management and advisory programmes for the prevention of transmissible diseases.

Environment

The Group prides itself on being a skilled and responsible operator. It functions with the clear mandate of being in full compliance with, applicable environmental laws, regulations and permit requirements. It has an internal monitoring programme in place that plays a critical role in continuously improving its environmental performance.

The Group strives to minimise its environmental effects wherever and to:

- Comply with applicable laws, regulations and commitments wherever it operates;
- Ensure it has the necessary resources, procedures, training programmes and responsibilities in place to achieve its environmental objectives;
- Strive to protect air and water quality, minimise consumption of water and energy, and protect natural habitats and biodiversity;

CORPORATE GOVERNANCE REPORT (continued)

- Promote an ongoing environmental dialogue with its stakeholders in the communities where it conducts business;
- Collaborate with stakeholders to define environmental priorities and to protect the environment, and
- Consider the requirement for environmental protection in all aspects of exploration and development.

Communities

As well as recognising the need to protect the natural environment the Group follows best practices in:

- its interactions with local communities,
- respecting customs and cultural practices, and
- minimising intrusion upon lifestyles and traditions.

The Group will not violate human rights and will, wherever possible, favour employment for local people when it recruits. It will strive to be recognised as a socially aware and responsible business

Task Force on Climate-related Financial Disclosures (TCFD)

The Company has not included climate-related financial disclosures consistent with any of the TCFD Recommendations and Recommended Disclosures, as required by Listing Rule 14.3.27, neither in this annual financial report or any other document as it has not yet established the metrics and obtained the data to do this. Set out below is a summary of the Company's activities and how the Company proposes to align with the TCFD recommendations. The Company will provide an update of its alignment with the TCFD recommendations in next year's Annual Report.

The Company's business strategy is to explore for base metals focusing on Southern Africa which are materials used to produce diverse products used in modern living in a safe and sustainable environment for all its stakeholders with a focus on copper projects. As an organisation, we recognise the growing importance of understanding the impact of climate change on the environment in which we operate and its potential impact on the business.

TCFD was established in 2015 to improve and increase reporting of climate-related financial information and to provide information to investors about the actions companies are taking to mitigate the risks of climate change, as well as to provide increased clarity on the way in which they are governed.

The Company's exploration activities are "asset" light as the Company does not own its drilling and exploration equipment and instead uses contractors and it is a standard operating procedure for exploration activities to be conducted in accordance with applicable environmental regulations. The effect of this is that the Company's demand for and use of carbon fuels is very low though its contractors will use carbon fuels. An opportunity arising for the Company from climate change is that copper is projected to increase in response to the global green energy transition in particular for electric vehicles, charging stations and the generation and distribution of renewable energy.

The Company is planning to adopt the TCFD framework and recommendations to the extent that it is appropriate given the size of the company and its activities. The framework is useful as a guide to understand how climate change could impact a broad range of business drivers and will provide a structured approach for the Group, to work towards embedding climate into our decision-making and will enable us to learn from and apply best practice on reporting and disclosures.

We see this as a means to increase the quality and transparency in our climate related disclosures whilst taking the first steps on the roadmap of TCFD reporting. We aim to ensure our stakeholders will have a better understanding of the Company's operational and business resilience to climate change and how we will incorporate the consideration of climate-related risks and opportunities in our business model. The table below provides a brief statement on our current thought process to understand and begin aligning with the TCFD recommendations.

CORPORATE GOVERNANCE REPORT (continued)

Governance: The Group's governance relating to climate-related risks and opportunities is the responsibility of the Board.

Strategy: The actual and potential impacts of climate-related risks and opportunities will have effects on the business policies, strategy and financial planning of the Company.

Risk Management: The financial director is responsible for Company's risk assessment and identifying, assessing, and managing climate related risks is part of that function.

Metrics & Targets: The formulation of metrics and targets used to assess and manage relevant climate related risks and opportunities will be considered.

STRATEGIC REPORT

The Directors present their strategic report on the group for the year ended 31 December 2023.

PRINCIPAL ACTIVITY
African Pioneer Plc ("the Company") is a public limited company which is listed on the main market of the London Stock Exchange and incorporated and domiciled in the Isle of Man. The Company's registered address is 19-21 Circular, Douglas, Isle of Man IM1 1AF.

The Company is the parent company of African Pioneer Zambia Ltd (80% owned), African Pioneer Chongwe Ltd (80% owned), Resource Capital Partners Pty Ltd (100% owned) and Zamcu Exploration Pty Ltd (100% owned), which has an 85% equity holding in Ongombo Mine (Pty) Limited and Manmar Investments One Hundred and Thirty Six (Pty) Ltd. (see note 10 for further details).

The principal activity of the Company and its subsidiaries (the "Group") is the exploration for base metals in Zambia, Namibia and Botswana.

GOING CONCERN

As disclosed in Note 2 The Group made a loss from all operations for the year ended 31 December 2023 after tax of £(689,000) (2022: £671,000). In June 2023, the Company raised £790,000 (gross) and at the year end had cash of £372,156 (2022 £71,674). An operating loss is expected in the year subsequent to the date of these accounts and as a result the Company will need to raise funding to provide additional working capital to finance its ongoing activities. The management team has successfully raised funding for exploration projects in the past, but there is no guarantee that adequate funds will be available when needed in the future.

Based on its current reserves and the Board's assessment that the Company will be able to raise additional funds, as and when required, to meet its working capital and capital expenditure requirements, the Board have concluded that they have a reasonable expectation that the Group can continue in operational existence for the foreseeable future. For these reasons the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The management team has successfully raised funding for exploration projects in the past, but there is no guarantee that adequate funds will be available when needed in the future.

There is a material uncertainty relating to the conditions above that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

KEY PERFORMANCE INDICATORS
The key performance indicators in assessing the completion of this activity are monitored on a regular basis:

• Progress with exploration, monitoring licence commitments and environmental compliance; and
• Cash management – ensuring that the Company is well funded and has adequate cash to meet its obligations as they fall due.

REVIEW OF THE BUSINESS

Details of the Company's strategy, results and prospects are set out in the Chairman's Statement on page 3 and in the Financial, Corporate and Operational Review on page 6.

STRATEGIC REPORT (continued)

Financial highlights:

- £689k consolidated loss after tax (2022: £671k - loss)
- Approximately £372k cash at bank at the year-end (2022: £72k).
- The basic and diluted losses per share are summarised in the table below

Profit/(Loss) per share (pence)		2023	2022
Basic & Diluted	Note 6	(0.33)p	(0.35)p

- The net assets of the Group at as at 31 December 2023 were £5.2M (31 December 2022 £5.2m)

INVESTMENTS HELD BY THE COMPANY FOR RESALE

The Company has previously held investments available-for-sale investments but sold these during the year as a source of liquidity to cover explorations costs and general overheads of the Group. It is the Group's intention not to purchase any new investments.

PORTFOLIO HOLDING AT 31 December 2023

	Number 31/12/23	Cost 31/12/23	Valuation 31/12/23	Valuation 31/12/22
Jubilee Metals Group Plc	-	-	-	22,107
Galileo Resources Plc	-	-	-	32,500
Sandfire Resources Ltd	-	-	-	329,325
South 32 Limited	-	-	-	-
Xtract Resources Plc	-	-	-	11,818
TOTAL FOR COMPANY		-	-	395,750

PRINCIPAL RISKS AND UNCERTAINTIES

This business carries a high level of risk and uncertainty, although the potential rewards can be outstanding. The Directors have identified the following principal risks in regards to the Group's future. The relative importance of risks faced by the Group can, and is likely to, change as the Group executes its strategy and as the external business environment evolves the strategy as may be required based on developments and exploration results. Key elements of this process are the Group's reporting and Board meetings.

Strategic risk

The Group's strategy may not deliver the results expected by shareholders. The Directors regularly monitor the appropriateness of the strategy, taking into account both internal and external factors, together with progress in and modify

Exploration risk

Exploration at the Namibia, Zambia and Botswana Projects may not result in success.

STRATEGIC REPORT (continued)

Whilst the Directors endeavour to apply what they consider to be the latest technology to assess projects, the business of exploration for and identification of minerals and metals, is speculative and involves a high degree of risk. The mineral and metal potential of the Group's projects in Namibia, Zambia and Botswana, may not contain economically recoverable volumes of minerals, base metals, or precious metals of sufficient quality or quantity. To mitigate this risk, the Group has acquired the rights to carry out exploration and earn an interest in certain licences in the specific areas.

Even if there are economically recoverable deposits, delays in the construction and commissioning of mining projects or other technical difficulties may make the deposits difficult to exploit. The exploration and development of any project may be disrupted, damaged or delayed by a variety of risks and hazards which are beyond the control of the Group. These include (without limitation) geological, geotechnical and seismic factors, environmental hazards, technical failures, adverse weather conditions, acts of God and government regulations or delays.

Exploration is also subject to general industrial operating risks, such as equipment failure, explosions, fires and industrial accidents, which may result in potential delays or liabilities, loss of life, injury, environmental damage, damage to or destruction of property and regulatory investigations. The Group may also be liable for the mining activities of previous miners and previous exploration works. Although the Group intends, itself or through its operators, to maintain insurance in accordance with industry practice, no assurance can be given that the Group or the operator of an exploration project will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover any such claims. The Group may elect not to become insured because of high premium costs or may incur a liability to third parties (in excess of any insurance cover) arising from pollution or other damage or injury.

Environmental and other regulatory risks
In relation to the Group's existing projects the environmental impact to date is limited to activities associated with exploration. The ultimate development of any project into a mining operation will inevitably impact considerably on the local landscape and communities. These projects sit in an area of considerable natural beauty and therefore there is likely to be opposition to mining by some parties. This may impact on the cost and/or Group's ability to sell or move these projects into production.

While the Group believes that its operations and future projects are currently, and will be, in substantial compliance with all relevant material environmental and health and safety laws and regulations, including relevant international standards, there can be no assurance that new laws and regulations, or amendments to, or stringent enforcement of, existing laws and regulations will not be introduced.

Nevertheless, the Group will continue to vigorously apply international standards to the design and execution of any and all of its activities, including engagement and consultation with local communities, and non-governmental and Governmental organisations to ensure any impacts of current and future activities are minimised and appropriately managed. The Group has organisations to ensure any impacts of current and future activities are minimised and appropriately managed. The Group has established a comprehensive suite of health, safety, environmental and community policies which will underpin all future activities.

Financing
The successful exploration or exploitation of natural resources on any project will require significant capital investment. The only sources of financing currently available to the Group are through the issue of additional equity capital in the Company convertible loans or through bringing in partners to fund exploration and development costs. The Group's ability to raise further funds will depend on the success of their investment strategy and conditions in financial and commodity markets. The Group may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all)

STRATEGIC REPORT (continued)

and, if such funding is unavailable, the Group may be required to reduce the scope of its investments or anticipated expansion.

Political, economic and regulatory regime

The licences and operations of the Group are in jurisdictions outside the United Kingdom and accordingly there will be a number of risks which the Group will be unable to control. Whilst the Group will make every effort to ensure it has robust commercial agreements covering its activities, there is a risk that the Group's activities will be adversely affected by economic and political factors such as the imposition of additional taxes and charges, cancellation or suspension of licences and changes to the laws governing mineral exploration and operations.

The Group's activities will be dependent upon the grant of appropriate licences, concessions, leases, permits, and regulatory consents that may be withdrawn or made subject to limitations. There can be no assurance that they will be granted or renewed or if so, on what terms. There is also the possibility that the terms of any licence may be changed other than as represented or expected.

The current focus of the Group's activities, offer stable political frameworks and actively support foreign investment. The countries have well-developed exploration and mining code and proactive support for foreign companies. Through a programme of proactive engagement with each Government at all levels the Group is able to partially mitigate these risks by establishing professional working relationships.

Dependence on key personnel

The Group is dependent upon its executive management team and various technical consultants. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. The development and success of the Group depends on its ability to recruit and retain high quality and experienced staff. The loss of the service of key personnel or the inability to attract additional qualified personnel as the Group grows could have an adverse effect on future business and financial conditions. Nevertheless, through programmes of incentivising staff, appropriate succession planning, and good management these risks can be largely mitigated.

Uninsured risk

The Group, as a participant in exploration and development programmes, may become subject to liability for hazards that cannot be insured against or third-party claims that exceed the insurance cover. The Group may also be disrupted by a variety of risks and hazards that are beyond its control, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupation and health hazards and weather conditions or other acts of God.

Other business risks

In addition to the current principal risks identified above and those disclosed in note 3 to the financial statements, the Group's business is subject to risks relating to the financial markets and commodity markets. The buoyancy of both the aforementioned markets can affect the ability of the Group to raise funds for exploration. The Group has identified certain risks pertinent to its business including:

Strategic and Economic:
- Business environment changes
- Limited diversification

Operational:
- Difficulty in obtaining / maintaining / renewing Licences / approvals

Commercial:
- Failure to maximise value from its Namibia/Zambia/Botswana projects
- Loss of interest in key assets
- Regulatory compliance and legal

STRATEGIC REPORT (continued)

Human Resources and Management:
• Failure to recruit and retain key personnel
• Human error or deliberate negative action
• Inadequate management processes

Financial:
• Restrictions in capital markets impacting available financial resources
• Cost escalation and budget overruns
• Fraud and corruption

The Directors regularly monitor such risks, using information obtained or developed from external and internal sources, and will take actions as appropriate to mitigate these. Effective risk mitigation may be critical to the Group in achieving its strategic objectives and protecting its assets, personnel and reputation. The Group assesses its risk on an ongoing basis to ensure it identifies key business risks and takes measures to mitigate these. Other steps include regular Board review of the business, monthly management reporting, financial operating procedures and antibribery management systems. The Group reviews its business risks and management systems on a regular basis

PROMOTION OF THE COMPANY FOR THE BENEFIT OF THE MEMBERS AS A WHOLE

The Director's believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as detailed below.

- Consider the likely consequences of any decision in the long term
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers, and others, and
- Consider the impact of the Company's operations on the community and the environment.

Our Board of Directors remain aware of their responsibilities both within and outside of the Group. Within the limitations of a Group with so few employees we endeavour to follow these principles, and examples of the application of the s172 are summarised and demonstrated below.

The Group operates as a mining exploration and development business which is speculative in nature and at times may be dependent upon fund-raising for its continued operation. The nature of the business is well understood by the Company's members, employees and suppliers, and the Directors are transparent about the cash position and funding requirements.

The Company is investing time in developing and fostering its relationships with its key suppliers.

As a mining exploration company with future operations based in Scandinavia, the Board intends to take seriously its ethical responsibilities to the communities and environment in which it works.

The interests of future employees and consultants are a primary consideration for the Board, and we have introduced an inclusive share-option programme allowing them to share in the future success of the company. Personal development opportunities are encouraged and supported.

STRATEGIC REPORT (continued)

OUTLOOK

Outlook for Copper: During the second half of 2023 and into 2024 the copper price has recovered and is currently around US$9,000 per tonne. Forecasts for the price of copper and its by-product metals remain positive in the range of US$10-US$15,000 per tonne. The outlook for copper supply remains quite pessimistic as most large copper mining projects have been shelved as a result of political or economic reasons but we anticipate this will lead to both smaller but profitable mines being developed , and junior mining companies with good copper resources in reliable jurisdictions becoming potential targets for acquisitions by major mining companies. As a result, the Company is well positioned with all its projects, to take part in a potential acquisition boom or alternatively to attract financing for its own operations which might not otherwise have been available.

The major mining companies are seeking new projects for acquisition and all our projects have the fundamentals which may attract the attention of larger companies as reflected in the fact that First Quantum has as reported in the Corporate review section issued an Option Exercise Notice in relation to the 4 Zambian exploration licences the subject of the First Quantum Option Agreement

The Board feels the Group has assembled an enviable portfolio of projects and we are pleased that Sandfire has taken and retained a significant equity position in the Company. We look forward to advancing all our projects and providing our shareholders with the prospects of enhanced value flowing into next year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

STATEMENT AS TO THE DISCLOSURE OF INFORMATION TO THE AUDITORS

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that the financial statements give a true and fair view of the state of affairs and profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and establish that the auditors are aware of that information.

Legislation in the Isle of Man governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the Board:
30 April 2024

Colin Bird
Executive Chairman

INDEPENDENT AUDITOR'S REPORT (continued)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AFRICAN PIONEER PLC FOR THE YEAR ENDED 31 DECEMBER 2023

<u>Independent Auditors Report</u>

Opinion

We have audited the financial statements of African Pioneer Plc (the 'Company') and its subsidiaries (the 'Group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statement of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash flows, the notes to the financial statements, which include a summary of significant accounting policies. The financial reporting framework that has been applied in in the preparation of the financial statements is applicable law and UK-adopted international accounting standards ('IFRS').

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2023 and of the Group's loss for the year then ended; and
- have been properly prepared in accordance with IFRS.

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

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements. We have considered the adequacy of the going concern disclosures made concerning the Company and the Group's ability to continue as a going concern. The Company and Group has made a loss of (£685,126) and (£689,213) respectively, and an operating loss is expected in the year subsequent to the year of these financial statements.

As a result, the Company and Group will need to raise funding to provide additional working capital to finance its ongoing activities. As stated in note 2, these conditions, along with other matters set forth in note 2, indicate that material uncertainty exists that may cast significant doubt on the Company and Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

We have highlighted going concern as a key audit 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 and the Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Analysing management's and the Directors' cash flow forecast which forms the basis of their assessment that the going concern basis of preparation remains appropriate for the preparation of the Group and Company financial statements for a period of at least twelve months from the date of approval of these financial statements;

- Testing the integrity of the cash flow model;

INDEPENDENT AUDITOR'S REPORT (continued)

- Reviewing post year-end financial statements for each entity and comparing actual performance to managements assessments
- Sensitising the cash flows for changes in key assumptions and considering impact on headroom;
- Reviewing and considering the adequacy of the disclosure within the financial statements relating to the Directors' assessment of the going concern basis of preparation.
- Reviewing any additional financial and non-financial subsequent events which may be identified post the year end in relation to going concern.

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

Our approach to the audit

In planning our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to issue an opinion on the financial statements as a whole, considering the structure of the Group, the accounting processes and controls, and the industry in which they operate.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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 we identified (whether or not due to fraud), 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. The use of the Going Concern basis of accounting was assessed as a key audit matter and has already been covered in an earlier section of this report. The other key audit matters identified are described below.

Key audit matter	How our work addressed this matter
Carrying value of E&E assets (Group) The most significant assets of the group as at December 2023 were intangible assets of £5.2m comprising exploration and evaluation assets. In accordance with IAS36 Impairment of Assets, entities are required to conduct annual impairment tests for goodwill and certain intangible assets. Given the subjectivity and number of estimates involved in any such assessment, we consider the carrying value of E&E assets in the Group's balance sheet to be a key audit matter.	Our work included: • Reviewing brought forward calculations to agree to the opening balance position and prior year assessment of compliance with IFRS6; • Reviewing additions in the year for compliance with IFRS6; • Reviewing the impairment model provided and checking that the value in use model is appropriate; • Discussing with management the assumptions used and obtaining support for key assumptions; and • Obtain an understanding as to the status of each project to ensure the accounting treatment complies with IFRS6.

INDEPENDENT AUDITOR'S REPORT (continued)

Investment valuation (Company) The most significant asset of the group and company are investments assets at £2.8m. There is a risk that these balances may be subject to impairment and therefore materially misstated within the financial statements. Given the subjectivity and number of estimates involved in any such assessment, we consider the carrying value of investments in the Company's balance sheet be a key audit matter.	Our work included: • Reviewing brought forward calculations to agree the opening balance position; • Reviewing management's assessment of impairment, including challenging the assumptions used; • Consider the consistency of cost of investment with the underlying carrying value of E&E assets tested at Group level; and • Reviewing any additional financial and non-financial subsequent events which may be identified post the year end indicating an impairment may be present in the valuation of investments.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

We consider gross assets to be the most significant determinant of the Group's financial performance used by the users of the financial statements. We have based materiality on 1.5% of reported gross assets for the group. Overall materiality for the group was therefore set at £84,000.

Other information

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the Group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

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

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

- We obtained an understanding of the Group and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements, including equity accounted associate. We obtained our understanding in this regard through discussions with management and application of our cumulative audit knowledge and experience of the industry.
- We determined the principal laws and regulations relevant to the Group in this regard to be, but were not limited to, those arising from local licensing laws, Isle of Man Companies Act, and the London Stock Exchange Listing Rules. We focused on laws and regulations that could give rise to a material misstatement in the financial statements.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Group with those laws and regulations. Our test included, but were not limited to specific enquiries of management, reviewing Board minutes and any legal or regulatory compliance correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether key accounting estimates and judgements made by management when auditing significant accounting estimates. We address these risks by challenging the assumptions and judgements made by management when auditing significant accounting estimates, comprising the impairment assessment of intangible assets.
- 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 and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business, as well as discussions with management.

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 If the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Other matters that we are required to address

We were appointed on 15 December 2023 and this is the first year of our engagement as auditors for the Group.

We confirm that we are independent of the Group and have not provided any prohibited non-audit services, as defined by the Ethical Standard issued by the Financial Reporting Council as applied to listed entities, and we have fulfilled our ethical responsibilities in accordance with these requirements.

Our audit report is consistent with our additional report to the Audit Committee explaining the results of our audit.

INDEPENDENT AUDITOR’S REPORT (continued)

Use of our report

This report 's made solely to the Company's members, as a body, in accordance with our engagement letter. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Randall BA FCA
Recognised Auditor

for and on behalf of RPG Crouch Chapman LLP

Chartered Accountants and Recognised Auditors

40 Gracechurch Street

London

EC3V 0BT

Date: 30 April 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	Notes	**Year ended 31 December 2023**	Year ended 31 December 2022
		£	£
CONTINUING OPERATIONS			
Income:			
Dividend receivable		**-**	2,951
Realised gain on sale of investments		**34,799**	4,320
Unrealised loss on investments			(78,197)
Total Income		**34,799**	(70,926)
Administrative expenses			
Administrative expenses	**4**	**(724,012)**	(599,965)
Total Administrative Expense		**(724,012)**	(599,965)
OPERATING (LOSS)FOR THE YEAR		**(689,213)**	(670,891)
Interest expense		**-**	-
Interest income		**-**	20
(LOSS) BEFORE TAX		**(689,213)**	(670,871)
Taxation	**7**	**-**	-
NET (LOSS) FOR THE YEAR		**(689,213)**	(670,871)
Other comprehensive income:			
Other comprehensive income		**-**	-
(Loss)/Profit for the financial year			
Items that may be reclassified to profit or loss:			
Foreign currency reserve movement		(120,526)	(32,256)
Total comprehensive (loss) for the financial year		**(809,739)**	(703,127)
Attributable to:			
Owners of the Company		**(809,739)**	(703,127)
Non-controlling interest		**-**	-
		(809,739)	(703,127)
Basic & Diluted loss per share	**6**	**(0.33) p**	(0.35) p

All results are derived from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Notes	Year ended 31 December 2023	Year ended 31 December 2022 Restated
		£	£
NON-CURRENT ASSETS			
Exploration and evaluation assets	**10**	**5,221,534**	5,112,856
Total Non-Current Assets		**5,221,534**	5,112,856
CURRENT ASSETS			
Trade and other receivables	**11**	**12,026**	11,023
Cash and cash equivalents		**372,156**	71,674
Available-for-sale investments	**8**	**-**	395,750
Total Current Assets		**384,182**	478,447
TOTAL ASSETS		**5,605,716**	5,591,303
CURRENT LIABILITIES			
Trade and other payables	**12**	**(269,313)**	(230,260)
Taxation	**7**	**(122,222)**	(122,222)
Total Current Liabilities		**(391,535)**	(352,482)
NET CURRENT (LIABILITIES) / ASSETS		**(7,353)**	125,965
TOTAL LIABILITIES		**(391,535)**	(352,482)
NET ASSETS		**5,214,181**	5,238,820
EQUITY			
Share capital	**13**	**6,216,282**	5,475,204
Warrant reserve	**15**	**67,923**	23,901
Foreign exchange reserve		**(118,443)**	2,083
Retained earnings		**(1,638,929)**	(949,716)
		4,526,833	4,551,472
Non controlling interest	**9**	687,348	687,348
TOTAL EQUITY		**5,214,181**	5,238,820

The notes on pages 46-65 are an integral part of these financial statements.

The financial statements of African Pioneer Plc (registered number 008591V) were approved by the board on 30 April 2024 and signed on its behalf by:

C Bird
Executive Chairman

R Samtani
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital	Retained earnings Restated	Foreign exchange reserve	Warrant reserve	Non Controlling interest	Total equity Restated
	£	**£**	**£**	**£**	**£**	**£**
As at 1 January 2022	**5,490,271**	(278,845)	**34,339**	**8,834**	**687,348**	**5,941,947**
Loss for the year	-	(670,871)	(32,256)			(703,127)
Share based payment charge	**(15,067)**	-	-	15,067	-	-
As at 31 December 2022 Restated	**5,475,204**	**(949,716)**	**2,083**	**23,901**	**687,348**	**5,238,820**
As at 1 January 2023	**5,475,204**	**(949,716)**	**2,083**	**23,901**	**687,348**	**5,238,820**
Net proceeds from shares issued	785,100	-	-	-	-	785,100
(Loss) for the year	-	(689,213)	(120,526)			(809,739)
Share based payment charge	(44,022)	-		44,022	-	-
Non-controlling interests on acquisition of subsidiary	-	-	-	-		
As at 31 December 2023	**6,216,282**	**(1,638,929)**	**(118,443)**	**67,923**	**687,348**	**5,214,181**

The notes on pages 46-65 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Notes	**Year ended 31 December 2023**	Year ended 31 December 2022
		£	£
CASH FLOW FROM OPERATIONS			
Profit/(Loss) before taxation		**(689,213)**	(670,871)
Adjustments for:			
Interest received		**-**	-
Dividends received		**-**	(2,951)
(Loss)/Gain on disposal of investment shares		**34,799**	(4,320)
Loss/(Gain) in fair value of investment at reporting date	8	**-**	78,197
Interest expense		**-**	-
Operating (loss) before movements in working capital		**(654,414)**	(599,945)
Decrease/(Increase in receivables)		**(1,004)**	10,699
Increase in payables		**39,053**	146,311
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		**(616, 365)**	(442,935)
TAXATION PAID			
CASH FLOW FROM INVESTING ACTIVITIES			
Dividends received		**-**	2,951
Investments sold		**360,951**	32,829
Purchases of Exploration and evaluation assets		**(108,678)**	(679,894)
Purchase of Exploration and Evaluation assets on Acquisition of subsidiaries			
NET CASH INFLOW FROM INVESTING ACTIVITIES		**252,273**	(644,114)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Issue of shares, net of issue costs		**785,100**	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		**785,100**	-
Net increase/(decrease) in cash and cash equivalents in the period		**421,008**	(1,087,049)
Effect of foreign exchange rate changes		**(120,526)**	(32,256)
Cash and cash equivalents at the beginning of the period		**71,674**	1,190,979
Cash and cash equivalents at the end of the period		**372,156**	71,674

The notes on pages 46-65 are an integral part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

	Notes	31 December 2023	31 December 2022
		£	£
NON-CURRENT ASSETS			
Investment in subsidiaries	10	**2,796,500**	2,796,500
Total Non-Current Assets		**2,796,500**	2,796,500
CURRENT ASSETS			
Trade and other receivables	11	**1,712,138**	1,557,828
Cash and cash equivalents		**371,525**	71,664
Available-for-sale investments	8	**-**	395,750
Total Current Assets		**2,083,663**	2,025,242
TOTAL ASSETS		**4,880,163**	4,821,742
CURRENT LIABILITIES			
Trade and other payables	12	**(648,256)**	(689,809)
Total Current Liabilities		**(648,256)**	(689,809)
NET CURRENT ASSETS / (LIABILITIES)		**1,435,407**	1,335,433
TOTAL LIABILITIES		**(648,256)**	(689,809)
NET ASSETS		**4,231,907**	4,131,933
EQUITY			
Share capital	13	**6,216,282**	5,475,204
Warrant reserve	15	**67,923**	23,901
Retained earnings		**(2,052,298)**	(1,367,172)
TOTAL EQUITY		**4,231,907**	4,131,933

The notes on pages 46-65 are an integral part of these financial statements.
The financial statements of African Pioneer Plc (registered number 008591V) were approved by the board on 30 April 2024 and signed on its behalf by:

C Bird
Executive Chairman

R Samtani
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023

	Share capital £	Retained earnings Restated £	Warrant reserve £	Total equity Restated £
As at 1 January 2022	**5,490,271**	**(708,667)**	**8,834**	**4,790,438**
Share based payment charge	(15,067)	-	15,067	-
Loss for the year	-	(658,505)		(658,505)
As at 31 December 2022 (Restated)	**5,475,204**	**(1,367,172)**	**23,901**	**4,131,933**
As at 1 January 2023	**5,475,204**	**(1,367,172)**	**23,901**	**4,131,933**
Net proceeds from shares issued	785,100	-	-	785,100
Share based payment charge	(44,022)	-	44,022	-
Loss for the year	-	(685,126)		(685,126)
As at 31 December 2023	**6,216,282**	**(2,052,298)**	**67,923**	**4,231,907**

The notes on pages 46- 65 are an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

	Notes	Year ended 31 December 2023	Year ended 31 December 2022
		£	£
CASH FLOW FROM OPERATIONS			
Profit/(Loss) before taxation		**(685,126)**	(658,505)
Adjustments for:			
Dividends received		**-**	(2,951)
(Loss)/ Gain on disposal of investment shares		**34,799**	(4,320)
Loss/(Gain) in fair value of investment at reporting date	8	**-**	78,197
Interest expense		**-**	-
Operating (loss) before movements in working capital		**(650,327)**	(587,579)
Decrease/(Increase) in receivables		**(1,004)**	10,699
Increase/(decrease) in payables		**39,069**	146,305
Increase / (decrease) in loans to subsidiaries		**(233,928)**	(724,510)
NET CASH OUTFLOW FROM OPERATING ACTIVITIES		**(846,190))**	(1,155,085)
TAXATION PAID			
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		**-**	-
Dividends received		**-**	2,951
Investments purchased	8	**-**	-
Investments sold		**360,951**	32,829
Acquisition of subsidiaries		**-**	-
		-	-
NET CASH INFLOW FROM INVESTING ACTIVITIES		**360,951**	35,780
CASH FLOW FROM FINANCING ACTIVITIES			
Issue of convertible loan notes		**-**	-
Proceeds from Issue of shares, net of issue costs		**785,100**	-
Loan repayment		**-**	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		**785,100**	-
Net increase/(decrease) in cash and cash equivalents in the period		**299,861**	(1,119,305)
Cash and cash equivalents at the beginning of the period		**71,664**	1,190,969
Cash and cash equivalents at the end of the period		**371,525**	71,664

The notes on pages 46-65 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

This financial information is for African Pioneer Plc (“the Company”) and its subsidiary undertakings. The principal activity of African Pioneer Plc (the ‘Company’) and its subsidiaries (together the ‘Group’) is the development of natural resources exploration projects in Sub-Saharan Africa.

The Company is a public limited company and was listed on to the Official List (Standard Segment) and commenced trading on the Main Market for listed securities of the London Stock Exchange on 1 June 2021. The Company is domiciled in the Isle of Man and was incorporated on 20th July 2012 under the Isle of Man Companies Act 2006 with company registration number 00859IV, and with registered address being 19-21 Circular, Douglas, Isle of Man IM1 1AF.

2. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared under the historical cost convention except for the measurement of certain non-current asset investments at fair value. The measurement basis and principal accounting policies of the Group are set out below. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and endorsed by the European Union.

New and amended IFRS Standards that are effective for the current year

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective from 1 January 2023, none of which have a material impact on these financial statements.

New and revised IFRS Standards in issue but 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 apply early.

The following amendments are effective for the period beginning 1 January 2024
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-Current);
- IFRS 16 Leases (Amendment - Liability in a sale and leaseback); and
- IAS 7 and IFRS 7 (Amendment – Supplier Finance Arrangements).

It is not expected that the amendments listed above, once adopted, will have a material impact on the financial statements

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

The results of subsidiaries acquired or disposed of are included in the consolidated Statement of Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

2. ACCOUNTING POLICIES (continued)

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

Profits/(losses) attributable to non-controlling interests are shown separately in the Statement of Comprehensive income and the portion of net assets attributable to non-controlling interest is shown on the Statement of Financial Position.

Going concern

The Group made a loss from all operations for the year ended 31 December 2023 after tax of (£689,213) (2022: £670,871), In June 2023, the Company raised £790,000 (gross) via a fundraising arranged by the Company's brokers and at the year end had cash of £372,156 (2022 £71,674). An operating loss is expected in the year subsequent to the date of these accounts and as a result the Company will need to raise funding to provide additional working capital to finance its ongoing activities. The management team has successfully raised funding for exploration projects in the past, but there is no guarantee that adequate funds will be available when needed in the future.

Based on its current reserves and the Board's assessment that the Company will be able to raise additional funds, as and when required, to meet its working capital and capital expenditure requirements, the Board have concluded that they have a reasonable expectation that the Group can continue in operational existence for the foreseeable future. For these reasons the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The management team has successfully raised funding for exploration projects in the past, but there is no guarantee that adequate funds will be available when needed in the future.

There is a material uncertainty relating to the conditions above that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

This financial report does not include any adjustments relating to the recoverability and classification of recorded assets amounts or liabilities that might be necessary should the entity not continue as a going concern.

Exploration assets accounting policy

The Company's exploration assets accounting policy is in line with IFRS6. Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are transferred to development assets and amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

2. ACCOUNTING POLICIES (continued)

Valuation of investments

The company has adopted the provisions of IFRS9 and has elected to treat all available for sale investments at fair value with changes through the profit and loss.

Available-for-sale investments under IFRS9 are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IFRS 13. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. All gains and losses are taken to profit and loss.

Equity and reserves

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

Share capital represents the amount subscribed for shares with no par nominal value. Any transaction costs associated with the issuing of shares are deducted from share capital, net of any related income tax benefits.

Foreign exchange reserve - amounts arising on re-translating the net assets of overseas operations into the presentational currency

The capital contribution reserve represents the value of the equity component of loans made from parent undertakings.

The warrant reserve presents the proceeds from issuance of warrants, net of issue costs. Warrant reserve is non-distributable and will be transferred to share capital account and accumulated losses upon exercise of warrants. Shares to be issued reserve arises on the timing difference between the Company making a commitment to issue shares and the shares being issued. Once the shares are issued a transfer is made to the share capital account. Accumulated losses include all current and prior period results as disclosed in the statement of comprehensive income, less dividends paid to the owners of the parent.

Significant management judgement in applying accounting policies and estimation uncertainty

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

Functional and presentational currency

The presentation and functional currency of the Company is Sterling.

Expenses

All expenses are accounted for on an accruals basis. Expenses are charged to the statement of comprehensive income except for expenses incurred on the acquisition of an investment, which are included within the cost of that investment, expenses arising on the disposal of investments are deducted from the disposal proceeds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

2. ACCOUNTING POLICIES (continued)

Cash and cash equivalents

This consists of cash held in the Company's bank account.

Financial liabilities

The Company has financial liabilities consisting of trade payables and accrued expenses which are non-derivative financial liabilities recognised at amortised cost.

Taxation

The Company is subject to tax in the Isle of Man in the period at a rate of 0% and accordingly, interest and gains payable to the Company are received by the Company without any deduction relating to Isle of Man taxed. and during the period the Company had no income subject to taxation in other jurisdictions. As per Note 16 in 2022 the Company made a prior year adjustment in respect of provision for tax due by a subsidiary of £122,222.

Earnings per share

The earnings per share are calculated by dividing the net result attributed to the equity shareholders by the weighted average number of participating shares in issue in the period.

Geographical segments

A segment is a distinguishable component of the Company that is engaged either in providing products or services (business segment) or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments. The internal management reporting used by the chief operating decision maker consists of one segment. Hence in the opinion of the directors, no separate disclosures are required under IFRS 8. The Company's revenue in the year is not material and consequently no geographical segment information has been disclosed.

Critical accounting estimates and judgements

The preparation of the Group's financial statements under IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Details of the Group's significant accounting judgements used in the preparation of these financial statements include:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

2. ACCOUNTING POLICIES (continued)

Recoverability of intangible exploration and evaluation assets
Where a project is sufficiently advanced, the recoverability of intangible exploration and evaluation assets is assessed by comparing the carrying value to internal and operator estimates of the net present value of projects. Intangible exploration assets are inherently judgemental to value. The amounts for intangible exploration and evaluation assets represent active exploration projects. These amounts will be written-off to the profit and loss as exploration costs unless commercial reserves are established, or the determination process is completed and there are no indications of impairment. The carrying value of exploration assets in the consolidated financial statements as at 31 December 2023 is £5,221,534 (2022 £5,112,856). The recoverability of this carrying value, and thus potential impairment, requires use of significant judgments and estimates. The details of these assets are outlined in note 10.

Recoverability of investment in subsidiaries and intragroup receivables
In the Company financial statements, the carrying value of the Company's investment in subsidiaries and intragroup receivables is £4,497,354 (2022 £4,344,048). The recoverability of this balance is driven by the same judgements and uncertainties as the recoverability of the exploration and evaluation assets held by the subsidiaries.

Valuation of share-based payments
Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The share-based payment expense is recognised as deduction in share capital. A corresponding increase in the warrant reserve is also recognised The fair value of these payments is calculated by the Company using the Black Scholes option pricing model. The model requires 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 dates.

3. FINANCIAL RISK MANAGEMENT

Prior to the Company's listing in May 2021 it was an investment company and its objective was to achieve capital growth through investing in selection of equity and other instruments. However all available for sale investments were sold by the year end and there's no intention to invest in any in the future. The Company's financial instruments comprise:

- Cash, short-term receivables and payables

Throughout the period under review, it was the Company's policy that no trading in derivatives shall be undertaken. The main financial risks arising from the Company's financial instruments are market price risk and liquidity risk. The

Board regularly reviews and agrees policies for managing each of these risks and they are summarised below. These policies have remained constant throughout the period.

Market risk

Market risk consists of interest rate risk, foreign currency risk and other price risk. There are no foreign currency exposures. Hence, no foreign currency risk. It is the Board's policy to maintain an appropriate spread of investments in the portfolio whilst maintaining the investment policy and aims of the Company. The Investment Committee actively monitors market prices and other relevant information throughout the year and reports to the Board, who is ultimately responsible for the Company's investment policy.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

Interest rate risk

Changes in interest rates would affect the Company returns from its cash balances. A floating rate of interest, which is linked to bank base rates, is earned on cash deposits. The exposure to cash flow interest rate risk at 31 December 2023 for the Company was £372,156 (2022: £71,674). As the Company does not have any borrowings and finances its operations through its share capital and retained revenues, it does not have any interest rate risk except in relation to cash balances.

Other price risk

Other price risk which comprises changes in market prices other than those arising from interest rate risk or currency risk may affect the value of quoted and unquoted equity investments. The Board of directors manages the market price risks inherent in the investment portfolio by regularly monitoring price movements and other relevant market information. The Company accounts for movements in the fair value of its available-for-sale financial assets in other comprehensive income. As at the year end the Company held no quoted equity investments.

Liquidity risk

The Company maintains appropriate cash reserves and the majority of the Company's assets comprise of realisable securities, most of which can be sold to meet funding requirements, if necessary. Given the Company's cash reserves, it has been able to settle all liabilities on average within 1 month. Given the current level of cash resources the liquidity risk is not considered to be material.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at 31 December 2023 is detailed below:

For the Group, credit risk arises primarily from cash balances held at banks. The risk is mitigated by using only reputable financial institutions with a high credit rating.

The Company is additionally exposed to credit risk on the intercompany balances with its subsidiaries. The recoverability of these balances is linked directly to the success of the exploration activities of the Group.

As discussed in note 10, no impairment indicators exist on the exploration assets and thus the balances are deemed to be recoverable. The Company and Group do not hold any collateral as security. The credit rating bands are provided by independent ratings agencies:

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

3. FINANCIAL RISK MANAGEMENT (continued)

As at 31 December 2023	**Not rated /not readily available**	**Total**
Cash and cash equivalents	372,156	372,156
Total assets subject to credit risk	**372,156**	**372,156**

As at 31 December 2022	**Not rated /not readily available**	**Total**
Cash and cash equivalents	71,674	71,674
Total assets subject to credit risk	**71,764**	**71,764**

Financial liabilities
There are no currency or interest rate risk exposures on financial liabilities as they are denominated in £ Sterling.

Capital management
The Company actively reviews its issued share capital and reserves and manages its capital requirements in order to maintain an efficient overall financing structure whilst avoiding any leverage.

4. EXPENSES BY NATURE

	31 December 2023	31 December 2022
Directors' fees	**(172,403)**	(172,404)
Audit fees	**(49,980)**	(49,200)
Stock exchange related costs	**(59,309)**	(52,073)
Legal, professional and consultancy fees	**(88,228)**	(96,319)
Consultancy fees	**(131,400)**	(106,500)
Management services	**(11,050)**	(10,800)
Insurance	**(16,693)**	(20,146)
Other administration expenses	**(92,371)**	(88,561)
Travel	**(2,309)**	(7,999)
Investor relations	**(70,875)**	(37,740)
Foreign currency (losses)/gains	**(29,394)**	41,777
Total Expense	**(724,012)**	(599,965)

	31 December 2023	31 December 2022
	£	£
Auditor's remuneration		
Audit of the financial statements of the Company	**49,980**	49,200

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

5. DIRECTORS' EMOLUMENTS

Other than directors, there were no employees or key management personnel in the year.

	31 December 2023 £	31 December 2022 £
Colin Bird	**60,000**	60,000
Raju Samtani	**50,003**	50,004
Christian Cordier	**30,000**	30,000
Kjeld Thygesen	**18,000**	18,000
James Cunningham-Davis	**14,400**	14,400
Total	**172,403**	172,404

The emoluments paid to the directors relate to both the Company and the Group

	2023 Number	2022 Number
Directors	5	5
Employees *	-	-
Consultants who are directors of subsidiary companies	2	2
The average monthly number of employees	7	7

* The Company and Group has no employees and instead uses the services of consultants

6. EARNINGS PER SHARE

	31 December 2023	31 December 2022
Loss after tax for the purposes of earnings per share attributable to equity shareholders	**£(689,213)**	£(670,871)
Weighted average number of shares	**211,218,347**	191,707,845
Weighted average number of shares and warrants	**265,536,801**	229,430,224
Basic & Diluted loss per ordinary share	**(0.33) p**	(0.35) p

The use of the weighted average number of shares in issue in the period recognises the variations in the number of shares throughout the period and this is in accordance with IAS 33 as is the fact that the diluted earnings per share should not show a more favourable position that the basic earnings per share.

7. TAXATION

The Company is subject to Isle of Man income tax at 0%, and during the period had no income subject to taxation in other jurisdictions, and has no capital allowances or deferred tax implications. Accordingly, the Directors have made no provision for taxation charges or liabilities for the period and have not presented the formal reconciliation required under IAS 12. As per Note 16 in 2022 the Company made a prior year adjustment in respect of provision for tax due by a subsidiary of £122,222.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

8. AVAILABLE FOR SALE INVESTMENTS

	Group & Company 31 December 2023 £	Group & Company 31 December 2022 £
Investments at fair value at 1 January	**395,750**	502,456
Additions	**-**	-
Disposals	**(395,750)**	(28,509)
Movements in fair value	**-**	(78,197)
Investments at fair value at 31 December	**-**	395,750

The book cost of the investments at 31 December 2023 was £Nil (2022: £381,541).

The Company sold its investments and utilised the sales proceeds as a means to cover explorations costs and general overheads of the Company.

Financial instruments measured at fair value

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
– Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
– Level 3: inputs for the asset or liability that are not based on observable market data (unobserved inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

The financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	Level 1	**Level 2**	**Level 3**	**Total**
31 December 2023	**£**	**£**	**£**	**£**
Assets	-	-	-	-
Total	-	**-**	-	-
	Level 1	Level 2	Level 3	Total
	£	£	£	£
31 December 2022				
Assets	395,750		-	395,750
Total	395,750		-	395,750

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

9. ACQUISITION OF SUBSIDIARIES

Acquisition of Zamcu Exploration Pty Limited (Namibian Projects)

On 1 June 2021 the Company completed the acquisition of 100% of Zamcu Exploration Pty Ltd ("Zamcu"), which via its subsidiaries, held a 70 per cent. interest in two Namibian Exclusive Prospecting Licenses ("EPLs") comprising the Ongombo and Ongeama projects, located within the Matchless amphibolite Belt of central Namibia that hosts copper-gold mineralisation. On 27 August 2021 the Company entered into an agreement to acquire a further 15% interest in its Ongombo Project and Ongeama Project in Namibian (the "Namibian Projects") by acquiring an additional 15% in its two Namibian subsidiaries thus increasing its interest in the Namibian Projects to 85% (see note 10).

The fair value of the assets and liabilities acquired were as follows:

	£
Consideration	
Equity consideration	
- Ordinary shares (issued)	**687,500**
Cash consideration	**149,149**
	836,649
Fair value of assets and liabilities acquired	
- Assets	**-**
- Liabilities	**(262)**
	(262)
Deemed fair value of exploration assets acquired	**836,911**
Additional 15% acquired	**331,240**
Total 85% acquisition value	**1,168,151**
Attributable to non-controlling interest	**206,098**
Gross fair value of exploration assets acquired	**1,374,249**

Acquisition of African Pioneer Zambia Limited ("APZ") (Zambia Projects)

On 1 June 2021 the Company completed the acquisition of 80% of APZ, which held a 100 per cent. interest in five Zambian Prospecting Licenses (**PLs**) located in two areas namely (i) the Central Africa Copperbelt (Copperbelt), which is the largest and most prolific mineralized sediment- hosted copper province known on Earth and which comprises four PLs and (ii) the Zambezi area located within the Zambezi Belt of southern Zambia that hosts a lower Katanga Supergroup succession which, although less studied than its northern counterpart, also hosts a number of Copperbelt-style occurrences and which comprises one PL. During the year the PL in the Zambezi area located within the Zambezi Belt of southern Zambia was transferred to a new established 80% owned subsidiary African Pioneer Chongwe Limited as this licence is not subject to the option agreement with First Quantum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

9. ACQUISITION OF SUBSIDIARIES (continued)

The fair value of the assets and liabilities acquired were as follows:

	£
Ordinary shares (issued)	**1,925,000**
Fair value of assets and liabilities acquired	
- Assets	**743**
- Loan for exploration licenses	**(41,205)**
-	**(40,462)**
Deemed fair value of	
- exploration assets acquired	**1,965,462**
Attributable to non-controlling interest	481,250
Gross fair value of exploration assets acquired	**2,446,712**

Resource Capital Partners Pty Ltd ("RCP") (Botswana Projects)
On 1 June 2021 the Company completed the acquisition of 100% of Resource Capital Partners Pty Ltd ("**RCP**"), which held a 100 per cent. interest in eight Botswana Prospecting Licenses ("**PLs**") located in two areas namely (i) the Kalahari Copperbelt (KC) that contains copper-silver mineralisation and which is generally stratabound and hosted in metasedimentary rocks that have been folded, faulted and metamorphosed to greenschist facies during the Damara Orogeny and which comprises six PLs and (ii) the Limpopo Mobile Belt ("Limpopo") set within the Motloutse Complex of eastern Botswana, a transitional boundary between the Zimbabwe Craton to the north and the Limpopo Mobile Belt to the south which comprises two Pls. During the year two of the PLs in the Kalahari Copperbelt and the two PLs in the Limpopo Mobile Belt were relinquished due to low prospectivity and so the Company could focus on its other Botswana PLs.

The fair value of the assets and liabilities acquired were as follows:

	£
Consideration	
Equity consideration	
- Ordinary shares (issued)	**350,000**
Fair value of assets and liabilities acquired	
- Assets	**-**
- Liabilities	**-**
	-
Deemed fair value of	
exploration assets acquired	**350,000**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

10. EXPLORATION AND EVALUATION ASSETS

	Group	Company	Group	Company
	Exploration and evaluation assets 31 December 2023 £	Investment in subsidiary 31 December 2023 £	Exploration and evaluation assets 31 December 2022 £	Investment in subsidiary 31 December 2022 £
Balance at beginning of period	5,112,856	2,796,500	4,432,962	2,796,500
Acquisitions during the period				
- Namibia Projects (note 9)				
- Zambia Projects (note 9)				
- Botswana Projects (note 9)				
Exploration expenditure	108,678	-	679,894	-
-				
Carried forward at end of year	5,221,534	2,796,500	5,112,856	2,796,500

Investments in subsidiaries are recorded at cost, which is the fair value of the consideration paid less impairment.

The Company conducted an impairment review and is satisfied that the carrying value of £2,796,500 is reasonable and no impairment is necessary. (2022- £Nil).

The Company's principal business is to explore opportunities within the natural resources sector in Sub-Saharan Africa, with a focus on base and precious metals including but not limited to copper, nickel, lead and zinc. The Company acquired the Namibia Projects, Zambia Projects and Botswana Projects in 2021 (see Note 9 for details):

No current JORC 2012 compliant Mineral Resources exist for the Zambia and Botswana Projects and no Mineral Reserve estimates have been completed for the Zambia and Botswana Projects.

The Company's' main focus in 2023 was on evaluating and advancing the Namibian Projects as at the beginning of the year the Zambian Projects and Botswana Projects are were the subject of option agreements. During the year and post the year end it was announced that First Quantum has exercised its option in relation to all 4 of the Zambian exploration licences which formed part of its option agreement. As announced in the Company's interim accounts to 30 June 2023 Sandfire has notified the Company that it has decided not to exercise its option in relation to 4 of the Groups' Botswana exploration licences. During the year two of the exploration licences in the Kalahari Copperbelt and the two exploration licences in the Limpopo Mobile Belt were relinquished due to low prospectivity and so the Company could focus on its other Botswana licences. The remaining Botswana licences are currently under review by the Company in cooperation with its external

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

10. EXPLORATION AND EVALUATION ASSETS (continued)

geological consultant with specific expertise of Botswanan copper geology. Whilst the exploration to date on the licences which were the subject of the Sandfire Option Agreement does not currently indicate prospectivity for a large scale mining operation the Board believes that there is prospectivity for a smaller to medium sized mining operation targeting in the range of 5,000 to 10,000 tonnes of contained copper per annum. Although too small for a large scale miner a mine of this size would fit very well into the demand for small to medium mines to help bridge the gap in the predicted shortfall of copper to meet future projected demand.

Principal Subsidiaries

Name & registered office address	Country of incorporation and residence	Nature of business	Proportion of equity shares held by Company
Resource Capital Partners Pty Ltd Plot 102, Unit 13 Gaborone International Commerce Park, Gaborone, Botswana	Botswana	Base Metals Exploration	100%
African Pioneer Zambia Ltd Plot No397/0/1 Chipwenupwenu Road Makeni, Lusaka PO Box 34033, Zambia	Zambia	Base Metals Exploration	80%
African Pioneer Chongwe Ltd Plot No397/0/1Chipwenupwenu Road Makeni, Lusaka PO Box 34033, Zambia	Zambia	Base Metals Exploration	80%
Zamcu Exploration Pty Ltd 5 Eze Terrace, Hillarys WA, 6025 AUSTRALIA	Australia	Holding Company	100%
Ongombo Mine (Pty) Ltd 36 Simeon Kambo Shixungileni Street, Windhoek, Namibia	Namibia	Base Metals Exploration	85% via Zamcu
Manmar investments One Three Six (Pty) Ltd 36 Simeon Kambo Shixungileni Street, Windhoek, Namibia	Namibia	Base Metals Exploration	85% via Zamcu

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

11. TRADE AND OTHER RECEIVABLES

	Group 31 December 2023	**Company 31 December 2023**	Group 31 December 2022	Company 31 December 2022
	£	**£**	£	£
Loans to subsidiaries *	**-**	**1,700,854**	-	1,547,548
Prepayments	**11,284**	**11,284**	10,280	10,280
Other debtors	**743**	**-**	743	-
Total	**12,027**	**1,712,138**	11,023	1,557,828

* Loans to subsidiaries are interest free and payable on demand.

Group Receivables and other current assets are all due within one year. The fair value of all receivables is the same as their carrying values stated above.

12. TRADE AND OTHER PAYABLES

	Group 31 December 2023	**Company 31 December 2023**	Group 31 December 2022	Company 31 December 2022 Restated
	£	**£**	£	£
Creditors	**106,912**	**106,912**	138,510	138,510
Accrued expenses	**120,934**	**120,934**	50,267	50,267
Loans from subsidiaries		**420,410**		501,032
Other creditors	**262**	**-**	278	-
Loan from directors	**41,205**	**-**	41,205	-
Total	**269,313**	**648,256**	230,460	689,809

Carrying amounts of trade and other payables approximate their fair value.

13. CALLED UP SHARE CAPITAL

The share capital of African Pioneer Plc consists only of fully paid ordinary shares with no par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at shareholders' meetings of the Company.

	Number	**£**
Authorised:		
1,000,000,000 ordinary shares of no par value	**1,000,000,000**	**n/a**

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

13. CALLED UP SHARE CAPITAL (continued)

	2023		2022	
Issued equity share capital	Number	£	Number	£
Issued and fully paid Ordinary Shares	**228,041,178**	**6,216,282**	191,707,845	5,946,610

Group and Company	Number of shares	Share capital £
As at 1 January 2023	191,707,845	5,475,204
Shares issued during the period	36,333,333	817,500
Share issue costs *	-	(32,400)
Share based payment charge		(44,022)
As at 31 December 2023	**228,041,178**	**6,216,282**

25,000,000 two year warrants were issued to the placees on 1 June 2021 exercisable at 5.25p per ordinary share which expired unexercised on 1 June 2023.

8,571,428 three year warrants were issued to Sanderson Capital LLP on 1 June 2021 exercisable at 3.5p per ordinary share

A further 4,150,947 warrants exercisable at 3.5 p per ordinary share were issued on 1 June 2021 for services carried out as detailed in note 15 of which 230,000 of the warrants expired unexercised on 1 June 2023.

14. THIS NOTE NO. IS INTENTIONALLY NOT USED
15. WARRANTS SHARE OPTIONS AND SHARE BASED PAYMENT

On 1 June 2021 the Company granted the following warrants for services carried out in relation to the listing of the Company on 1 June 2021 on the Standard Listing on the Official List trading on the Main Market of the London Stock Exchange.

To	Number	Date granted	Exercise price	Expiry	Vesting conditions
Novum Securities Ltd	2,500,000	01/06/2021	3.5p	1 June 24	upon being granted
Quantum Capital and Consulting Ltd	1,420,947	01/06/2021	3.5p	1 June 24	upon being granted
Cavendish Trust	230,000	01/06/2021	3.5p	1 June 23	now expired
	4,150,947				

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

15. WARRANTS SHARE OPTIONS AND SHARE BASED PAYMENT

As a result of this the fair value of the warrants was determined at the date of the grant using the Black Scholes model, using the following inputs:

Share price at the date of amendment	3.5p
Strike price	3.5p
Volatility	50%
Expected life	2/3 years
Risk free rate	0.17%

The 50% volatility rate is based on the average volatility from historical data in this sector

The share-based payment charge for these warrants for the year to 31 December 2023 was £13,282, which has been taken to the share-based payment reserve and the resultant fair value of the warrants as at 31 December 2023 was determined to be £37,183 (2022: £23,901).

In addition a new Share Option Scheme for the directors, senior management, consultants and employees was approved at the AGM on 23 August 2022. On 24 January 2023 the Company announced that pursuant to the Share Option Scheme approved 16,850,000 options over Ordinary Shares ("Options") were awarded, 6,600,000 of the Options were awarded to directors of the Company, as detailed below and the balance of 10,250,000 Options to other eligible participants. The Company had not previously issued any Options.

Summary of the Options awarded:

Total number of options:	A total of 16,850,000 Options have been awarded.
Exercise prices & award date:	All the Options have an exercise price of 4.5 pence per Ordinary Share and vested on issue.
Purpose of options:	To incentivise and retain directors, officers, consultants and employees critical to enhancing the future market value of the Company and have been issued at a significant premium to the 30 day volume weighted average share price ("VWAP") when the Options were approved.
30 day VWAP when Options approved:	The 30 day VWAP to 23 January 2023, being the latest practicable date prior to the approval of the Options by the Company's Remuneration Committee and Board, was 2.945 pence per share.
Prevailing share price:	The Company's mid-market closing share price on 23 January 2023, being the latest practicable date prior to the announcement of the Options, was 3.3 pence.

Exercise prices versus abovementioned VWAP and prevailing share price:

	Premium to:	
	Prevailing closing share price	30 day VWAP
Exercise price of 4.5 pence	36%	53%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

15. WARRANTS SHARE OPTIONS AND SHARE BASED PAYMENT (continued)

Life of Options:	The options expire on 23 January 2033 being the date one day prior to the tenth anniversary of the award of the Options.
Exercise period:	The Options can be exercised any time after vesting and prior to their scheduled expiry and must be exercised within 6 months of an option holder leaving the Company or within 12 months of the death of an option holder.

Options awarded to the Directors

Directors	No. of Options
Executive Directors:	
Colin Bird Executive Chairman	5,000,000
Christian Cordier Commercial Director	500,000
Raju Samtani Finance Director	600,000
Non Executive Directors:	
Kjeld Thygesen Independent	500,000
James Cunningham-Davis	Nil
Total Directors	6,600,000

As a result of this the fair value of the share options was determined at the date of the grant using the Black Scholes model, using the following inputs:

Share price at the date of amendment	3.3p
Strike price	4.5p
Volatility	50%
Expected life	10 years
Risk free interest rate	4%

The 50% volatility rate is based on the average volatility from historical data in this sector

The share-based payment charge for these share options for the year to 31 December 2023 was £30,740, which has been taken to the share-based payment reserve and the resultant fair value of the share options as at 31 December 2023 was determined to be £30,740.

The combined share-based payment charge for both the warrants and share options for the year to 31 December 2023 was £44,022 and the overall fair value for both the warrants and share options as at 31 December 2023 is £67,923.

16. 2022 PRIOR PERIOD ADJUSTMENT

In 2022 the Company restated it's statement of Comprehensive Income and Financial Position as at 31st December 2021 as during this period the Company's income was overstated by £555,556 and the Group's net profit after taxation was overstated by £122,222. The Company overstatement of income arose as a result of a subsidiary's income being attributed to the Company so did not affect the Group's Comprehensive Income for the period. The Group's overstatement of net profit after taxation arose due to a provision of £122,222 for taxation by one of the Group's subsidiaries. For the Company the effect was that net assets were lower by £555,556 and for the group the effect was net assets were lower by £122,222.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

17. RELATED PARTY TRANSACTIONS

Cavendish Trust Company Limited (CTC) provides company administration and secretarial services to the Company on normal commercial terms as part of their normal business activity. As such it is not normally treated as a related party. Fees invoiced by CTC during the year include £14,400 (2022: £14,400), relating to director's fees for the services of J. Cunningham-Davis, a director of CTC. At the year-end a balance of £42,216 (2022: £78,056), was outstanding.

Lion Mining Finance Limited, a company in which Colin Bird is director and shareholder, has provided financial and technical services to the Company amounting to £11,050 plus VAT in the year (2022 - £10,800 plus VAT). At the year-end a balance of £900 (2022: £Nil) was outstanding. The Board considers this transaction to be on normal commercial terms and on an arm's length basis.

In October 2020 a loan of US$ 54,940 (£41,250) was advanced to African Pioneer Zambia Ltd jointly by Colin Bird (US$ 27,470) and Raju Samtani (US$ 27470) in order to acquire certain licenses

Intragroup Loans

African Pioneer Plc Loans due from / (due to) balances with group companies at the end of the year are as follows. Loans are interest free and repayable on demand.

	2023	2022
	£	£
Zamcu Exploration Pty Ltd	1,592,399	1,414,900
Resource Capital Partners Pty Ltd	(420,410)	(501,032)
African Pioneer Zambia Ltd	105,073	123,817

Directors' Letters of Appointment and Service Agreements as disclosed in the May 2021 Prospectus

(a) Pursuant to an agreement dated 24 May 2021, the Company renewed the appointment of James Cunningham-Davis as a Director. The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. James Cunningham-Davis is entitled to director's fees of £12,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties which will be invoiced by Cavendish Trust Company Ltd an Isle of Man Trust Company that James Cunningham-Davis is a founder and managing director of. James Cunningham-Davis is not entitled to any pension, medical or similar employee benefits. The agreement replaces all previous agreements with James Cunningham-Davis and/or Cavendish Trust Company Ltd in relation to the appointment of James Cunningham-Davis as a director of the Company.

(b) Pursuant to an agreement dated 24 May 2021, the Company appointed Kjeld Thygesen as a non-executive Director with effect from the date of the IPO. The appointment continues unless terminated by either party giving to the other 3 months' notice in writing and Kjeld Thygesen is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Kjeld Thygesen is not entitled to any pension, medical or similar employee benefits.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

17. RELATED PARTY TRANSACTIONS (continued)

(c) Pursuant to an agreement dated 24 May 2021, the Company renewed the appointment of Colin Bird as a Director. The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Colin Bird is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Colin Bird is not entitled to any pension, medical or similar employee benefits. The agreement replaces all previous agreements with Colin Bird in relation to his appointment as a director of the Company.

(d) Pursuant to a consultancy agreement dated 24 May 2021, the Company has, with effect from the date of the IPO, appointed Colin Bird as a consultant to provide technical advisory services in relation to its current and future projects including but not limited to assessing existing geological data and studies, existing mine development studies and developing exploration programs and defining the framework of future geological and mine study reports (the "Colin Bird Services"). The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Colin Bird is entitled to fees of £3,500 per month for being a consultant to the Company plus reasonable and properly documented expenses incurred during the performance of the Colin Bird Services.

(e) Pursuant to an agreement dated 24 May 2021, the Company renewed the appointment of Raju Samtani. The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Raju Samtani is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Raju Samtani is not entitled to any pension, medical or similar employee benefits. The agreement replaces all previous agreements with Raju Samtani in relation to his appointment as a director of the Company.

(f) Pursuant to a consultancy agreement dated 24 May 2021, the Company has ,with effect from the date of Admission, appointed Raju Samtani as a financial consultant to provide financial advisory services to the Company (the "Raju Samtani Services"). The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Raju Samtani is entitled to fees of £2,667 per month for being a consultant to the Company plus reasonable and properly documented expenses incurred during the performance of the Raju Samtani Services.

(g) Pursuant to an agreement dated 24 May 2021, the Company appointed Christian Cordier as a Director with effect from the date of Admission. The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Christian Cordier is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Christian Cordier is not entitled to any pension, medical or similar employee benefits.

(h) Pursuant to a consultancy agreement dated 24 May 2021, with Mystic Light Pty Ltd a personal service company of Christian Cordier the Company has secured the services of Christian Cordier, with effect from the date of the IPO, as a business development consultant to provide business development l advisory services to the Company in relation to its existing and future projects (the "Christian Cordier Services"). The appointment continues unless terminated by either party giving to the other 3 months' notice in writing. Mystic Light Pty Ltd is entitled to fees of £1,000 per month for providing the Christian Cordier Services plus reasonable and properly documented expenses incurred during the performance of the Christian Cordier Services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023 (continued)

18. POST BALANCE SHEET EVENTS

On 19 January 2022, the Company and its 80% owned subsidiary African Pioneer Zambia Ltd ("African Pioneer Zambia") entered into an option agreement with First Quantum Minerals Ltd ("**First Quantum**") (listed on the Toronto Stock Exchange) in relation to 4 of the 5 Zambian exploration licences held by African Pioneer Zambia (the "**First Quantum Option Agreement**"). On 26 October 2023 the Company announced that First Quantum had issued an Option Exercise Notice in relation to 2 of the 4 Zambian exploration licences the subject of the First Quantum Option Agreement and post the period end on 16 February 2024 the Company announced that First Quantum had issued an Option Exercise Notice in relation to the 2 other Zambian exploration licences the subject of the First Quantum Option Agreement.

Other than mentioned above there are no significant events have occurred subsequent to the reporting date that would have a material impact on the consolidated financial statements