STRATA
HOLDINGS

ANNUAL REPORT & ACCOUNTS **2023**

CONTENTS

CHAIR AND CEO REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

We are pleased to present the Group's Annual Report and Audited Financial Statements for the year ended 31 December 2023. Alongside the Financial statements and supporting notes, a full review of business activities during the year is provided within the Strategic Report

In 2023, markets generally rallied, except for China, where its economic recovery has faltered. Despite official economic data indicating a 5.2% GDP growth in China, the country faced economic challenges including a sharp drop in real estate construction, strained local government finance and falling exports (the first time since 2016). This was counterbalanced by surging manufacturing and infrastructure spending which outweighed the drag from property. In 2023, India overtook China to become the world's most populous country. Meanwhile China faced a record low birth rate and high levels of youth unemployment (China stopped publishing official data in 2023). After aggressive rate hikes, inflation finally started to show signs of easing, although it remained elevated. The year ended with the Fed deciding to hold its policy rate in the 5.25%-5.5% range likely signalling the end of the rate hiking cycle with three quarter-point cuts having been signalled for 2024. Geopolitical tensions persisted amid ongoing uncertainty surrounding the Russo-Ukraine war. In October, Hamas attacked southern Israel's border with Gaza which has sparked an invasion of Gaza by Israeli forces and a humanitarian crisis. US markets performed well in 2023 with Apple, Amazon, Alphabet, Meta, Microsoft, Nvidia and Tesla, contributing 58% of the S&P 500's return.

Commodity prices moderated in 2023, driven by softer global demand and adequate supplies. However, elevated geopolitical risks continue to apply pressure, potentially leading to supply disruptions and increased volatility. The trends of weaker private consumption, business spending and reduced capital investment are expected to persist, potentially dampening price growth, with China's slower economic growth being a significant factor. Longer term supply imbalances of industrial metals are likely to grow. Gold was the best performing precious metal in 2023 and Copper was the top performing base metal but had a lower average closing price than 2022 and a lower year high.

By the end of the year, Strata Investment Holdings plc ("the company", "strata") maintained its significant investment exposure in copper (including the royalty), while also notably increasing investment exposure in lithium, rare earths and oil and gas. Most positions by value were held in ASX equities followed by positions on Canadian exchanges (mainly TSXV). Short term, the increase in Lithium exposure was perhaps poorly timed, in terms of entry price, as by year end investor appetite for increased exposure to Lithium was muted. However, it is important to highlight that despite price declines appetite for Lithium financings in the September 2023 Quarter exceeded that for Gold on the ASX with the top 43 explorers (according to BDO's September Quarter Explorer Quarterly Cash Update). This indicates that investors might be adopting a long-term view of future demand. 2023 saw several hot M&A deals in the sector including the notable bids by SQM and Hancock for Azure Minerals and the merger of Alkem and Livent, amongst others. With the pullback in prices, Core Lithium stopped mining, shifting instead to processing stockpiled ore, capital expenditure has dropped at some of the world's largest lithium companies and Liontown's debt package fell over due to revised forecasts. Goldman Sachs estimates a surplus of 200,000 tonnes of lithium carbonate equivalent or 17% of global demand. Of course, the cure for low prices is low prices, suggesting that demand growth followed by supply cuts could result in heightened price volatility. Longer term if global net zero targets are to be met there will broadly need to be a corresponding rise in the production of energy transition metals and recycling to meet forecast increases in global demand over the medium to longer term.

Copper saw strong gains in the early part of 2023 followed by a decline in the second and third quarters and recovering in fourth quarter amid supply disruptions and a shift in view that 2024 would have a relatively small surplus vs what is now likely to be a deficit. The year saw tight supply and fluctuating demand especially from the Chinese building and construction sector which represents a large portion of total demand for copper. Demand drivers remained strong from increased EV production and renewable energy generation. Fiscal policies from China's central bank will be important, influencing the recovery of the nation's real estate market.

Rising supply and depressed demand led to declining prices for REEs in 2023. Inflation and weaking global economic sentiment impacted consumer confidence across geographic markets, which, in turn, lowered demand for new electronics. Furthermore, demand from two of the biggest downstream applications for rare earths - EVs and wind turbines - suffered. Slower demand for EVs in 2023 had a negative impact on demand growth for magnets, which are the largest market size of REE's by value.

Nickel performed poorly in 2023, with the price falling from US$30,425/t to US$16,300/t through the year, due to a surplus from increased production out of Indonesia, largely from supply growth from HPAL facilities. (Portfolio companies such as Centaurus Metals Limited and Armada Metals Limited performed poorly.)

Gold performed well as a commodity, buoyed by continued central bank purchases and geopolitical events.

According to market research firm Rho Motion, global sales of fully electric and plug-in hybrid vehicles rose 31% in 2023, a decrease from the 60% growth in 2022, with monthly sales in December hitting a monthly record of 1.5 million units. Fully electric or battery electric vehicles accounted for 9.5 million out of the 13.6 million EVs sold around the world in 2023, with PHEVs accounting for the rest. Alix Partners reports that from 2023 to 2027, automotive companies have committed US$616 billion in total investments in EVs. In the short term, demand for EVs appears to have levelled off somewhat, due in part to factors such as pricing, concerns over charging and restrictions on usage or removal of subsidies. Despite these concerns, it is our firm belief that the transition to EVs is unavoidable over the medium term. In a cyclical market, the battery metals market – especially those more directly tied to EV and power generation growth – will see several corrections over the course of the transition, as the market is still relatively nascent stage.

Following a failed attempt to transition to the Specialist Fund Segment of the London Stock Exchange the Company ultimately decided to delist from the Alternative Investment Market of the London Stock Exchange in March 2023 thereby making the ASX its primary listing. Shareholders also approved the adoption of a new investing policy which added the ability for the Company to make Complementary Investments. In 2023, the Company signed a non-binding indicative offer with a potential Complementary Investment and is actively in the process of advancing a potential transaction. The year also saw the departure of Mark Potter, former Chief Investment Officer in March 2023.

Strata closed out its Margin Lending and Drawdown Facility with a sub-fund of SC Lowy SI II (SG) VCC which cost the Company in interest £953k over the year; the SFR position contributed £1.67m in realised and unrealised profit over the same period. Furthermore, all the remaining loans subject to the put/call derivative structure were also settled during the year consequently at the end of the year, there were no further loans outstanding, to Banking Institutions and no further Sandfire Resources Limited shares secured under the equity derivative financing arrangement with a global investment bank.

CHAIR AND CEO REPORT

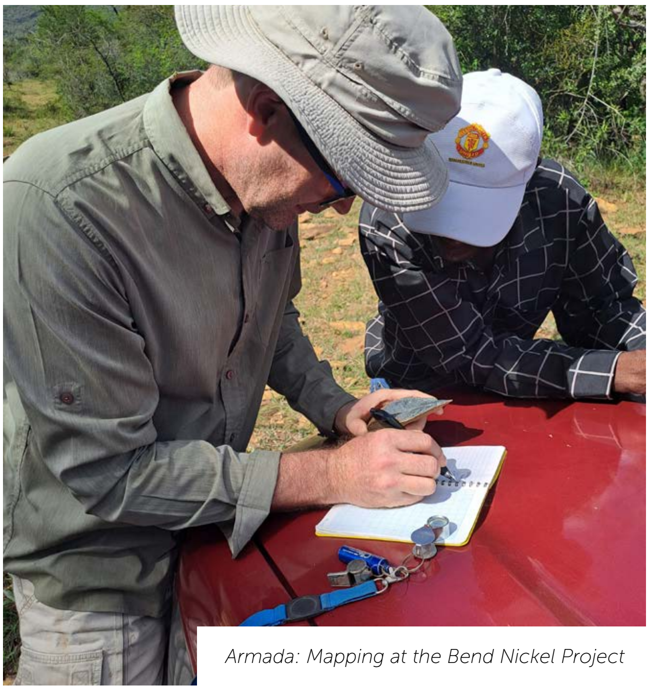
FOR THE YEAR ENDED 31 DECEMBER 2023

In 2023, Strata experienced several positive developments in terms of the capped and the uncapped royalty. The Company received a payment of the equivalent of £462k and subsequently received a further payment of the equivalent of £976k 2024. The Motheo mine saw the completion of the new ball mill and wet commissioning of the expanded plant (5.2Mtpa) commenced on 18 December 2023. Pre-strip activities for the A4 open pit commenced in 2023 with the mine expected to contribute first ore to the centralised processing facility in the September Quarter of 2024. A drilling programme at A4, aiming to extend the dip and strike of the ore reserve, has commenced. An initial resource definition drilling programme at the A1 prospect, located 20km ENE from the Motheo processing plant, was completed during the December 2023 Quarter. Sandfire announced that it is following up with a further seven holes to be completed in the March 2024 Quarter to primarily test additional near-surface potential and an identified SW extension. Given commentary from Sandfire management, we see potential for the defined copper resource over which our royalty sits to grow to between 200kt and 250kt in the short term with A4 poised to be first in line for production later this year. Management is confident based on expressions of interest that the royalty would command a very attractive price should a decision be made to sell.

The Board remains confident in the long-term prospects for Cobre Limited which represented our single largest unrealised loss for the year. In 2023, Cobre progressed hydrogeological drilling designed to test the viability of an in-situ copper recovery (ISCR) process, aiming to extract extensive drill tested copper-silver mineralisation at its Ngami Copper Project. The Project has an exploration target of between 103 and 166Mt @ 0.46% Cu with significant additional untested 'blue-sky' potential. During the period, Cobre announced results from Aircore (AC), and Reverse Circulation (RC) and soil sampling programmes at its Kitlanya West Project – over which Strata has a 2% NSR. The 12,000m drill programme was designed to test for anomalous copper at the bedrock contact below cover, as well as determining underlying lithology, stratigraphy and cover thickness across the extensive project area; these are key for understanding the position of potential copper-silver bearing trap-sites. The most advanced target is Tlou, with anomalous copper noted over an area of 4km x 1.2km, including evidence of chrysocolla mineralisation in fractures. Additionally, anomalous copper intersections have been recorded on several key structures as well as proximal to the redox contact between tightly folded, oxidised, Kgwebe, Kuke and Ngwako Pan Formation units and reduced D'Kar formation. Furthermore, additional copper anomalies have been identified on the basin margin, where D'Kar Formation onlaps underlying basement. The contact with the basement and overthrust younger Damara sedimentary units presents an interesting target for copper deposits that may be associated with the basin margin. Post balance sheet, Cobre was selected to participate in the coveted 2024 BHP Xplor Program – a 6-month accelerator programme for early-stage explorers looking to fast-track and de-risk their geological concepts and increase their investment readiness, which includes US$500k in non-dilutive funding to support and accelerate exploration plans during the Xplor Program period. Participants gain full access to dedicated technical and commercial coaching as well as experts across BHP's Technical, Business and Operation departments globally. The Board has strong conviction that a significant copper discovery at Kitlanya West would be a company maker for Strata given its large equity holding and royalty over the area.

Strata invested a further A$1m in a placing for 6,666,667 shares and purchased an additional A$490k, for 3,875,023 of shares on market in 2023 taking its stake to 19.99%.

We are pleased with the positive changes in direction at Iondrive Limited (previously Southern Gold Limited), despite of the poor share price performance. Having not had success on the initial investment thesis of a South Korean wide gold exploration play, the company pivoted towards Lithium and Rare Earth Elements exploration. This pivot culminated in an Earn-in and Joint Venture Agreement with KoBold Metals for lithium exploration in South Korea. The company decided to halt all other exploration activities in country except for lithium exploration. As a further diversification the company acquired Iondrive Technologies Pty Ltd ("IDT"), which has a strategic partnership agreement with the University of Adelaide giving IDT exclusive worldwide rights to license three patent-protected next generation battery/recycling technologies. Since the acquisition the company has had a rebranding, Board overhaul and management overhaul and has been working to complete its Prefeasibility Study on its DES battery recycling technology. Strata invested a further A$862k for 40,608,696 shares in placements during 2023.



Armada: Mapping at the Bend Nickel Project

Cobre: Diamond drill rig mobilising to the next site, NCP

Armada Metals Limited completed additional work on its nickel system architecture framework, following modelling of MobileMT datasets to aid in the design of further ground-based Natural Source Audio-Magnetotelluric surveys at the Nyanga magmatic Ni-Cu project in Gabon. Initial results have identified 17 preliminary targets, consistent with regional mapping of the intrusions. In August, there was a coup d'etat in Gabon, which brought an end to the 56-year-long rule of the Bongo family. We think it's becoming apparent that the coup is not having an overly negative impact on the sector, and note that there have been positive changes including the appointment of a new mines minister in September. Furthermore, Genmin recently received their mining license for its Baniaka iron ore project. While further targeting work is needed at Nyanga, in the form of additional ground based NSAMT surveys to truly help delineate and define targets, we note that drill mobilisation, drilling and support costs for a properly risk adjusted programme are relatively high at the Nyanga project, and Armada does not currently have the funds to progress with drilling at this time. As such, the company entered a two-stage earn-in agreement for the Bend Nickel Project located in Zimbabwe. Drilling on this project commenced in October 2023 and positive Nickel and Copper drill results were released in December with further results released in January 2024 which highlighted the potential for a platinum and palladium endowment on the project. We believe that Nyanga could represent a farm-in opportunity for a partner with the right culture.

During 2023, the Company was significantly more active in seeking and making new and follow on investments than it had been in previous years, with passive investments totaling £28,728,000 for the year, up from £3,928,000 the year before. This was largely as a result of the implementation of the new trading system and the more frequent and active trading strategy.

We would like to place on record our thanks to the team members, both new and former, at Strata, as well as our co-directors and advisers, who have all worked tirelessly to bring the Company to its current strong position. Additionally, we would like to thank Mark Potter and Neville Bergin for their years of service to the Board. We wish them well in their future endeavors.

Finally, and most importantly, we would like to thank shareholders for their continued support during a challenging year. Although changes were necessary, we are confident that the Company is now better positioned to achieve its investment objectives. We believe that the transition will be fruitful and are optimistic that the concentration of risk in some of our larger investments will ultimately pay off as we work towards aligning the portfolio and pursuing further potential complementary acquisitions pursuant to our new investing policy over time.

Charles Hall (Chairman) and Michael McNeilly (Chief Executive Officer)

27 March 2024

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

RESULTS

The results of the Group for the year ended 31 December 2023 are set out the Consolidated Statement of Comprehensive Income and show a loss before taxation for the year ended 31 December 2023 of £7,200,000 (2022:loss £6,678,000).

The net asset value of the Group reduced to £25,144,000 from £31,973,000 in 2023, being 14.84p per share from 18.9.9p per share in 2023 on a fully diluted basis.

REVIEW OF THE BUSINESS DURING THE YEAR

The Group's operations are carried out within two segments for reporting purposes.

The Royalty investments segment includes investments into royalty that were historically acquired as part of various M&A activities as more fully detailed in the review of the portfolio.

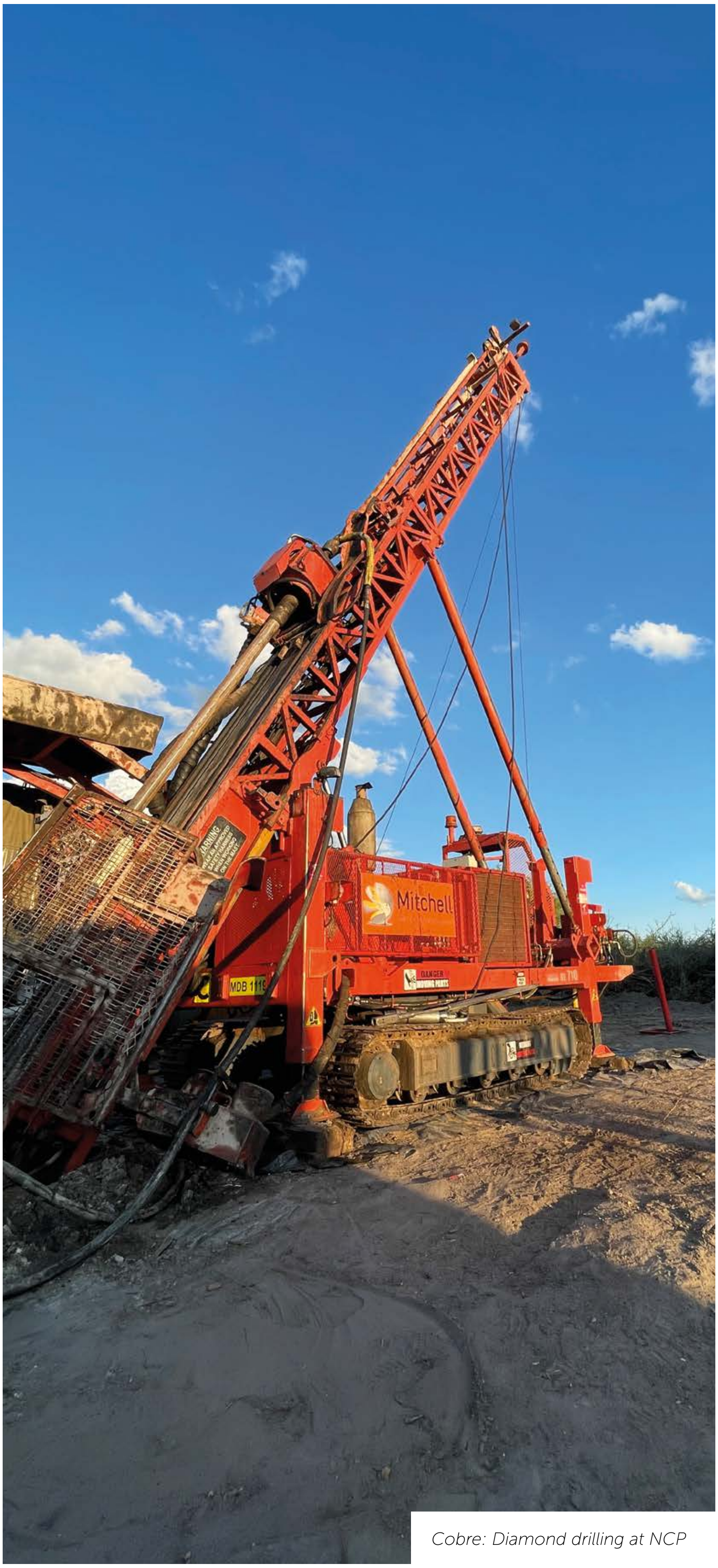
The Equity Investments segment includes both strategic investments (often Active) and investments which are part of the on-market portfolio (often Passive). Strategic investments are those where Strata seeks to positively influence the management of investee companies to enhance shareholder value. The on-market portfolio consists of investments in listed mining equities and warrants where the Board believes the underlying investments are attractive. The Company seeks to make capital gains both in the short and long term as a result of market mispricing or an increase in underlying commodity prices.

The following sections of the review cover the operations of both segments during the year, the Group's general investment policy and central operations including administrative costs and working capital.

THAILAND

The transition of the Thai Group into a shared services provider to Group companies has been substantially completed during the year under review.

The carrying value of the Thailand Group has been written off at the Company level.



Cobre: Diamond drilling at NCP

AIM CANCELLATION

On 20 March 2023 the shareholders voted in favor of cancelling the admission of the Shares to trading on the AIM and consequently to be solely listed on the Australian Securities Exchange as a listed investment company. The Board believes that this will result in the Company having greater flexibility to manage its portfolio, implement the New Investing Policy (as defined below) and better position it to pursue and achieve its investment objectives in the future by being able to trade in a more efficient manner. Equally, should the New Investing Policy be approved by Shareholders, it is the Board's belief that the AIM Cancellation will provide flexibility to pursue "Complementary Investments" (as described below).

The company's shares consequently ceased to be quoted on the AIM Market of the London Stock Exchange on the 31 March 2023.

INVESTMENT POLICY

On 20 March 2023 the shareholders adopted a new investment policy to reflect the company's change in focus and strategic direction since when the prior investment policy was adopted in June 2014.

In particular, whilst the Group remains focused on natural resources investments and assets, the Group's investment strategy has moved away from direct project investments and is now focused predominantly on equity investments in companies involved in the mining sector. The Company now substantially carries its financial assets at FV as articulated further in the accounting policies and given its reporting requirements with the ASX and the evolved business model which is now almost fully transitioned to that of a investment company, the Board will shortly consider the appropriateness of being classified as a Investment company pursuant to IFRS 10. This should complete the transition of the Company to that of an Investment company

Summary of the new investment policy

The Company will seek to achieve its Investment Objective through a combination of Core Investments and Complementary Investments.

Core Investments

The Group will primarily invest in equity securities or other securities or instruments (including royalties) (collectively, "financial products") issued by companies which are predominately admitted to trading on recognised stock exchanges including, but not limited to, the ASX, the CSE, the LSE (including both AIM and the Main Market), the HKEX, the JSE, the NYSE and the TSX (including TSXV).

The Board intends to transition gradually over time the Company's existing portfolio of active and passive investments and legacy positions in royalty interests into a more diversified, balanced and liquid investment portfolio. However, the Company will maintain the ability to be overweight in certain high conviction investments, if the Board believes this to be appropriate. The Board will also be cognisant of the business and mining/commodity cycle and from time to time it may be more appropriate for the Group to have a greater concentration of risk in a certain commodity or commodities, and less liquidity in order to preserve and grow its net assets.

The Company expects to focus on opportunities that fall within one, or ideally several, of the Core Investment opportunities set out in the table below from which the Company believes value can be achieved from a potential investment whilst balancing the concentration of risk/return of individual investments against the portfolio and remaining nimble.

Core Investment Opportunities

- Significant discovery potential – pre or post discovery
- Country/district/first mover advantage
- Commodity price dislocations
- Potential for economic resource growth
- Financial restructuring opportunity
- M&A opportunity
- Macro/micro economic trading opportunity
- Liquidity
- Operational improvements
- Cost dislocations

The Company recognises that there may be investment opportunities in the mining sector that fall outside the Core Investment opportunities set out above that represent good investment opportunities and could provide balance to the portfolio. Such investments would be categorised as special situation investments.

The Group may also make investments in suitable financial products (primarily for hedging purposes) that fall outside the remit of the mining sector, including but not limited to investments which track relevant indices, investments in correlated or inversely correlated metals or baskets of metals, investments in correlated or inversely correlated baskets of equity securities and other financial products, and investments other funds or indices (which may or may not be related to the mining sector) (collectively "Core Investments").

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Cobre: Soil sampling at Kitlanya West

INVESMENT POLICY (continued)

Complementary Investments

The Group may also invest in complementary business verticals, with a focus on commercial businesses or funds with separate management teams with that support investment in and the funding of companies and/or projects within the mining sector, that will generate income for the Group. In particular, this may include, but may not be limited to, the acquisition, seeding or establishment of mining sector related broking or corporate banking businesses, mining sector related credit funds, mining sector related convertible bond funds, mining sector related commodity trading funds for example relating to metals or oil and gas, mining sector investment funds with different investment strategies (for example, investment strategies focused on precious metals, battery metals, cleantech, downstream and upstream technology, private equity or streaming and/or royalty businesses), as well as funds with AUM directed to mining sector investments which may also have non-mining sector investments which would be restructured and divested. The Group may to the extent legally permissible and appropriate provide some level of shared services and share costs with such businesses and in certain circumstances, where relevant, the Group may also provide regulatory capital to such businesses. The Group may seek representation on the boards of directors of such businesses or relevant investment, compliance, oversight or nomination committees or any other committee relevant to provide supervision of the Company's investments but will maintain separate operational control and independence (collectively "Complementary Investments").

Investment limits and restrictions

The Group will manage its assets in accordance with the following investment limits and restrictions (the "Investment Limits and Restrictions"), which, where relevant, shall be measured at the point of investment:

- The Group will be permitted to invest in companies registered, incorporated or domiciled in any jurisdiction, with projects in any jurisdiction and at any point on the mining development curve (including at the pre- and post-discovery exploration, development and/or production stage), provided that the Company will not invest in companies registered, incorporated or domiciled or with projects in jurisdictions which are subject to major conflict or where such investments would be in breach of sanctions administered or enforced by (i) the United Kingdom, (ii) Australia, (iii) the United States (including, without limitation, Office of Foreign Assets Control of the US Treasury Department or the US Department of State), (iii) the European Union, or (iv) the United Nations Security Council.
- The Company will not be restricted in the allocation of its net assets between Core Investments and Complementary Investments. Within Core Investments, the Company will seek to invest (but will not be bound by such restrictions);
- 0-50 per cent. of its net assets in financial products issued by companies which are mid to large-tier producers, which may or may not be diversified by jurisdiction or commodity;
- 20-40 per cent. of its net assets in financial products issued by companies which have one or several projects that are post resource definition, within the study phase or development phase (pre or post financing);
- 10-30 per cent. in financial products issued by companies which are pre or post discovery exploration companies;
- Not more than 50 per cent. of the Company's Gross Asset Value at the time of investment will be invested in the financial products of a single issuer (in aggregate);
- The Company will mainly focus on investments with exposure to the mining sector generally, but will not be restricted by commodity; and
- The Company will not be restricted by investment term. Investments may be very short term in nature (including intraday), short term (less than a year), medium term (1-3 years) or longer term (> 3 years).

In the event of a breach of the Investment Limits and Restrictions, the Group will attempt to resolve any breach and a notification will be made via an RIS

Borrowing and leverage policy

The Group will be permitted to borrow up to 50 per cent. of its net asset value (calculated at the time of drawdown) for the purposes of Core Investments, except where such leverage is mitigated by an appropriately sized put option.

The Group will be permitted to borrow up to an unlimited amount for the purposes of Complementary Investments.

Hedging and Derivatives

The Group may utilise derivatives for efficient portfolio management purposes. In particular, non-Sterling investments may be hedged so as to limit currency exchange risk.

Cash Management

While it is intended that the Group will be fully invested in normal market conditions, the Group may hold cash on deposit or invest on a temporary basis in a range of cash equivalent instruments. There is no restriction on the amount of cash or cash equivalent instruments that the Group may hold. Cash and cash equivalent instruments will be held with approved counterparties and in line with prudent cash management guidelines agreed by the Board.

Procedure to amend New Investment Policy

No material change may be made to the New Investment Policy without approval of the Shareholders by way of an Ordinary Resolution.

The Company intends to deliver shareholder returns principally through capital growth rather than income distribution via dividends and actively manages its investment portfolio to achieve this aim. Given the nature of the investing policy, the Company does not intend to make regular periodic disclosures or calculations of net asset value. The Board considers that, in due course, the Company may require additional funding as investments are made and new investment opportunities arise.

Cobre: RTK base station for differential GPS survey, NCP

EQUITY PORTFOLIO

The Equity Investments segment continues to invest in high potential mining exploration and development companies with a preference for base and precious metals. The focus is to invest in mining companies that are significantly undervalued by the market and where there is substantial upside potential through exploration success and/or development of a mining project towards commercial production. To differentiate between the Board's view of each company's strategy we categorise certain investments as either Active or Passive.

Active investments are typically larger investments where Strata seeks to positively influence the management of investee companies, by providing oversight and guidance at Board level to enhance shareholder value and minimise downside risk. The investments that fall within this category include Cobre, Iondrive and Armada. The Board continually evaluate the active investment portfolio, and accordingly this may change in composition in the future. No new Active Investments were added to the portfolio in 2023. Furthermore, the Board does not expect to make further additions to the active investment portfolio in the near future.

Strata invests in listed mining equities via either initial public offering ("IPO"), pre-IPO equity placings, or direct on-market share purchases. Strata may receive warrants when undertaking investments in pre-IPO, IPOs, or equity placings. The Company may consider other investment structures. The main aim is to make capital gains in the short to medium term. Investments are considered individually based on a variety of criteria. Investments are typically stock exchange traded on the TSX, ASX, AIM or LSE but can be private with a view to obtaining a liquidity event.

As at 31 December 2023, as set out in the table below, Strata had equity investments in companies pursuing high potential exploration and development projects in precious, base and battery metals. Projects are located in a variety of jurisdictions, including North America, South America, Africa, Southeast Asia and Australia. Strata held some exposure to producers.

Through its investments, Strata is primarily exposed to copper, lithium, rare earths and oil and gas.

In 2023, the commodities market saw varied dynamics across copper, lithium, rare earths, and oil and gas, influenced by factors like supply disruptions, policy changes, and macroeconomic conditions.The copper market was largely in a state of supply demand balance in 2023 with several groups as late as October predicting a major supply surplus in 2024. Copper's usage in green transition sectors such as power andelectric vehicles cushioned the metal from a broader manufacturing downturn in 2023 against the backdrop of a challenging global economic backdrop. However, supply shocks, notably First Quantum's Cobre Panama mine (circa 1.5% of global supply) being ordered closed in November 2029 changed that outlook into 2024 where a deficit is now generally forecast in H2

Iondrive: UoA researchers analysing data from battery technology performance evaluation in coin cells

The lithium market saw substantial growth, particularly in the Asia Pacific region, driven by the automotive, glass, and consumer goods industries. Key developments in the sector included ExxonMobil commencing lithium well drilling in Arkansas and plans for production aimed at supporting electric vehicle battery manufacturing. Gotion High-tech Co Ltd also announced a significant investment in a lithium battery manufacturing plant in Illinois, reflecting the industry's growth trajectory and the vital role of lithium in the EV sector. 2023 saw significant supply growth with substantial concentrate production from Zimbabwe and Chinese lepidolite along with a combination of forced destocking of inventory by battery manufacturers to service working capital facilities due to tightening credit conditions in China which resulting in a domino effect of selling and write downs exacerbating lithium price declines in 2023. In 2024, whilst the market is still in a surplus and will likely remain as such till 2025, prices have likely fallen below incentive levels and stocking / destocking cycles or supply disruptions could see price volatility through this period.

For rare earths, prices spiked to a 20-month high in late August and mid-September due to a temporary production halt in Myanmar, a significant supplier to China. China's issued 3 quotas for rare earths (in March, September and December) likely indicating that the volumes in the first two batches could not meet demand needs, in spite of this, prices for key magnet rare earths like neodymium (Nd), praseodymium (Pr), and terbium (Tb) fell significantly by year-end, with dysprosium (Dy) being less affected due to market undersupply. The push for recycling these materials also gained momentum, with recycling technologies improving, though the rate remained below 7%. Chinese imports in November surged 125% on the year and imported volumes from January to November were up 44.7% on the year. Whist the quota system is meant to produce a limit for production, the actual amount traded or used in the market is above this and is likely supplied by illegal mining operations. We note that the U.S. Department of Defense plans to develop a program to estimate prices and predict supplies of nickel, cobalt and other critical minerals (such as rare earths), in a move to boost market transparency but which flies in the face of futures markets and pricing agencies that reflect what buyers are willing to pay and sellers are willing to accept. The program will be led by DARPA and the U.S. Geological Survey with contractors aiming to develop an artificial intelligence-backed model that would construct a metal's structural price based on where and when it is produced, as well as labor, supply and other costs in an attempt to offset the risk that futures markets and pricing agencies pose to national security. The expected roll out is in the next 2 years. The Pentagon believes commodity purchase transactions are negotiated using "opaque and flawed pricing data" that pose "substantial barriers to U.S. commercial competition". We note that reports from Chinese based analysts suggest that NdPr could switch to a deficit in the second half of 2024 which could lead to prices rebounding in the second half of the year on the back of strong demand from the EV and wind power sectors.

The oil and gas industry began 2024 on a strong footing due to robust financial health and high oil prices from the previous year. While investment levels remained consistent, there was pressure from investors and regulators for the industry to progress towards emissions reduction and invest in low-carbon energies. However, the oil market experienced bearish sentiment by the end of 2023, with prices dropping significantly due to strong non-OPEC+ supply and weakening global demand. Interestingly, the U.S. emerged as a dominant oil supplier, offsetting OPEC+ output cuts.

In the natural gas market, European and global pressures eased at the beginning of 2023, with prices falling below their summer 2021 levels. This was due to favourable weather conditions and effective policy actions. However, there remained a cautionary tone regarding future market volatility, with potential risks including weather patterns and LNG availability uncertainties.

These trends highlight the interplay between geopolitical factors, supply chain dynamics, and shifts in energy and technology that influenced commodity markets in 2023.

Strata continues to deliver on identifying high conviction natural resource opportunities in line with its investment approach. Whilst the Company continued to largely focus on undervalued investment situations with the potential for substantial exploration upside, the Company still managed to maintain a strong level of diversification in the Passive Investment portfolio in terms of commodity, jurisdiction and project development stage. Strata has identified a Complementary Investment under its new investment policy and is in the process of progressing a potential investment as part of this strategy. In addition, Strata has managed to increase its warrant portfolio through investments in the year.

Key events during 2023

During the period 1 January to 31 December 2023, net assets in the Equity Investments segment decreased to £11,523,000 from £24,565,000 and reported a loss of £3,958,000 before finance and administrative costs. This was primarily driven by the performance of the portfolio of active investments together with the decreased dividend of £44,000 from £146,000. The segment made an aggregate of 76 separate investments in 2023 and fully or partially exited from 58 of those positions. It should be noted that in some positions Strata exited and re-entered positions.

The Company's largest equity investment as at 31 December 2023, was a 19.99% equity interest (57,380,826 ordinary shares) in Cobre valued at £1,350,745.

Other material equity investments as at 31 December 2023, include:

EQUITY PORTFOLIO

RC drilling at Kitlanya West

Active Investments:

Cobre Limited ("Cobre")

Cobre is an ASX listed (ASX:CBE) is a copper exploration growth company with prospective projects in Botswana and Western Australia together with two strategic investments. Strata increased its holding in CBE to 57,380,826 ordinary shares representing 19.99% of the issued ordinary share capital of Cobre as at 31 December 2023 and valued at £1,350,745. Michael McNeilly was appointed as a Non-Executive Director on the Cobre Board as part of the investment in 2019 and remains on the Board. Cobre listed on the ASX in January 2020 raising A$10m.

In 2023, Cobre Limited focused its exploration activities in Botswana on the Ngami Copper Project (NCP) and the Kitlanya West (KITW) Project within the northern margin of the Kalahari Copper Belt (KCB). The company initiated a 5,000-meter diamond drilling program at NCP in February, aimed at testing new targets along the mineralised strike and potential high-grade zones within known targets, completing this phase ahead of schedule by mid-April. Assay results from this drilling indicated the presence of a large, moderate-grade copper deposit, extending over extensive strike lengths. Concurrently, Cobre undertook ground gravity surveys and soil sampling to refine exploration techniques at the Comet Target, while interpretation of soil samples at KITW highlighted its potential for copper-silver mineralisation. An Aircore (AC) and Reverse Circulation (RC) drilling program was also started at KITW to investigate geochemical anomalies, showing initial positive results for copper anomalies.

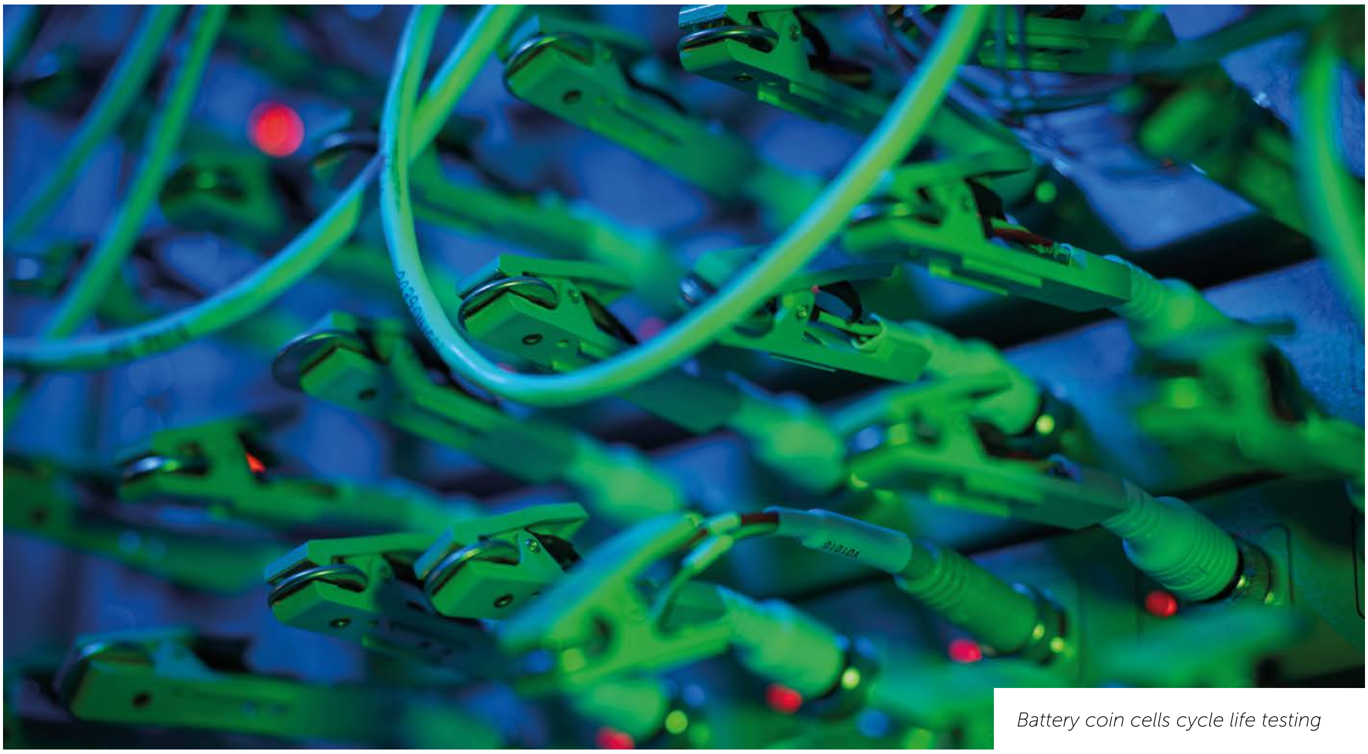
Further into 2023, Cobre explored the viability of an In Situ Copper Recovery (ISCR) process at NCP, supported by hydrogeological assessments and metallurgical testing that demonstrated promising copper and silver recovery rates. This exploration was part of a broader strategy to evaluate sustainable and efficient extraction methods. Additionally, a collaborative airborne gravity gradient survey with Sandfire Resources Limited aimed to enhance regional and local target generation across the KCB. The year's exploration efforts by Cobre in Botswana were geared towards understanding the extent and potential of the copper-silver mineralisation within its projects.

Cobre raised A$2.96m via an oversubscribed Share Purchase Plan completed in January 2023. Strata participated for A$1,000,000

Subsequent to the year end Cobre was chosen for the BHP Xplor 2024 Program, a six-month accelerator designed for early-stage explorers to quickly advance and mitigate risks in their geological projects while enhancing their readiness for investment. BHP will support Cobre with US$500,000 in non-dilutive funding to expedite its exploration activities during the program. Participants in the Xplor Program benefit from comprehensive access to specialised technical and commercial coaching, along with expertise from BHP's global Technical, Business, and Operational teams. The company also raised A$4m with Strata participating for A$800k and A$675,000 from the Board. Post balance sheet Cobre also announced successful completion of its phase 1 hydrogeological test work to assess the viability of an In-Situ Copper Recovery (ISCR) process for extraction of copper-silver from the significant strike of mineralization at the Ngami Copper Project. The Board believes that there is substantial value potential from further derisking of the project from a hydrogeological standpoint and notes the success of the Florence Copper project (an ISCR project in Arizona).

Differential GPS surveys are used for sighting new drill pads and ground gravity stations, NCP.

EQUITY PORTFOLIO



Battery coin cells cycle life testing

Iondrive Limited ("Iondrive")

Iondrive is an ASX listed battery technology & resource exploration and development company with lithium exploration properties in South Korea. Strata made a follow-on investment in Iondrive during 2022 and as at 31 December 2023, held 81,402,696 shares representing 16.3% of the issued share capital of Iondrive as well as 12,000,000 unlisted A$0.027 warrants, expiring 31/12/2024, with a combined value of valued of £532,249. As part of the initial investment agreement in 2020, Strata obtained Board nomination rights which are maintained as long as the Company has a relevant interest in at least 10% of the issued share capital of Iondrive. Terry Grammer was to be appointed to the Board of Iondrive but due to his sudden and tragic passing Michael McNeilly was nominated and joined the Board as a Non-Executive Director following Strata's initial investment.

In July 2023 Southern Gold Ltd completed the acquisition of Iondrive Technologies Pty Ltd (IDT), issuing $1.2 million in ordinary shares as consideration. This move expanded the company's focus to include IDT's exclusive worldwide rights to three patented battery technologies from the University of Adelaide. Alongside this acquisition Iondrive raised A$2.5m with Strata participating for A$480k.

After the acquisition, to reflect the new strategic focus on advanced battery technology, the company sought and received shareholder consent to change its name. The resolution was passed at the Annual General Meeting on 9 November 2023, and the company commenced operations as Iondrive Limited from 15 November 2023.

A summary of key Iondrive developments for 2023:

- Dr. Ebbe Dommisse was appointed as the Interim CEO of Iondrive Technologies in October 2023, tasked with advancing the commercialisation of the company's proprietary battery technologies.
- The Board welcomed new members with Dr. Jack Hamilton appointed as a Non-Executive Director and Mr. Adam Slater appointed as a Non-Executive Director in December 2023, both receiving stock options as part of their compensation.
- Iondrive Limited's technological advancements in battery innovation encompass three proprietary technologies: the Deep Eutectic Solvent (DES) for battery recycling, the Aqueous Sodium-Ion Battery for energy storage, and the NCM 811 Cathode Enhancement for increased battery longevity and performance.
- Iondrive Limited became a key partner in an ARC Industrial Transformation Training Centre for Battery Recycling, collaborating with the University of Adelaide and committing significant cash and in-kind contributions over five years.
- Iondrive entered into an Earn-In and Joint Venture Agreement with KoBold Metals Company on several Lithium Projects in South Korea, with KoBold having the option to earn up to a 75% interest over five years through a two-stage investment arrangement.
- Subsequent to the year end Dr Ebbe Dommisse was appointed as CEO of Iondrive Ltd.

Large-scale bench experiments to recover organic solvent (leaching agent) by evaporation

EQUITY PORTFOLIO

Road access to Bend Nickel Project area

Armada Metals Limited ("Armada")

Armada is an ASX listed (listing in December 2021 having raised A$10m), Gabon focused, resource exploration and development company which owns the Nyanga Project which consists of two exploration tenements prospective for nickel-copper sulphide, covering a total area of 2,725km2. The company has an 80% controlling interest in the Bend Nickel Project in Zimbabwe. Strata made a follow-on investment in Armada during 2023 and as at 31 December 2023 held 30,000,000 shares representing 14.42% of the issued share capital of Armada as well as 3,333,333 A$0.334 warrants which expire on 22 November 2026, with the combined investment valued at £459,029. A summary of key Armada Metals Limited developments for 2023:

- In July 2023, Armada announced the signing of a binding term sheet to acquire an 80% controlling interest in the Bend Nickel Project located in Zimbabwe. This transaction reflects Armada's dedication to expanding its base metal exploration portfolio and capitalising on the rising global demand for critical metals.
- Completed an initial drilling program at the Bend Nickel Deposit, Zimbabwe. Nine diamond holes were drilled for a total of 2,506 metres.
- Announced high-grade Ni-Cu-PGE sulphide resource potential from Bend Nickel Deposit assay results.
- In September 2023 Armarda completed a successful institutional component of a 1 for 1 Non-Renounceable Entitlement Offer, raising A$1.2M.

Core logging at the Bend Nickel Deposit

Net textured mineralisation in drill hole BNDDD002 at the Bend Nickel Deposit

EQUITY PORTFOLIO

Passive Investments:

During 2023, the Company also invested in several exploration and development companies in Asia, North America, South America and Australia, with exploration projects in copper, lithium, gold, silver, zinc, and tungsten.

During the course of 2023, Strata was more active in seeking and making new investments than it had been in previous years, with passive investments totaling £26,432,000 for the year, up from £3,928,000 the year before.

Summary of investments made in portfolio companies and fully exited in 2023

Investment	Listing	Investment
92 Energy Limited*	ASX	621,667 ordinary shares
ACDC Metals Limited	ASX	135,000 ordinary shares
Australian Critical Minerals Limited*	ASX	390,000 ordinary shares
Azure Minerals Limited*	ASX	550,834 ordinary shares
Barrick Gold Corporation*	XTSE	5,500 ordinary shares
BHP Group Limited*	ASX	27,000 ordinary shares
Black Cat Syndicate Limited*	ASX	1,057,066 ordinary shares
Brightstar Resources Limited*	ASX	5,545,455 ordinary shares
Caravel Minerals Limited*	ASX	750,000 ordinary shares
Charger Merals NL*	ASX	392,157 ordinary shares
Core Lithium Limited*	ASX	5,4255,455 ordinary shares
De Grey Mining Limited*	ASX	38,096 ordinary shares
Dreadnought Resources Limited*	ASX	20,534,878 ordinary shares
Genesis Minerals Limited*	ASX	86,957 ordinary shares
Iris Metals Limited*	ASX	471,560 ordinary shares
Lion One Metals Ltd*	TSXV	163,500 ordinary shares
Loyal Lithium Limited*	ASX	1,107,817 ordinary shares
Meteoric Resources NL*	ASX	22,278,936 ordinary shares
Metro Mining Limited*	ASX	2,000,000 ordinary shares
Newmont Mining Corporation*	NYSE	6,400 ordinary shares
Pacgold Limited*	ASX	421,052 ordinary shares
Patriot Battery Metals Inc*	ASX	200,000 ordinary shares
Predictive Discovery Limited*	ASX	666,667 ordinary shares
Raiden Resources Limited*	ASX	22,915,823 ordinary shares
Rio Tinto Limited*	ASX	34,263 ordinary shares
S2 Resources Limited*	ASX	2,224,531 ordinary shares
TG Metals Limited*	ASX	190,000 ordinary shares
Torque Metals Limited*	ASX	500,000 ordinary shares
Whitehaven Coal Limited*	ASX	210,000 ordinary shares
Wildcat Resources Limited*	ASX	1,439,298 ordinary shares

** new investments made in 2023*

Outlook

At 31 December 2023 Strata remains invested in its active Portfolio and a number other Equity Investment holdings in early stage, exploration-focused companies and some development and production stage companies. Some of these investments are higher risk and subject to sentiment tied to commodity price fluctuations and may result in substantial gains or a significant loss of value. Some of these companies are actively pursuing exploration drilling campaigns and we actively monitor the results of these companies. The Company is very active in assessing new opportunities sourcing and screening deal flow from a variety of sources.

High Conviction Holdings

Omega Gas & Oil Limited (ASX: OMA)

Omega spudded their first exploration well, Canyon-2, in March and successfully completed the Canyon drilling program in April. Both the Canyon-1 and Canyon-2 wells exceeded pre-drill expectations and confirmed the prospectivity of the Permian coals and sands in the Kianga Formation. Design work and procurement have now commenced for a planned horizontal well at the Canyon 1 well site and the company remains on track to drill in Q3 2024. In August, the company completed a material institutional capital raise with more than $21 million in commitments. The company recently elected to implement leadership changes to lower operating costs, with Trevor Brown currently acting as Interim CEO. The company reported 1.73 TCF within the 2C category for ATP 2037 and ATP 2038 permit areas. The company is progressing drill rig procurement and remains on track to drill in Q3 2024 with procurement activities well-advanced and on schedule for the planned multi-stage stimulation program of the horizontal well section.

Viridis Mining and Minerals (ASX: VMM)

Viridis confirmed high grade Halloysite in selected surface samples from its Smoky Project in New South Wales as well as thick halloysite mineralisation in assays from the Poochera Project, South Australia. The company commenced its maiden drill program at the South Kitikmeot Gold Project in Nunavut, Canada, which identified high grade gold intercepts. Viridis also acquired and commenced exploration at the new Colossus Rare Earth Project in Brazil which yielded exceptional diamond and auger results during its maiden campaign. A successful placement to raise A$3.09 million was completed and the executive team was strengthened through the appointment of Rafael Moreno as Chief Executive Officer. Post balance sheet, the company completed an A$4.5 million placement in which Strata participated. The company also announced some spectacular shallow intercepts with up to 23,556ppm TREO. They appointed Hatch to run their scoping study and provide engineering support and critically secured an additional 9.98km2 which allows them to expand the disvcoveries made at Cupim South. Finally, the company signed key MOU's with the State Government of Minas Gerais and the associated State Secretariat for Economic Development and the Instituto de Desenvolvimento Integrado de Minas Gerais (Invest Minas) and the local Municipality of Pocos de Caldas. Critically, this MOU provides support from the state and local governments in expediting the regulatory and environmental approvals in a fast tracked manner. We view this as helping de-risk and accelerate the project's execution timeline. We see this as being relatively cheap see through to the more advanced and progressed MEI and note that their team is moving fast to deliver a maiden resource in the first half of 2024 with a scoping study to follow shortly after the maiden resource.

Delta Lithium (ASX: DLI)

In 2023 the company completed extensive drilling at the company's Mt Ida and Yinnetharra Lithium Pojects, with record drilling meters reported. The company confirmed its Yinnetharra Project contains multiple mineralised pegmatites with commercial scale opportunity. Upgraded Mineral Resource Estimates at both projects underscored substantial lithium reserves, taking Delta's global MRE to 40.4Mt @ 1.1% Li_2O across both projects. A name change to "Delta Lithium" (ASX:DLI) reflected the company's evolving focus. The company completed a fully-underwritten accelerated non-renounceable entitlement offer to raise A$70.2m in November 2023 with Mineral Resources Limited (ASX:MIN) fully underwriting the issue. Earlier in the year the company saw Board changes with MIN acquiring a substantial stake in the company and the Board resolving that David Flanagan (Executive Chairman) would step down to make way for Chris Ellison (MIN founder) and other appointments. As of 2024, MIN has 23.8% of the company along with Idemitsu holding 11.3%, Hancock Prospecting holding 10.7% and Waratah holding 10.5% . We further note that the company was well capitalised with circa A$116m of cash as at 31 December 2023 and has a gold resource of 412koz @ 4.1g/t Au at its Mt Ida project. The company has ongoing drilling activities at its Yinnetharra Lithium Project (Malinda Prospect) with four drill rigs operating at Malinda and results starting to come in. The company recently acquired via farm-ins RR1 and VSR tenements. Drilling at the Jamesons Prospect is scheduled to start in Q1 using an RC rig. Results released in February provided further encouragement for its Mt Ida Lithium prospect where the company intersected further high grade lithium and gold in what is essentially infill drilling.

EQUITY PORTFOLIO

Alvo Minerals (ASX: ALV)

Alvo completed extensional drilling at its Palma Volcanic hosted Massive Sulphide ("VMS") Project which continued to deliver significant high-grade mineralisation and advanced numerous new targets towards drill testing. A maiden drill program was commenced at the Bluebush REE Project and, following exceptional first diamond drilling assay results, the company exercised a purchase option over 100% of the Project. Alvo's team also recently identified and applied for a potential new REE Project called Ipora, which has demonstrated significant potential for Ionic clay hosted mineralisation. A $5.1M capital raise was completed during the September quarter to fund both the Palma and Bluebush projects.

Abitibi Metals Corp (TSVX: AMQ)

In 2023, Abitibi Metals Corp notably secured the B26 Polymetallic Copper Deposit, a strategic acquisition given the deposit's rich resource base, including copper, gold, zinc, and silver, within Quebec's prolific mining region. It also successfully closed a $10 million private placement. Abitibi Metals planned a $10 million exploration budget for 2024, with significant drilling at the B26 deposit already underway and further drilling planned at the Beschefer Gold Project. The plan includes extensive drilling at the B26 deposit, aiming to capitalise on its open expansion potential, and at the Beschefer Gold Project.

Artemis Resources (ASX: ARV)

In 2023, Artemis Resources made considerable advancements in lithium exploration. With a total of $4.58 million raised through equity placements, the company can further its exploration initiatives across its key projects. The Greater Carlow and Osborne Joint Venture projects revealed significant lithium prospects with high-grade Li_2O rock samples and identified numerous pegmatites, some showing promising lithium-caesium-tantalum (LCT) and rubidium mineralisation. Surveys and drilling across these sites have pinpointed new targets and commenced assessments of extensive pegmatite occurrences, setting a strong foundation for a multi-hole drill program planned for the first half of 2024. The Board is of the opinion that as Lithium rebounds from its lows (although likely to remain volatile) and with the completion of the Azure takeover focus will return to junior explorers in the region with highly prospective ground. Post balance sheet, the company announced impressive assay results from the Mt Marie prospect with notably coarse spodumene crystals observed up to 30cm in length.

Resouro Strategic Metals (TSXV: RSM)

Resouro Strategic Metals Inc., an exploration entity specialising in the discovery and development of rare earth and titanium projects in Brazil. In October, the company expanded its exploration footprint in Minas Gerais, Brazil's mining hub, more than doubling its project area. With an eye towards growth, Resouro is strategically planning an ASX listing, intending to follow in the footsteps of successful peers. Backing their ambitious plans, the company has garnered strong support from key local and international investors, such as the Flannery Family Office and Jeremy Bond's Terra Capital, with Regal Funds Management as a cornerstone investor. Subsequent to year end the Company reported high-grade drilling results at their Tiros project. These include a notable 12-meter intercept at 8150 ppm Total Rare Earth Oxides (TREO) with significant Neodymium-Praseodymium (NdPr) and Titanium Dioxide (TiO_2) right from the surface. To our knowledge this is the highest-grade Titanium project globally with what is very likely a substantial ionic clay rare earth deposit as well. Given the unique nature of the deposit, we see the potential for extremely low mining costs. We anticipate that such a deposit will be of interest to western governments looking to secure critical minerals and we note the company's ambitions to seek a secondary listing in Australia where the comparable valuations are substantially higher that in Canada. The company also recently announed the completion of the fundamental acquisition of the Tiros project as well as filed a technical report (NI43-101) on the project. We note that in 2023 the company announced that it was accelerating its Metallurgical testing program at the recommendation of the Australian Nuclear Science and Technology Organisation (ANSTO), involving sending a further 50 composite samples from a similar variety of depths/locations as the Prosper sample. The Board notes that these results will be very informative.

Pan Global Resources (TSXV: PGZ)

In 2023, Pan Global Resources successfully increased its private placement financing from $2 million to $6 million, reflecting strong investor interest. Notable results came from their flagship Escacena Project, where drilling at the Cañada Honda target in Spain yielded promising intercepts, including 20 meters of 1.1g/t gold and 5.6 meters of 1.15% copper. These findings are a part of broader exploration efforts aiming to define sufficient tonnage and grade in addition to its well drilled La Romana project. The company noted that the Cañada Honda target spans over 2km, indicating significant size potential. The company's exploration work supports the growing demand for copper, which is crucial in the transition to renewable energy.

Max Resource Corporation (TSXV: MAX)

In 2023, MAX Resource Corp made significant progress at its Cesar copper-silver project in Colombia, highlighting the project's potential with discoveries and exploration advances. They reported high-grade copper and silver results from AM-08, unveiled new mineralised outcrops at Target AM-14, and identified 5 new targets, reflecting the fertile exploration ground of their holdings. Additionally, the acquisition of 12 new mineral tenures expanded their exploration footprint, supporting their strategy to unlock the value of the district-scale project situated in a globally significant copper belt. In addition to this the company commenced an Airborne Geophysical survey at its CESAR project which discovered/identified new copper and silver targets at its CESAR project. Post balance sheet, they reported high-grade copper and silver results from AM-08, unveiled new mineralised outcrops at Target AM-14, and identified 5 new targets, reflecting the fertile exploration ground of their holdings.

Summary of listed investments held at 31 December 2023 with market values of more than £50,000

Investment	Listing Exchange	Description	No. of securities held	Value at year end £
Cobre Limited	ASX	Base metal exploration	57,380,826 ordinary shares	1,350,745
Omega Oil & Gas Limited*	ASX	Oil and gas exploration	13,955,326 ordinary shares	1,157,245
Viridis Mining and Minerals Limited	ASX	Rare Earth Element exploration	1,057,475 ordinary shares	783,562
Delta Lithium Limited	ASX	Lithium and Gold exploration and development	2,429,286 ordinary shares	610,844
Iondrive Limited	ASX	Gold, Lithium and Rare Earth exploration, Battery Technology commercialisation	81,402,696 ordinary shares 12,000,000 unlisted warrants (A$0.027, 31/12/2024)	532,249
Alvo Minerals Limited	ASX	Copper, Zinc, Lead, Silver, Gold Rare Earth Elements exploration and development	5,884,009 ordinary shares	519,411
Armada Exploration Limited	ASX	Nickel and copper exploration	30,000,000 ordinary shares 3,333,333 unlisted warrants (A$0.334 expiry 22/11/2026)	459,029
Max Resource Corporation	TSXV	Copper exploration	5,000,000 ordinary shares 675,000 unlisted warrants (C$0.36, 25/03/2024)	355,980
Pan Global Mining Inc	TSXV	Copper exploration	2,500,000 ordinary shares	340,918
Abitibi Metals Corp	TSXV	Copper exploration	788,235 ordinary shares	303,774
Artemis Resources Limited	ASX AIM	Copper, gold and cobalt exploration and development	25,342,851 ordinary shares 500,000 ordinary shares	263,890
Industrial Minerals Limited	ASX	High purity silica sand and quartz, lithium exploration and development	648,807 ordinary shares	262,069
Centaurus Metals Limited	ASX	Nickel development and exploration	869,053 ordinary shares	248,744
Resouro Strategic Metals Inc	TSXV	Rare Earth Element and Titanium Oxide exploration	803,000 ordinary shares	226,147
Cyprium Metals Limited	ASX	Copper and gold development and exploration	13,247,500 ordinary shares	212,622
Ivanhoe Mines Ltd	TSX	Copper, Nickel PGM producer, Zinc development and multi commodity exploration	23,000 ordinary shares	175,231
West Red Lake Gold Mines Inc.	TSXV	Gold development and exploration	350,000 ordinary shares	170,162
Antilles Gold Limited	ASX	Gold, copper exploration and development	12,178,480 ordinary shares 8,308,824 listed warrants (C$0.10 expiry 30/6/2025)	158,746
Greentech Metals Limited	ASX	Lithium and Nickel exploration	605,000 ordinary shares	153,746
Nighthawk Gold Corporation	TSX	Gold development and exploration	735,000 ordinary shares	130,734

EQUITY PORTFOLIO

Summary of listed investments held at 31 December 2023 with market values of more than £50,000 (ctnd.)

Investment	Listing Exchange	Description	No. of securities held	Value at year end £
Errawarra Resources Ltd	ASX	Lithium Exploration	2,571,511 ordinary shares	129,321
Oceana Lithium Limited	ASX	Lithium Exploration	1,972,818 ordinary shares	126,321
Critical Resources Limited	ASX	Lithium Exploration	10,979,967 ordinary shares	123,360
Isoenergy Ltd	TSXV	Uranium Exploration and development	55,600 ordinary shares	121,642
Titan Minerals Ltd	ASX	Gold exploration	7,777,667 ordinary shares	116,509
Benz Mining Corp	ASX	Gold and Lithium Exploration	738,348 ordinary shares	98,741
Sandfire Resources Ltd	ASX	Copper, Silver, Lead, Zinc producer and explorer	25,000 ordinary shares	98,173
Green Technology Metals Limited	ASX	Lithium exploration	549,000 ordinary shares	83,709
Invictus Energy Ltd	ASX	Upstream Oil and Gas	1,346,154 ordinary shares	82,822
Aclara Resources Inc	ASX	Rare Earths Exploration and development	250,000 ordinary shares	74,113
True North Copper Limited	ASX	Copper and cobalt development and exploration	1,260,416 ordinary shares	70,804
Surge Battery Metals Inc.	TSXV	Lithium exploration	150,000 ordinary shares	70,259
Brazlian Critical Minerals Limited	ASX	Rare Earth Elements Exploration	4,995,014 ordinary shares	69,480
Metal Hawk Limited	ASX	Copper, Gold Nickel exploration	891,519 ordinary shares	64,390
New Pacific Metals Corp	TSX	Silver development	40,000 ordinary shares	59,527
Angel Wing Metals Inc	TSX	Gold silver exploration	715,000 ordinary shares	59,349
Kula Gold Limited	ASX	Lithium, Gold, Copper, Nickel, PGE, Rare Earth Elements Halloysite and Kaolin exploration	7,382,193 ordinary shares	59,242
Intra Energy Corporation Limited	ASX	Lithium, Nickel, Copper, Cobalt, PGE exploration	29,000,000 ordinary shares	54,302
Cooper Metals Limited	ASX	Copper and Gold exploration	279,281 ordinary shares	50,801
Renu Energy Limited	ASX	Hydrogen energy products and services	6,247,517 ordinary shares	50,136

Summary of unlisted investments held at 31 December 2023 with carrying values of more than £50,000

Investment	Listing Exchange	Description	No. of securities held	Value at year end £
Mexican Copper Corp	Private	Copper exploration	2,500,000 ordinary shares	592,900
Grafton Ventures Energy Holdings Corp	Private	Oil and Gas development and exploration	2,043,397 ordinary shares	118,580
Fuse Minerals Pty Limited	Private	Gold, Silver, Zinc, Lead and Copper exploration	1,750,000 ordinary shares	93,625
Tally Limited	Private	Gold currency	3,840,909 ordinary shares	57,613

Summary of recent trading performances 1 January 2022 to 31 December 2022

Currency of underlying investment	Cash outflows of investments in £	Cash inflows from redemptions of investments £	Market value of residual positions in £	Total return £	Total return percentage
Australian Dollar	18,239,498	13,280,557	4,017,335	(941,606)	(5)
Canadian/American Dollar	3,003,095	1,225,309	2,179,140	401,354	13
Combined	21,242,593	14,505,866	6,196,475	(540,252)	(3)

The table reflects the combined total return performance of new Passive investments made during 2023.

The chart below is to illustrate indicative performance of Passive investments in 2023 including the positions entered into in during 2020 to 2022 which remained on hand as at December 2022.

2023 Running NAV

*This chart is to demonstrate indicative performance as if the passive investment arm were a closed ended fund and assumes an allocation of starting cash plus (Passive) equity investment positions (warrants and equities) of £5,463,000 at the beginning of 2023 and excludes the Company's equity positions) in Sandfire that pertained to the respective Loan Facilities (and any dividends received) any derivatives as well as Active investment.

The close end fund had a negative cash balance at year end which infers an element of collateral lending will have been required. At year end Equities and warrants amounted to £7,810,000 million with a negative cash balance of £3,568,000

Assumed starting position:

Asset class	Percentage mix
Equities and warrants	12%
Cash	88%

EQUITY PORTFOLIO

POST YEAR END DEVELOPMENTS ON THE EQUITY PORTFOLIO

See commentary above in Outlook section, page 19:

Summary of investments made between year end and 24 March 2024 being the last practical date to report on before the release of the financial statements.

Investment	Listing Exchange	Description	No. of securities acquired	Investment made £
29 Metal Limited*/**	ASX	Copper and precious metals producer	500,000 ordinary shares	90,046
Abitibi Metals Corp.	TSXV	Copper exploration	200,000 ordinary shares	76,944
Alvo Minerals Limited	ASX	Copper, Zinc, Lead, Silver, Gold Rare Earth Elements exploration and development	8,783 ordinary shares	833
Arrow Minerals Limited*	ASX	Iron Ore exploration	86,933,532 ordinary shares	231,101
Awale Resources Limited*	TSXV	Gold exploration	125,000 ordinary shares	26,459
BHP Group Limited*/**	ASX	Diversified Global Mining company	3,000 ordinary shares	68,342
Cobre Limited	ASX	Base metal exploration	11,438,139 ordinary shares	431,967
Cooper Metals Limited	ASX	Copper and Gold exploration	403,587 ordinary shares	52,411
Delta Lithium Limited	ASX	Lithium and Gold exploration and development	1,363,459 ordinary shares	218,768
Fission Uranium Corp.*/**	TSX	Uranium development	254,500 ordinary shares	176,973
Firefly Metals Limited */**	ASX	Copper exploration and development	250,000 ordinary shares	65,741
Galan Lithium Limited*/**	ASX	Lithium exploration and development	350,000 ordinary shares	52,300
GCorp Strategies Inc. *	Unlisted	Nickel exploration and development	1,600,000 ordinary shares	140,496
Genex Power Limited*/**	ASX	Renewable Energy and Storage	2,162,000 ordinary shares	202,300
Genmin Limited*	ASX	Iron ore development	4,000,000 ordinary shares	206,040
Hillgrove Resources Limited*/**	ASX	Copper exploration and development	1,611,167 ordinary shares	50,075
Industrial Minerals Limited	ASX	High purity silica sand and quartz, lithium exploration and development	236,236 ordinary shares	62,744
Invictus Energy Limited	ASX	Upstream Oil and Gas	2,653,846 ordinary shares	138,071
Juniper Mines Limited*/**	ASX	Manganese Producer	500,000 ordinary shares	52,735
Iondrive Limited	ASX	Gold, Lithium and Rare Earth exploration, Battery Technology commercialisation	3,200,000 ordinary shares	15,083

Investment	Listing Exchange	Description	No. of securities acquired	Investment made £
Max Resource Corp.	TSXV	Copper exploration	2,100,000 ordinary shares	131,429
Metals Acquisition Limited*	ASX NYSE	Copper producer	40,848 ordinary shares	372,864
Meteoric Resources Limited*/**	ASX	REE exploration and development	200,000 ordinary shares	19,376
Mogotes Metal Inc. *	Unlisted	Copper and gold exploration	882,523 ordinary shares	86,987
Newmont Corp.**	ASX	Gold and Copper producer	6,000 ordinary shares	160,314
Peninsula Energy Limited*/**	ASX	Uranium developer	931,333 ordinary shares	36,762
Pilbara Minerals Limited*	ASX	Lithium producer	1,000 ordinary shares	2,115
Resouro Strategic Metals Inc.	TSXV	Rare Earth Element and Titanium Oxide exploration	728,500 ordinary shares	197,643
Rugby Resources Limited*	TSXV	Copper and Moly exploration	4,000,000 ordinary shares	154,432
Sandfire Resources Limited/**	ASX	Copper, gold and silver mining and exploration	75,486 ordinary shares	259,675
Sendero Resources Corp*/**	TSXV	Copper explorer	400,000 ordinary shares	93,856
Siren Gold Limited*	ASX	Gold exploration	2,800,000 ordinary shares	73,057
Spartan Resources Limited*/**	ASX	Gold exploration and development	150,000 ordinary shares	46,935
TechGen Metals Limited	ASX	Lithium exploration	892,858 ordinary shares	25,800
Titan Minerals Limited**	ASX	Gold exploration	401,479 ordinary shares	5,778
Toro Energy Limited*	ASX	Uranium developer	549,308 ordinary shares	136,979
Viridis Mining and Minerals Limited	ASX	Rare Earth Element exploration	1,430,085 ordinary shares	809,903
Whitehaven Coal Limited*	ASX	Coal producer	45,000 ordinary shares	151,056
Wildcat Resources Limited*/**	ASX	Lithium exploration	2,095,000 ordinary shares	655,262

*VARIUS*Denotes new additions to the portfolio since the year end.*

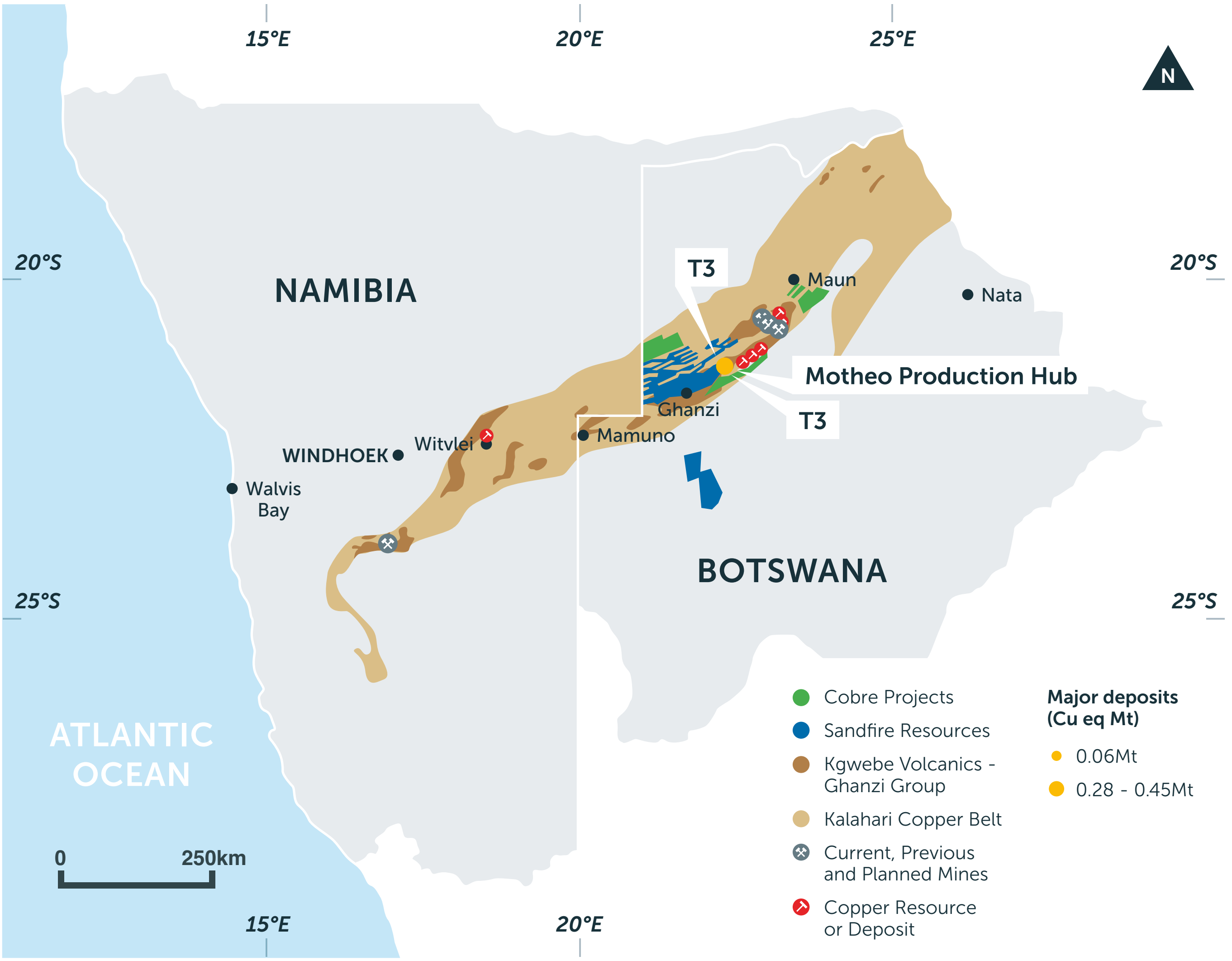
***Denotes fully exited by the date of the report.*

The Company committed to subscribe to over and above the on-market net purchases above to purchasing a further 15,384,616 shares in the raise announced on 4 March 2024 at a cost of A$800k, subject to shareholders approval. Again, subject to shareholders' approval, the subscription will also be accompanied with 7,692,308 attaching options exercisable at A$.078 each and have an expiry date that is 3 years after the issue date.

Cobre: Diamond drill core from the NCP programme. Extensive diamond drilling on this project has identified more than 40km of strike of anomalous copper-silver mineralisation.

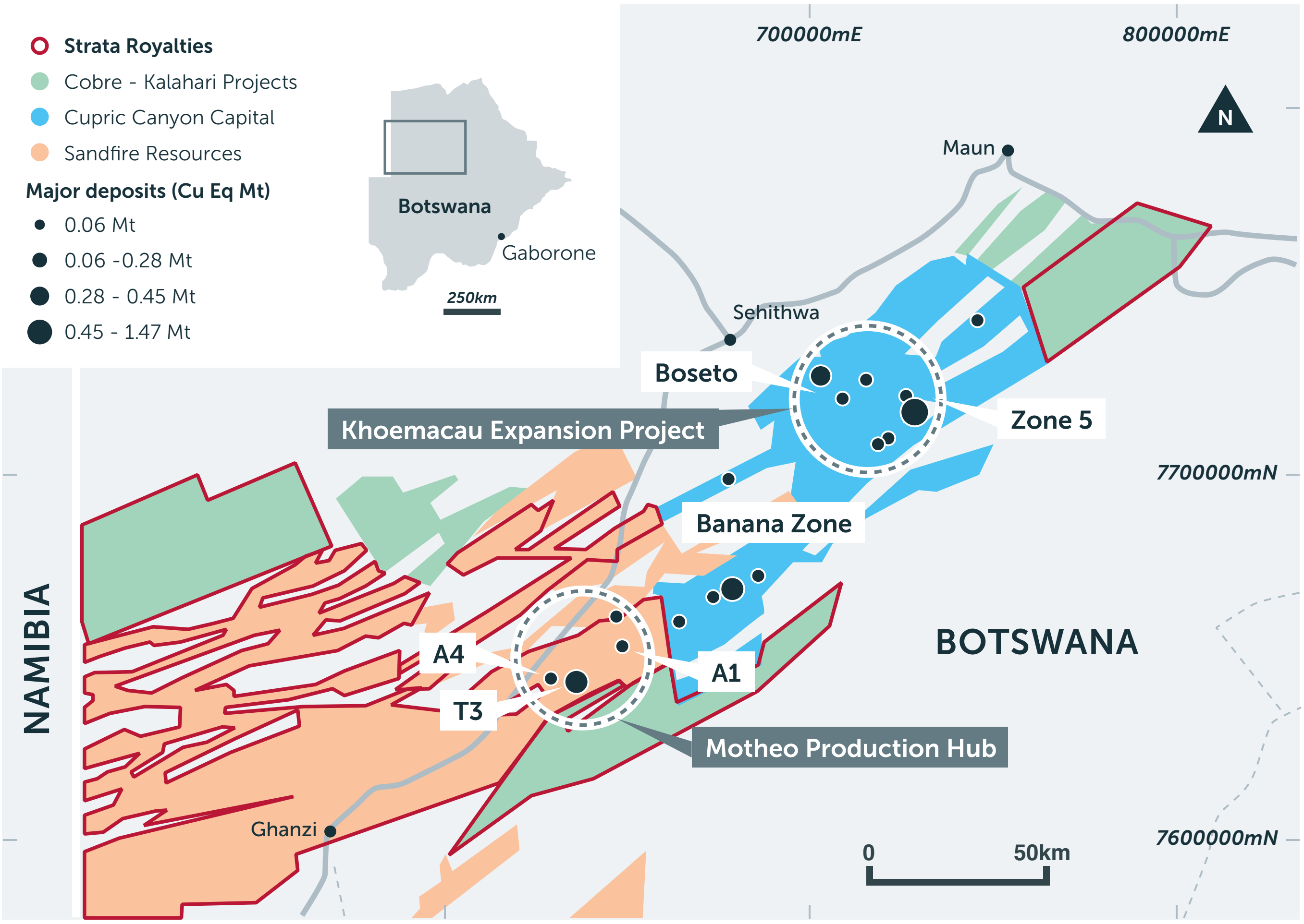
ROYALTY PORTFOLIO

Strata's Royalty Portfolio for the year reflects a strategic positioning within the Kalahari Copper Belt involving Sandfire Resources and Cobre Limited. Positive developments and strategic royalty agreements are set to deliver value in 2024 with royalty receipts expected to commence from A4 in late 2024 / early 2025.



Royalty Portfolio				
Project	**Counterparty**	**Location**	**Commodity**	**Royalty Key terms**
Motheo Production Hub - T3 Project	Sandfire Resources	Kalahari Copper Belt, Botswana	Copper, Silver	2% NSR, capped at US$2M
Sandfire Resource's ~ 8,000km² area, excluding T3 but inclusive of the A4 and A1 Projects	Sandfire Resources	Sandfire Resources	Copper, Silver	2% NSR uncapped
Kitlanya West Project	Kalahari Metals Limited and Kitlanya (Pty) Limited (Cobre Limited)	Kalahari Copper Belt, Botswana	Copper, Silver	2% uncapped NSR over 4,304km²

ROYALTY PORTFOLIO



In 2023, Strata's Sandfire royalties yielded significant returns, including payments totalling the equivalent of over £1.4 million. The operational advancements at Motheo with the new ball mill and wet commissioning signal robust progress towards the increased production target. The A4 open pit is on schedule to contribute ore in late 2024, with the potential for the copper resource to expand considerably. Strata's confidence is bolstered by the market's interest, (third party royalty companies),suggesting a substantial value for the royalty upon potential sale.

The A4 Open Pit Probable Ore Reserve is noted as 9.7 Mt @ 1.2% Cu and 18g/t silver containing 114kt of copper and 5.7 Moz of silver. These Ore Reserves were estimated using a cut-off grade of 0.5% and they were estimated based on a copper price of US$3.40/lb and a silver price of US$18.77/oz and included no inferred category. This compares with a Resource-to-Reserve conversion rate of 85% of contained copper based on the Mineral Resource Estimate of 9.8Mt at 1.4% Cu and 21g/t Ag for 134,000t of contained copper and 6.6Moz of contained silver. We note that Sandfire is currently drilling to test dip and strike extensions at A4 with a few to expanding the potential mineable reserves with the hope that it could add an additional year of mine life at Motheo.

At A1 phase 2 drilling is underway to support a maiden resource estimate expected in H1 of 2024. The CEO of Sandfire has mentioned publicly that he is hopeful that this could potentially add 2-3 years of mine life to Motheo.

Cobre Limited's exploration at the Ngami Copper Project and Kitlanya West Project underscores the strategic value of Strata's royalties. The exploration target, promising drill results, and the initiation of the prestigious BHP Xplor Program highlight the latent potential of these projects. Strata's 19.99% stake in Cobre (as at year end) and the 2% uncapped NSR underscore the long-term value proposition, despite the unrealized loss for the year. We expect drilling at the Tlou project (in Kit-W) later this year.

Strata's royalty portfolio is positioned for substantial growth with the ongoing exploration efforts by both Sandfire and Cobre. The integration of AGG survey data and historic petrophysical information will enhance the understanding of the KCB's geology, potentially leading to new discoveries and the expansion of known deposits.

More details of the Royalty's.

- A US$2m capped 2% net smelter royalty over Sandfire Resources Motheo T3 project in the Kalahari Copperbelt (within PL190/2008 which is held by Sandfire Resources subsidiary Tshukudu Metals Botswana).
- An uncapped 2% net smelter royalty over any future production over Sandfire Resources 100%-held subsidiary Tshukudu Exploration Limited's circa 8,000km^2 licence holding in the Kalahari Copperbelt (including the area covered by PL190/2008 that is outside of the T3 project, in which Tshukudu Exploration Limited holds a beneficial, but not legal, interest in).
- An uncapped conditional 2% net smelter royalty over Cobre Limited's wholly-owned Kitlanya West, East Projects and the southern half of the Okavango Copper Project located in the Kalahari Copper Belt, Botswana. The licences cover an extensive land package of highly-prospective copper and silver exploration tenements over 4,304km^2.

POST YEAR END DEVELOPMENTS ON THE ROYALTY PORTFOLIO

The Company has received a further payment of £976k in respect of the capped T3 royalty.

Cobre: Slimline RC drill test survey. A total of ~12,000m of RC drilling was completed at Kitlanya West providing a valuable sample at the base of the Kalahari cover and underlying top of bedrock.

RESULTS FOR THE YEAR

Operating performance

Administration costs for the year were £2,874,000 (2022: £2,607,000). With legal fees and share based payment charges stripped out from the respective years, the adjusted costs total £2,019,000 (2022: £2,086,000).

The legal fees of £400,000 were mostly incurred in respect of corporate strategy and compliance work, with the Company delisting from the AIM Market of the London Stock Exchange in pursuant to the strategic shift from a multifaceted Company to one more reflective of an investment and royalty owning Company. The cancellation and implementation of the existing employee and new option schemes respectively also contributed to the legal costs and are largely seen as once off. Finally, towards the year end there has been costs accrued in respect of potential transactional activity pursuant to the newly adopted investment policy and corporate strategy.

The share-based payment charge of £455,000 reflects the IFRS 2 consequences in connection with the cancellation of legacy options including the accelerated charge required for the legacy options for which the vesting date was still at a point in time in the future. The expected IFRS 2 charge will materially reduce next year with the current options in issue expected to incur a charge IFRS 2 charge of £118,000 in 2024.

There was an overall loss in the year resulting from the disposals and fair valuing of investments during the year of £3,958,000 (2022: loss of £5,110,000) with the main contributors to loss being our active portfolio as more fully detailed already in this report. The Board's conviction in the active investment strategy however remains comfortable but notes that the Company is unlikely to pursue additional active investments in the near term. The investments are medium to longer term in nature offering exposure to earlier stage exploration projects where the Company has a significant interest and therefore some ability to influence strategic outcomes.

The Company received lower dividend income of £44,000 (2022: £146,000), primarily, as a result of Sandfire ceasing to declare a first or for that matter as last year a second dividend and rather investing the capital in developing its assets and acquisitions. The Company had net finance cost of £420,000 (2022: net income of £1,949,000) the change year on year are mainly as a result of the change in the value of the derivatives that hedge and secured the Group's structured finance loans with a reduced gain of £117,000 (2022: gain of £876,000) the other significant change was a foreign exchange loss for the year of £352,000 (2022: gain of £1,061,000), primarily reflecting the recovery of the Pound Sterling over the year and in particular versus our US dollar denominated financial assets.

The Board decided not to revalue the Company's 2% net smelter return ("NSR") royalty over circa 8,000km^2 of Sandfire's exploration tenements and in-particular the license that holds the A4 project, the Board is of the view its prudent and appropriate to wait on any updates on the size of Sandfire's A4 copper/silver Mineral Resource. The Board did however consider the carrying value of the Royalty and the assumptions used in testing the same are enclosed in Note 6.

All told the loss for the year on ordinary activities before tax was £7,200,000 (2022: loss of £6,678,000).

Cashflow and financing

Disposals from equities during the year raised £39,425,000 from which £30,202,000 was invested into the purchase of equities and other investments. Operational cash outflows before working capital changes amounted to £2,348,000 (2022: £2,474,000).

The Company utilised the net cash generated from its equity portfolio to pay down its secured and collateral loans respectively. This derisking of the Company's Balance Sheet consumed £5,780,000 of the Company's cash resources during the year.

The capped T3 royalty contributed £462,000 during the final quarter of this year and the discounted residual amount of £1,098,000 as of 31 December 2023 is expecting to be received in full during the first half of 2024.

The net cash requirement for operations was met out, dividends received, royalty receipts, the net proceeds of sales of investments after having accounted for the net the repayment of loans during the year and finally to increase cash reserves at the end of the year.

Cash in hand at the end of the year was £1,453,000 (2022: £885,000).

No dividend has been declared or recommended during the year under review (2022: Nil).

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

	31 December 2023	31 December 2022	Change %
Net asset value	£25,144,000	£31,973,000	-21.4%
Net asset value – fully diluted per share[1]	14.84p	18.9p	-21.4%
Closing share price p equivalent	8.83p	13.0p	-32%
Share price premium/(discount) to net asset value – fully diluted	-40.4%	-31%	-30%
Market capitalisation equivalent	£14,960,102	£22,025,000	-32%

[1] Fully diluted net asset value is calculated on the aggregate number of shares in issue at the year end and the number of warrants and options in the money at the year end. There were no warrants in the money at the year end (2022: Nil).

Given the nature of our investments, the tendency is for investors to look at the Group's net assets and compare this to market capitalisation. For Strata, the Board believes this simplistic valuation metric does not work, as the Group is focused on investment in major resource projects, where the value of an interest can increase very rapidly with successful ground exploration or corporate developments. This is also relevant with Royalties as an asset class, where initial and subsequent valuations are determined using initial drill result announcements in the market domain, however, as the resource is further proven up any additional resource will exponentially increase the value of an uncapped Royalty.

Shareholders should note therefore that at present the published net asset position of the Group will largely comprise the working capital representing predominantly cash, liquid tradeable resource shares, and valuation of Royalties only to the extent there have been known and quantifiable resources disclosed without any potential terminal value assigned.

PRINCIPAL RISKS AND UNCERTAINTIES

The main business risk is considered to be investment risk. The Company faces external risks which are those that can materially impact or influence the investment environment within which the Company operates and can include changes in commodity prices, and the numerous factors which can influence those changes, including economic recession, capital market instability, inflation and investor sentiment and including the current and potential effects of the coronavirus pandemic or derivatives thereof and finally but not least the Ukraine conflict and or any other conflict that may cause global or reginal instability over a period of time.

Commodity prices have an impact on the investment performance/prospects of both equity investments and royalty investments. The extent of the impact varies depending on a wide variety of factors but depend largely by where the investment sits on the mineral development curve. Many of Strata's investments sit at the beginning of this curve, Commodity price risk is pervasive at all stages of the development curve, but other prominent risks such as exploration risk and technical and funding risks at the exploration/development stage, may be considered to be weighted higher earlier in the curve than pure commodity price risk which tends to have a greater impact on producers. Of course, commodity price risk can have a negative impact on liquidity and sentiment in more junior exploration and development companies.

The Equity Investment segment of the Group's operations is exposed to price risk within the market, interest rate changes, liquidity risk and volatility particularly in Australia. Although the investment risk within the portfolio is dependent on many factors, the Group's principal investments at the year-end are in companies with significant copper assets and, to some extent, dependent on the market's view of copper prices, perceived outlook for copper demand/supply and/or the market's view of the management of the companies in managing those assets.

The Directors mitigate risk by carrying out a comprehensive and thorough project/company review of any potential investment in which all material aspects will be subject to rigorous due diligence. Exposure to market risk as regards the Company's borrowings is managed by hedging the assets acting as security for those borrowings. The Directors believe that the Company has sufficient cash resources to pursue its investment strategy.

OUTLOOK AND GOING CONCERN

OUTLOOK

The global economy in 2024 has navigated past the turbulence caused by the COVID-19 pandemic, yet it continues to adapt to the dynamic interplay of geopolitical factors and macroeconomic policies. Central banks globally, having addressed the inflation surge with aggressive monetary tightening, are now moving towards a more balanced approach to interest rates. This shift comes as inflationary pressures show signs of easing, though the cost-of-living concerns and the threat of economic contraction in several advanced economies persist.

The commodities outlook for 2024 is cautiously optimistic, buoyed by supportive fundamentals, anticipated monetary policy easing from the Federal Reserve, and the potential for a weaker US dollar to lift commodity prices. Nonetheless, the persistence of global growth uncertainties and geopolitical tensions suggests a backdrop of potential market volatility. Energy commodities may experience complex dynamics with potential price fluctuations in response to OPEC+ strategies and geopolitical developments. Broader metals demand is expected to be shaped by the economic performance of key markets like China. The sector's performance will likely be influenced by the accelerating decarbonization trend, which impacts a range of commodities critical for the transition to cleaner energy.

Within this landscape, the Company maintains a prudent yet positive outlook for the mining industry. The Board upholds its confidence that the Company is strategically aligned to capitalize on the shift towards a low-carbon economy, which is expected to catalyse further investment prospects, particularly in businesses linked to the requisite supply chains for this transition.

GOING CONCERN

The Directors have reviewed a cash flow forecast for a period of at least 12 months from the date of approval of these financial statements which demonstrate that the Group and the Company is able to meet its commitments as they fall due.

In addition, thereto:
At the year end the Group had current assets of £14,092,000, including cash balances of £1,453,000 and freely tradeable quoted investments in excess of £10,000,000 compared with short-term liabilities of £338,000.

Whilst equity prices are volatile due to factors such as the evolving impacts of global economic recoveries post-pandemic and ongoing international tensions the Board believes that the Group and Company has access to sufficient liquid, or readily converted to liquid, funds in order trade through the crisis given the non-discretionary cash burn rate of the Company.

Accordingly, the Directors have a reasonable expectation that the Group and Company will have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

The Review of Operations has been approved by the Board and is signed on their behalf by:

Michael McNeilly
Chief Executive Officer
27 March 2024

Michael McNeilly

CHAIRMAN'S CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Company has adopted the QCA Code and where appropriate the further requirements required by the application of the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) and, consistent with ASX listing rule 4.10.3, this section of the Report and Accounts explains how it complies with the QCA Code and ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) or, where it departs from each applicable corporate governance code, to explain the reasons for so doing.

The Board is fully committed to a high standard of corporate governance based on practices which are proportional to the size, risks and operation of the business. In adopting the QCA Code and where appropriate the further requirements required by the application of the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) the Board recognises its principles and practices which seek to focus on the creation of medium to long term value for shareholders without stifling the entrepreneurial spirit in which small to medium sized companies, such as Strata, have been created. Notwithstanding the decision of the board to cancel the Company's admission to AIM, the Board has committed to maintaining the QCA Code requirements for the ensuing year, at least.

In this section of the Report and Accounts we also detail generally the approach the Board takes to corporate governance and set out how the Company complies with the majority of principles within the QCA Code and where appropriate the further requirements required by the application of the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition). It also explains where we have decided that the recommendations in the QCA Code and/or ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) in relation to evaluating board performance are not appropriate to our size and operations at present.

My role as Chairman is to provide leadership of the Board and ensure its effectiveness on all aspects of its remit to maintain control of the Group. I am also responsible for the implementation and practice of sound corporate governance. As an independent Non-Executive Director, I maintain an adequate degree of separation from the day-to-day management of the Company in performing that role.

In the spirit of the QCA Code and where appropriate the further requirements required by the application of the ASX Corporate Governance Principles and Recommendations (ASX Corporate Governance Council, 4th Edition) it is the Board's job to ensure that the Group is managed for the long-term benefit of all shareholders and other stakeholders with effective and efficient decision-making. Corporate governance is an important part of that job, reducing risk and adding value to the Group. The Board will continue to monitor the governance framework of the Group as it grows.

The Company does not have a formal nomination committee, however it does formally consider Board succession issues and whether the board has the appropriate balance of skills, knowledge, experience, and diversity. This evaluation is undertaken collectively by the Board. Furthermore, the Company does not have and disclose a formal process for periodically evaluating the performance of the Board, its committees, individual directors or senior executives nor does it disclose, in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process. This evaluation is undertaken collectively by the Board via an informal process.

The Company does not have a formal risk committee, however it does formally consider and oversee risk matters and issues in accordance with its Risk Management Policy. This evaluation is undertaken collectively by the Board.

The remuneration of the Executive Directors is fixed by the Remuneration Committee which comprises two Non-Executive Directors, Charles Hall and David Wargo, The Remuneration Committee is responsible for reviewing and determining Company policy on executive remuneration and the allocation of long-term incentives to executives and employees. The full terms of reference of the Remuneration Committee are given on the Company's website.

The Company also has an Audit Committee, which comprises two Non-Executive Directors, Charles Hall and David Wargo. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported upon and that any such reports are understood by the Board. The Committee meets at least twice each year to review the published financial information, the effectiveness of external audit, and internal financial controls. The terms of reference of the Audit Committee are given on the Company's website. The Company's external auditor attends the Audit Committee to present its findings on the audit and to provide a direct line of communication with the Directors.

The Company has a diversity policy but has not yet set measurable objectives for achieving gender diversity in the composition of its board, senior executives and workforce generally. At this stage the Company has not set any measurable objectives under the policy as there have not been appointments to the Board or in senior management roles and no such appointments are contemplated at this time.

The Appendix 4G, "Key to disclosures Corporate Governance Council Principles and Recommendations" in terms of Listing Rules 4.7.3 and 4.10.3 of the ASX for the year ended 31 December 2023, and further information on the Company's corporate governance policies and practices can be found at www.strataplc.com.

Charles Hall
Chairman
27 March 2024

SECTION 172 REPORT

As required by Section 172 of the Companies Act, a director of a company must act in the way he or she considers, in good faith, would likely promote the success of the Company for the benefit of the shareholders. In doing so, the director must have regard, amongst other matters, to the following issues:

- the likely consequences of any decisions in the long-term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers/customers and others;
- the impact of the Company's operations on the community and environment;
- the Company's reputation for high standards of business conduct; and
- the need to act fairly between members of the Company.

As set out above in the Review of operations the Board remains focused on providing for shareholders through the long- term success of the Company. The means by which this is achieved is set out further below.

Likely consequences of any decisions in the long-term;

The Review of operations sets out the Company's strategy. In applying this strategy, particularly in seeking new Investments and strategic holdings in other public companies the Board assesses the long-term future of those companies with a view to shareholder return. The approach to general strategy and risk management strategy of the Group is set out in the Statement of Compliance with the Quoted Companies Alliance ("QCA") Corporate Governance Code (the "QCA Code") (Principles 1 and 4) on page 40.

Interest of Employees

The Group has a very limited number of employees and all have direct access to the Executive Directors on a daily basis and to the Chairman, if necessary. The Group has a formal Employees' Policy manual which includes process for confidential report and whistleblowing.

Need to foster the Company's business relationships with suppliers/customers and others;

The nature of the Group's business is such that the majority of its business relationships are with Corporate suppliers, and Investment Brokers and with, the boards of directors of the companies in which the Group has strategic stakes to the extent that such relationships are permitted, and with suppliers for services. As the success of the business primarily depends on its relationship with its partners and investees, the Executive Directors manage these relationships on a day-to-day basis. Where possible, the Group will take a board, or similar appointment, in strategic investees to ensure that there is a close and successful ongoing dialog between the parties. Service providers are paid within their payment terms and the Group aims to keep payment periods under 30 days wherever practical.

Impact of the Company's operations on the community and environment;

The Group takes its responsibility within the community and wider environment seriously. Its approach to its social responsibilities is set out in the Statement of Compliance with the QCA Code (Principle 3) on page 40.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Directors are committed to high standards of business conduct and governance and have adopted the QCA Code which is set out on pages 40 to 41. Where there is a need to seek advice on particular issues, the Board will consult with its lawyers and nominated advisors to ensure that its reputation for good business conduct is maintained.

The need to act fairly between members of the Company

The Board's approach to shareholder communication is set out in the Statement of Compliance with the (Principle 2) on page 40. The Company aims to keep shareholders fully informed of significant developments in the Group's progress. Information is disseminated through Stock Exchange announcements, website updates and, where appropriate video-casts. During 2023 the Company issued 59 stock exchange announcements on operational, governance and compliance matters and released three videos or recordings to update shareholders. All information is made available to all shareholders at the same time and no individual shareholder, or group of shareholders, is given preferential treatment.

On behalf of the Board

Michael McNeilly
Chief Executive Officer
27 March 2024

BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

BOARD OF DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Group. The Board is responsible for approving Group policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. Management supplies the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Training is available for new Directors and other Directors as necessary. Given the size of the Board, there is no separate Nomination Committee. All Director appointments are approved by the Board as a whole.

The Board has a formal schedule of matters reserved to it and these include:

- the approval of financial statements, dividends and significant changes in accounting practices;
- Board membership and powers including the appointment and removal of Board members, determining the terms of reference of the Board and establishing the overall control framework;
- ASX Stock Exchange related issues and communications with the shareholders, and the Stock Exchanges;
- senior management and subsidiary Board appointments and remuneration, contracts and the grant of share options;
- key commercial matters;
- risk assessment;
- financial matters including the approval of the budget and financial plans, changes to the Group's capital structure, the Group's business strategy, acquisitions and disposals of businesses and investments and capital expenditure; and
- other matters including health and safety policy, insurance and legal compliance.

Other matters are delegated to the Executive Directors who regularly update and consult with the Board on matters arising and decisions to be taken, fully utilising the in-depth experience of Board members on such matters.

Remuneration of Executive Directors is decided by the Remuneration Committee as detailed below. The remuneration of Non-Executive Directors is determined by the Board as a whole. In setting remuneration levels, the Company seeks to provide appropriate reward for the skill and time commitment required so as to retain the right caliber of director at a cost to the Company which reflects current market rates. Details of Directors' fees and of payments made for professional services rendered are set out in note 8 to the financial statements.

The current Board of Directors with biographies is set out on page 39.

Charles Hall is the Non-Executive Chairman and his role is described in the Chairman's Corporate Governance Statement above.

Michael McNeilly is Chief Executive Officer. The role of the Chief Executive Officer is the strategic development of the Group and for communicating this clearly to the Board and, once approved by the Board, for implementing it. In addition, the Chief Executive Officer is responsible for overseeing the management of the Group and its executive management.

David Wargo is the remaining Non-Executive Directors and is considered to be the senior independent Director.

Attendance at Board meetings during the year ended 31 December 2023 was as follows:

Director	Max number of meetings	Actual attendance
Charles Hall	14	14
Michael McNeilly	14	14
Mark Potter (resigned 12 March 2023)	5	5
Neville Bergin (resigned 31 January 2023)	4	4
David Wargo	14	14

AUDIT COMMITTEE

The Audit Committee, which comprises two Non-Executive Directors, Charles Hall and Neville Bergin (resigned 31 January 2023) replaced with David Wargo. The size of the committee is deemed appropriate by the directors given the size and complexity of the business. The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported upon and that any such reports are understood by the Board. The Committee meets at least twice each year to review the published financial information, the effectiveness of external audit, and internal financial controls. The terms of reference of the Audit Committee are given on the Company's website.

The Company's external auditor attends the Audit Committee to present its findings on the audit and to provide a direct line of communication with the Directors.

Attendance at Audit Committee meetings during the year ended 31 December 2023 was as follows:

Director	Max number of meetings	Actual attendance
Charles Hall	2	2
Neville Bergin	2	2

REMUNERATION COMMITTEE

The remuneration of the Executive Directors is fixed by the Remuneration Committee which comprises two Non-Executive Directors, Charles Hall and Neville Bergin (resigned 31 January 2023) replaced with David Wargo. The size of the committee is deemed appropriate by the directors given the size and complexity of the business The Remuneration Committee is responsible for reviewing and determining Company policy on executive remuneration and the allocation of long term incentives to executives and employees. The full terms of reference of the Remuneration Committee are given on the Company's website.

Attendance at Remuneration Committee meetings during the year ended 31 December 2023 was as follows:

Director	Max number of meetings	Actual attendance
Charles Hall	2	2
Neville Bergin	1	1
David Wargo	1	1

Cobre: RTK base station for differential GPS survey, NCP

DIRECTORS' BIOGRAPHIES

DIRECTORS' BIOGRAPHIES

Charles Hall
Non-Executive Chairman

Charles Hall was appointed Non-Executive Chairman in December 2016 and is an experienced International Banker with over 30 years with HSBC in a variety of finance and insurance roles. His last position was as CEO & MD HSBC Private Bank (Luxembourg) S.A. He has had significant overseas senior management experience as well as that of running complex businesses. His prime focus has been on strategy and corporate restructuring with the emphasis on re focusing businesses on their core revenue streams. Charles holds a BA (Hons) from the University of Sussex, is an Associate of the Hong Kong Institute of Bankers and is a Fellow of the Royal Geographical Society.

Length of service: 7 years

Michael McNeilly
Chief Executive Officer

Michael McNeilly was appointed in December 2016 Michael McNeilly was appointed in December 2016 as Chief Executive Officer, and a nominee Director of Cobre Limited appointed by Strata. As a nominee Non-Executive Director of MOD Resources Limited, he was actively involved in the Sandfire Resources NL recommended scheme offer for MOD which saw Strata receive circa 6.3m shares in SFR. Michael resigned from the Board of MOD as part of the scheme of arrangement. Michael has formerly been a Non-Executive Director of Greatland Gold plc and a Non-Executive Director at Arkle Resources plc. Michael serves as a director on numerous Strata investment and subsidiary entities including notably Kalahari Metals Limited and as a nominee Non-Executive Director of Iondrive Limited and Cobre Limited. Michael was appointed CEO of Strata in December 2016.

Michael previously worked as a corporate financier with both Allenby Capital and Arden Partners plc (AIM: ARDN) advising on numerous private and public transactions including several IPOs. Michael also worked as a corporate executive at Coinsilium (NEX: COIN) where he worked with early stage blockchain focused start-ups. Michael studied Biology at Imperial College London and has a BA in Economics from the American University of Paris. Michael is fluent in French.

Length of service: 7 years

David Wargo
Non-Executive Director

David Wargo, who was appointed as a Director on 1 October 2020. David Wargo is a senior natural resource investment banker with over 21 years of experience in the mining industry and banking industry. He is currently a managing director of Investment Banking at Sprott Capital Partners, a division of Sprott Inc. Prior to this, he held a number of senior positions, including as a managing director of the Investment Banking Division at GMP Securities L.P. David has an industry background, having worked for 10 years as a chemical engineer in the mining and oil and gas sectors. David holds an Executive MBA.

Length of service: 3 years

COMPLIANCE WITH THE QCA CODE OF PRACTICE

The sections below set out the requirements of the QCA Code and how the Company complies with them.

Principle 1: Establish a strategy and business model which promotes long term value for shareholders.

Strata's mission is to deliver a high return for shareholders by investing in significantly undervalued and/or highly prospective opportunities in the mineral exploration and development sector timed to coincide, where possible, with a cyclical recovery in the exploration and mining markets.

The details of our strategy and the key challenges for the Group are set out in the Strategic Report.

Principle 2: Seek to understand and meet shareholder needs and expectations.

Shareholder engagement is the joint responsibility of the Chairman and the Chief Executive Officer.

The Company is committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. Significant developments are disseminated through Stock Exchange announcements and regular updates of the Company website. The AGM is a forum for shareholders to engage in dialogue with the Board. The results of the AGM will be published via Stock Exchange announcements and on the Company's website.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success.

Strata is committed to conducting its business in an efficient and responsible manner, in line with current best practice guidelines for the mining and mineral exploration sectors and international investment. The Company integrates environmental, social and health and safety considerations to maintain its "social licence to operate" in all its investing activities.

For the Company's Project investments, Strata has adopted and seeks alignment with the best practices and principles of e3 Plus: A Framework for Responsible Exploration as set out by the Prospectors and Developers Association of Canada and the International Council on Mining and Metals Sustainable Development Framework (the ICMM 10 Principles).

Strata's management maintains a close dialogue with local communities via its joint venture partners. Where issues are raised, the Board takes the matters seriously and, where appropriate, steps are taken to ensure that these are integrated into the Company's strategy.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The Board reviews the risks facing the business as part of the operational review at each Board meeting. Investment risk, as regards acquiring, holding or selling investments, is carried out in line with the Investment Policy described in the Strategic Review and the Investment Policy itself is reviewed on an on-going basis as market conditions change.

The Company has a system of financial controls and reporting procedures in place which are considered to be appropriate given the size and structure of the Group and the nature of risks associated with the Group's assets. Key procedures include:

- due diligence on new acquisitions;
- Board level liaison with management of major investees and joint venture partners including, where appropriate, board representation;
- monthly management account reporting;
- daily review of investments and market risk with monthly reporting to the Board;
- regular cashflow re-forecasting as circumstances change; and
- involvement of the Executive Directors in the day-to-day operations of the Company and its subsidiaries.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the chair.

The role of the Chairman in ensuring that the Board is functioning appropriately is described in the Chairman's Statement above. The Board currently comprises one Executive Director (Michael McNeilly) and two Non-Executive Directors (Charles Hall, David Wargo) led by the Chairman. Day-to-day operational control rests with the Chief Executive Officer, Michael McNeilly. Charles Hall is considered to be the independent Non-Executive Directors in terms of the QCA Code.

Executive Directors are full time and Non-Executive Directors are expected to attend all Board meetings and be available to provide advice to the executive Board members whenever necessary. Details of attendance at Board and committee meetings are given above.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities.

The biographies of the members of the Board are given on page 39. The Board believes that the members have a wide experience of the markets in which the Group operates and the skills necessary to enable the Company to carry out its strategy.

Where appropriate the Board appoints advisors to assist it in carrying out this strategy including geologists, surveyors, mining experts, corporate brokers, accountants and lawyers. The Company also ensures it is in regular contact with its nominated advisors, Strand Hanson Limited. The Company Secretary provides advice and guidance, as required, to the Board on regulatory matters, assisted by the Company's lawyers.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.

Strata's Board is completely focused on implementing the Company's strategy. However, given the size and nature of Strata, the Board does not consider it appropriate to have a formal performance evaluation procedure in place. The Board will closely monitor the situation as required.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours.

Careful attention is given to ensure that all exploration activity within the Company's investments is performed in an environmentally responsible manner and abides by all relevant mining and environmental acts. Strata takes a conscientious role in all its operations and is aware of its social responsibility and its environmental duty.

Both the engagement with local communities and the performance of all activities in an environmentally and socially responsible way are closely monitored by the Board and ensure that ethical values and behaviours are recognised.

The Company has adopted a comprehensive anti-corruption and anti-bribery policy to ensure compliance with the UK Bribery Act 2010.

The size of the Group makes it practical for the Executive Directors to have day-to-day contact with all members of staff and to ensure that they abide by the Group's policies. The Board as a whole oversees the role of the Executive Directors in these matters.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.

The details of the roles and responsibilities of the Board are given under "Board of Directors and Committees of the Board" above together with the corporate governance structures which the Group has in place. The composition of the Board, its committees, and the governance structures in general are kept under review by the Board, informed by its advisors, and will be updated as appropriate as the Group evolves.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Company's approach to communication with shareholders and others is set out under Principles 2 and 3 above.

COMPLIANCE WITH THE ASX CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS - (ASX Corporate Governance Council, 4th Edition.)

The sections below set out the requirements of the principles and how the Company complies with them.

Principle 1: Lay solid foundations for management and oversight.

The role of the Chairman in ensuring that the Board is functioning appropriately is described in the Chairman's Statement above. The Board currently comprises one Executive Director (Michael McNeilly) and two Non-Executive Directors (Charles Hall, David Wargo) led by the Chairman. Day-to-day operational control rests with the Chief Executive Officer, Michael McNeilly, Charles Hall is the independent Non-Executive Director.

Executive Directors are full time and Non-Executive Directors are expected to attend all Board meetings and be available to provide advice to the executive Board members whenever necessary.

All Directors and senior executives have written agreements setting out the terms of their appointment.

The Company has not yet set any measurable objectives under the Policy as there have not been appointments to the Board or in senior management roles and no such appointments are contemplated at this time.

For further details refer to the Boards Charter and the Diversity policy at www.strataplc.com/Corporate-Governance

Principle 2: Structure the board to be effective and add value.

The composition of the Board, its committees, and the governance structures in general are kept under review by the Board, informed by its advisors, and will be updated as appropriate as the Group evolves.

The company secretary is accountable directly to the Board, through the chair, on all matters to do with the proper functioning of the Board.

For further details on the boards skills matrix refer to www.strataplc.com/Corporate-Governance

Principle 3: Instill a culture of acting lawfully, ethically and responsibly.

Careful attention is given to ensure that all exploration activity within the Company's investments is performed in an environmentally responsible manner and abides by all relevant mining and environmental acts. Strata takes a conscientious role in all its operations and is aware of its social responsibility and its environmental duty.

Both the engagement with local communities and the performance of all activities in an environmentally and socially responsible way are closely monitored by the Board and ensure that ethical values and behaviors are recognised.

The Company has adopted a comprehensive list of policies to install and monitor the said culture:

Ant-Bribery Policy, Business code of conduct, and whistleblowers policy.

For further details refer to www.strataplc.com/Corporate-Governance

The size of the Group makes it practical for the Executive Directors to have day-to-day contact with all members of staff and to ensure that they abide by the Group's policies. The Board oversees the role of the Executive Directors in these matters.

Principle 4: Safeguard the integrity of corporate reports.

The Audit and Risk committee and the Board review all the reports that encompass the periodic release of Financial Performance (Yearly Financial Statements, the Interim Financial Statements and Appendix 4e.

All material market announcements are distributed to the Board prior to release or as a minimum shortly thereafter.

The Company has adopted comprehensive policies including Communications and Continuous Disclosure policies.

For further details refer to www.strataplc.com/Corporate-Governance

Principle 5: Make timely and balanced disclosure.

The Company is committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. Significant developments are disseminated through Stock Exchange announcements and regular updates of the Company website. The AGM is a forum for shareholders to engage in dialogue with the Board. The results of the AGM will be published via Stock Exchange announcements and on the Company's website.

Principle 6: Respect the rights of security holders.

Shareholder engagement is the joint responsibility of the Chairman and the Chief Executive Officer.

The Company is committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. Significant developments are disseminated through Stock Exchange announcements and regular updates of the Company website. The AGM is a forum for shareholders to engage in dialogue with the Board. The results of the AGM will be published via Stock Exchange announcements and on the Company's website.

Principle 7: Recognise and manage risk.

The Board reviews the risks facing the business as part of the operational review at each Board meeting. Investment risk, as regards acquiring, holding or selling investments, is carried out in line with the Investment Policy described in the Strategic Review and the Investment Policy itself is reviewed on an on-going basis as market conditions change.

The Company has a system of financial controls and reporting procedures in place which are considered to be appropriate given the size and structure of the Group and the nature of risks associated with the Group's assets.
Key procedures include:

- due diligence on new acquisitions;
- Board level liaison with management of major investees and joint venture partners including, where appropriate, board representation;
- monthly management account reporting;
- daily review of investments and market risk with monthly reporting to the Board;
- regular cashflow re-forecasting as circumstances change; and
- involvement of the Executive Directors in the day-to-day operations of the Company and its subsidiaries.

The Company has adopted a comprehensive Risk Management policy.

For further details refer to www.strataplc.com/Corporate-Governance

8: Remunerate fairly and responsibly.

The remuneration of the Executive Directors is fixed by the Remuneration Committee which full the full year, comprised of two Non-Executive Directors, Charles Hall and David Wargo, The Remuneration Committee is responsible for reviewing and determining Company policy on executive remuneration and the allocation of long term incentives to executives and employees.

For further details on the Remuneration and Nomination Charter refer to www.strataplc.com/Corporate-Governance

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their report together with the audited financial statements for the year ended 31 December 2023.

A review of the business and principal risks and uncertainties has been included in the Strategic Report.

DIVIDENDS

No interim dividend was paid (2022: £Nil) and the Directors do not propose a final dividend (2022: £Nil) for the 12 months ended 31 December 2023.

DIRECTORS

The Directors of the Company who held office during the year and to the date of this report were as follows:

Charles Patrick Stewart Hall (Chairman)
David Michael McNeilly
Mark Roderick Potter (resigned 12 March 2023)
Neville Keith Bergin (resigned 31 January 2023)
David Alan Wargo

Further details of the Directors' remuneration are given in note 7, details of Directors' share options are given in note 22 and the Directors' interests in transactions of the Group and the Company are given in note 24.

FUTURE DEVELOPMENTS

The future developments of the business are set out in the Strategic Report under "Post Year End Developments" and are incorporated into this report by reference.

FINANCIAL INSTRUMENTS

Details of the Group's financial instruments are given in note 23.

SIGNIFICANT SHAREHOLDERS

As at 24 March 2024 the following were, as far as the Directors are aware, interested in 3% or more of the issued share capital of the Company.

Name	Number of ordinary shares	% of issued ordinary share capital
Michael Joseph	15,773,893	9.31%
Exploration Capital Partners	14,000,000	8.26%
Terry Grammer-Estate	6,966,500	4.11%
RIBO Trust (beneficially owned by Rick Rule)	6,000,000	3.54%
Johannes Grefte	5,154,434	3.04%

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Group's financial risk management objectives and policies are set out in note 26 to these financial statements.

SIGNIFCANT DECISIONS TAKEN BY THE SHAREHOLDERS DURING THE YEAR

The following post year events have taken place.

General Meeting:

At a general meeting of the Company, held on 20 March 2023, resolutions were approved by shareholders on the following matters.

1. A new investment policy (refer also to: Investment Policy section)
2. The cancellation of all the existing Option Schemes
3. The implementation of proposed new Option Schemes, and certain awards pursuant thereto.

Cancellation of its admission to the AIM market of the London Stock Exchange ("AIM")

The Company has announced the cancellation of its admission to the AIM market on 31 March 2023, with the last day of trading of shares on the AIM market being the 30 March 2023.

Name Change of the Company

The Board intends to change the name of the Company to Strata Investment Holdings plc shortly following the AIM Cancellation.

POST YEAR END EVENTS

The following post year events have taken place.

Sandfire Resources Limited

The Company has received a further payment of the equivalent of £976k in respect of the capped T3 royalty.

Cobre

The Company has acquired on market a further net 9,738,860 shares in Cobre Limited for the equivalent of £362k.

The Company committed to subscribe to over and above the on-market net purchases above to purchasing a further 15,384,616 shares in the raise announced on 4 March 2024 at a cost of A$800k, subject to shareholders approval. Again subject to shareholders' approval, the subscription will also be accompanied with 7,692,308 attaching options exercisable at A$.078 each and have an expiry date that is 3 years after the issue date.

Genmin

The Company has acquired 4,000,000 shares via a placement in Genmin Limited for the equivalent of £206k.

Other Events

Details of purchases of Equity investments since the year end and post year end developments at the respective portfolio level are included in the Strategic Report section.

INTERNAL CONTROL

The Directors acknowledge they are responsible for the Group's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Group failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has well established procedures which are considered adequate given the size of the business.

DIRECTORS' INDEMNITY INSURANCE

As permitted by Section 233 of the Companies Act 2006, the Company has purchased insurance cover on behalf of the Directors indemnifying them against certain liabilities which may be incurred by them in relation to the Group.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare Group and Company financial statements in accordance with UK adopted International Accounting Standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that period. The Directors are also required to prepare financial statements in accordance with the rules of the Australian Stock Exchange 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;
- state whether they have been prepared in accordance with UK adopted International Accounting Standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

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

In the case of each person who was a Director at the time this report was approved:

- so far as that Director is aware there is no relevant audit information of which the Company's auditor is unaware; and
- that Director has taken all steps that the Director ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

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

AUDITOR

A resolution to re-appoint Crowe U.K. LLP as auditor of the Company for the year ended 31 December 2024 will be proposed at the forthcoming Annual General Meeting.

By order of the Board

Adrian Bock
Secretary
27 March 2024

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF STRATA INVESTMENT HOLDINGS PLC

Opinion

We have audited the financial statements of Strata Investment Holdings plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 December 2023, which comprise:

- the Group statement of comprehensive income for the year ended 31 December 2023;
- the Group and Parent Company statements of financial position as at 31 December 2023;
- the Group and Parent Company statements of cash flows for the year then ended;
- the Group and Parent Company statements of changes in equity for the year then ended; and
- the notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the Parent Company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework the Financial Reporting Standard applicable in the UK (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2023 and of the Group's loss for the period then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

- Assessing the cash flow requirements of the Group based on budgets and forecasts;
- Understanding what forecast expenditure is committed and what could be considered discretionary;
- Considering the liquidity of existing assets on the statement of financial position;
- Considering the ability to generate sufficient cash; and-
- Considering potential downside scenarios and the resultant impact on available funds.

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

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

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £450,000 (2022: £570,000), representing approximately 1.8% of the Group's net assets at the planning stage. We did not consider it appropriate subsequently to amend our assessment. Materiality for the Parent Company financial statements as a whole was set at £440,000 (2022: £560,000) representing approximately 1.8% of the company net assets at the planning stage.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £315,000 (2022: £399,000) for the group and £308,000 (2022: £392,000) for the parent.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £13,500 (2022: £17,100). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The parent company's operations are based in the UK. Our audit was conducted from the UK. The group has components accounted for in Thailand which were not considered to be significant for the scope of the consolidated audit. The UK audit team undertook analytical procedures over the balances within the non-significant components.

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 (whether or not due to fraud) that we identified. These matters included 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.

This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF STRATA INVESTMENT HOLDINGS PLC

Key audit matter	***How the scope of our audit addressed the key audit matter***
Income Recognition: Realised and unrealised gains on investments – Note 4 Given the nature of the business the key group income generated relates to the movements in fair value of investments held for trading and the (loss)/gain on investments disposed. There is a risk of error in relation to the measurement of the fair value, in particular to those which cannot be agreed to directly observable market data.	*Our procedures included:* - Agreeing a sample of the disposal of investments during the year to supporting documentation, including the date of disposal, consideration proceeds and recalculating gains or losses arising; - Reviewing disposals either side of the year end ensuring that the income has been appropriately accounted for within the correct period. - Agreeing a sample of investments at the yearend by recalculation, using market data available on share prices and exchange rates.
Classification, measurement and valuation of investments – Note 15 The group holds a number of different types of investment where judgement is required when determining the accounting treatment and whether they are accounted for as investments in subsidiaries, investments in joint ventures, investments in associates or direct equities division investments. In addition, certain investments cannot be agreed to directly observable market data, in particular investments in the associates, investments in joint ventures and the investments held in share warrants. For these investments, management has determined alternative approaches to ensure that these are appropriately valued at the year end.	*Our procedures included:* - For a sample of investments during the year, considering the classification determined by management which included consideration of their structure, legal form, contractual agreement, percentage ownership and any other facts and circumstances available. - Agreeing the year end value of a sample of investments to observable data to verify the carrying value of those investments. Discussing the assumptions determined by management for investments not agreeable to observable market data, challenging where appropriate, as well considering evidence for impairment of the investments. - Considering the adequacy of the disclosures made in the financial statements which are considered as significant area of judgement.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

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

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 45, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF STRATA INVESTMENT HOLDINGS PLC

Auditor's responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation. Technical, or regulatory laws and regulations which are inherent risks in extractive industries are mitigated and managed by the Board and management in conjunction with expert regulatory consultants in order to monitor the latest regulations and planned changes to the regulatory environment.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals including validation to underlying support and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.
This description forms part of our auditor's report.

Use of our report

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

John Glasby (Senior Statutory Auditor)
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
27 March 2024

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £'000	2022 £'000
Loss on sale of interests in exploration in Botswana.		-	(833)
Loss on disposal of investments	15	(98)	(1,156)
Movement in fair value of fair value accounted equities	4	(3,860)	(3,954)
Share of post-tax losses of equity accounted joint ventures		-	(116)
Provision against cost of long term investments		-	(107)
Capital markets fee income		8	-
Investment income	5	44	146
Net loss before administrative expenses		(3,906)	(6,020)
Administrative expenses		(2,874)	(2,607)
OPERATING LOSS	3,6	(6,780)	(8,627)
Finance income	8	943	2,854
Finance costs	9	(1,363)	(905)
LOSS BEFORE TAXATION	3	(7,200)	(6,678)
Tax on profit on ordinary activities	10	(306)	49
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	6	(7,506)	(6,629)
OTHER COMPREHENSIVE INCOME - ITEMS WHICH MAY BE			
SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS:			
Exchange differences on translation of foreign operations		222	(306)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(7,284)	(6,935)
LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent		(7,506)	(6,629)
Non-controlling interest		-	-
LOSS FOR THE YEAR		(7,506)	(6,629)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO:			
Owners of the parent		(7,283)	(6,937)
Non-controlling interest		(1)	2
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(7,284)	(6,935)
LOSS PER SHARE			
Basic loss per share	12	(4.43p)	(3.91p)
Fully diluted loss per share	12	(4.43p)	(3.91p)

CONSOLIDATED AND COMPANY STATEMENTS OF FINANCIAL POSITION

AT 31 DECEMBER 2023

	Note	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
NONCURRENT ASSETS					
Intangible assets		13	-	18	-
Property, plant and equipment		80	-	145	-
Deferred tax asset	10	-	-	2,213	2,213
Royalties receivable	14	11,391	11,391	12,753	12,753
		11,484	11,391	15,129	14,966
CURRENT ASSETS					
Equity investments accounted for under fair value	15	11,523	11,523	24,565	24,565
Trade and other receivables	16	356	115	624	201
Royalties receivable	14	1,098	1,098	-	-
Cash and cash equivalents	17	1,453	1,367	885	860
		14,430	14,103	26,074	25,626
CURRENT LIABILITIES					
Trade and other payables	18	290	264	594	390
Loans and borrowings	19	48	-	6,291	6,241
		338	264	6,885	6,631
NET CURRENT ASSETS		14,092	13,839	19,189	18,995
NON-CURRENT LIABILITIES					
Deferred tax liability	10	306	306	2,213	2,213
Contingent consideration	20	126	126	132	132
		432	432	2,345	2,345
NET ASSETS		25,144	24,798	31,973	31,616
CAPITAL AND RESERVES					
Share capital	21	170	170	170	170
Share premium account	21	15,704	15,704	15,704	15,704
Capital redemption reserve	21	4	4	4	4
Share based payment reserve		223	223	2,279	2,279
Warrant reserve		83	83	83	83
Translation reserve		266	-	43	-
Retained profits		8,605	8,614	13,600	13,376
TOTAL SHAREHOLDERS' FUNDS		25,055	24,798	31,883	31,616
Equity non-controlling interests		89	-	90	-
TOTAL EQUITY		25,144	24,798	31,973	31,616

*Retained profits include the Company's loss for the year after taxation of £7,273,000 (2022: loss £10,750,000).

These Financial Statements were approved by the Board of Directors on 27 March 2024 and were signed on its behalf by:

Michael McNeilly, Director
Company number: 04196004

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before taxation	(7,200)	(6,968)	(6,678)	(10,799)
Adjustments for:				
Loss on partial sale of interests in explorations in Botswana	-	-	833	833
Loss on disposal of investments	98	98	1,156	1,156
Movement in fair value of fair value accounted equities	3,860	3,860	3,954	3,954
Share of post-tax losses of equity accounted joint ventures	-	-	116	116
Movement in provision, and write-offs of, long term investments	-	-	107	107
Movement in provision against subsidiary investments	-	(65)	-	4,336
Share based payment charge for year	455	455	86	86
Depreciation and amortization	63	-	47	-
Investment income	(44)	(44)	(146)	(146)
Finance income	(943)	(968)	(2,854)	(2,845)
Finance costs	1,363	1,337	905	905
Operating cash flow before working capital changes	(2,348)	(2,295)	(2,474)	(2,297)
Decrease/(Increase) in trade and other receivables	268	86	(147)	(1)
(Decrease)/Increase in trade and other payables	(304)	(127)	282	146
Decrease/(Increase) in amounts due from subsidiaries	-	92	-	(634)
Unrealised foreign exchange gains and losses	(11)	(213)	110	384
Net cash outflow from operating activities	(2,395)	(2,457)	(2,229)	(2,402)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from current asset investment disposals	39,425	39,425	14,600	14,600
Purchase of fixed assets	-	-	(165)	-
Sale of investment in, and loans to, joint ventures	-	-	2,046	2,046
Proceeds from Royalties receivable	462	462	-	-
Purchase of current asset investments	(30,202)	(30,202)	(8,034)	(8,034)
Investment income	44	44	146	146
Net cash outflow from investing activities	9,729	9,729	8,593	8,758
CASH FLOWS FROM FINANCING ACTIVITIES				
Loans drawn down	2,673	2,673	4,620	4,620
Loans paid	(8,453)	(8,453)	(9,846)	(9,846)
Interest paid	(985)	(985)	(905)	(905)
Net cash (outflow)/from financing activities	(6,765)	(6,765)	(6,131)	(6,131)
NET INCREASE IN CASH AND CASH EQUIVALENTS	569	507	233	225
Cash and cash equivalents at beginning of year	885	860	648	635
Effect of exchange rate changes	(1)	-	4	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,453	1,367	885	860

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £'000	Share premium £'000	Capital Redemption reserve £'000	Share based payment reserve £'000	Warrant reserve £'000	Translation reserve £'000	Retained profits £'000	Total equity shareholders' funds £'000	Non-controlling interests £'000	Total equity £'000
BALANCE AT 1 JANUARY 2022	**170**	**15,704**	**4**	**2,343**	**3,048**	**351**	**17,114**	**38,734**	**88**	**38,822**
Loss for the year ended 31 December 2022	-	-	-	-	-	-	(6,629)	(6,629)	-	(6,629)
Other comprehensive income	-	-	-	-	-	(308)	-	(308)	2	(306)
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	(308)	(6,629)	(6,937)	2	(6,935)
Cost of share-based payments	-	-	-	86	-	-	-	86	-	86
Transfer of reserves relating to expiry/ cancellation of options	-	-	-	(150)	(2,965)	-	3,115	-	-	-
TOTAL CHANGES DIRECTLY TO EQUITY	-	-	-	(64)	(2,965)	-	3,115	86	-	86
BALANCE AT 31 DECEMBER 2022	**170**	**15,704**	**4**	**2,279**	**83**	**43**	**13,600**	**31,883**	**90**	**31,973**
Loss for the year ended 31 December 2023	-	-	-	-	-	-	(7,506)	(7,506)	-	(7,506)
Other comprehensive income	-	-	-	-	-	223	-	223	(1)	222
TOTAL COMPREHENSIVE INCOME	-	-	-	-	-	223	(7,506)	(7,283)	(1)	(7,284)
Cost of share-based payments	-	-	-	455	-	-	-	455	-	455
Transfer of reserves relating to expiry/ cancellation of options	-	-	-	(2,511)	-	-	2,511	-	-	-
TOTAL CHANGES DIRECTLY TO EQUITY	-	-	-	(2,056)	-	-	2,511	455	-	455
BALANCE AT 31 DECEMBER 2023	**170**	**15,704**	**4**	**223**	**83**	**266**	**8,605**	**25,055**	**89**	**25,144**

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Share based payment reserve £'000	Warrant reserve £'000	Retained profits £'000	Total equity £'000
Balance at 1 January 2022	**170**	**15,704**	**4**	**2,343**	**3,048**	**21,011**	**42,280**
Loss for the year and other comprehensive income for the year ended 31 December 2022	-	-	-	-	-	(10,750)	(10,750)
Cost of share-based payments	-	-	-	86	-	-	86
Transfer of reserves relating to expiry/cancellation of options	-	-	-	(150)	(2,965)	3,115	-
Total changes directly to equity	-	-	-	(64)	(2,965)	3,115	86
Balance at 31 December 2022	**170**	**15,704**	**4**	**2,279**	**83**	**13,376**	**31,616**
Loss for the year and other comprehensive income for the year ended 31 December 2023	-	-	-	-	-	(7,273)	(7,273)
Cost of share-based payments	-	-	-	455	-	-	455
Transfer of reserves relating to expiry/cancellation of options	-	-	-	(2,511)	-	2,511	-
Total changes directly to equity	-	-	-	(2,056)	-	2,511	455
Balance at 31 December 2023	**170**	**15,704**	**4**	**223**	**83**	**8,614**	**24,798**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1. GENERAL INFORMATION

Strata Investment Holdings plc is a public limited company incorporated in the United Kingdom. The shares of the Company are listed on the Australian Stock Exchange. The Group's principal activities are described in the Strategic Report.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

The Financial statements have been prepared in accordance with UK adopted International Accounting Standards. The Financial Statements have also been prepared under the historical cost basis, except in particular:

Items	Measurement Bases
Equity investments accounted for under fair value	Fair value
Royalties receivable	Fair value

As well as for certain assets and liabilities which are measured at fair value details of which are set out in the relevant policies below.

The financial statements are presented in UK pounds, which is also the Company's functional currency.

GOING CONCERN

The Directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which demonstrate that the Group is able to meet its commitments as they fall due. On this basis, the Directors have a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the Group's financial statements.

CHANGES IN ACCOUNTING POLICIES

New/Revised Standards and Interpretations adopted in 2023:

- IAS 1 "Presentation of Financial Statements"
- International Tax Reform – Pillar Two Rules (Amendments to IAS 12 Income Taxes)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)
- Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8 Accounting policies, Change in Accounting Estimates and Errors)

No new standards or amendments to standards that are mandatory for the first time for the financial year commencing 1 January 2023 affected any of the amounts recognised in the current year or any prior years.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective and the Group does not believe any of such standards and or amendments will have a significant impact on the Group's results of operations and financial position in the period of initial application.

Relevant Standards/Amendments thereto not yet effective for the financial statements for the year ended 31 December 2023:

- IAS 1 "Presentation of Financial Statements "regarding classification of Liabilities as Current or Non- Current

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Where such estimates and judgements are made by the management, they have been included in the specific accounting policies listed below and include Royalties receivable, non-listed equity investments and share-based payments.

FAIR VALUE OF INVESTMENTS

The Group's investments accounted for within the Equity Investment operating segment require measurement at fair value. Investments in shares in quoted entities traded in an active market and unquoted shares are valued as set out in "Current Assets Investments" below. The unquoted share warrants (Level 3) are shown at Directors' valuation based on a value derived from either Black-Scholes or Monte Carlo pricing models depending on the suitability of the method to the specific warrant taking into account the terms of the warrant and discounting for the non-tradability of the warrants where appropriate. Both pricing models use inputs relating to expected volatility that require estimations. Estimations used at year end are more fully disclosed in Note 18. No value is ascribed to warrants which include terms which cause the exercise price to be dependent on events outside the control of the Group and outcomes which are unable to be predicted with any certainty.

ROYALTIES RECEIVABLE

Royalties receivable are stated at fair value through profit or loss. Fair value is determined using a discounted cashflow model, the significant assumptions are disclosed in note 14.

Where royalty contracts have been entered into but the timing of receipts are unknown or cannot be reliably forecast, no value is attributed to the royalties.

The expected amounts to be received, the period over which they will be received and the appropriate discount rate are assessed on the date of acquisition of the royalty interests and re-assessed at each reporting date.

Considerations and estimations used to determine the carrying value at year end are more fully disclosed in Note 17.

Contracts are assessed on a contract-by-contract basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

BASIS OF CONSOLIDATION

The Consolidated Statement of Comprehensive Income and Statement of Financial Position include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2023.

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group and to non-controlling interests, even if this results in non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary without a loss of control is accounted for as an equity transaction. When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may require that the amounts previously recognised in other comprehensive income be reclassified to profit or loss.

SEGMENTAL REPORTING

The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker, which is identified as the Board of Directors. In identifying its operating segments, management generally follows the Company's service lines which represent the main products and services provided by the Company.

FOREIGN CURRENCY TRANSLATION

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction.

The results of overseas operations are translated at rates approximating to those ruling when the transactions took place. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position reporting date. All exchange differences are dealt with through the Statement of Comprehensive Income as they arise.

FINANCIAL ASSETS

The Company's financial assets comprise investments held in the Equity Investment at fair value, royalties receivable, trade receivables and cash and cash equivalents.

OTHER FIXED ASSET INVESTMENTS

Other fixed asset investments comprise equity interests which are not held for short term trading. The method of accounting for these assets is set out under "Accounting for Equity Investment Segmental Assets" below.

EQUITY INVESTMENTS ACCOUNTED FOR UNDER FAIR VALUE

Investment transactions are accounted for on a trade date basis. Incidental acquisition costs are expensed. Assets are derecognised at the trade date of the disposal. Where investments are traded in a liquid market, the fair value of the financial instruments in the Statement of Financial Position is based on the quoted bid price at the reporting date, with no deduction for any estimated future selling cost. Non-traded investments are valued by the Directors using primary valuation techniques such as, where possible, comparable valuations, recent transactions, last price and net asset value or, in the case of warrants, options and other derivatives on the basis of third party quotation or specific investment valuation models appropriate to the investment concerned.

Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income.

SHARE BASED PAYMENTS

All share based payments are accounted for in accordance with IFRS 2 – "Share based payments". The Company issues equity-settled share based payments in the form of share options and warrants to certain Directors, employees and advisors. Equity-settled share based payments are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of shares that will eventually vest.

Equity-settled share based payments are made in settlement of professional and other costs. These payments are measured at the fair value of the services provided which will normally equate to the invoiced fees and charged to the Statement of Comprehensive Income, share premium account or are capitalised according to the nature of the fees incurred.

Fair value is estimated using the Black-Scholes valuation model. The expected life used in the model has been adjusted on the basis of management's best estimate for the effects of non-transferability, exercise restrictions and behavioral considerations.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. SEGMENTAL INFORMATION

OPERATING SEGMENTS

Year ended 31 December 2023

	Equity Investments £'000	Royalty Investments £'000	Central costs £'000	Total £'000
COMPREHENSIVE INCOME:				
Capital Markets fee income	-	-	8	8
Net loss on investments	(3,958)	-	-	(3,958)
Investment income	44	-	-	44
Administrative expenses	-	(275)	(2,599)	(2,874)
Net finance income/(cost)	(36)	774	(1,158)	(420)
(Loss)/profit on ordinary activities before taxation	(3,950)	499	(3,749)	(7,200)
Taxation	-	(306)	-	(306)
(Loss)/profit for the year after taxation	(3,950)	193	(3,749)	(7,506)
FINANCIAL POSITION:				
Intangible assets	-	13	-	13
Property, plant and equipment	-	80	-	80
Royalties receivable	-	11,391	-	11,391
Total non-current assets	-	11,484	-	11,484
Current assets	11,523	1,098	1,809	14,430
Current liabilities	-	(75)	(263)	(338)
Non-current liabilities	-	-	(432)	(432)
Net assets	11,523	12,507	1,114	25,144

Equity Investments include strategic investments in resource exploration and development companies including equity and warrant holdings. Royalty Investments house the net smelter return ("NSR") royalty portfolio Central costs comprise those corporate costs which cannot be allocated directly to either operating segment and include office rent, audit fees, ASX costs, professional advisor costs together with corporate employees and Directors' remuneration relating to managing the business as a whole.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. SEGMENTAL INFORMATION (continued)

OPERATING SEGMENTS

Year ended 31 December 2022

	Equity Investments £'000	Project & Royalty Investments £'000	Central costs £'000	Inter-company £'000	Total £'000
COMPREHENSIVE INCOME:					
Net loss on investments	(5,071)	(949)	-	-	(6,020)
Intercompany sales	-	63	-	(63)	-
Administrative expenses	(77)	(484)	(2,109)	63	(2,607)
Net finance income	395	1,130	424	-	1,949
Loss on ordinary activities before taxation	(4,753)	(240)	(1,685)	-	(6,678)
Taxation	-	-	49	-	49
(Loss)/profit for the year after taxation	(4,753)	(240)	(1,636)	-	(6,629)
FINANCIAL POSITION:					
Intangible assets	-	18	-	-	18
Property, plant and equipment	-	145	-	-	145
Deferred tax asset	-	-	2,213	-	2,213
Royalties receivable	-	12,753	-	-	12,753
Total non-current assets	-	12,916	2,213	-	15,129
Current assets	24,565	450	1,059	-	26,074
Current liabilities	-	(257)	(6,628)	-	(6,885)
Non-current liabilities	-	(132)	(2,213)	-	(2,345)
Net assets	24,565	12,977	(5,569)	-	31,973

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. SEGMENTAL INFORMATION (continued)

GEOGRAPHICAL SEGMENTS

Year ended 31 December 2023

	UK £'000	EMEA £'000	Asia-Pacific £'000	Australasia £'000	Americas £'000	Total £'000
COMPREHENSIVE INCOME:						
Capital Markets fee income	-	-	-	8	-	8
Net (loss)/gain on investments	-	-	-	(4,359)	401	(3,958)
Investment income	-	-	-	42	2	44
Administrative expenses	(1,983)	-	(421)	(374)	(96)	(2,874)
Net finance income/(expense)	258	275	(252)	(705)	4	(420)
(Loss)/profit on ordinary activities before taxation	(1,725)	275	(673)	(5,388)	311	(7,200)
Taxation	(306)	-	-	-	-	(306)
(Loss)/profit for the year after taxation	(2,031)	275	(673)	(5,388)	311	(7,506)
FINANCIAL POSITION:						
Intangible assets	-	-	13	-	-	13
Property, plant and equipment	-	-	80	-	-	80
Royalties receivable	-	11,391	-	-	-	11,391
Total non-current assets	-	11,391	93	-	-	11,484
Current assets	212	1,098	344	9,460	3,316	14,430
Current liabilities	(58)	-	(75)	(120)	(85)	(338)
Non-current liabilities	(306)	-	(126)	-	-	(432)
Net assets	(152)	12,489	236	9,340	3,231	25,144

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

3. SEGMENTAL INFORMATION (continued)

GEOGRAPHICAL SEGMENTS (continued)

Year ended 31 December 2022

	UK £'000	EMEA £'000	Asia-Pacific £'000	Australasia £'000	Americas £'000	Inter-company £'000	Total £'000
COMPREHENSIVE INCOME:							
Net loss on investments	(64)	(918)	-	(4,342)	(696)	-	(6,020)
Intercompany sales	-	-	63	-	-	(63)	-
Administrative expenses	(1,989)	-	(415)	(216)	(50)	63	(2,607)
Net finance income/(expense)	(403)	2,158	296	(285)	183	-	1,949
(Loss)/profit on ordinary activities before taxation	(2,456)	1,240	(56)	(4,843)	(563)	-	(6,678)
Taxation	49	-	-	-	-	-	49
(Loss)/profit for the year after taxation	(2,407)	1,240	(56)	(4,843)	(563)	-	(6,629)
FINANCIAL POSITION:							
Intangible assets	-	-	18	-	-	-	18
Property, plant and equipment	-	-	145	-	-	-	145
Deferred tax asset	2,213	-	-	-	-	-	2,213
Royalties receivable	-	12,753	-	-	-	-	12,753
Total non-current assets	2,213	12,753	163	-	-	-	15,129
Current assets	1,303	-	460	24,065	246	-	26,074
Current liabilities	(205)	-	(257)	(6,423)	-	-	(6,885)
Non-current liabilities	(2,213)	-	(132)	-	-	-	(2,345)
Net assets	1,098	12,753	234	17,642	246	-	31,973

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

4. MOVEMENT IN FAIR VALUE OF FAIR VALUE ACCOUNTED EQUITIES

	2023 £'000	2022 £'000
Change in fair value of current asset investments (note 18)	(3,860)	(3,954)
	(3,860)	(3,954)

5. INVESTMENT INCOME

Investment income comprises dividends received.

6. OPERATING PROFIT

	2023 £'000	2022 £'000
Profit from operations is arrived at after charging:		
Wages and salaries (see note 7)	1,005	1,203
Share based payment expense – options	455	86
Amortisation of intangible assets	4	4
Depreciation	59	43

During the year the Group obtained the following services from the Company's auditor:

	2023 £'000	2022 £'000
Fees payable to the Company's auditor for:		
the audit of the Group's financial statements	74	60

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

7. EMPLOYEE AND DIRECTORS' REMUNERATION

The expense recognised for employee benefits for continuing operations is analysed below:

	2023 £'000	2022 £'000
Short term employee benefits (including Directors)	966	1,097
Pension costs	4	3
Social security costs	35	103
	1,005	1,203
Share based remuneration	455	86
	1,460	1,289

DIRECTORS' REMUNERATION

	2023 £'000	2022 £'000
Remuneration	343	492
Bonuses	185	265
Other benefits/Exit payment	139	23
	667	780
Share based remuneration	198	49
	865	829
Social security costs	30	72
	895	901

Details of Directors' employment benefits expense are as follows:

Name of Director	Remuneration £ '000	Bonuses £'000	Other Benefits/ Exit payment £'000	Total 2023 £'000	Total 2022 £'000
Charles Hall	85	30	4	119	118
Michael McNeilly	187	150	19	356	351
Mark Potter*	30	-	116	146	226
Neville Bergin**	6	-	-	6	45
David Wargo	35	5	-	40	40
	343	185	139	667	780

*resigned 12 March 2023
** resigned 31 March 2023
Details of share options and warrants granted to Directors during the year are given in note 22.

Average number of persons employed during the year:

	2023 Number	2022 Number
Investment operations	2	3
Office and management	5	7
	7	10

Key management are the Directors and Officers of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

8. FINANCE INCOME

	2023 £'000	2022 £'000
Bank interest	1	36
Accretion of discount on royalty's receivable (see note 14)	825	881
Change in value of derivatives held for financing	117	876
Foreign exchange gains	-	1,061
	943	2,854

9. FINANCE COSTS

	2023 £'000	2022 £'000
Bank interest	985	905
Foreign exchange losses	378	-
	1,363	905

10. TAXATION

	2023 £'000	2022 £'000
Current tax on income for the year	-	-
Deferred tax	(306)	49
Total tax charge for the year	(306)	49

The tax on the Groups profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to the profits of the Group or Company as follows:

Factors affecting the tax charge	2023 £'000	2022 £'000
(Loss)/profit before tax	(7,200)	(6,678)
Loss/(profit) before tax multiplied by rate of corporation tax in the UK of 23.52% (2022: 19%)	1,694	1,269
Overseas losses taxed at different rates	(6)	(40)
Changes in rate at which deferred tax is provided	(46)	(11)
Movement in deferred tax not recognised	445	219
Expenses not allowable for tax	(1,067)	(1,025)
Adjustment to royalty and losses brought forward values	(239)	24
Deferred tax gains and losses not recognised	(1,087)	(387)
Total tax	(306)	49

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

10. TAXATION (continued)

Movements in deferred tax assets and liabilities during the year and the amounts outstanding at the year-end are as follows:

Deferred tax asset/(liability)	**Assets £'000**	**Liabilities £'000**	**Net £'000**
At 31 December 2022	2,164	(2,213)	(49)
Adjustment for prior years	(24)	-	(24)
Charge for the year	73	-	73
At 31 December 2022	2,213	(2,213)	-
Adjustment for prior years/transfers	(2,213)	2,213	-
Charge for the year	-	(306)	(306)
At 31 December 2023	-	(306)	(306)

The remaining unrecognized tax losses caried forward of approximately £3,382,000 of which £990,000 relate to subsidiaries in Thailand and expire over the period to 31 December 2028.

11. PROFIT ACCOUNTED FOR IN THE PARENT COMPANY

As permitted under Section 408 of the Companies Act 2006, a Statement of Comprehensive Income for the Company is not presented as part of these financial statements.

12. EARNINGS PER SHARE

	2023 £'000	**2022 £'000**
Loss attributable to equity holders of the Company	(7,506)	(6,629)
Shares used for calculation of basic EPS*	169,423,576	169,423,576
Shares used for calculation of fully diluted EPS*	169,423,576	169,423,576
LOSS PER SHARE		
Basic loss per share	(4.43p)	(3.91p)
Fully diluted loss per share	(4.43p)	(3.91p)

No share options and warrants outstanding at 31 December 2023 were dilutive as the exercise price of any share options or warrants outstanding at 31 December 2023 was higher than the average market price of ordinary shares during the year. Accordingly, all such potential ordinary shares have been excluded from the weighted average number of ordinary shares in calculating diluted earnings per share as at 31 December 2023. No share options and warrants outstanding at 31 December 2022 were dilutive as the exercise price of any share options or warrants outstanding at 31 December 2022 was higher than the average market price of ordinary shares during the year. Accordingly, all such potential ordinary shares have been excluded from the weighted average number of ordinary shares in calculating diluted earnings per share as at 31 December 2022.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

13. SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings at the end of the year. All subsidiaries have year ends which are coterminous with that of the parent Company. Except where indicated all companies are engaged in mineral exploration. Strata Investment Holdings plc controls those companies where its proportion of voting rights is less than 50% by virtue of shareholder agreements.

Name	Registered office	Country of incorporation or registration	Effective dividend rights held	Type of shares held	Proportion of voting rights and ordinary share capital held
Metal Tiger Australia Pty Limited* (non-trading)	Level 32 152 St Georges Terrace West Perth WA 6000 Australia	Australia	100%	Ordinary	100%
Metal Tiger Exploration and Mining Co. Ltd	98 Sathorn Square Office Tower Room N0. 140114th Floor North Sathorn Road, Silom, Bangrak Bangkok, 10500 Thailand	Thailand	100%	Ordinary Preference	49% 100%
Metal Tiger IHQ Co. Ltd.*			100%	Ordinary	100%
Metal Group Co. Ltd.			99%	Ordinary	49%
Metal Tiger Resources Co. Ltd.			100%	Ordinary	88%

*Directly owned by the Company.

INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Company	2023 £'000	2022 £'000
At 1 January	-	564
Increase in capital	-	-
Provision against investment	-	(564)
At 31 December	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

14. ROYALTIES RECEIVABLE

The companies in which Metal Tiger's joint venture interests are held are set out below. All are engaged in mineral exploration.

Group and Company	T3 £'000	A4 £'000	Total £'000
At 31 December 2021	1,315	9,278	10,593
Net accretion of discount on acquisition*	78	803	881
Translation effects	169	1,110	1,279
At 31 December 2022	1,562	11,191	12,753
Net accretion of discount on acquisition*	66	759	825
Proceeds from Royalties receivable	(462)	-	(462)
Translation effects	(68)	(559)	(627)
At 31 December 2023	1,098	11,391	12,489

**will reflect assumptions pertaining to timings of cash flow since last valuation at appropriate discount rates.*

The T3 royalty receivable relates to the T3 project in Botswana previously owned in the Metal Capital Ltd joint venture sold to MOD Resources Ltd in 2018 and ultimately Sandfire. The royalty is capped at US$2m and the Company received its first proceeds pursuant thereto during the year. The remainder of the T3 royalty is expected to be received during the financial year end ended 31 December 2024.

The A4 royalty is an uncapped 2% Net Smelter Return royalty over the any future production over the A4 deposit situated in Botswana and owned by Sandfire. In initially assigning a value to the royalty in 2020, the Company relied inter alia on the announcement released by Sandfire to the market on 1 December 2020.

The Company predominantly relied on the announcement released by Sandfire to the market on 2 September 2021 together with other consensus information readily available in the market to determine the revised carrying value of the royalty as of 31 December 2021.

As a consequence of there being no significant market announcements on the size and extent of the resource over the A4 royalty during the both reporting and the comparative year, the Company tested the carrying value based on the unadjusted resource size, whilst iterating for the likely adjusted cash flow timelines and the relevant periods consensus copper price information readily available in the market, the Company determined the carrying value as of 31 December 2022, adjusted for the release of the accretion of the time value of money discount, remains appropriate as of 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

14. ROYALTIES RECEIVABLE (continued)

The following table illustrates the key considerations and assumptions the Company considered in determining the value of the value by using the net present value of the cash flows expected from the royalty as discounted.

		2023 £'000	2022 £'000
Resource size	MT	9,700,000	9,700,000
Resource grade	Copper	1.17%	1.17%
Medium term copper price- weighted average	US$/MT	9,605	9,593
Mining recovery rate	Copper	92.3%	92.3%
Concentrate recovery	Copper	92.2%	92.2%
Medium date at which time 50% of the royalty will have been received		1st Quarter 2028	3rd Quarter 2027
Implied discount rate		6.17%	7%

The following table illustrates the sensitivity of the net value of the A4 royalty, to changes to the material valuation components.

CHANGE IN EQUITY	2023 £'000	2022 £'000
5% Increase in Resource size	788	560
5% Decrease in Resource size	(788)	(560)
5% Increase in medium term copper price	788	560
5% Decrease in medium term copper price	(788)	(560)
Cash flow medium date at which time 50% of the royalty will have been received 1 year earlier	745	710
Cash flow medium date at which time 50% of the royalty will have been received 1 year earlier	(745)	(710)

Royalties' receivables are classified in accordance with their expected cash low profiles and at the point when the respective Royalties become performing:

	2023 £'000	2022 £'000
Non-current asset – Royalties receivable	11,391	12,753
Current asset – Royalties receivable	1,098	-
	12,489	12,753

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

15. CURRENT ASSET EQUITY INVESTMENTS ACCOUNTED FOR UNDER FAIR VALUE

	2023 Group and Company £'000	**2022 Group and Company £'000**
At 1 January – investments at fair value	24,565	32,031
Acquisitions	30,202	8,034
Disposal proceeds	(39,425)	(14,600)
Transfers from non-current assets	-	3,506
Loss on disposal of investments	(98)	(1,156)
Movement in fair value of investments	(3,721)	(3,250)
At 31 December – investments at fair value	11,523	24,565
Categorised as:		
Level 1 – Quoted investments	10,350	24,522
Level 3 – Unquoted – equity investments	886	114
Level 3 – Unquoted – share warrants	287	102
Level 3 – Unquoted – derivatives structured loan	-	(173)
	11,523	24,565

The tables of investments above set out the fair value measurements using the IFRS 13 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets;

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1; and

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The maximum credit risk as regards these investments is not considered to be materially different from the carrying value of those investments.

During the year under review both loans were settled in full accordingly all equity investments held at year end were unencumbered.

In 2022, the current asset equity investments included 1,167,542 ordinary shares in the capital of Sandfire Resources NL ("Sandfire") which is traded on the Australian ASX market. This investment was held as security, via a stock lending arrangement, for a portion of the Group's current bank loans. The financing arrangement for the bank loan included a put/call option over these shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

15. CURRENT ASSET EQUITY INVESTMENTS ACCOUNTED FOR UNDER FAIR VALUE (continued)

LEVEL 3 FINANCIAL ASSETS

Reconciliation of Level 3 fair value measurement of financial assets:

	2023 Group and Company £'000	2022 Group and Company £'000
At 1 January	43	769
Purchases	853	287
Transfer to Level 1/from non-current assets	-	(620)
Disposal proceeds	(109)	(401)
Loss on disposal of investments	(298)	(176)
Movement in fair value	684	239
Translation effects	-	(55)
At 31 December	1,173	43

Level 3 valuation techniques used by the Group are explained in note 2 (fair value of investments). The following key input has been used in the valuation model: volatilities ranging between 63% and 231% depending on the investment (2022: 56% to 198%). A 20% increase in the volatility estimate would result in a £75,000 increase in the fair value (2022: £24,000) and a 20% decrease would result in a £79,000 decrease in fair value (2022: £22,000).

16. TRADE AND OTHER RECEIVABLES

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Tax and social security	186	-	192	-
Other receivables	34	19	122	58
Prepayments and accrued income	136	96	310	143
	356	115	624	201

The fair value of trade and other receivables, using the expected credit loss model, is considered by the Directors not to be materially different to carrying amounts.

17. CASH AND CASH EQUIVALENTS

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Cash at investment brokers	258	258	315	315
Cash at bank	1,195	1,109	570	545
	1,453	1,367	885	860

The fair value of cash and cash equivalents is considered by the Directors not to be materially different to carrying amounts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

18. TRADE AND OTHER PAYABLES

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Trade payables	12	12	165	165
Tax and social security	-	-	16	16
Other payables	61	44	56	44
Accrued charges	217	208	357	165
	290	264	594	390

19. LOANS AND BORROWINGS

CURRENT LIABILITIES – Loans and borrowings

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
At 1 January	6,291	6,241	8,732	8,686
Net cash flows from financing activities	(5,780)	(5,780)	(2,775)	(2,775)
Drawn down in the year	2,673	2,673	4,620	4,620
Repayments in the period	(8,453)	(8,453)	(7,395)	(7,395)
Transfer to current liabilities from non-current liabilities – both Loans and Borrowings	-	-	2,242	2,242
Translation differences*	(463)	(461)	(1,908)	(1,912)
At 31 December	48	-	6,291	6,241

During the year under review both the secured loans and the collateral agreement loans were repaid in full.

The remaining loan is unsecured, interest free and repayable on demand.

In 2022 the Loans and borrowings were classified in accordance with their contractual repayment profiles as:

	2023 Group £'000	2023 Company £'000	2022 Group £'000	2022 Company £'000
Current liabilities	48	-	6,291	6,241
	48	-	6,291	6,241

	2023 Group and Company £'000	2022 Group and Company £'000
16 December 2022	-	-
8 May 2023	-	542
9 June 2023	-	556
10 July 2023	-	559
7 July 2023	-	83
8 December 2023	-	560
	-	2,300

Included in the above comparatives were loans amounting in aggregate to A$4,084,612 which were secured by 1,167,542 shares in the issued capital of Sandfire Resources Limited "Sandfire".

Included in the above comparatives were loans amounting to A$7,001,306 which were secured by a collateral agreement over 4,762,626 shares in the capital of Sandfire. The loan attracted interest at a floating rate determined to be the quoted 30-day BBSY Bid plus a margin of 8%, which equated to an interest rate of 11.01% at the time.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

20. CONTINGENT CONSIDERATION

On 16 February 2016, the Company exercised its option to acquire the remainder of the Thai based assets of Southeast Asia Mining Corporation ("SEAM"), comprising its investment in Southeast Asia Exploration and Mining Co. Ltd (now called Strata Exploration and Mining Co. Ltd.) and certain fellow subsidiaries, to provide an increased portfolio of base metal interests in Thailand through joint venture interests with Boh Yai Mining Company Ltd. in Thailand. The consideration was a cash payment of US$200,000 and a payment of US$300,000 in 23,799,000 new ordinary shares of the Company. A potential further cash payment of US$100,000 and a US$60,000 working capital contribution may be issued to SEAM subject to the grant of the primary target prospecting licence 1/2557 in the Kanchanaburi province in Western Thailand.

21. SHARE CAPITAL

CALLED UP, ISSUED AND FULLY PAID

	Number of ordinary shares	Share capital £'000	Capital Redemption £'000	Share premium £'000
At 1 January 2022	169,423,576	170	4	15,704
At 31 December 2022	169,423,576	170	4	15,704
At 31 December 2023	169,423,576	170	4	15,704

SHARE ISSUES

There were no shares issued or cancelled during the year nor during the comparative year.

SHARE BUY-BACKS

During the year, there were no share buy-backs (2022: Nil).

22. SHARE OPTIONS AND WARRANTS

SHARE OPTIONS

	2023		2022	
	Number	Weighted average exercise price (p)	Number	Weighted average exercise price (p)
At 1 January	14,350,000	39.34	15,550,000	40.93
Issued in year	12,980,000	20	-	-
Cancelled or expired in year	(14,350,000)	39.34	(1,200,000)	60
At 31 December	12,980,000	20	14,350,000	39.34
Exercisable at 31 December	1,527,000	20	12,180,000	41.13
Average life remaining at 31 December		5.82 years		2.1 years

Pursuant to the authority granted to the Company by shareholders on 20 March 2023 and 30 June 2023, on 20 May 2023 the Company cancelled all the existing 14,350,000 options in issue (the "Existing Options"). These existing options were simultaneously replaced by the award of 11,665,000 new options and on 1 July 2023 a further tranche of 1,315,000 were awarded on the same terms.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

22. SHARE OPTIONS AND WARRANTS (continued)

The total charge to operating loss for the period amounted to £455,000, split between Existing Options in the amount of £290,000 and £165,000 for the Replacement portion (2022: £86,000). In determining the fair value of the existing employee's scheme the following, material estimates were used.

	New awards	New awards	New awards
Grant/Extension date	May/July 2023	May/July 2023	May/July 2023
Vesting date/market facing hurdle	Over 1 year	35p*	40p*
Share price at date of grant	9.06p	9.06p	9.06p
Exercise price per share	20p	20p	20p
No. of options	4,581,200	3,435,900	3,435,900
Risk free rate	3.39%	3.39%	3.39%
Expected volatility	71%	71%	71%
Life of option	7.3 years	7.3 years	7.3 years
Calculated fair value per share	5.12p	5.06p	5.02p

The remaining 1,527,000 options granted were to ex-employees ("ex-employees' scheme") for which there is no residual unrecognised charge remaining, the 1,527,000 options are exercisable up to 30 July 2024 at an exercise price of 20p or its A$ equivalent.

Options outstanding to Directors at 31 December 2023 are as follows:

	Exercise price (p)	At 1 January Number	Granted/(Cancelled or Expired) Number	At 31 December Number
Charles Hall	35	300,000	(300,000)	-
	45	450,000	(450,000)	-
	60	500,000	(500,000)	-
	27.5	200,000	(200,000)	-
	20	-	1,200,000	1,200,000
Michael McNeilly	30	750,000	(750,000)	-
	35	1,000,000	(1,000,000)	-
	45	1,500,000	(1,500,000)	-
	60	1,000,000	(1,000,000)	-
	27.5	1,000,000	(1,000,000)	-
	20	-	4,250,000	4,250,000
David Wargo	27.5	200,000	(200,000)	-
	20	-	1,200,000	1,200,000
		6,900,000	(250,000)	6,650,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

22. SHARE OPTIONS AND WARRANTS (continued)

PLACING WARRANTS

	2023		2022	
	Number	Weighted average exercise price (p)	Number	Weighted average exercise price (p)
At 1 January	1,000,000	30	17,651,666	57.476
Expired in year	-	-	(16,651,666)	59.126
At 31 December	1,000,000	30	1,000,000	30
Exercisable at 31 December	1,000,000	30	1,000,000	30
Average life remaining at 31 December		0.6 year		1,58 years

There were no warrants issued during either the 2023 or 2022 financial years.

The warrants issued during 2021 year were in connection with the placings of the Company's Ordinary shares. The fair values of the warrants were determined using the Black-Scholes pricing model. The significant inputs to the model were as follows:

	Warrants for advisory services
Grant date	20 July 2021
Share price at date of grant	23.50p
Exercise price per share	30.00p*
No. of warrants granted	1,000,000
Risk free rate	1%
Expected volatility	64%
Life of warrant	3 years
Calculated fair value per share warrant	8.4p

*equivalent at time of grant

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

23. FINANCIAL INSTRUMENTS

CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity funding. Currently the Company's capital structure consists entirely of shareholders' equity, comprising issued share capital and reserves.

The Company used financial instruments to provide funding for its operations. The derivatives held by the Company in 2022 and during portions of 2023 until such time as the loans were repaid were used to provide for a partial hedge in changes in the value of the market investments used to secure the Company's long-term loan (note 19).

The main risks arising from the Company's financial instruments are credit risk, liquidity risk, market risk and foreign exchange risk. The Company does not have any significant other risks. The Directors agree policies for managing these risks and they are summarised below.

CREDIT RISK

The Group's exposure to credit risk is limited to the carrying amounts of royalties receivable, trade and other receivables, and cash and cash equivalents recognised at the reporting date, as follows:

	2023 £'000	2022 £'000
Royalties receivable	12,489	12,753
Trade and other receivables	220	122
Cash and cash equivalents	1,453	885
	1,673	1,007

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

No impairment provision was required against trade and other receivables in the year (2022: Nil). None of the Group's financial assets are secured by collateral or other credit enhancements.

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

23. FINANCIAL INSTRUMENTS (continued)

LIQUIDITY RISK

The Group makes both short term and long-term investments. Short term investments are principally quoted investments and such investments may be sold to meet the Group's funding requirements. The market in small capitalised companies may at times prove to have pockets of illiquidity, particularly at times when the markets are distressed which is somewhat mitigated by the diversity of the portfolio. Short term investments include quoted and unquoted investments. Unquoted investments, are subject to greater liquidity risk.

As the Group has no significant interest bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The following table shows the contractual maturities of the Group's financial liabilities, including repayments of both principal and interest where applicable:

	2023 £'000	2022 £'000
Trade and other payables due in 6 months or less	73	237
Loan repayable on demand	48	-
Loan repayable between 0-1 year	-	6,291
Total contractual cash flows	121	6,528

As set out in notes 15 and 19, the all bank loans were repaid during the year.

The remaining payables are not material and are sufficiently covered by cash and cash equivalents.

MARKET RISK

The Company is exposed to market risk as a result of investing in listed resource companies. The fair value of each investment will fluctuate as a result of factors specific to the investment. The Company actively reviews its portfolio of investments to manage this risk. An increase of 10% in the valuation of listed investments held at the year-end would increase the profit before tax for the year by £1,152,300,000 (2022: £2,452,000).

FOREIGN CURRENCY RISK

The Group is exposed to movements in exchange rates in respect of equity investments, overseas subsidiaries, royalty receivables, trade payables and receivables and cash held in foreign currencies.

CHANGE IN EQUITY	2023 £'000	2022 £'000
Net assets GBP	(138)	280
Net assets USD	12,367	12,621
Net assets AUD	9,340	18,311
Net assets CAD	3,228	403
Net assets THB	347	358
Total Net Assets	25,144	31,973

The following table illustrates the sensitivity of net assets to changes in currency exchange rates at the year end where there is a material exposure to that currency:

CHANGE IN EQUITY	2023 £'000	2022 £'000
5% Increase in USA fx rate against GBP	618	916
5% Decrease in USA fx rate against GBP	(618)	(916)
5% Increase in A$ fx rate against GBP	467	631
5% Decrease in A$ fx rate against GBP	(467)	(631)
5% Increase in C$ fx rate against GBP	161	104
5% Decrease in C$ fx rate against GBP	(161)	(104)

Exposure to foreign exchange rates varies during the year depending on the volume and nature of foreign transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

23. FINANCIAL INSTRUMENTS (continued)

CATEGORIES OF FINANCIAL INSTRUMENTS

The IFRS 9 categories of financial assets and liabilities included in the Statement of Financial Position and the headings in which they are included are as follows:

Year ended 31 December 2023	Current assets and liabilities £'000	Non-current assets and liabilities £'000	Total £'000
FINANCIAL ASSETS HELD AT AMORTISED COST			
Cash and bank balances	1,453	-	1,453
Loans and receivables	220	-	220
FINANCIAL ASSETS HELD AT FAIR VALUE			
Royalties receivable	1,098	11,391	12,489
Equity investments accounted for under fair value	11,523	-	11,523
FINANCIAL LIABILITIES HELD AT AMORTISED COST			
Trade and other payables	73	-	73
Loans and borrowings	48	-	48

Year ended 31 December 2022	Current assets and liabilities £'000	Non-current assets and liabilities £'000	Total £'000
FINANCIAL ASSETS HELD AT AMORTISED COST			
Cash and bank balances	885	-	885
Loans and receivables	314	-	314
FINANCIAL ASSETS HELD AT FAIR VALUE			
Royalties receivable	-	12,753	12,753
Equity investments accounted for under fair value	24,565	-	24,565
FINANCIAL LIABILITIES HELD AT AMORTISED COST			
Trade and other payables	237	-	237
Loans and borrowings	6,291	-	6,291

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

24. RELATED PARTY TRANSACTIONS

GROUP AND PARENT COMPANY

A list of significant shareholders is included in the Report of the Directors. No ultimate controlling party has been identified by the Directors.

Details of the Directors' remuneration and consultancy fees are disclosed in note 7. In the opinion of the Board, only the Directors of the parent Company are to be regarded as key employees.

No amounts were owed by any Director to the Group at 31 December 2023 or 31 December 2022.

The following amounts were owed by the Group to Directors at the year end in respect of expenses and outstanding salaries:

	2023 £'000	2022 £'000
Neville Bergin- Resigned 31 January 2023	-	3
David Wargo	3	3

PARENT COMPANY TRANSACTIONS WITH SUBSIDIARIES

The Company charged Metal Tiger Exploration and Mining Co. Ltd. £26,000 (2022: £24,000) in respect of interest on outstanding charges.

In addition, the Company has funded the operations of subsidiaries during the year.

Subsidiary	Amounts due to the Company at 31 December 2023 £'000	Amounts due to the Company at 31 December 2022 £'000
Metal Tiger Exploration and Mining Co. Ltd.	1,429	1,511
Metal Tiger IHQ Co. Ltd.	2,553	1,839
Metal Group Co. Ltd.	744	401
Metal Tiger Resources Co. Ltd.	32	22
Metal Tiger Australia Pty Limited	-	-
	4,758	3,772

The Company has provided in full against the amounts receivable in both 2023 and 2022.

The Company was charged £155,000 (2022: £63,000) during the year by Metal Tiger IHQ Co Ltd. In respect of office and administration costs relating to Group services.

No amounts were due by the Company to its subsidiary companies.

25. POST YEAR END EVENTS

Sandfire Resources Limited

The Company has received a further payment of the equivalent of £976k in respect of the capped T3 royalty.

Cobre

The Company has acquired on market a further net 9,738,860 shares in Cobre Limited for the equivalent of £362k.

The Company committed to subscribe to over and above the on-market net purchases above to purchasing a further 15,384,616 shares in the raise announced on 4 March 2024 at a cost of A$800k, subject to shareholders approval. Again, subject to shareholders approval, the subscription will also be accompanied by 7,692,308 attaching options exercisable at A$.078 each and have an expiry date that is 3 years after the issue date.

Genmin

The Company has acquired 4,000,000 shares via a placement in Genmin Limited for the equivalent of £206k.

COMPANY INFORMATION

DIRECTORS :	Charles Patrick Stewart Hall David Michael McNeilly David Alan Wargo	(Non-Executive Chairman) (Chief Executive Officer) (Non-Executive Director)	
SECRETARY AND CHIEF FINANCIAL OFFICER :	Adrian Lee Bock CA (SA), ACA , MCSI		
REGISTERED OFFICE :	Higher Shalford Farm Charlton Musgrove Wincanton Somerset BA9 8HF		
AUSTRALIAN OFFICE :	Elderton Pty Ltd, Level 32, 152 St Georges Terrace, Perth, WA,6000, +61 8 6324 2900		
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