



RNS Number : 0978G  
30 September 2024

**African Pioneer Plc**  
("African" or the "Company")

### **Interim Results for the Six Months Ended 30 June 2024**

African Pioneer Plc a company engaging in development of natural resources exploration projects in Sub-Saharan Africa, announces its unaudited interim results for the six months ended 30 June 2024 as set out below. A copy of the Interims is available on the Company's website <https://africanpioneerplc.com/>

#### **OPERATIONAL, FINANCIAL CORPORATE and STRATEGY REVIEWS**

##### **1. 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 Minerals Ltd 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.

**2. Technical review of Projects:** After the IPO and having acquired its projects in Namibia, Zambia and Botswana, the Company commenced technical reviews and / or work programmes on its projects located in Namibia and Zambia. 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 Botswana for silver and in Namibia for gold.

##### **2.1 Namibia:**

On 7 February 2024 the Company provided an update on its Ongombo copper -gold project the highlights of which were.

##### Highlights

- EPL 5772 has been renewed for two years (to 1st February 2026)
- Environmental and Social Impact Assessment (ESIA) is at an advanced stage of completion
- X-ray transmission ("XRT") ore sorting sensor tests returned positive results and that laser or colour sensor technology can be used to separate ore and waste
- Independent updated total (gross)\* Indicated Mineral Resource Estimate (MRE) 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 as announced on 16 May 2023
- Advanced discussions with multiple parties about project level funding of the Ongombo Project.

Further work has been undertaken to assess the potential of the Ongombo Project with the engagement of external mining and resource consultants to re-evaluate the open pit resource in light of the positive ore sorting results achieved. In addition, African Pioneer is considering an opportunity to utilise some excess capacity that may be available to the Company in a Namibian copper concentrator plant where a pre-concentrate could potentially be delivered on a toll or other appropriate basis to produce a saleable copper-gold concentrate.

**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 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.

EPL 5772 has been renewed to 1 February 2026. 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.

**2.2 Zambia:** As described at paragraph 4.5 below on 19 January 2022 African Pioneer Zambia Ltd, which is 80% owned by the Company, entered into an option agreement with First Quantum (listed on the Toronto Stock Exchange over 4 of the 5 Zambian exploration licences held by a subsidiary company, African Pioneer Zambia.

First Quantum has exercised its option over the 4 Zambian licences which it has an option over.

#### 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.
- 9 reverse circulation (“RC”) holes drilled at the Chipopa target for a total of 780m.
- During the course of the programme First Quantum 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 the year together with an exploration programme.

First Quantum continue to evaluate the licences under the option agreement based on licence-wide geochemical analysis and drilling completed to date. A number of targets have been identified, some of which warrant more detailed follow up. This geological environment classified as the Fold and Thrust Belt is complex and the Company benefits from the expertise and local knowledge gained by First Quantum following years of exploration in the region. The Fold and Thrust Belt and adjoining Western Foreland are currently the focus of intense exploration and speculation from exploration companies of varying size and the information being generated by African Pioneer and First Quantum represents extremely valuable data and knowledge of a region with little detailed exploration having taken place but where the exploration prize is potentially significant.

#### **2.3 Botswana:**

The Company continues to evaluate the scope for smaller scale deposits within the group of 5 prospecting licences that make up the Botswanan portfolio. Strategic alliances and new discoveries are taking place in Botswana alongside the application of regional airborne geophysical surveys that have the potential to discover new geological settings. The Company will continue to monitor developments but in the interim will focus on near-term production opportunities and improved likelihood of major discoveries on other projects within the Company portfolio.

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 (see paragraph 4.6 below) 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.

**3. Financial Review**

**3.1 Financial highlights:**

- £322K loss after tax (2023: £301K)
  - Approximately £86K cash at bank at the period end (Dec 2023: £372k).
  - The basic and diluted losses per share are summarised in the table below
- |                        |        |         |         |
|------------------------|--------|---------|---------|
| Loss per share (pence) |        | 2024    | 2023    |
| Basic & diluted        | Note 3 | (0.14)p | (0.16)p |
- The net asset value as at 30 June 2024 was £4.92m (31 December 2023 £5.24m)

**3.2 Financings:**

On 2 May 2024, the Company announced that it had on 1 May 2024 entered into an unsecured convertible loan funding facility agreement for up to £1,000,000 (the “**Facility**”) with Sanderson Capital Partners Ltd (the “**Lender**”), a long term shareholder in the Company, which is convertible at 2.8 pence per ordinary share. The Facility can be drawn down in 4 tranches of £250,000 each. The Facility can be extended by the Company by a further £500,000 (“**Optional Facility**”) if the Company drawsdown in full or in part against all 4 tranches of the Facility in which case the conversion price for the Optional Facility will be 4 pence per ordinary share. The Facility is a standby facility as a potential additional source of working capital for the Company in a period when the funding market for junior exploration companies can be subject to market volatility. The Company can use the Facility, at its discretion, to fund the working capital requirements of the Company and its subsidiaries as determined by the Company but is not required to drawdown under the Facility. The Company made an initial drawdown of £250,000 post period as detailed in note 9 to the accounts.

**4. Corporate Review**

**4.1 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

**4.2 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**”).

**4.3 Corporate Acquisitions and Group:** As previously reported the Company completed the acquisition of projects based in Namibia, Zambia, and Botswana and on 27 August 2021 announced that it had acquired a further 15% interest in its Namibian Projects. During the period the Company did not make any corporate acquisitions and as at the period end it owns;

1) 100% of Zamcu Exploration Pty Ltd (“**Zamcu**”). Zamcu via its subsidiaries holds a 85 per cent. interest in two Namibia Exclusive Prospecting Licenses (“EPLs”) located within the Matchless amphibolite Belt of central Namibia (the “**Namibian Projects**”);

2) 80% of African Pioneer Zambia Limited (“**APZ**”). APZ holds a 100 per cent. interest in four Zambian Prospecting Licenses (**PLs**) located in the Central Africa Copperbelt (Copperbelt), which are the subject of the First Quantum Option Agreement (the “**Zambian Optioned Projects**”);

3) 80% of African Pioneer Chongwe Limited (“**APC**”). APC holds a 100 per cent. interest in one Zambian Prospecting License (**PL**) located in the Zambezi area (the “**Zambian Owned Project**”)

The Zambian Optioned Projects and the Zambian Owned Project are collectively (the “**Zambian Projects**”)

4) 100% of Resource Capital Partners Pty Ltd (“**RCP**”). RCP which holds a 100 per cent. interest in eight Botswana Prospecting Licenses (“**PLs**”) located in two areas namely (1) the Kalahari Copperbelt (KC), which comprises six PLs, four of these six PLs were the subject of the Sandfire Option Agreement and (2) the Limpopo Mobile Belt (Limpopo), which comprises two PLs (the “**Botswanan Projects**”)

(together the “**Projects**”) (the “**Subsidiaries**”) (together the “**Group**”).

**4.5 First Quantum Option Agreement:** The First Quantum Option Agreement was announced on 20 January 2022 and the highlights of the agreement are:

- 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
- On 16 February 2024 the Company announced that First Quantum had delivered a notice to exercise their option over exploration licences 27770-HQ-LEL and 27768-HQ-LEL having already exercised in October 2023 their option over licences 27767-HQ – LEL and 27771-HQ – LEL. Prior to exercising these options First Quantum had met the initial expenditure requirement by spending US\$500,000 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 it has 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 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 US\$260 million. First Quantum then developed the Kiwara PLC projects into the Sentinel mine which is the world's 14<sup>th</sup> 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.

**4.6 Sandfire Option Agreement:** The Sandfire Option Agreement was announced on 4 October 2021 and was for two years from 2 October 2021 and related 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.

## 5. Strategy Review

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 First Quantum Option Agreement) 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.

## 6. Outlook

**Outlook for Copper:** During the second half of 2023 and into mid 2024 the copper price recovered up to US\$11,000 per tonne and is currently around US\$9,000 per tonne. As previously reported i) forecasts for the price of copper and its by-product metals remain positive in the range of US\$10-US\$15,000 per tonne; and ii) 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 issued an Option Exercise Notice in relation to the 4 Zambian exploration licences the subject of the First Quantum Option Agreement.

The Board continues to believe the Group has assembled an enviable portfolio of projects and we look forward to advancing all our projects and providing our shareholders with the prospects of enhanced value flowing into next year.

## 7. Post Period Events

On 13 August 2024 the Company announced that it had issued a drawdown notice for £250,000 under its unsecured convertible loan funding facility agreement for up to £1,000,000 with Sanderson Capital Partners Ltd (the "Lender"), The £250,000 drawdown is repayable in 12 months and convertible by the Lender at 2.8 pence per share. The Lender is due;

- i) a drawdown fee of £5,000 being 2% of the amount drawdown to be settled by the issue of 232,558 new ordinary shares ("**Shares**") credited as fully paid at 2.15 pence per share being the five-day VWAP on 9 August 2024 (the "**Drawdown Fee Shares**") with the Drawdown Fee Shares to be issued on or before 31 December 2024 or such other date agreed by the parties; and
- ii) £125,000 of three year warrants over Shares with an exercise price of 4 pence per Share.

On 16 September 2024 the Company announced the issue of 949,923 new Ordinary Shares of no par value ("Ordinary Shares") to settle a total of £21,940 accrued consultancy fees.

## INTERIM MANAGEMENT REPORT

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authorities ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Directors consider the preceding Operational, Financial, Corporate and Strategy Review of this Half Yearly Financial 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 for the remaining six months of the year ended 31 December 2024.

The following statement of the Principal Risks and Uncertainties, the Related Party Transactions, the Statement of Directors' Responsibilities and the Operational, Financial, Corporate and Strategy Review constitute the Interim Management Report of the Company for the six months ended 30 June 2024.

### Principal Risks and Uncertainties

The principal risks that are specific to the Company were detailed under this heading in Part 1 Summary of the Company's prospectus which was published on 26 May 2021 (the "**Prospectus**") which is available on the Company's website at <https://africanpioneerplc.com/company-documents-circulars-and-notices/> . Part II Risk factors of the Prospectus provides more details of risk factors specific and material to the Group and to the Natural Resources Sector. The Strategic Report in the 2023 Annual Accounts also provided a detailed summary of the principal risks and uncertainties faced by the Company, a copy of the 2023 Annual Accounts are available on the Company's website at <https://africanpioneerplc.com/financial-reports/> .

The Board are of the opinion that these risk factors will continue to remain unchanged for the forthcoming six-month period.

The principal risks and uncertainties facing the group are as follows:

- There are significant risks associated with any exploration project and the ability of the Company to explore, develop and generate operational cashflows from its projects requiring the Company to rely on fundraisings to fund its operational costs
- No assurances can be given that minerals will be discovered in economically viable quantities at the Company's projects
- Adverse foreign exchange fluctuations
- Volatility in financial markets and commodity markets

### Related Party Transactions during the period

The table below shows the shareholdings of Directors and their related parties as at 30 June 2024 and the date of these interim accounts and % shareholdings at 30 June 2024 and as at 20 September 2024 following the issue of 949,923 shares by the Company post the period end (see paragraph 7 above).

Director & Position	No. of shares	%	%
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		30 June 2024	20 Sept 2024
Colin Bird: Chairman	24,117,284	10.74%	10.70%
Raju Samtani: Finance Director	18,395,061	8.07%	8.03%
Christian Cordier Commercial Director	17,222,222	7.55%	7.52%
Kjeld Thygesen: Non Executive	1,033,334	0.45%	0.45%
James Cunningham-Davis: Non Executive	–	Nil	Nil

Directors' Letters of Appointment and Service Agreements as disclosed in the Prospectus, and which remained in force during the period are summarized below:

- (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.
- (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 | 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.
- (i) The Company entered into a contract, dated first August 2013 with Lion Mining Finance Limited ("**LMF**") a company controlled by Colin Bird, under which LMF provides administrative services to the Company for £750 plus VAT per calendar month

#### **Related Party transactions described in the annual report to 31 December 2023**

Other than disclosed above and the intra group loans made by Company to its subsidiaries to finance their ongoing activities there have been no changes in the related parties transactions described in the annual report for the year ended 31 December 2023 that could have a material effect on the financial position or performance of the Company in the first six months of the current financial year.

#### **Responsibility Statement**

The Directors, whose names and functions are set out in this report under the heading Company Board, are responsible for preparing the Unaudited Interim Condensed Consolidated Financial Statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ('DTR') and with International Accounting Standard 34 on Interim Financial reporting (IAS34). The Directors confirm that, to the best of their knowledge, this Unaudited Interim Condensed Consolidated Report, which has been prepared in accordance with IAS34, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the interim management report includes a fair review of the information required by DTR 4.2.7 R and by DTR 4.2.8 R, namely:

- an indication of key events occurred during the period and their impact on the Unaudited Interim Condensed Consolidated Financial Statements and a description of the principal risks and uncertainties for the second half of the financial year; and
- material related party transactions that have taken place during the period and that have materially affected the financial position or the performance of the business during that period.

For and on behalf of the Board of Directors

#### **Colin Bird**

Executive Chairman  
30 September 2024

#### **African Pioneer Plc**

+44 (0) 20 7581 4477

Colin Bird  
Executive Chairman



**Beaumont Cornish (Financial Adviser)**

Roland Cornish/Asia Szusciak

+44 (0) 20 7628 3396

**Novum Securities Limited (Broker)**

Jon Belliss

+44 (0) 20 7399 9400

or visit <https://africanpioneerplc.com/>

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").*

Beaumont Cornish Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is Financial Adviser to the Company in relation to the matters referred herein. Beaumont Cornish Limited is acting exclusively for the Company and for no one else in relation to the matters described in this announcement and is not advising any other person and accordingly will not be responsible to anyone other than the Company for providing the protections afforded to clients of Beaumont Cornish Limited, or for providing advice in relation to the contents of this announcement or any matter referred.

**Group Statement of Profit and Loss**  
**For the six months ended 30 June 2024**

	Notes	<b>Unaudited Six months ended 30 June 2024 £</b>	Unaudited Six months ended 30 June 2023 £
<b>Income</b>			
Dividend receivable			-
Realised gain on sale of investments		-	34,799
Unrealised gain/(loss) on investments			-
		<hr/>	<hr/>
<b>Total income</b>		-	(34,799)
Operating expenses		<b>(321,778)</b>	(336,176)
		<hr/>	<hr/>
<b>Group operating loss</b>		<b>(321,778)</b>	(301,377)
Interest costs		-	(3)
		<hr/>	<hr/>
<b>Loss before taxation</b>		<b>(321,778)</b>	(301,380)
Taxation			-
		<hr/>	<hr/>
<b>Loss for the period</b>		<b>(321,778)</b>	(301,380)
		<hr/>	<hr/>
<b>Loss per share (pence)</b>			
Basic & Diluted	3	<b>(0.14)p</b>	(0.16)p
		<hr/>	<hr/>

**Group Statement of Other Comprehensive Income**  
**For the six months ended 30 June 2024**

	<b>Unaudited Six months ended 30 June 2024 £</b>	Unaudited Six months ended 30 June 2023 £
<b>Other comprehensive income:</b>		
Loss for the period	<b>(321,778)</b>	(301,380)
<i>Items that may be reclassified to profit or loss:</i>		
Foreign currency reserve movement	<b>23,586</b>	(25)
<b>Total comprehensive loss for the period</b>	<b>(298,192)</b>	(301,405)
<b>Attributable</b>		
<i>Owners of the Company</i>	<b>(298,192)</b>	(301,405)
<i>Non-controlling interest</i>		-
	<b>(298,192)</b>	(301,405)

## GROUP STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Share capital	Retained earnings	Foreign exchange reserve	Warrant reserve	Non Controlling interest	Total equity
	£	£	£	£	£	£
<b>Unaudited – six months ended 30 June 2024</b>						
<b>Balance at 1 January 2024</b>	<b>6,216,282</b>	<b>(1,638,929)</b>	<b>(118,443)</b>	<b>67,923</b>	<b>687,348</b>	<b>5,214,181</b>
Current period loss	-	(321,778)	23,586	-	-	(298,192)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(321,778)</b>	<b>23,586</b>	<b>-</b>	<b>-</b>	<b>(298,192)</b>
Share based payment charge	-	-	-	-	-	-
Net proceeds from shares issued	-	-	-	-	-	-
<b>Balance at 30 June 2024</b>	<b>6,216,282</b>	<b>(1,960,707)</b>	<b>(94,857)</b>	<b>67,923</b>	<b>687,348</b>	<b>4,915,989</b>
<b>Unaudited – six months ended 30 June 2023</b>						
<b>Balance at 1 January 2023</b>	<b>5,475,204</b>	<b>(949,716)</b>	<b>2,083</b>	<b>23,901</b>	<b>687,348</b>	<b>5,238,820</b>
Current period loss	-	(301,380)	(25)	-	-	(301,405)
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>(301,380)</b>	<b>(25)</b>	<b>-</b>	<b>-</b>	<b>(301,405)</b>
Share based payment charge	(7,129)	-	-	7,129	-	-
Net proceeds from shares issued	746,100	-	-	-	-	746,100
<b>As at 30 June 2023</b>	<b>6,214,175</b>	<b>(1,251,096)</b>	<b>2,058</b>	<b>31,030</b>	<b>687,348</b>	<b>5,683,515</b>

**Group Statement of Financial Position**  
**As at 30 June 2024**

		Unaudited 30 June 2024 £	Audited 31 December 2023 £
	Notes		
<b>ASSETS</b>			
<b>Non-current assets</b>			
Exploration and evaluation assets	6	<b>5,382,017</b>	5,221,534
<b>Total non-current assets</b>		<b>5,382,017</b>	5,221,534
<b>Current assets</b>			
Trade and other receivables		<b>24,773</b>	12,026
Cash and cash equivalents		<b>86,710</b>	372,156
Available -for-sale investments	4	-	-
<b>Total current assets</b>		<b>111,483</b>	384,182
<b>TOTAL ASSETS</b>		<b>5,493,500</b>	5,605,716
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		<b>(455,289)</b>	(269,313)
Taxation		<b>(122,222)</b>	(122,222)
<b>Total current liabilities</b>		<b>(577,511)</b>	(391,535)
<b>NET CURRENT / (LIABILITIES) ASSETS</b>		<b>466,028</b>	(7,353)
<b>Non-current liabilities</b>			
Loans		-	-
<b>Total non-current liabilities</b>		-	-
<b>TOTAL LIABILITIES</b>		<b>(577,511)</b>	(391,535)
<b>NET ASSETS</b>		<b>4,915,989</b>	5,214,181
<b>EQUITY</b>			
Share capital	7	<b>6,216,282</b>	6,216,282
Warrant reserve		<b>67,923</b>	67,923
Foreign exchange reserve		<b>(94,857)</b>	(118,443)
Retained earnings		<b>(1,960,707)</b>	(1,638,929)
		<b>4,228,641</b>	4,526,833
Non controlling interest		<b>687,348</b>	687,348
<b>TOTAL EQUITY</b>		<b>4,915,989</b>	5,214,181

**Group Statement of Cash Flows**  
**For the six months ended 30 June 2024**

	<b>Unaudited Six months ended 30 June 2024 £</b>	<b>Unaudited Six months ended 30 June 2023 £</b>
<b>Cash flows from operating activities</b>		
Loss before tax	<b>(321,778)</b>	(301,380)
Adjustments for:		
Dividends received	-	-
(Gain)/Loss on sale of investments	-	34,799
Unrealised loss/(gain) on investments	-	-
(Increase) in receivables	<b>(12,746)</b>	(425,362)
Increase in payables	<b>185,975</b>	25,704
<b>Net cash inflow from operating activities</b>	<b>(148,549)</b>	(666,239)
<b>Cash flows from/(used) in investing activities</b>		
Dividends received	-	-
Net movement in Investments held	-	360,950
Purchase of Exploration and Evaluation assets	<b>(160,483)</b>	(122,941)
		238,009
<b>Cash flows from financing activities</b>		
Proceeds from Issue of shares, net of issue costs	-	746,100
Shares issued to acquire subsidiaries	-	-
	-	746,100
<b>(Decrease)/Increase in cash</b>	<b>(309,032)</b>	317,870
Effect of foreign exchange rate changes	<b>23,586</b>	(25)
<b>Cash and cash equivalents at beginning of period</b>	<b>372,156</b>	71,674
<b>Cash and cash equivalents at end of period</b>	<b>86,710</b>	389,519

**Notes to the interim financial information**  
**For the six months ended 30 June 2024**

**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 Road, Douglas, Isle of Man IM1 1AF.

**2. Basis of preparation**

The unaudited interim financial information set out above, which incorporates the financial information of the Company and its subsidiary undertakings (the “**Group**”), has been prepared using the historical cost convention and in accordance with International Financial Reporting Standards (“**IFRS**”).

These interim results for the six months ended 30 June 2024 are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2023 were audited and the auditors’ report on those financial statements was unqualified and contained a material uncertainty pertaining to going concern.

The same accounting policies, presentation and methods of computation have been followed in these unaudited interim financial statements as those which were applied in the preparation of the company’s annual financial statements for the year ended 31 December 2023.

The interim consolidated financial information incorporates the financial statements of African Pioneer Plc and its subsidiaries.

**Going concern basis of accounting**

The Group made a loss from all operations for the six months ended 30 June 2024 after tax of £322K (2023: £301,000), had negative cash flows from operations and is currently not generating revenues. During last year, on 19 June 2023 the Company raised £790,000 (gross). On 30 June 2024 Cash and cash equivalents were £87K (Dec 2023 £372K). On 1 May 2024 the Company entered into an unsecured convertible loan funding facility agreement for up to £1,000,000 (the “**Facility**”) with Sanderson Capital Partners Ltd (the “**Lender**”), a long term shareholder in the Company, which is convertible at 2.8 pence per ordinary share. The Facility can be drawn down in 4 tranches of £250,000 each. The Facility can be extended by the Company by a further £500,000 (“**Optional Facility**”) if the Company drawsdown in full or in part against all 4 tranches of the Facility in which case the conversion price for the Optional Facility will be 4 pence per ordinary share. The Facility is a standby facility as a potential additional source of working capital for the Company in a period when the funding market for junior exploration companies can be subject to market volatility. Post the period end on 13 August 2024 the Company announced that it had issued a drawdown notice for £250,000 under the Facility. The £250,000 drawdown is repayable in 12 months and convertible by the Lender at 2.8 pence per share.

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. Management has successfully raised money in the past, but there is no guarantee that adequate funds will be available when needed in the future.

Based on 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.

### 3. Earnings per share

	<b>Unaudited</b>	Unaudited
	<b>30</b>	30
	<b>June</b>	June
	<b>2024</b>	2023
	<b>£</b>	£
(Loss) attributable to equity holders of the Company	<b>(321,778)</b>	(301,380)
Weighted average number of shares	<b>228,041,178</b>	191,908,586
Weighted average number of shares and warrants	<b>244,891,178</b>	229,640,660
Basic & Diluted loss per ordinary share	<b>(0.14)p</b>	(0.16)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 is in accordance with IAS 33 as is the fact that the diluted earnings per share should not show a more favourable position than the basic earnings per share.

### 4. 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.

The Company has sold all the available for sale investments which it held at the time of its listing as a result of the Company previously being an investment company.

### 5. 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 mineralization. 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”) increasing its interest in the Namibian Projects to 85%



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

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

#### **Acquisition of African Pioneer Zambia Limited (“APZ”) (Zambia Projects)**

On 1 June 2021 the Company completed the acquisition of 80% of APZ, which holds 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

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

	Oct 2020 £
Ordinary shares (issued)	1,925,000
Fair value of assets and liabilities acquired	
- Assets	743
- Loan for exploration licenses	(41,205)
	<u>(40,462)</u>
<b>Deemed fair value of exploration assets acquired</b>	<b>1,965,462</b>
Attributable to non-controlling interest	481,250
Gross fair value of exploration assets acquired	<b>2,446,712</b>

#### **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 holds 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;

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

	<b>Oct 2020</b>
	<b>£</b>
<b>Consideration</b>	
Equity consideration	
- Ordinary shares (issued)	<u><b>350,000</b></u>
Fair value of assets and liabilities acquired	
- Assets	-
- Liabilities	-
	<u>-</u>
	<u><b>350,000</b></u>

## 6. Exploration and evaluation assets

	<b>30 June 2024</b>	31 Dec 2023
	<b>£</b>	<b>£</b>
Balance at beginning of period	<b>5,221,534</b>	5,112,856
Acquisitions during the period		-
Exploration expenditure in period	<b>160,483</b>	108,678
<b>Carried forward at end of period</b>	<b><u>5,382,017</u></b>	<u>5,221,534</u>

### 6.1. Exploration assets

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 has acquired the Namibia Projects, Zambia Projects and Botswana Projects (see Note 5 for details):

On 16 May 2023 the Company announced an updated Indicated and Inferred Mineral Resource Estimate for the Ongombo copper project in Namibia, was completed by independent consultants Addison Mining Services ("AMS"). AMS has highlighted a number of areas both down-plunge and down-dip of defined mineralisation where the external consultant believes the delineation of further mineralisation is extremely likely. In addition, a large proportion of the drilling and assaying undertaken on the East-Ost Shoot did not assay for gold. Therefore, AMS also indicates that scope for a further increase in the Cu Eq grade of the East - Ost Shoot is likely once infill or twin drilling is undertaken. This is potentially significant as the East-Ost Shoot is notably thicker than the Central Shoot and offers an easier more efficient mining target than the narrower Central Shoot. Addition of gold at East - Ost Shoot may increase the global resource tonnage as the addition of further value will increase the Cu Eq grade above the 1% cu cut-off currently being used for resource estimation.

The Company's main focus during the period was on evaluating and advancing its 85% owned Namibian Projects and its 100% owned Botswana Projects and the 80% owned Zambian exploration licence which is not the subject of the First Quantum Option Agreement described at paragraphs 4.5 of the Corporate Review above.

### 6.2. Exploration assets accounting policy

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.

## 7. 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.

	<b>30 June 2024</b>	
	Number	£
<b>Authorised:</b>		
1,000,000,000 ordinary shares of no par value	1,000,000,000	n/a
	<hr/>	
	<b>30 June 2024</b>	
<b>Group</b>	<b>Number of shares</b>	<b>Share capital</b>
		<b>£</b>
	<hr/>	
As at 31 December 2023	228,041,178	6,216,282
Shares issued during the period	-	-
Share issue costs		-
Share based payment charge	-	-
	<hr/>	
As at 30 June 2024	228,041,178	6,216,282
	<hr/>	

There were no shares issued in the period

There were no warrants issued in the period

## 8. Concert party

At the period end the concert party, as defined and further details of which were disclosed in the Company's prospectus dated 26 May 2021, held an aggregated interest of 44.49%.

## 9. Subsequent events

On 13 August 2024 the Company announced that it had issued a drawdown notice for £250,000 under its unsecured convertible loan funding facility agreement for up to £1,000,000 with Sanderson Capital Partners Ltd (the "**Lender**"), The £250,000 drawdown is repayable in 12 months and convertible by the Lender at 2.8 pence per share. The Lender is due;

- i) a drawdown fee of £5,000 being 2% of the amount drawdown to be settled by the issue of 232,558 new ordinary shares (“**Shares**”) credited as fully paid at 2.15 pence per share being the five-day VWAP on 9 August 2024 (the “**Drawdown Fee Shares**”) with the Drawdown Fee Shares to be issued on or before 31 December 2024 or such other date agreed by the parties; and
- ii) £125,000 of three year warrants over Shares with an exercise price of 4 pence per Share.

On 16 September 2024 the Company announced the issue of 949,923 new Ordinary Shares of no par value (“**Ordinary Shares**”) to settle a total of £21,940 accrued consultancy fees.

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