



ACG Metals Limited
(formerly ACG Acquisition Company Limited)
Annual Report 2024

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Our Vision

Our vision is to become a premier copper producer with best-in-class ESG and carbon footprint characteristics.

Performance Highlights

Operational Highlights

Acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") and by extension, the Gediktepe Mine in Turkey	Successful transition from a Special Purpose Acquisition Company ("SPAC") to a fully operational mining enterprise listed on the Main Market of the London Stock Exchange ("LSE")	Establishment of a fixed-price, turnkey Engineering, Procurement and Construction ("EPC") contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("GAP İNŞAAT") for the \$146 million brownfield sulphide expansion at Gediktepe
Successful completion of a pioneering \$200 million Nordic senior secured bond placement, the first of its kind for a Turkish mining asset	A continuing safety record of 634 LTI-free days	Significant growth in ore processed, average gold and silver grades and sales and realised prices

Financial performance

Year ended 31 December	2024
Revenue	\$57.7 million
Operating profit	\$4.8 million
Operating cash flow	\$21.3 million
Year-end cash balance	\$9.7 million
Consolidated cash and other liquid funds	\$9.7 million
Acquisition and corporate debt	\$39.6 million
Net assets	\$58.3 million



Chair's Review



Dear Shareholders,

I am delighted to present the Annual Consolidated Financial Statements of ACG Metals Limited and its subsidiaries ("ACG" or the "Group") for the financial year ended 31 December 2024.

The past financial year marked a transformative chapter in ACG's growth journey, defined by strategic milestones that have substantially advanced our vision to become a premier copper producer and unlock long-term value for our stakeholders.

Our acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") and by extension, the Gediktepe Mine in Turkey in August, represents a cornerstone achievement for us, providing ACG with a strong and immediate production base, significant growth potential, and positioning us to become a significant player in the global copper sector. Gediktepe represents not just a major acquisition but a critical first step towards building a robust, diversified, and resilient copper platform that aligns with our long-term strategic vision.

Alongside this first acquisition, ACG transitioned successfully from a Special Purpose Acquisition Company ("SPAC") to a fully operational mining enterprise listed on the main board of the London Stock Exchange ("LSE"). This strategic move has significantly strengthened our corporate profile, broadened our exposure to international capital markets, and provided enhanced access to diverse funding opportunities.

In November, shortly following the completion of the Gediktepe transaction, we achieved another major milestone by entering into a fixed-price, turnkey Engineering, Procurement and Construction ("EPC") contract with Gap İnşaat Yatırım ve Dış Ticaret Anonim Şirketi ("GAP İNŞAAT") for the \$146 million brownfield sulphide expansion at Gediktepe. This expansion leverages existing site infrastructure and benefits from extensive geological studies and proven metallurgical processes. Once operational, this project is projected to deliver annual production of up to 25,000 tonnes of copper equivalent over an initial 11-year mine life. This development serves as a vital catalyst, significantly accelerating our journey towards becoming one of the leading copper-focused companies listed on the LSE.

"The past financial year marked a transformative chapter in ACG's growth journey"

Chair's Review continued

"The Gediktepe deal marked a successful demonstration of ACG's ability to structure and execute a complex, multi-layered acquisition within a compressed timeline"

The sulphide expansion project is inherently low-risk, capitalizing on more than a decade of comprehensive technical studies and leveraging the existing infrastructure from our oxide operation. It entails a two-stage flotation process plant – a metallurgical approach proven and optimized over many years as well as essential supporting earthworks, including waste management, tailings facilities, and environmental pond infrastructure.

Building upon this positive momentum, in December 2024 ACG passed another landmark by successfully completing a pioneering \$200 million Nordic senior secured bond placement, the first of its kind for a Turkish mining asset and subsequently settling the bond issue in January 2025. The enthusiastic reception of this bond issuance underscores the market's confidence in our strategic direction, operational capability, and growth trajectory, while further enhancing our financial flexibility and international visibility.

The Company also benefited considerably from robust gold prices during the last quarter of the year, providing additional financial strength and reinforcing our resilience amidst fluctuating market conditions. We are now ideally positioned to benefit from a structured gold hedge, signed in March 2025, which covers 50% of planned annual production through to 2026 thereby enhancing cash flow visibility, reducing risk whilst preserving upside returns.

ACG continues to benefit from the communication of tariff increases in the United States and the higher commodity prices, namely gold, which was driven by market movements. These economic factors have enhanced investor confidence and contributed to improved financial stability reinforcing its strategic growth trajectory.

Looking ahead, the Board and management remain dedicated to disciplined execution, operational excellence and progressing our growth strategy to deliver long-term, sustainable value for our shareholders.

On behalf of the Board, I extend my sincere gratitude for your ongoing support and confidence in our vision, as well as our talented team that are driving this positive momentum.

Artem Volynets

Chairman and Chief Executive Office

24 April 2025



Strategic Report

The Directors present their Management Summary for the period ended 31 December 2024.

Business and FY2024 overview

In 2024, ACG Metals completed its transition from a Special Purpose Acquisition Company (SPAC) into a fully funded operational mining enterprise listed on the Main Market of the London Stock Exchange. ACG is focused on building a diversified, high-margin copper platform aligned with the growing global demand for critical raw materials. The Company was founded with a clear strategic vision: to acquire and operate high-quality copper and polymetallic assets with robust technical profiles, strong near-term cash flow, and scalable long-term growth potential.

The Company's defining achievement during the year was the successful acquisition of the Gediktepe Mine in Western Turkey in August 2024. This transaction provided ACG with its first producing asset, an open-pit polymetallic mine with existing oxide gold and silver production and a fully permitted sulphide deposit rich in copper and zinc. Gediktepe was acquired from Lidya Madencilik Sanayi ve Ticaret A.Ş. ("Lidya"), a subsidiary of the Turkish industrial conglomerate Çalık Holding, a well-established operator with a history of successful project execution and regulatory alignment.

Gediktepe was targeted not only for its production-ready nature but for its ability to serve as a launchpad for ACG's broader growth strategy. The asset offers several key advantages: (1) it is in production, generating immediate cash flow from gold and silver sales; (2) it

has a defined copper expansion pathway that is fully permitted and technically de-risked through over a decade of studies; and (3) it is supported by existing infrastructure including roads, power, tailings, and water management systems, significantly reducing development risk and capex intensity.

From a transactional perspective, the Gediktepe deal marked a successful demonstration of ACG's ability to structure and execute a complex, multi-layered acquisition within a compressed timeline. This included due diligence, commercial negotiations, equity issuance to the seller, interim debt financing from commodity-linked partners, and a rapid re-admission to the LSE following completion.

Post-acquisition, ACG was re-admitted to the main board of the London Stock Exchange in September 2024, transitioning from a shell company to a full operating business. The Company's LSE re-admission significantly enhanced its capital markets profile, improved liquidity and trading visibility, and enabled broader institutional access. It also allowed the Company to meet the eligibility criteria for a wider array of funds and index-linked investors, providing a long-term benefit to capital formation and valuation.

The Gediktepe acquisition and LSE re-admission were followed swiftly by the award of a \$146 million fixed-price turnkey Engineering, Procurement and Construction (EPC) contract to GAP İnşaat Yatırım ve Dış Ticaret A.Ş., one of Turkey's largest construction and industrial services groups. This contract covers the full delivery of the Gediktepe sulphide flotation circuit, including design, procurement,



Strategic Report continued

“These milestones have reshaped ACG Metals. From a SPAC with a stated copper focus, the Group now owns a producing mine, is constructing a copper expansion, has access to capital, and is led by an internationally credible team and Board.”

civil works, installation, and commissioning.

The fixed-price nature of the EPC contract is a key risk mitigant and reflects ACG’s commitment to financial discipline and capital control. The decision to contract with a well-established Turkish EPC firm also reinforces local stakeholder engagement and enhances execution confidence, given GAP’s extensive track record of successful project delivery in-country.

To fully fund this expansion and refinance the acquisition-related debt, ACG completed a \$200 million Nordic senior secured bond in December 2024. This bond marked the first-ever Nordic-style secured issuance linked to a Turkish mining asset. It attracted significant investor interest from institutional fixed income funds across Europe and the rest of the globe, reflecting a strong appetite for emerging-market credit exposure backed by high-grade metals projects.

Settlement of the bond occurred in January 2025, after which construction mobilisation began. The bond secured the Company’s capital requirements for the Gediktepe expansion, illustrating ACG’s access to sophisticated and scalable international capital markets. The structure of the bond (a fixed coupon and four-year maturity bond, with security over key assets) provides ACG with predictability and flexibility to execute its growth plan.

These milestones have reshaped ACG Metals. From a SPAC with a stated copper focus, the Group now owns a producing mine, is constructing a copper expansion, has access to capital, and is led by an internationally credible team and Board. The Group entered 2025 not as a concept, but as a fully operational business, already generating cash flows and on track to deliver copper production with a clear growth runway.

Strategic Report continued

Full Year 2024 Gediktepe Operational Performance

The Gediktepe Mine delivered strong operational results for the full year ended 31 December 2024, demonstrating both the quality of the asset and the effectiveness of site-level management during a critical transition year. While ACG's consolidated financial statements only reflect the mine's performance from the acquisition date, full-year operational data is presented here to provide a complete view of the mine's capacity and momentum as ACG assumed ownership.

Operating KPI	2024 Result	YoY Change
Safety	634 LTI-free days	n/a
Ore Processed	801,600 tonnes	18%
Average Gold Grade	2.53 g/t	11%
Average Silver Grade	71.8 g/t	24%
Gold Equivalent Production	55,374 oz	49%
Gold Sales	49,165 oz	49%
Silver Sales	670,130 oz	85%
Gold Equivalent Sales	57,072 oz	52%
Realised Gold Price	\$2,387/oz	22%
Realised Silver Price	\$28.56/oz	22%
C1 Cash Costs	\$606/oz	-4%
All-in Sustaining Costs (AISC)	\$1,139/oz	-2%

Safety and Workforce

Gediktepe operated throughout the year with an exemplary safety record, achieving 634 lost-time injury (LTI)-free days without a single LTI. This reflects both the embedded safety culture of the legacy operator and ACG's own high standards in occupational health and safety. Maintaining this safety performance is crucial to ACG's license to operate, especially as the sulphide expansion mobilises with a larger contractor presence on site.

Ore Processing and Grades

The mine processed 801,600 tonnes of ore in 2024, an 18% increase from the prior year. This was enabled by both the strategic drawdown of stockpiled oxide ore and improved plant availability, reflecting strong operational control. The increase in throughput demonstrates Gediktepe's ability to optimise production in response to market pricing, with higher tonnes coinciding with a surge in gold and silver prices during the second half of the year.

Strategic Report continued

Average processed grades also improved, with gold grades rising 11% to 2.53 g/t and silver grades increasing 24% to 71.8 g/t. This was primarily driven by the planned mine sequencing and greater reliance on higher-grade zones during Q3 and Q4 2024, in line with the historical pattern of pre-stripping in Q1 and grade recovery later in the year.

Production and Sales

Total production for the year reached 55,374 gold-equivalent ounces (AuEq), a 49% increase year-on-year, comprising 46,993 oz of gold and 709,380 oz of silver. This growth reflects both increased ore volumes and improved grades. Sales were similarly strong, with 57,072 oz AuEq sold, including 49,165 oz of gold and 670,130 oz of silver, achieving a 52% increase in AuEq sales year-on-year.

These production levels position Gediktepe as a high-margin oxide gold operation in its current phase, with strong cash flow generation potential—critical for providing a healthy cash runway during the construction of the sulphide expansion.

Realised Prices and Cost Management

Gediktepe benefitted from a supportive macro environment in 2024, particularly in the second half, with realised gold prices averaging \$2,387/oz and silver averaging \$28.56/oz, both up 22% from the prior year.

Cost performance remained disciplined despite inflationary pressures. C1 cash costs were \$606/oz, a 4% decrease year-on-year, while All-in Sustaining Costs (AISC) came in at \$1,139/oz, down 2%. These outcomes reflect efficient site-level cost control, prudent reagent and consumables management, the benefits of existing infrastructure and economies of scale. Importantly, Gediktepe continues to generate significant free cash flow at gold prices well above the AISC threshold, creating financial resilience during the expansion phase.

Operational Outlook

Gediktepe's full-year operating performance in 2024 shows strong output, robust grades, and cost discipline to provide a clear springboard for the copper-focused sulphide expansion now underway.

The oxide phase will continue to produce gold and silver through 2025 and into 2026, bridging the mine through the construction period and generating capital to partially self-fund the transition to copper. These results, achieved during a year of ownership change and integration, underscore the strength of the team on the ground and the quality of the asset. The Company's ability to maintain this performance while simultaneously managing construction, refinancing, and growth initiatives speaks to the depth and agility of the operational platform it is building.



Strategic Report continued

“These figures highlight the underlying earnings power of the asset and the strong free cash flow generation it offers.”

ACG Financial Performance

Financial KPI	2024 Result
Revenue	\$57.7 million
Operating profit	\$4.8 million
Operating cash flow	\$21.3 million
Year-end cash balance	\$9.7 million
Consolidated cash and other liquid funds	\$9.7 million
Acquisition and corporate debt	\$39.6 million
Net assets	\$58.3 million

ACG reported \$57.7 million in consolidated revenue for the year ended 31 December 2024. It is important to note that this figure reflects only four months of consolidated ownership of the Gediktepe Mine from date of acquisition. Despite this partial-year consolidation, the Company generated \$21.3 million in operating cash flow and ended the year with a cash balance of \$9.7 million and net assets of \$58.3 million.

On a full-year basis, for illustrative purposes, the Gediktepe Mine generated \$137 million in revenue and approximately \$84.7 million in site-level EBITDA for the 12-month period ended 31 December 2024. These figures highlight the underlying earnings power of the asset and the strong free cash flow generation it offers.

This financial performance reflects the strategic timing of the acquisition, which allowed ACG to immediately benefit from high realised prices and robust margins. Importantly, the cash generated in Q4 2024 supported both the repayment of acquisition-linked liabilities and preparations for expansion capital deployment in 2025.

Administrative expenses for the year totalled \$18.1 million, which included once-off legal, advisory, listing, and integration costs associated with the acquisition and re-admission process. Share-based payment expenses of \$0.4 million were also recognised, primarily relating to performance-based equity awards granted to management and non-executive directors upon the successful completion of the transaction and re-listing.

The Group reported a statutory net loss of \$13.1 million. This loss is not reflective of underlying operating performance and is expected to normalise as the business transitions from transaction mode to steady-state operations in 2025.

No dividend is recommended for 2024 (2023: \$nil).

In 2024, ACG Metals Limited successfully raised \$46.25 million through its listing on the London Stock Exchange to fund the acquisition of Polimetal. In addition, \$39.88 million worth of equity instruments were issued to the Seller, \$4.3 million to shareholders for debt conversions, and \$0.30 million to management under a Long-Term Incentive Plan.

Strategic Report continued

As part of the acquisition of the Gediktepe Mine in Turkey, the Group entered into a \$37.5 million acquisition debt agreement with Traxys Europe S.A. ("Traxys") and Argentem Creek Partners ("ACP") as of 31st August 2024. By 31 December 2024, \$12.1 million of the principal amount of the acquisition debt facility was repaid.

Other acquisition debt in the form of sponsor loans had decreased from \$18.6 million to \$13.5 million following the conversion of \$4.5 million into equity via Sponsor Loan Conversions and the repayment of \$3.25 million in cash.

The total assets included property, plant and equipment of \$43.2 million (2023: \$nil) and Intangible Assets of \$142.7 million (2023: \$nil), of which \$42.9 million related to Goodwill.

ACG's balance sheet remains well capitalised, with the post-year end \$200 million Nordic bond providing full funding for the Gediktepe sulphide expansion and extinguishing the Traxys and ACP acquisition debt. As a result, the Company enters 2025 with a clean capital structure, strong liquidity and a fully funded path for near-term project execution and long-term growth.

Mineral Resources and Ore Reserve

Resource Classification	(Mt)	Grade					Contained Metal			
		Au (g/t)	Ag (g/t)	Cu (%)	Zn (%)	Pb (%)	Au (koz)	Ag (Moz)	Cu (kt)	Zn (kt)
Measured Oxide	-	-	-	-	-	-	-	-	-	-
Indicated Oxide	1.3	2.79	67	0.11	0.1	0.44	113	2.7	1.4	1.1
Measured + Indicated (Oxide)	1.3	2.79	67	0.11	0.1	0.44	113	2.7	1.4	1.1
Inferred Oxide	0.01	0.9	23	0.08	0.1	0.17	0.4	0.01	0.01	0.01
Measured Sulphide	3.8	0.68	26	0.99	1.9	0.35	83	3.2	38	73
Indicated Sulphide	21	0.76	28	0.79	1.7	0.35	511	19	166	367
Measured + Indicated (Sulphide)	24.8	0.74	28	0.82	1.8	0.35	594	22.2	204	440
Inferred Sulphide	31	0.53	21	0.77	1.2	0.28	54	2.1	24	37
Total Measured (Oxide + Sulphide)	3.8	0.68	26	0.99	1.9	0.35	83	3.2	38	73
Total Indicated (Oxide + Sulphide)	22.3	0.87	30	0.75	1.7	0.36	624	21.7	167	368
Measured + Indicated (Oxide + Sulphide)	26.1	0.84	30	0.79	1.7	0.36	707	24.9	205	441
Total Inferred (Oxide + Sulphide)	3.1	0.53	21	0.77	1.2	0.28	54	2.1	24	37

Strategic Report continued

Ore Reserve Classification	(Mt)	Grade				Contained Metal			
		Cu (%)	Zn (%)	Au (g/t)	Ag (g/t)	Cu (Mlb)	Zn (Mlb)	Au (koz)	Ag (Moz)
Proved Oxide	-	-	-	-	-	-	-	-	-
Probable Oxide	1.4	-	-	2	48	-	-	93	2.2
Total Oxide	1.4	-	-	2	48	-	-	93	2.2
Proved Sulphide	3.4	0.92	1.9	0.67	25	70	140	70	3
Probable Sulphide	13.7	0.72	1.9	0.85	32	220	590	380	14
Total Sulphide	17.1	0.76	1.9	0.82	30	290	730	450	17

The mineral reserve statement was sourced from the Gediktepe Competent Person's Report dated 20 August 2024 which can be found on the ACG Metals website: acgmetals.com.

Outlook

Since the year end, we have continued our strong momentum, delivering several significant developments that continue to strengthen ACG's operational platform, capital structure, and strategic positioning. This proactivity has accelerated the Company's transformation from a single-asset gold producer into a copper-focused growth platform with multi-year visibility and institutional backing.

In January 2025, ACG Group completed the placement of a USD 200 million, four-year, senior secured bond with a coupon rate of 14.75 percent at par. The bond placement was met with strong investor demand across European and international markets and was the first Nordic bond issuance secured against a Turkish mining asset, illustrating ACG's ability to pioneer capital markets solutions for emerging-market operations. These proceeds from the bond were used to repay the Company's existing facility and to fully fund the engineering, procurement, and construction (EPC) works for the sulphide flotation plant.

The sulphide expansion will facilitate the transition from primarily producing gold and silver to generating copper and zinc

concentrates with gold and silver by-products. Once completed, the project is expected to yield 20-25 thousand tonnes of copper equivalent at first quartile all-in sustaining costs over an initial 11-year period.

To streamline the Company's capital structure, ACG also launched a warrant settlement process in early 2025. The transaction targets the conversion of approximately 70% of all Warrants into Class A shares.

Continuing this momentum, in March 2025, ACG entered into a structured hedge covering approximately 50% of its planned 2025 oxide gold production. The hedge secures a floor price of \$2,875/oz and allows upside participation. This hedging strategy was executed at near-record gold prices and is intended to protect cash flows during the sulphide construction phase, ensuring financial stability while retaining upside exposure. The approach is consistent with ACG's risk management philosophy of protecting returns without impairing long-term optionality.

At our operations, GAP İnşaat Yatırım ve Dış Ticaret A.Ş. was formally mobilised on-site in Q1 2025 to commence construction of the Gediktepe sulphide flotation plant.

Strategic Report continued

Early-stage activities, including procurement, site preparation, and engineering verification, are proceeding on schedule. The fixed-price turnkey nature of the contract mitigates construction risk and facilitates accuracy in cost forecasting. The project remains on track for the commencement of copper production in 2026.

Finally, at Board level, we welcome Mr. Michael R. Pompeo as a Non-Executive Director. Mr. Pompeo brings unrivalled geopolitical expertise, international networks, and a strategic outlook on global trade, U.S. supply chains, and critical minerals. His appointment supports ACG's ambition to become a key copper supplier into the West.

ACG Metals Limited remains committed to executing its growth strategy by identifying and evaluating prospective acquisition targets within the copper sector. The Group is actively assessing opportunities particularly focusing on assets that offer strong operational potential, resource expansion opportunities, and strategic synergies with its existing operations.

As part of its ongoing efforts, ACG Metals is engaging in thorough due diligence, market analysis, and discussions with potential partners to ensure that any future acquisitions enhance long-term value for stakeholders. The Group continues to monitor industry trends, geopolitical developments, and market conditions to make informed decisions that support its expansion objectives while maintaining financial discipline and operational efficiency.

On behalf of the Board

Artem Volynets

24 April 2025

Corporate Governance

Board of Directors

The Directors believe the Board comprise a knowledgeable and experienced group of professionals with relevant experience in sourcing, evaluating, structuring and executing the business strategy of the Group. The Directors are of the opinion that their respective track records demonstrate their ability to source, structure and complete acquisitions, return value to investors and introduce and complete operational improvements to companies.

The Acquisition Agreement provides Lidya and ACP with the right to appoint or remove one director to or from the Board, for so long as Lidya and ACP holds at least 20% and 25% respectively, of the total outstanding amount of Class A Ordinary Shares. This condition was fulfilled, and both Lidya and ACP exercise their right to appoint Mustafa Aksoy and Maarten Terlouw to the Board.

The details of the Directors are set out below.



Artem Volynets

**Executive Director,
Chief Executive
Officer and
Chairman**

Mr. Volynets has 25 years of experience in mergers and acquisitions, capital markets, and senior corporate management roles. He has led multiple private and public transactions in the metals and mining industry.

Mr. Volynets established ACG Mining in 2014, as an advisory and investment management firm registered in BVI, through which he worked on a number of cross border transactions in the mining and metals sector in Eurasian emerging markets. These transactions utilised his extensive experience of M&A-led sector consolidation, his local knowledge and networks, and his global industry and investor connections.



Michael R. Pompeo

**Non-Executive
Director: Appointed
30 January 2025**

Mr. Pompeo brings geopolitical expertise and a strong global network to the Group, having served as the 70th Secretary of State in the United States from 2018 to 2021. He was also the sixth Director of the Central Intelligence Agency from 2017 to 2018. He started his career as a lawyer, graduating from Harvard Law School with a juris doctor, before building a successful aircraft parts manufacturing company, Thayer Aerospace.

Mr. Pompeo served as the U.S. House of Representatives member from Kansas's 4th district between 2011 and 2017.

Mr. Pompeo is part of a strategic partnership between ACG Metals and Impact Investments LLC, where he is Executive Chairman. Impact Investments is a US based strategic and financial advisory and investment firm, which advises some of the world's leading companies across a range of industries and geographies. As part of this partnership, Impact Investments advises and assists the Group as it pursues its vision to become a leading global copper company serving U.S. and Western industrial supply chains



Mustafa Aksoy

**Non-Executive
Director**

Mustafa Aksoy joined Çalık Group in 2004 and currently serves as General Manager and Board Member of Lidya Mines. Before becoming the founder CEO of Lidya in 2010, Mustafa worked in various sectors and departments of the Group in sales-marketing, corporate finance, business development and M&A.

Lidya's parent company Çalık Holding, established over 40 years ago, is a leading Turkish conglomerate that operates in the fields of energy, construction, mining, textiles, and finance in 34 countries spanning Central Asia, the Balkans, Middle East and Africa regions. The group started in textiles but expanded into EPC business for energy and infrastructure, renewable investments, power distribution, mining and financial services. Mr. Aksoy serves on the Board of Çalık Energy and Investment Committee of Çalık Holding as well as various other JV companies.

Mr. Aksoy, who worked as an auditor at Egebank and Garanti Bank in Turkey, completed his MBA at the University of Antwerp, Belgium and graduated from Dokuz Eylül University, Turkey, Department of Public Administration.

Corporate Governance continued



**Maarten
Terlouw**

**Non-Executive
Director**

Maarten Terlouw currently serves as President and Co-Chief Investment Officer at New York headquartered investment fund Argentem Creek Partners where he is responsible for co-leading the management of the firm and the fund's investments.

Prior to joining Argentem Creek in 2023, Maarten spent over 25 years at ABN AMRO Bank, where he served as Regional Chief Executive Officer responsible for all activities of ABN AMRO in North and South America. In addition, he was appointed Chief Sustainability Officer for ABN AMRO Bank Group in January 2022. During his long tenure at the firm, he held various senior executive positions in corporate and investment banking and advisory across sectors including Industrials, Natural Resources, Trade and Commodity Finance, Global Transportation and Logistics in New York, London and Amsterdam.

Through these leadership positions, Mr. Terlouw has managed numerous global teams, and business lines and developed a deep and broad understanding of various facets of banking, ranging from design and implementation of risk and compliance programs, regulatory matters, design and execution of growth and deceleration strategies. As a business leader and practitioner, Maarten has experience in various sectors in Corporate Finance, M&A advisory, Leveraged and Structured Finance and large and complex fund-raising exercises, in many parts of the world across different industries.



Fiona Paulus

**Senior
Independent
Non-Executive
Director**

Ms. Paulus has extensive global investment banking experience, having held senior management roles with several leading international investment banks including CIBC, Royal Bank of Scotland (RBS), ABN AMRO Bank, JP Morgan and Citigroup. Additionally, Ms. Paulus has advised companies and private equity firms on strategic initiatives in the energy and resources sectors across more than 70 countries. She is a Senior Adviser in the Metals & Mining business at Gleacher Shacklock and is a Non-Executive Director at Interpipe Group, JSW Steel, and Nostrum Oil & Gas.



Mark Cutis

**Independent
Non-Executive
Director**

Mark Cutis is a seasoned banking and capital markets executive with extensive global experience having actively managed portfolios of assets as CIO and CEO on behalf of both private and state-owned capital managers. Mr Cutis has held senior management roles at Bank of America, Morgan Stanley, Merrill Lynch, UniCredit and the European Bank for Reconstruction and Development.



**Hendrik
Johannes Faul**

**Independent
Non-Executive
Director**

Hendrik Faul has over 30 years of mining industry experience as both a qualified mining engineer and as a senior corporate manager, with demonstrated ESG leadership experience as well as operational and project execution experience across 5 continents.

Mr. Faul is a Non-Executive Director of London-listed gold company Centamin, a position he has held since July 2020. He has also been a Non-Executive Director of Johannesburg-listed Master Drilling Group since June 2020. Mr. Faul was Chairman of the International Copper Association from 2016 to 2018.

Corporate Governance continued

Board Committees

Board members	Audit Committee	Sustainability and Technical Committee	Remuneration and Nomination Committee
Mark Cutis	X		X
Hendrik Johannes Faul	X	X	X
Fiona Paulus	X	X	X
Mustafa Aksoy	X		
Maarten Terlouw			
Michael R. Pompeo			



QCA Corporate Governance Statement

Corporate Governance Report

As the Group has an Equity Shares (Transition) Listing on the London Stock Exchange ("LSE"), there is no requirement to comply with the UK Corporate Governance Code. Nevertheless, the Directors are committed to maintaining high standards of corporate governance and, where practicable given the Company's size and nature, voluntarily adopt and comply with the Quoted Companies Alliance (QCA) Code.

The QCA Code provides a flexible set of principles designed to help growing companies achieve sound corporate governance. ACG Metals has enthusiastically adopted this framework to enhance transparency and accountability.

Delivering Growth

Principle 1 – Establish a strategy and business model which promotes long-term value for shareholders

ACG Metals has a clear strategy and business model focused on the consolidation of the copper sector through a series of roll-up acquisitions. The company's vision is to become a leading copper producer, following a high standard of ESG and carbon footprint characteristics.

The Group has demonstrated this commitment through the acquisition of the Gediktepe Mine in 2024 and securing a \$200 million bond facility shortly afterwards for the Sulphide expansion.

Principle 2 – Seek to understand and meet shareholder needs and expectations

The Board actively engages with shareholders through regular communications, annual general meetings, investor presentations, and regulatory announcements. Feedback from shareholders is reviewed and integrated into strategic planning.

ACG Metals is committed to transparency and accountability in its operations. ACG Metals prioritizes transparency by providing regular updates to shareholders and the market through various means including its website, third party platforms and regulatory announcements, to keep our shareholders well-informed. Our communication provides updates on our financial performance, strategic initiatives, and other significant developments. Furthermore, all transactions and projects are carefully evaluated to ensure they align with our goal of delivering long-term value to our shareholders.

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

ACG Metals actively engages with suppliers, employees, and local communities, ensuring their interests are represented in decision-making. The company actively engages with the local community by providing employment opportunities, fostering economic growth, and investing in infrastructure development to enhance their quality of life.

QCA Corporate Governance Statement continued

Maintaining strong business relationships is vital to the company's success, as they foster trust, collaboration, and long-term growth opportunities. The company's foundation is built on long-standing relationships, which has been instrumental in shaping its enduring success and resilience.

Principle 4 – Embed effective risk management, considering both opportunities and threats, throughout the organization

The company has robust risk management procedures in place to identify, assess, and mitigate potential risks. We maintain a group-wide risk management framework. Key risk areas include operational performance, financial compliance, and geopolitical and market developments.

The Group maintains robust financial control environments, the effectiveness of which is ultimately reported to the Board, CEO and CFO. Key risks are identified by monitoring the market movements and reviewing internal reporting on a regular basis at both group and subsidiary levels. Once identified the team collaborates internally and externally as needed, to explore mitigation strategies. These findings are then evaluated using both qualitative and quantitative factors and presented to the relevant party following the correct levels of authority for effective and efficient decision-making.

The Audit Committee plays a key role in overseeing risk management. To ensure effective risk management, we assess the potential impact to the Group and implement measures to mitigate and manage the risk, with the assistance of external consultants.

This ongoing evaluation process allows us to proactively address potential risks and safeguard the interests of our stakeholders.

Maintain a Dynamic Management Framework

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

The Board comprises a majority of Non-executive directors, ensuring independence and objectivity in decision-making. The roles of Chairman and Non-executive directors are separated to maintain a clear division of responsibilities. The decision to combine the roles of CEO and Chairman reflects the company's commitment to streamlined leadership and efficient decision-making. Given the CEO's deep understanding of the business operations and strategic direction, this structure ensures continuity and alignment between governance and execution. The Board maintains strong oversight through independent Non-executive directors, ensuring that checks and balances remain in place. Regular reviews of governance practices, alongside transparent reporting, reinforce the effectiveness of this leadership approach while safeguarding shareholder interests. The Board is kept abreast of all strategic developments within the Group by the management team, and they meet regularly to discuss strategic and operational matters.

QCA Corporate Governance Statement

Principle 6 – Ensure that between them the directors have the necessary up-to-date experience, skills, and capabilities

Each Board member brings relevant industry expertise, skills, qualifications and personal qualities. The directors bring extensive experience as active Board members across a range of leading global corporations. Their ongoing involvement ensures they remain engaged with industry developments, allowing them to continuously refine their expertise and apply best practices from diverse sectors. This relevant, hands-on experience combined with technical abilities from various institutions is key to keeping their skills up to date, strengthening the company's governance and strategic decision-making. Where necessary, the company can provide ongoing professional development. The company has access to a range of independent advice and experts to ensure that directors remain well-informed.

In addition to external legal and technical advisers, internal advisory roles help support the effective functioning of the Board.

The Company Secretary and Chief Legal Officer play a central role in supporting the Chairman and the Board on corporate governance matters. Responsibilities include facilitating Board procedures, advising on director duties, maintaining statutory records, ensuring regulatory compliance, and ensuring that Board materials are circulated in a timely manner.

These roles are critical in maintaining high standards of governance, providing

continuity between Board and executive functions, and enabling independent oversight.

The Board is committed to maintaining an appropriate balance of Directors, with the Nomination Committee responsible for assessing the Board's composition to ensure it has the required expertise to support the Company's strategic objectives. Biographies are available on pages 16 and 17.

Principle 7 – Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Board performance is reviewed annually to identify areas of effectiveness and improvement. The Board believes that succession planning, skill gaps, and overall effectiveness in governance are key considerations to achieving the Group's objectives.

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

The company prioritizes integrity, accountability, and transparency. These values are embedded in its corporate culture and reinforced through policies, training, and leadership initiatives. ACG Metals is committed to embedding responsible business practices into every aspect of its management. This commitment is fundamental to achieving operational excellence and plays a pivotal role in supporting the successful implementation of the Company's overall strategy.

ACG Metals promotes ethical conduct through policies including its anti-bribery and corruption

QCA Corporate Governance Statement

policy, code of conduct, and whistleblowing framework. ACG takes a zero-tolerance approach to unethical behaviour and employees are encouraged to report suspected breaches in confidence. The Board mainly assesses the Group's culture by reviewing any feedback received from the workplace, monitoring reports from various committees and evaluating how executives and managers embody company values in their decision-making and interactions.

By integrating these practices, the Company ensures sustainable growth, strengthens stakeholder trust, and aligns its operations with its long-term strategic objectives.

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

The Board has a formal governance framework, with key decisions reserved for Board approval. Committees are structured to oversee specific governance areas, ensuring effective decision-making. The composition of committees and independence of members is on page 18.

Build Trust

Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The company ensures transparency through regular shareholder updates and regulatory announcements. As mentioned in Principle 2, financial performance, strategic initiatives, and operational developments are shared via

various channels such as our website, social media and third-party platforms, to foster investor confidence.

The Company has established Board Committees with clear remits:

- The Audit Committee is to meet at least once every financial quarter and is responsible for overseeing financial reporting, internal controls, and business risk management. It ensures the integrity of financial statements, reviews key financial policies and practices, and assesses the assurance process for the Annual Report to ensure it is fair, balanced, and understandable. It reviews emerging risks, oversees risk exposures, and ensures robust assessment processes are in place. It also maintains oversight of whistleblowing arrangements, fraud prevention systems, and ethical conduct policies.
- The Remuneration Committee is responsible for setting executive pay and reviewing employee benefit structures.
- The Nomination Committee oversees Board composition and succession planning.
- The Sustainability & Technical Committee monitors ESG risks, oversees health and safety, reviews environmental and social incidents, and advises on ESG disclosures and targets.

All committees operate under formally adopted terms of reference and report to the Board.

ACG Metals will continue to assess and refine its corporate governance policies in alignment with its growth and evolving operational landscape. The company will report annually on its compliance

QCA Corporate Governance Statement

with the QCA Code and update its governance statement accordingly.

By adhering to the QCA Code, ACG Metals will demonstrate its commitment to good corporate governance, which is essential for building trust with investors and other stakeholders, and for achieving long-term success. As the Company continues to operate, the Company will re-evaluate its corporate governance policies and procedures in line with the size and operations of an enlarged group. This will include an assessment and implementation of the Company's policy and objectives concerning diversity (which is currently not in place due to the early stage of the company's development), and composition of management and Board committees. At the same time, the Company will review any additional risk management and internal control processes that need to be put in place.

The Company will report to its shareholders as to its compliance with the QCA Code on an ongoing basis and will publish an updated Corporate Governance statement annually.

QCA Corporate Governance Statement continued

QCA Code – Areas of Non-Compliance and Explanation

QCA Principle	Current Level of Compliance	Explanation & Future Action
Principle 4 – Embed effective risk management, considering both opportunities and threats, throughout the organization	Partially complied with	The Audit Committee is actively working to formalize its review of control processes to enhance governance and oversight. As the group continues to expand, it will evaluate the necessity of establishing a dedicated Internal Audit Committee to further strengthen internal controls and risk management. This initiative aims to ensure that the Board will receive assurance over the effectiveness of risk management and related control systems.
Principle 5 – Maintain the Board as a well-functioning, balanced team led by the chair	Not complied with	The roles of CEO and Chairman are currently combined to streamline leadership and align governance with execution during the Group's early growth phase. While this structure ensures continuity, we acknowledge that the QCA Code recommends separating these roles to maintain independent oversight. The Board will revisit this structure as the Group matures and scales, with the intention to separate the roles in due course.
Principle 7 – Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Partially complied with	Board performance is reviewed annually; however, the evaluation process is conducted internally without formalised performance metrics. There is currently no disclosure on outcomes or follow-up actions. The Group intends to enhance its evaluation process by introducing a formal framework and considering an external review as the Board evolves.
Principle 10 – Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other stakeholders	Partially complied with	While shareholder engagement is actively maintained through announcements and meetings, there is currently no publication of AGM voting outcomes or formal mechanism to capture minority shareholder feedback. These enhancements are under review and will be implemented as part of future governance improvements, and will include the publication of an Audit Committee report in future periods.
Diversity Policy (related to Principle 6 and Principle 10)	Not in place	The Company does not currently have a formal Board or management diversity policy in place due to the early stage of development. A formal diversity policy will be introduced as the Group expands, to support Board composition and talent development in alignment with ESG objectives.
Committee Composition and Activity Reporting (Principle 9)	Partially complied with	Committees have been established with formal terms of reference. However, further disclosure on the composition, independence of members, and committee activity during the year will be enhanced in future governance reporting.
Governance Structures and Delegation of Authority (Principle 9)	Partially complied with	The Group has a governance framework in place, but limited detail is currently disclosed on the delegation of responsibilities, authority levels, and decision-making structures. These areas will be further detailed in future statements as the Company matures.

QCA Corporate Governance Statement *continued*

Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each Director has taken all the steps that he 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.

Directors' statement pursuant to the Disclosure and Transparency Rules

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

Each of the directors, whose names and functions are listed in the Board of Directors section, confirm that, to the best of each person's knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the company; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the ACG Metals website: acgmetals.com.

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

On behalf of the Board

Artem Volynets

24 April 2025



Financial Risk Management

Principal risks and uncertainties

The Group's business activities expose it to a variety of risks, including financing and cashflow risks, and strategic and other emerging risks in the course of business.

In common with other businesses, the Group is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade payables and accruals
- Redeemable Public Share liabilities
- Derivative Financial Instruments (at fair value through profit or loss)
- Loans (measured through amortised cost)

To the extent financial instruments are not carried at fair value, book

value approximates to fair value at 31 December 2024.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the statement of comprehensive income in the relevant period. As at 31 December 2024, the Group had other receivables of \$8.1 million (2023: \$0.2m for the Company).

Trade and other payables and loans are measured at amortised cost. The financial liabilities were \$24.8 million (2023: \$1.1m for the Company) in respect of trade payables and accruals and \$39.6 million (2023: \$nil) for loans and borrowings. The management of risk is a fundamental concern of the Group's management. This note summarises the key risks to the Group and the policies and procedures put in place by management to manage it.

Financial Risk Management continued

PROSPECTIVE TARGETS

Risk	Potential impact on the group	Mitigating factors
The Group aims to complete a series of acquisitions toward becoming a premier copper supplier. Identifying and evaluating prospective targets carries inherent risk of the target's valuation, financial health, operational stability and challenges, market, and regulatory uncertainty.	- One or more shortfalls on any inherent risk factors could result in an acquisition with insufficient or negative returns, loss of market confidence in the Group, operational disruptions, opportunity costs on better targets, and legal and compliance issues. - Any due diligence conducted by the Group in connection with an acquisition may not have revealed all the liabilities and risks of the target, which could have a material adverse effect on the Group's financial condition or results of operations. - The Group may not be able to raise sufficient funds (debt or equity) to fund an acquisition. - If the Group is able to complete another acquisition, there can be no assurance that the Group will be successful in executing its strategy or business plan in the future, which could materially adversely affect the Group and its Shareholders.	- In evaluating prospective acquisition targets, the Group conducts thorough due diligence which encompasses, among other things, meetings with incumbent management and key employees, document reviews, interviews of customers and suppliers, inspection of facilities, as well as a review of financial, operational, legal and other information that is made available to the Group. These processes ensure that the risk to shareholders' capital is mitigated to the extent these processes are able to identify additional risks. - The Group is well-equipped with a diverse structure of a well-experienced leadership and advisory team from around the globe. The Group utilises the team's ongoing support and direction on ongoing target evaluations. - The Group has retained the services of consultants and third-party advisors who are, together with the Directors and management, will work to negotiate and execute an acquisition in an effective manner, with the aim of minimising these concerns.

COMMODITY RISK

Risk	Potential impact on the group	Mitigating factors
The Group's revenues and profitability are significantly influenced by fluctuations in metal prices, particularly gold, silver and once commercial, copper.	A fall in the commodity price could lead to a significant reduction of revenue and by extension, cashflows.	The management team tracks trends in the commodity price and reviews hedging options to limit exposure.

Financial Risk Management continued

FOREIGN CURRENCY RISK

Risk	Potential impact on the group	Mitigating factors
Foreign exchange risk arises from adverse movements in currency exchange rates. Operating internationally exposes the Group to currency fluctuations, especially between the US Dollar (USD) and the Turkish Lira (TRY). Gediktepe's operational currency is denominated in Turkish Lira whereas the Group's functional and reporting currency is the US Dollar. The Turkish Lira is subject to volatility which needs to be managed.	Devaluations on the US Dollar/ Turkish Lira exchange rate could affect future cash flows at an operational level and on corporate financing.	The management team tracks currency fluctuations and can exercise hedging options to limit exposure and manage the treasury function.

COUNTRY RISK

Risk	Potential impact on the group	Mitigating factors
Turkey is located in a region that has been subject to ongoing political and security concerns, especially in recent years. Political uncertainty within Turkey and in certain neighbouring and nearby countries, has historically been one of the potential risks associated with investment in Turkey. Turkey has from time to time experienced volatile political and social conditions. Political considerations may again influence interest rates and monetary policy in the future.	A failure of the Turkish Authorities, Central Bank and/ or the Turkish Treasury to implement effective policies might adversely affect the Turkish economy and thus have a material adverse effect on the Enlarged Group's business, financial condition and results of operations.	Gediktepe is in good standing with local authorities and agencies, and the Group maintains a good relationship with the Seller of Gediktepe, who can support and advise on the Turkish fiscal and social climate.

Financial Risk Management continued

LIQUIDITY RISK

Risk	Potential impact on the group	Mitigating factors
Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The Group manages this risk by maintaining adequate cash reserves, monitoring cash flow forecasts, and ensuring access to diverse funding sources. The Group aims to align the maturity profiles of financial assets and liabilities to prevent liquidity shortfalls. The Group relies on shareholder debt and equity contributions for immediate funding needs. The Group has arrangements with its sponsors in place to provide funding as required for working capital purposes. To further the exploration and advancement of Gediktepe, the Group sought financing through a bond placement which is subject to financial covenants and restrictions.	- Failure to manage financing requirements may lead to a breach of bond terms. - Cost of debt may rise which restricts access of additional funding.	- Management has implemented minimum internal liquidity measures and cash flow procedures to track liquidity and identify shortfalls. - The Group's ability to manage corresponding risks such as commodity and currency fluctuations will impact liquidity.

MINERAL RESOURCES AND RESERVES

Risk	Potential impact on the group	Mitigating factors
Mineral Resources and Ore Reserves involve significant judgement, and assumptions which may prove unreliable. Testing of samples may not be representative of the entire population, and actual production conditions may hinder recovery or economic value. Similarly, exploration and mine development provide no guarantee of mineral discovery or the ability to transition the discovery to an operating state. This guarantee extends to securing permits and licenses.	- Exploration efforts may prove costly and unfruitful. - Production output along with market price conditions for gold and silver, may not translate into profitability.	- The Group has a well-experienced and knowledgeable technical team to exercise judgement and expertise on determining the accuracy of resources available. This extends to the production team who has managed the mining process for many years. - Exploration and development activities are evaluated by both internal and externally qualified parties, and the next stage of activity is determined and reviewed comprehensively before approvals are given.

Financial Risk Management continued

HEALTH AND SAFETY RISK

Risk	Potential impact on the group	Mitigating factors
The mining operation has inherent risk. Additionally, the location of the mine, and potential political and social issues may arise which could affect the safety of the workforce.	• Poor management of our workforce impacts on our community and reputation. • Non-compliance with regulations can result in financial loss such as litigation consequences and imposition of fines, loss of production due to injury or fatality, and withdrawal of mining licenses.	• Health and safety policies and procedures are implemented. Adherence to this is taken very seriously by management. • Training is held regularly and is rigorously monitored. • Dedicated professional personnel monitor and ensure we comply with laws and regulations.



Environmental, Social, and Governance Matters

Statement of Non-Compliance

ACG Metals acknowledges that we are not yet in full compliance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Following the acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. (Polimetal) in August 2024 we have entered a transitional phase. Our focus has been on aligning Polimetal’s operations, data infrastructure, and risk governance with ACG Metals’ ESG standards. This includes foundational work in integrating environmental and social data collection systems, harmonising risk review processes, and building internal governance mechanisms to oversee climate-related strategy.

Given the scale and timing of the acquisition, the integration of Polimetal’s ESG data, policies, and reporting systems is ongoing and we will implement a formal ESG roadmap, strengthen climate governance at the Board level, and complete the climate scenario analysis required under the TCFD framework in due course.

ACG Metals remains firmly committed to transparency, investor confidence, and the alignment of our operations with international sustainability standards. We view TCFD compliance not as a compliance exercise alone, but as a key enabler of long-term value creation, risk management, and operational resilience in a climate-affected economy.

TCFD Pillar-Based Roadmap

TCFD Pillar	Actions to Date (2024)	Planned Actions
Governance	ESG oversight has been integrated into the internal governance framework at the management level. Preliminary ESG management reviews have been initiated across both Polimetal and legacy ACG Metals operations.	ACG Metals has established a formal ESG committee to ensure strategic oversight of climate-related matters. The company will also define and embed ESG roles and responsibilities across the executive leadership team and operational management structures.
Strategy	A preliminary evaluation of physical and transition climate risks has been initiated. Water resource and biodiversity action plans have been introduced, particularly at the Gediktepe Mine.	ACG Metals intends to develop and apply climate-related scenario analysis that is aligned with business strategy. The company will also publish an ESG-aligned business strategy that outlines short- and long-term climate-related risks and opportunities.
Risk Management	A risk review process with an ESG lens has been launched at the Gediktepe Mine, and core health and safety risk frameworks are currently in effect.	The company will formalise an ESG risk register and integrate ESG-related risks into the broader corporate risk framework. These risks will be embedded in enterprise-wide reporting, escalation, and internal control systems.
Metrics & Targets	Data collection for greenhouse gas (GHG) emissions and water usage is underway. Internal assessments have also commenced to evaluate compatibility with ISO 14064 and the Global Reporting Initiative (GRI) standards.	ACG Metals remains committed to implementing the ESG roadmap for 2025. The formal establishment of GHG and water reduction targets will be subject to management review and approval, considering operational realities during the construction period. Disclosures will aim to align with global reporting frameworks such as GRI, TCFD, and SASB.

Environmental, Social, and Governance Matters

continued

ESG Progress Since Acquisition

Following the acquisition of Polimetal, ACG began an ESG integration process focused on embedding key policies and practices across the combined operations. The initial phase of this process has concentrated on:

- **Operational Alignment:** Integrating Polimetal's operational systems and practices into ACG Metals' existing ESG framework.
- **Baseline Assessment:** Reviewing current performance in environmental, social, and governance areas to establish a consistent group-wide baseline.
- **Stakeholder Engagement:** Initiating dialogue with local communities, regulators, and investors to align expectations and priorities.

Current ESG Initiatives at the Gediktepe Mine

ACG Metals has implemented several ESG initiatives at the Gediktepe Mine since the acquisition:

- **Water Management and Conservation:** Water recycling systems have been implemented. Key indicators currently being tracked include freshwater makeup volumes, effluent volumes, recycled water volumes, and unit water consumption rates.
- **Biodiversity Protection:** A reforestation programme has been launched to support restoration of mined areas.
- **Carbon Emissions Reduction:** Feasibility studies are underway to assess the potential for solar energy integration and other emissions reduction measures.

- **Community Engagement:** Employment and investment initiatives have been launched to support local economic development.
- **Health and Safety:** A zero-incident target has been adopted, supported by compliance protocols and active monitoring.

Internal ESG Review and Areas for Improvement

Internal ESG reviews are ongoing to evaluate current practices and identify opportunities for improvement:

- **Greenhouse Gas (GHG) Emissions:** An internal review of alignment with ISO 14064 and GRI standards is in progress. Specific attention is being given to Sections 5.1.5 and 5.1.6 for future integration.
- **Water Resource Management:** The company is reviewing its water data practices in the context of GRI, TCFD, and TNFD frameworks. Efforts are underway to strengthen data collection systems to support transparent and consistent reporting.

ESG and TCFD Strategy for 2025

To support the objective of achieving full ESG and TCFD compliance, ACG Metals has identified four priority areas for 2025:

1. **Conducting Climate Risk Assessments** Conducting a full climate risk assessment will be pursued pending budgetary approval. ACG Metals will seek management endorsement to initiate the study in 2025.

Environmental, Social, and Governance Matters

continued

2.

Developing a Formal ESG Roadmap
A structured plan will be developed to define ESG goals and identify metrics aligned with recognised global frameworks.
3.

Enhancing Stakeholder Engagement
ACG Metals will continue to build engagement with stakeholders to improve transparency and ensure disclosures reflect expectations.
4.

Benchmarking Against Best Practices
The company will review and incorporate learnings from leading ESG frameworks to guide its disclosures and internal processes.

Conclusion

ACG recognises the importance of ESG and TCFD reporting for responsible business conduct, risk management, and long-term resilience. In 2025, the company’s focus will be on strengthening ESG integration, advancing climate governance initiatives, and conducting foundational assessments to support future target-setting. Certain actions, including the formal establishment of GHG and water reduction targets and the initiation of a dedicated climate risk assessment, will be subject to management review and operational considerations. ACG remains committed to aligning its operations with global sustainability standards and meeting stakeholder expectations as we advance towards full ESG and TCFD alignment.





Directors' Report

The Directors present their report for the 12-month period ended 31 December 2024.

Principal activities

ACG Metals Limited, previously ACG Acquisition Company Limited, (the "Company" or "ACG"), a public limited company incorporated in the British Virgin Islands with Registered Number 2067083 under the BVI Business Companies Act 2004 (as amended) (the "BVI Companies Act"), maintains its registered office at Craigmuir Chambers, PO Box 71, Road Town, Tortola, British Virgin Islands.

In 2023, the principal activity of the Group was that of a Special Purpose Acquisition Company ("SPAC"), established with the objective of acquiring a majority (or otherwise controlling) stake in a company or operating business through a merger, demerger, share exchange, share purchase, reorganization, or similar transaction (an "Acquisition").

In 2024, the Group successfully completed the acquisition of the Gediktepe Mine, marking a pivotal milestone in its operational trajectory. This acquisition necessitated the delisting and subsequent relisting of the Company on the London Stock Exchange, reinforcing its commitment to capitalizing on the growing global demand for essential metals. The Gediktepe Mine, now under full ownership of ACG Metals, is transitioning to produce copper and zinc concentrate, aligning with the Group's broader strategy of consolidating high-potential mining assets.

The Group's principal activity continues to be the strategic consolidation of various mines through targeted acquisitions, leveraging its extensive industry expertise and global network to identify and integrate high-value assets. The Group's strategic focus remains on the metals and mining sector globally (excluding Russia), with a particular emphasis on emerging markets.

Results and Dividends

The Directors have considered the prospects and developments of the Group in detail in the Strategic Review on pages 6 to 15.

Directors and Directors' interests

The Board of Directors of ACG Metals Limited as at the date of signing the report and accounts comprised:

Artem Volynets – Chairman & Chief Executive Officer
 Mark Curtis – Independent Non-Executive Director
 Hendrik Johannes Faul – Independent Non-Executive Director
 Fiona Paulus – Independent Non-Executive Director
 Warren Gilman – Independent Non-Executive Director – resigned on 29 April 2024
 Maarten Terlouw – Non-Executive Director
 Mustafa Aksoy – Non-Executive Director
 Michael R. Pompeo – Independent Non-Executive Director – Appointed 30 January 2025

Directors' Report continued

Remuneration policy

The base fees for the Non-executive Directors / Chairman were set at IPO and were not increased during period. Please refer for the Directors' Remuneration Report on pages 44 to 45.

Changes in Board Composition

During 2024, the following changes occurred:

- Warren Gilman resigned as an Independent Non-Executive Director on 29 April 2024.
- Maarten Terlouw and Mustafa Aksoy were appointed as Independent Non-Executive Directors appointed on 30 September 2024.

Share Capital

Details of the Group's issued share capital, together with details of the movements during the year, are shown in Note 24.

The Group has one class of ordinary shares, and all shares have equal voting rights.

Substantial shareholdings in the Group

The following information has been received in accordance with Rule 5 of the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") from holders of notifiable interests in the Group's issued share capital.

Holder	Shareholding	Voting rights
Lidya Madencilik Sanayi ve Ticaret A.S.	7,112,072	32.8%
ACP II Trading LLC	6,577,969	30.4%

Responsibility Statement of the directors in respect of the Annual Report and Financial Statements

The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations. The directors are permitted under the Listing Rules of the Financial Conduct Authority to prepare the Group financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board. The Group financial statements are required by International Financial Reporting Standards issued by the International Accounting Standards Board to present fairly the financial position of the Group and the financial performance of the Group.

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 profit or loss of the Group for the financial period.

In preparing each of the Group financial statements, the Directors have:

- selected suitable accounting policies and then applied them consistently;
- made judgements and accounting estimates that are reasonable and prudent;
- stated whether they have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board; and
- prepared the financial statements on the going concern basis unless it is

Directors' Report continued

inappropriate to presume that the Group 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 enable them to ensure that the financial statements comply with the BVI Business Companies Act. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Going concern and Viability

Statement

The directors of ACG Metals Limited have assessed the Group's ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. This assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

ACG Metals is focused on consolidating the copper sector and aims to increase our market cap from US\$100 million in 2024 to US\$3-5 billion in the next 3-5 years. In January 2025, the Group raised \$200 million in bonds to finance our Turkey copper mine, indicating active efforts to expand operations and deliver on our growth strategy. ACG Metals sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to its current facilities, ACG Metals has a financial commitment from ACP, one of our main Shareholders for an additional share purchase worth \$7 million at the option of ACG Metals. The Group's current market cap and ongoing fundraising efforts indicates access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

Conclusion

Based on the available information, the directors have concluded that the Group is in a strong position to continue as a going concern. Our ambitious growth plans, proactive debt management, and favourable market conditions

Directors' Report continued

support this assessment. In the 2023 financial statements the directors disclosed the existence of a material uncertainty because the company had not completed an acquisition and was dependent on continuing support from sponsors to fund its operations up to the date of an acquisition. Following the completion of the acquisition of Polimetal and the financing activities as disclosed above, the directors are satisfied that there is no longer a material uncertainty in respect of going concern.

Viability statement

The directors of ACG Metals Limited have assessed the Group's prospects, taking into account its current position and principal risks. This assessment covers a period of four years, which aligns with the Group's financing plan, specifically the senior secured Nordic bond issue which was executed in January 2025 to fund the Sulphide Expansion Project, and reflects the time frame over which the directors believe they can reasonably predict the Group's performance.

The Group's viability is reviewed annually in partnership with Board members and the management team, taking into account current operational developments, market projections, and strategic initiatives. During this review, the Group analysed comprehensive forecasts regarding liquidity, the Group's banking facility covenants, and its principal risks.

Financial Performance

ACG Metals has demonstrated strong financial performance, with a market cap of approximately US\$100 million and ambitious

growth plans to reach US\$3–5 billion in the next 3–5 years.

The Group was able to repay in cash \$3.3 million of its Shareholder loan and \$12.1 million of principal on the debt incurred at acquisition in 2024. \$4.5 million of the Shareholder loan was also converted to shares in 2024.

The Group has successfully raised US\$200 million in bonds to finance its Turkey copper mine and has secured various offtake agreements on copper and zinc production for the lifetime of the mine.

Additionally, the Group anticipates settling their warrant tender for cash and shares in 2025, specifically up to 26,899,425 Public, Sponsor and Private Placement Warrants (70% of all Warrants) for 2,689,942 Class A Ordinary shares on a fixed purchase price of US\$0.50 per Warrant in exchange for Shares at US\$5.00 per new Share.

Operational Efficiency

The Group has a robust business model focused on the efficient extraction of copper, with plans to become a leading copper producer on the London Stock Exchange. The Gediktepe Copper-Gold Mine, a significant producer of copper, zinc, gold, and silver, is a key asset towards this strategy.

Throughout 2024, Gediktepe Mine processed 801,600 tonnes of ore, an 18% increase compared to the previous year, driven by strategic stockpile management to take advantage of favourable market conditions namely, commodity prices in 2024. Realized gold and silver prices increased by 22% to \$2,387/oz and \$29/oz, respectively.

Total gold equivalent production rose significantly by 49% year-on-

Directors' Report continued

year, reaching 55,374 oz, supported by silver output. The average gold grade decreased by 4% to 2.17 g/t, while the silver grade improved by 7% to 62.4 g/t. Historically, operations under the mine plan have consistently followed a seasonal sequence: pre-stripping in Q1, mining lower-grade, higher zones in Q2, and ramping up full oxide production in Q3 and Q4. This approach was implemented in 2024 and is set to continue through 2025. All-in sustaining costs (AISC) for gold decreased slightly to \$1,139/oz (2023: \$1,164/oz).

Principal Risks and Mitigating Factors

Pages 28 to 32 detail the Group's principal risks that were considered during the period. Risks specific to the Group's viability are discussed below.

- Commodity prices
- Inflation fluctuations
- Foreign exchange fluctuations
- Production and grade
- Capital projects
- Group liquidity

To evaluate the potential effects of these principal risks over the forecast period, either directly or indirectly, the Group has conducted downside scenario analyses involving:

- A 5% reduction in all projected commodity prices in the same instance for the duration up to 2028;
- A 5% appreciation in the forecasted Turkish Lira to US Dollar exchange rate during the same period;
- A 5% rise in operating costs throughout the period ending 2028;

- A 5% increase in capital expenditure over the forecasted period;
- A combined sensitivity scenario comprising a 5% drop in revenue, a 5% increase in operating expenses, a 5% appreciation of the exchange rate and a 5% rise in total capital expenditure.

After performing these sensitivities, the Board has considered that should these risks occur, it would be unlikely that the eventualities of these risks would jeopardise the Group for the forecasted period.

A stress test of these scenarios was conducted in combination to assess their potential impact on revenue, EBITDA, and cash flows during the projected timeframe.

In cases of severe downside scenarios, the Group would face significant risk; however, the Board has assessed the likelihood of such events occurring as low.

Conclusion

Based on this assessment, the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the next four years. This conclusion is supported by the Group's strong financial performance and robust business model.

Website publication

The financial statements are published on the Group's website at acgmetals.com. The work carried out by the auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes

Directors' Report continued

that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Corporate governance

As a Company listed on the standard segment of the LSE, there is no requirement to comply with the UK Corporate Governance Code, which is applicable to all companies whose securities are admitted to trading to the premium segment of the Official List.

Statement as to disclosure of information to auditors

The Directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

Directors' statement pursuant to the Disclosure and Transparency Rules

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

Each of the directors, whose names and functions are listed in the Board of Directors section, confirm

that, to the best of each person's knowledge:

- the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that they face.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the ACG Metals website: acgmetals.com.

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

On behalf of the Board

Artem Volynets

Executive Director and Chairman

24 April 2025

Directors' Remuneration Report

The Board of Directors presents the Directors' Remuneration Report for ACG Metals Limited and its subsidiaries (the "Group") for the year ended 31 December 2024.

Board of Directors

During the reporting period, the Board was comprised of the following members:

- Artem Volynets – Executive Director, Chief Executive Officer, and Chairman;
- Mark Curtis – Independent Non-Executive Director;
- Hendrik Johannes Faul – Independent Non-Executive Director;
- Fiona Paulus – Independent Non-Executive Director;
- Maarten Terlouw – Independent Non-Executive Director (Appointed 30 September 2024);
- Mustafa Aksoy – Independent Non-Executive Director (Appointed 30 September 2024);
- Michael R. Pompeo – Non-Executive Director (Appointed 30 January 2025);
- Warren Gilman – Independent Non-Executive Director (Resigned 29 April 2024).

The Board acknowledges Warren Gilman for his contributions to the Group and welcomes Maarten Terlouw, and Mustafa Aksoy, Michael R. Pompeo, who bring additional strategic and governance expertise.

Remuneration Policy

The remuneration structure aligns with ACG's corporate governance principles and long-term incentive strategy.

- Base fees for Non-Executive Directors were set at IPO and were not increased during the period.
- Executive remuneration is designed to attract, retain, and reward senior management, ensuring long-term value creation;
- Performance-based incentives include long-term equity participation through the ACG Equity Incentive Plan.

The Group does not offer guaranteed bonuses to executive or Non-executive directors. No additional, Non-contractual bonuses were given to directors or employees at the Group's discretion

Performance Considerations

Executive remuneration is linked to performance, with share-based awards subject to vesting conditions. Non-Executive Directors receive fixed fees and share grants based on contributions to strategic growth. In determining director pay, the Board considers pay conditions across the Group, ensuring equity and fairness and the Group's performance relative to industry benchmarks.

Directors' Remuneration Report continued

	Artem Volynets	Fiona Paulus	Mark Curtis	Hendrik J. Faul	Marteen Terlouw	Mustafa Aksoy	Warren Gilman
Fixed Pay	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Base fees	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Total Fixed Pay	416,667	105,000	105,000	105,000	25,500	25,500	26,250
Other Pay	-	-	-	-	-	-	-
Total remuneration	416,667	105,000	105,000	105,000	25,500	25,500	26,250

Total remuneration paid to Executive Director Artem Volynets was \$416,667. Artem Volynets was paid a discretionary performance bonus of \$458,333 in March 2025 in respect of performance in

2024, in line with the description of bonus arrangements in the Prospectus. The bonus has not been recognised in 2024 because it was not approved by the Remuneration Committee until 2025.

Share-Based Incentives & Awards

As part of ACG Metals' long-term incentive plan (LTIP), the Board approved share awards to directors in 2024.

Name	Existing Class A Shares	New Class A Shares Issued	Total Shares Held Post-Issuance	Total award
Artem Volynets	147,731	325,000	472,731	\$1,950,000
Mark Curtis	-	39,666	39,666	\$237,996
Hendrik Johannes Faul	-	39,666	39,666	\$237,996
Fiona Paulus	-	45,333	45,333	\$271,998
Maarten Terlouw	-	34,000	34,000	\$204,000
Mustafa Aksoy	-	34,000	34,000	\$204,000

These share grants were issued as restricted shares for nominal consideration on 16 October 2024. The award values disclosed above are based on a share price of \$6 per share. The total value of shares awarded (including those to management who are not directors) is estimated as \$4,326,612. The awards granted to Artem Volynets are service and performance-based, with vesting over three annual tranches. Shares awarded to Independent Directors were given in recognition of their strategic contributions and efforts related to the Gediktepe Mine acquisition and re-admission to trading.

Warrants & Incentives

As of 31 December 2024, Artem Volynets held a total of 1,279,266 share warrants, comprised of 156,546 indirectly held and 1,122,721 directly held. The total warrant valuation was \$576,093.90, based on an estimated fair value of \$0.30 per warrant.

These instruments were issued under IFRS 2 – Share-Based Payments as part of the long-term incentive structure.

Independent Auditor’s Report
to the Members of ACG Metals Limited

Opinion

We have audited the financial statements of ACG Metals Limited (the ‘Parent Company’) and its subsidiaries (the ‘Group’) for the year ended 31 December 2024, which comprise the consolidated statement of profit or loss and comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards issued by the International Accounting Standards Board.

In our opinion:

- the financial statements give a true and fair view of the state of the group’s affairs as at 31 December 2024 and of the group’s loss for the year then ended; and
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed public interest 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.

Summary of our audit approach

Key audit matters	Group • Accounting for the acquisition of Polimetal
Materiality	Group • Overall materiality: \$3,000,000 • Performance materiality: \$2,000,000
Scope	Our full scope audit procedures covered 100% of revenue, 100% of total assets and 100% of result before tax.

Independent Auditor's Report to the Members of ACG Metals Limited *continued*

Key audit matters

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

Accounting for the acquisition of Polimetal

Key audit matter description

As disclosed in note 10 the group completed the 100% acquisition of Polimetal Madencilik Sanayi ve Ticaret ("Polimetal") on 3 September 2024.

The application of IFRS 3 Business Combinations requires a number of significant judgements and estimates to be applied, including assessing the fair value of the consideration transferred and the acquired assets, liabilities and contingent liabilities.

The acquisition of Polimetal involved a number of complex funding arrangements and agreements, which also give rise to potentially complex accounting and valuation judgements and estimates.

The accounting for the acquisition of Polimetal is considered to be a key audit matter due to the number, complexity and materiality of the judgements and estimates, the audit resources allocated to the transaction and the significance of the acquisition to the financial statements as a whole.

Independent Auditor's Report to the Members of ACG Metals Limited *continued*

How the matter was addressed in the audit

We performed the following procedures:

- Obtained and reviewed the acquisition documents and checked that the terms has been reflected in the acquisition accounting;
- Assessed the completeness of the acquisition accounting by reviewing the acquisition bible, Board minutes and announcements made in respect of the acquisition;
- Auditing management's assessment of the fair value of consideration and acquired assets, liabilities and contingent liabilities, including assessing the work of management's experts;
- Engaging an auditor's expert in valuations to assist with the audit work on the elements of the consideration and acquired assets, where the valuations involved use of complex valuation techniques;
- Visiting the Polimetal mine in Turkey to corroborate existence of the assets and assess the consistency of the acquisition accounting with our observations on-site;
- Auditing the accuracy and completeness of the disclosures made in the financial statements.

Independent Auditor's Report to the Members of ACG Metals Limited *continued*

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group 2024	Group 2023
Overall materiality	\$3,000,000	\$209,000
Basis for determining overall materiality	1.5% of total assets	1% of expenses (excluding finance expense)
Rationale for benchmark applied	Entity made its first acquisition in the period – primary focus of investors expected to be on the assets acquired, represented by total assets, which will generate future revenue and profits.	Entity was seeking an acquisition – expenses considered key benchmark for sponsors as indicative of utilisation of funds in order to achieve objective of an acquisition.
Performance materiality	\$2,000,000	\$156,000
Basis for determining performance materiality	65% of overall materiality – reduced from 75% to reflect first period of audit of Polimetal	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of \$150,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of \$10,400 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of 6 legal entities, located in the following countries British Virgin Islands, United Kingdom and Turkey.

Full scope audits were performed for 3 components and our full scope audit procedures covered 100% of revenue, 100% of total assets and 100% of result before tax. The other components are immaterial to the group.

Independent Auditor's Report to the Members of ACG Metals Limited continued

The full scope audit for 1 component was undertaken by a component auditor.

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 ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding of management's going concern evaluation;
- Reviewing the cash flow forecasts of the Group and challenging the assumptions made by management;
- Checking the mathematical accuracy of the forecasts;
- Reviewing the terms of financing arrangements alongside covenant calculations prepared by management and checking that they have been incorporated into the forecasts;
- Checking that the forecasts take account of post year end transactions, including changes to the Group's funding arrangements;
- Obtaining management's sensitivity analysis and assessing the impact of changes in key assumptions; and
- Evaluating the Group's disclosures on going concern.

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 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.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have

Independent Auditor's Report to the Members of ACG Metals Limited *continued*

performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 39, 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 ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of Non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of Non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected Non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

Independent Auditor's Report to the Members of ACG Metals Limited continued

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team and component auditors:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group operates in and how the group are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about Non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the overall control environment.

All relevant laws and regulations identified at a Group level and areas susceptible to fraud that could have a material effect on the financial statements were communicated to component auditors. Any instances of Non-compliance with laws and regulations identified and communicated by a component auditor were considered in our audit approach.

The most significant laws and regulations were determined as follows:

Legislation / Regulation	Additional audit procedures performed by the Group audit engagement team and component auditors included:
IFRS	• Review of the financial statement disclosures and testing to supporting documentation • Completion of disclosure checklists to identify areas of Non-compliance
Tax compliance regulations	• Inspection of advice received from internal and external tax advisors • Inspection of correspondence with local tax authorities • Input from a tax specialist was obtained regarding the approach to auditing Turkish tax

Independent Auditor’s Report

to the Members of ACG Metals Limited continued

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	Testing cut-off of revenue transactions around the reporting date and the accuracy of revenue recorded in the year; Challenging management on the accounting impact of offtake agreements in place in the year; and Reviewing the disclosures in the financial statements pertaining to revenue and significant judgements.
Management override of controls	Testing the appropriateness of journal entries and other adjustments; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is included in Appendix 1 of this auditor’s report. This description forms part of our auditor’s report.

Other matters which we are required to address

Following the recommendation of those charged with governance, we were appointed by the directors on 20 April 2022 to audit the financial statements for the period ending 30 June 2022 and subsequent financial periods.

The period of total uninterrupted consecutive appointments is three financial periods, covering the period from incorporation to 30 June 2022 (prior to the company’s listing on the London Stock Exchange on 7 October 2022), the 18 month period ended 31 December 2023 and the year ended 31 December 2024.

The Non-audit services prohibited by the FRC’s Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs (UK).

Independent Auditor's Report to the Members of ACG Metals Limited continued

Use of our report

This report is made solely to the company's members, as a body, in accordance our engagement letter dated 22 November 2024 and rule 4.1.7 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority. 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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules, these financial statements will form part of the Annual Financial Report prepared in Extensible Hypertext Markup Language (XHTML) format and filed on the National Storage Mechanism of the UK FCA. This auditor's report provides no assurance over whether the annual financial report has been prepared in XHTML format.

Graham Ricketts

For and on behalf of RSM UK Audit LLP, Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
United Kingdom
Date: 24 April 2025

Independent Auditor's Report to the Members of ACG Metals Limited *continued*

Appendix 1: Auditor's responsibilities for the audit of the financial statements

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. We include an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, we report these conclusions in the auditor's report. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Independent Auditor's Report to the Members of ACG Metals Limited continued

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard as applied to listed public interest entities, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

We are required to include in the auditor's report an explanation of how we evaluated management's assessment of the group's ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation.

Consolidated Statement of Profit or Loss and other Comprehensive Income

	Notes	Year ended 31 December 2024 \$000	18-month period ending 31 December 2023 \$000
Revenue	4	57,745	–
Cost of sales		(33,704)	–
Gross profit		24,041	–
Research & Development expenses		(375)	–
General administrative expenses	6	(18,132)	(20,930)
Share based payments		(1,050)	–
Other income from operating activities		301	–
Operating profit/(loss)		4,785	(20,930)
Finance income	7	1,104	6,684
Finance expense	7	(4,388)	(14,423)
(Loss) / gain on derivatives		(8,472)	2,732
Loss before tax on continuing operations		(6,971)	(25,937)
Tax expense	8	(6,118)	–
Loss for the period		(13,089)	(25,937)
Other comprehensive income / (loss)			
Other movements		(27)	–
		(27)	–
Total comprehensive loss		(13,116)	(25,937)
Loss per ordinary share – basic and diluted	9	(1.58)	(14.44)

The accompanying notes are an integral part of these financial statements.

All amounts are derived from continuing operations.

Consolidated Balance Sheet

	Notes	At 31 December 2024 \$000	At 31 December 2023 \$000
Assets			
Non-current assets			
Property, plant, and equipment	12	43,201	–
Intangible assets	13	142,723	–
Other non-current assets	11	293	–
Total non-current assets		186,217	–
Current assets			
Cash and cash equivalents	20	9,675	1,454
Other receivables	19	8,098	206
Inventories	18	7,429	–
Total current assets		25,202	1,660
Total assets		211,419	1,660
Equity and liability			
Non-current liabilities			
Deferred revenue		108	–
Deferred taxation		18,626	–
Contingent consideration	15	28,158	–
Provisions	16	13,817	–
Total non-current liabilities		60,709	–
Current liabilities			
Loans & borrowings	22	39,611	–
Redeemable public share liabilities	24	25	292
Derivative financial instruments	23	14,890	770
Trade and other payables	21	24,785	844
Deferred consideration	15	6,839	–
Deferred revenue		527	–
Provisions	16	186	–
Current tax liabilities		5,536	–
Total current liabilities		92,399	1,906
TOTAL LIABILITIES		153,108	1,906
Equity			
Share capital	24	90,897	2,031
Share Based Payments reserve	25	366	–
Share subscription advances and sponsor loans	26	–	15,425
Other equity reserve	26	10,963	10,963
Other comprehensive income reserve	26	(27)	–
Accumulated loss		(43,888)	(28,665)
Equity attributable to equity holders of the parent		58,311	(246)
TOTAL EQUITY AND LIABILITIES		211,419	1,660

Consolidated Balance Sheet continued

These financial statements were approved and authorised for issue by the Board of directors on 24 April 2025 and were signed on its behalf by:

Executive Director

Company Registration Number: 2067083 (registered in BVI)

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

	Issued Share capital \$ 000	Share based payment reserve \$000	Share subscription advances and sponsor loans \$000	Other Equity Reserve \$000	Accumulated losses \$000	Other comprehensive income reserve \$000	Total \$000
Balance as at 1-Jan-24	2,031	–	15,425	10,963	(28,665)	–	(246)
Loss for the year	–	–	–	–	(13,089)	–	(13,089)
<i>Other Comprehensive income not recognised in profit / (loss)</i>							
Other movements in Other Comprehensive Income	–	–	–	–	–	(27)	(27)
Total comprehensive loss for the period	–	–	–	–	(13,089)	(27)	(13,116)
	2,031	–	15,425	10,963	(41,754)	(27)	(13,362)
Transactions with owners recorded directly in equity							
Share based payment – LTIP scheme	684	–	–	–	–	–	684
Issue of 6,646,796 ordinary A shares to Lidya	39,881	–	–	–	–	–	39,881
Issue of 7,715,659 ordinary A shares – Other investors	43,979	–	–	–	–	–	43,979
Issue of 721,102 ordinary A shares – EIP Scheme	–	366	–	–	–	–	366
Sponsor loan received	–	–	3,250	–	–	–	3,250
Fair value adjustment on initial recognition of liability	–	–	2,134	–	(2,134)	–	–
Issue of 758,207 ordinary A shares – Sponsor debt for equity	4,322	–	(3,989)	–	–	–	333
Sponsor loan reclassified to debt	–	–	(16,820)	–	–	–	(16,820)
Balance as at 31-Dec-24	90,897	366	–	10,963	(43,888)	(27)	58,311

Consolidated Statement of Changes in Equity continued

	Issued Share capital \$ 000	Share subscription advances and sponsor loans \$000	Other equity reserve \$000	Accumulated losses \$000	Total \$000
Balance as at 1-Jul-22	–	6,239	–	(2,728)	3,511
Total comprehensive loss for the period	–	–	–	(25,937)	(25,937)
	–	6,239	–	(28,665)	(22,426)
Transactions with owners recorded directly in equity					
Repayment of share subscription advances	–	(2,000)	–	–	(2,000)
Issue of shares net of expenses	31	–	–	–	31
Transfer on sponsor warrants on IPO	–	(4,239)	10,963	–	6,724
Sponsor loans received	–	15,425	–	–	15,425
Class B shares subscription	2,000	–	–	–	2,000
Balance as at 31-Dec-23	2,031	15,425	10,963	(28,665)	(246)

The accompanying notes are an integral part of these financial statements.

Consolidated Statement of Cash Flows

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Cash flows from operating activities		
Loss for the year / period	(13,116)	(25,937)
Adjustments for:		
Finance income	(1,104)	(257)
Finance costs	4,388	7,996
Loss / (gain) on derivative	8,472	(2,732)
Depreciation and amortisation	7,229	–
Share-based payment	1,050	–
Tax expenses	6,118	–
Adjustments to reconcile profit	26,153	5,007
Working capital adjustments		
Decrease in inventory	2,797	–
Increase in trade and other receivables	(7,001)	(159)
Increase / (decrease) in trade and other payables	20,448	(746)
Decrease in deferred revenue	(26)	–
Increase in provisions	45	–
Taxes paid	(8,023)	–
Changes in working capital	8,240	(905)
Net cash inflow / (outflow) from operating activities	21,277	(21,835)
Cash flows from investing activities		
Interest income	1,054	257
Interest on restricted funds	50	6,427
Consideration acquisition Polimetal (net of cash acquired)	(80,979)	–
Purchase of property, plant and equipment	(2,513)	–
Disposal of intangible assets	156	–
Net cash (outflow) / inflow from investing activities	(82,232)	6,684

Consolidated Statement of Cash Flows continued

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Cash flows from financing activities		
Proceeds from issue of ordinary share capital	46,294	125,000
Redemption of public shares	(739)	(134,683)
Sponsor loans received	3,250	15,425
Sponsor loan repaid	(3,250)	–
Issue of sponsor shares	–	2,031
Issue of sponsor warrants	–	9,110
Issue costs settled	–	(2,817)
Advance share/warrant subscriptions (repaid)/received	–	(2,000)
Proceeds from loans	37,500	–
Repayment of loans	(13,776)	–
Net cash inflows from financing activities	69,279	12,066
Net increase / (decrease) in cash and cash equivalents	8,324	(3,086)
Cash and cash equivalents at the beginning of the year	1,454	4,539
Exchange gains / (losses) on cash and cash equivalents	(103)	–
Cash and cash equivalents at the end of the year	9,675	1,454

The accompanying notes are an integral part of these financial statements.

Notes to the Consolidated Financial Statements

1. Corporate information

ACG Metals Limited (the “Company”) is a company limited by shares incorporated in the British Virgin Islands under the BVI Business Companies Act 2004 (as amended) (the “BVI Companies Act”). The Company changed name on the 3 September 2024 having complied with the requirements of the BVI Companies Act. The Company changed its name from ACG Acquisition Company Limited to ACG Metals Limited following readmission of its shares on the Main Market of the London Stock Exchange on 5 September 2024.

ACG Metals Limited (formerly ACG Acquisition Company Limited) and the entities controlled by the Company are referred to as the “Group”.

These financial statements represent the results of the Group as of, and for the 12 months ended, 31 December 2024. The comparative period represents the period 18 months ending 31 December 2023, and therefore the results are not directly comparable. The audited financial statements as at and for the 18-months ending 31 December 2023 are available on the Group’s website.

2. Accounting policies

2.1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

The financial statements have been prepared on a historical cost basis, as modified by the revaluation of financial instruments measured at fair value through profit or loss or otherwise noted.

The Financial Statements are presented in US Dollars (“USD” / “\$”), which is the presentational currency of the Group and the functional currency of the Company and all subsidiaries in the year, and have been prepared under the historical cost convention, with the exception of certain balances held at fair value, rounded to the nearest whole USD. The Group considers the USD to be the currency of the primary economic environment that it operates within. The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group’s Financial Statements.

2.1.1. Going concern

The directors of ACG Metals Limited have assessed the Group’s ability to continue as a going concern, considering its current financial position, principal risks, and future prospects. This assessment covers a period of at least 12 months from the financial statement approval date, ensuring a comprehensive evaluation of financial stability and future projections. It involves a detailed review of key assumptions that underpin financial decisions, an in-depth analysis of consolidated cash flow forecasts to assess liquidity and funding requirements, and the application of sensitivity testing to key inputs. Sensitivity analysis helps gauge how variations in underlying factors such as market conditions, revenue fluctuations, and

Notes to the Consolidated Financial Statements

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cost changes, might impact financial performance, providing a robust framework for risk management and strategic planning.

ACG Metals is focused on consolidating the copper sector and aims to increase our market cap from US\$100 million in 2024 to US\$3-5 billion in the next 3-5 years. In January 2025, the Group raised \$200 million in bonds to finance our Turkey copper mine, indicating active efforts to expand operations and deliver on our growth strategy. ACG Metals sought early refinancing of debt which arose at acquisition, demonstrating proactive and strategic management of funds. In addition to its current facilities, ACG Metals has a financial commitment from ACP, one of our main Shareholders for an additional share purchase worth \$7 million at the option of ACG Metals. The Group's current market cap and ongoing fundraising efforts indicates access to capital and a good relationship with investors.

The Group has secured offtake agreements from the start of copper concentrate production for the entire mine life with Glencore. The Group has also secured Zinc offtake agreements with Traxys with respect to all zinc concentrates produced by the project. Contracts are in-line with international benchmark terms with flexibility on INCO terms for ACG to optimise delivery schedule.

The Group is positioned to capitalize on the growing global demand for copper, which is crucial for clean-energy and transport technologies.

Conclusion

Based on the available information, the directors have concluded that the Group is in a strong position to continue as a going concern. Our ambitious growth plans, proactive debt management, and favourable market conditions support this assessment. In the 2023 financial statements the directors disclosed the existence of a material uncertainty because the company had not completed an acquisition and was dependent on continuing support from sponsors to fund its operations up to the date of an acquisition. Following the completion of the acquisition of Polimetal and the financing activities as disclosed above, the directors are satisfied that there is no longer a material uncertainty in respect of going concern.

2.1.2. Approval of the financial statements

The financial statements have been approved and authorized to be published on 24 April 2025 by the Board of Directors.

2.2. Basis of consolidation

The financial information consolidates the financial statements of ACG Metals Limited (formerly ACG Acquisition Company Limited) and the entities controlled by the Company.

2.3. Subsidiaries

Subsidiaries are all entities over whose financial and operating policies the Group has the power to govern, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of the potential voting rights that are currently exercisable or convertible are

Notes to the Consolidated Financial Statements

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considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

2.4. New standards, interpretations and amendments adopted in these financial statements:

a. New standard or amendment – applicable 1 January 2024

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2024:

New standard or amendment	Effective date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1, Non-current liabilities with Covenants – Amendments to IAS 1	1 January 2024
Lease Liability in a Sale and Leaseback – Amendments to IFRS 16	1 January 2024
Supplier finance arrangements – Amendments to IAS 7 and IFRS 7	1 January 2024

b. New standard or amendment – issued not yet effective

As at 31 December 2024, the following standards and interpretations had been issued but were not mandatory for annual reporting periods ending on 31 December 2024.

New standard or amendment	Effective date
Amendments to IAS 21 to clarify the accounting when there is a lack of exchangeability	1 January 2025
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027

None of the standards or amendments which became effective in the year had a significant impact on the Group. The Group have not early adopted and standards or amendments which are not yet effective. IFRS 18 will introduce presentational amendments to the primary statements which will be evaluated prior to their effective date. No other standards or amendments issued but not yet effective are expected to have a material impact.

2.5. Foreign currency

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rates at the balance sheet date. Foreign exchange gains and losses resulting

Notes to the Consolidated Financial Statements

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from trading activities (trade receivables and payables) denominated in foreign currencies have been accounted for under “other operating income/expenses” whereas foreign exchange gains and losses resulting from the translation of other monetary assets and liabilities denominated in foreign currencies have been accounted for under “financial income/expenses” in the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated to functional currency using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

2.6. Taxation

2.6.1. Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in future and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted for substantively enacted by the balance sheet date.

2.6.2. Deferred tax

Deferred tax is determined by calculating the temporary differences between the carrying amounts of assets/liabilities in the financial statements and the corresponding tax bases, used in the computation of the taxable profit, using currently enacted tax rates.

Deferred tax liabilities are generally recognized for all taxable temporary differences whereas deferred tax assets resulting from deductible temporary differences are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized if it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The Group has not recorded deferred tax assets over its accumulated losses, since it is not probable that sufficient profit will be generated to cause a tax liability that can be offset in subsequent periods.

Notes to the Consolidated Financial Statements

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2.7. Business combinations (Note 10)

The acquisition of subsidiaries and joint operations that meet the definition of a business, is accounted for under the acquisition method as defined by IFRS 3 'Business Combinations'.

The cost of acquisition is measured as being the aggregate fair value of consideration to be transferred at the date control is obtained. Goodwill is measured at the acquisition date as the fair value of consideration transferred, plus non-controlling interests, less the net recognised amount (which is generally fair value) of the identifiable assets, liabilities and contingent liabilities assumed. Goodwill is subject to an annual review for impairment (or more frequently if necessary) in accordance with the Group's impairment accounting policy.

Contingent consideration is initially recognised as a liability at fair value and subsequently re-measured through the income statement. Acquisition costs are expensed as incurred.

Changes in ownership that do not result in a change of control are accounted for as equity transactions.

2.8. Property, plant and equipment

Property, plant and equipment are depreciated with the linear depreciation method in accordance with the useful life principle. The useful lives of buildings, machinery, facilities and devices are limited by the useful life of the respective mines. Land is not depreciated as it is deemed to have an indefinite useful life. Depreciation commences when the assets are ready for their intended use.

The cost of the property, plant and equipment consists of acquisition cost, import taxes, non-refundable taxes, and expenses incurred to make the asset ready for use. After the asset is started to be used, expenses such as repair and maintenance are recognized as an expense in the period they occur. If the expenditures provide an economic value increase for the related asset in its future use, these expenses are added to the cost of the asset.

Assets in the construction phase are shown by deducting the impairment loss, if any, from their cost. When these assets are built and ready for use, they are classified into the relevant fixed asset item. Such assets are subject to depreciation when they are ready for use, as in the depreciation method used for other fixed assets.

The depreciation periods for property, plant and equipment, which approximate the economic useful lives of such assets, are as follows:

	Useful lives
Land improvements	8-10 years
Buildings	10 years
Machinery and equipment	4-24 years
Motor vehicles	4-7 years
Furniture and fixtures	1-50 years
Leasehold improvements	2-5 years

Notes to the Consolidated Financial Statements

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Mining Assets

Mining assets begin to be amortized with the commencement of production. The depreciation expenses of the mining assets are associated with the production costs on the basis of the relevant mining sites.

The mine site development costs include the evaluation and development of new ore veins, as well as the opening of underground galleries, excavation and construction of roads for the continuation and development of existing ore seams. Mine development costs are capitalized in cases where it is highly likely to obtain an economic benefit in the future from the mine in question, can be identified for specific mining areas and the cost can be measured reliably. Costs incurred during production are capitalized as long as they are directly related to the development of the mine site. Production-related costs are reflected as expense in the statement of profit or loss and other comprehensive income.

In cases where mining site development expenses cannot be distinguished from research and evaluation expenses, the said expenses are recorded as expense in the profit or loss and other comprehensive income statement in the period they occur.

Mining assets are depreciated when their capacity is ready to be used fully and their physical conditions meet the production capacity determined by the Group management. Mine development costs are capitalized in cases where it is highly probable to obtain economic benefit in the future and are subject to depreciation considering the economic benefit. Mine development costs are distributed to the departments to the extent that they can be defined on the basis of the relevant mining areas as soon as they are first recorded, and the departments in each mine area are subjected to depreciation by using the units of production method, taking into account the economic benefits separately.

The mine development costs at each mine site are depreciated over the redemption rate found by dividing the total amount of gold in ounce mined from the relevant mine by the total ounce of visible and possible workable remaining gold reserves in the said mine during the period. The visible and possible reserve amounts in each mine site indicate the known and measurable resource that can be extracted and processed economically in the foreseeable future.

The deferred mining costs consist of the direct costs incurred during stripping, which facilitates access to the defined part of the ore in each open pit ore deposit during the period, and the general production costs associated with the stripping work. It is subject to depreciation taking into account the deferred extraction rate, which is calculated based on the usable remaining life of each open pit.

Deferred mining costs are depreciated over the amortization rate found by dividing the total ounce of gold mined from the relevant mine by the total ounce of visible and possible workable remaining gold reserves in the said mine. The visible and possible reserve amounts in each mine site indicate the known and measurable resource that can be extracted and processed economically in the foreseeable future.

Notes to the Consolidated Financial Statements

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2.9. Financial Instruments

Financial assets and financial liabilities are recognised in the Consolidated statement of financial position when the Group becomes a part of the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

2.9.1. Financial assets

Classification of financial assets

Financial assets that meet the following conditions are classified as financial assets at amortized cost:

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

Financial assets classified at amortised cost including other receivables, amounts held in escrow and cash and bank balances, are initially recognised at their fair value at the date of the transaction.

Financial assets classified at amortised cost are subsequently carried at amortised cost using the effective interest rate method. The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any allowance for expected credit losses where relevant.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. This income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognized in the income statement and is included in the "finance income – interest income" line item.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically,

- for financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss.

Notes to the Consolidated Financial Statements

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For financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss.

Impairment of financial assets

The Group utilizes a simplified approach for receivables that do not have significant financing component and calculates the allowance for impairment based on the lifetime ECL of the related financial assets.

For all other financial instruments, the Group recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

For financial assets, the expected credit losses are estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received, and receivable is recognised in profit or loss.

2.9.2. Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual agreements of the instrument. At initial recognition financial liabilities are measured at their fair value less, if appropriate, any transaction costs that are directly attributable to the issue of the financial liability.

Financial liabilities are classified at amortised cost, except for:

- a) Financial liabilities at FVTPL: Warrants are derivative liabilities, which are classified as financial liabilities at fair value through profit or loss. Subsequent to initial recognition, all warrants are measured at fair value and changes thereto are recognised in the profit or loss.
- b) Contingent consideration recognised in the financial statements recognised by the entity acquired in a business combination where IFRS 3 is applied. After initial recognition, the related contingent consideration is measured at FVTPL.

Notes to the Consolidated Financial Statements

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- c) Deferred consideration recognised in relation to the Lidya working capital settlement with an option to settle in shares. This instrument has been initially recognised at fair value and will be measured at FVTPL.

Financial liabilities classified at amortised cost, including interest bearing loans and trade & other payables, are subsequently measured at amortised cost using the effective interest rate. The amortised cost of a financial liability is the amount at which the financial liability is measured on initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount. Such amortisation amounts are recognised in the Statement of Comprehensive Income. Due to the short-term nature of the trade and other payables, they are stated at their nominal value, which approximates their fair value.

The Group determines the classification of its financial liabilities at initial recognition and re-evaluates the designation at each financial period end.

IAS 32 provides that the Group's financial instruments shall be classified on initial recognition in accordance with the substance of the contractual arrangement and the definitions of a financial liability or an equity instrument.

Derecognition of financial liabilities

A financial liability is de-recognised when it is extinguished, discharged, cancelled or expires.

2.10. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term time deposits held with banks. Short-term time deposits are highly liquid that can be easily converted into cash without a risk of losing its value. Cash and cash equivalents are presented in the statement of financial position. Deposits from which interest income is obtained despite being blocked are classified under long-term financial assets.

Restricted cash represents amounts held in escrow and is made up of the proceeds of the listing, and the Co-Sponsor Overfunding Subscription, and any interest earned. The Group may only direct the release of funds upon the occurrence of certain events as outlined in the Company's prospectus. See Note 20 for further details.

2.11. Inventories

The cost of inventories comprises all costs incurred in bringing the inventories to their present location and condition. The components of the cost included in inventories are material, labour and overhead costs. Inventories consists of mining inventories, chemicals, operating materials and spare parts. Mining inventories consists of ready to be processed and mined ore clusters, solution obtained by treating mining inventories through heap leach and gold and silver bars in the production process or ready for shipment.

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Depreciation and amortization of mineral assets and other fixed assets related to production are included in the costs of the inventory at the relevant production location and stage.

Inventory is the lower of Cost and Net Realisable Value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.12. Mineral exploration, evaluation and development expenses

After the license acquisition, mineral exploration and evaluation expenses include all kinds of technical services from the initial prospecting and exploration stages of a mine site to the realization of a mining project. These technical services are all kinds of geological studies from mining activities to reserve calculation, all kinds of ore production planning from exploitable reserve calculation to production method, optimization and organization, construction and implementation of ore enrichment projects for determination of complete flow chart, from process mineralogy to market analysis and necessary financing.

Mine site development costs are capitalised in cases where it is highly likely that:

- an economic benefit will be obtained from the mine in question in the future,
- can be identified for specific mine sites and;
- the costs can be measured reliably

The costs incurred during the research and evaluation are capitalized as long as they are directly related to the development of the mine site.

At commencement of commercial production at the mine site, all costs incurred are transferred to the mining assets account. However, when it is decided that there is no future economic benefit, all costs incurred are reflected in the income statement. As the production starts after the preparation period, mineral assets begin to be depreciated.

For the capitalised costs, the Group's management evaluates on each balance sheet date whether there is any indication of impairment such as a significant decrease in the reserve amount, expiration of the rights acquired for mining sites, and failure to renew or cancel. If there is such an indicator, the relevant recoverable value, which is determined as the higher of value in use or Fair Value less cost to sell, is estimated and the impairment losses are reflected as expense in the profit or loss and other comprehensive income statement. The carried value is reduced to its recoverable value.

2.13. Intangible Assets

2.13.1. Recognition & Measurement

Purchased intangible assets are recorded at Fair Value. Finite-life intangible assets are amortised over their useful economic lives on a straight line or units of production basis, as appropriate. These include software, licenses, and the mining license (Contract based intangible asset) arising on

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the business acquisition in the period. Rights, software and licenses are amortised over their estimated useful life of three years in most cases. The mining license is amortised on a unit of production basis over the 12 year life of the license.

Intangible assets that are deemed to have indefinite lives and intangible assets that are not yet ready for use are not amortised; they are reviewed annually for impairment or more frequently if events or changes in circumstances indicate a potential impairment. This includes Goodwill recognized arising from the business acquisition which took place in the period.

2.13.2. Impairment

At each reporting date the Group assesses whether there are indicators that an intangible asset may be impaired. If such indicators exist, the assets recoverable amount, being the higher of the fair value less costs of disposal, and value in use) is compared with its carrying amount. For indefinite life intangible assets, impairment testing is conducted annually, regardless of whether indicators exist.

Impairment losses are recognised in profit or loss and cannot be reversed for goodwill. For other intangible assets reversals are allowed if there is a change in the estimates used to determine the asset's recoverable amount.

2.14. Revenue

The Group sales consist of gold ore bars with a right of first refusal to domestic banks on consignment to be sold to the Central Bank of the Republic of Turkey and silver to a domestic refinery on consignment.

The Group applies IFRS 15's the five-step model to recognise revenue as follows:

1. Identification of customer contracts
2. Identification of performance obligations
3. Determination of the transaction price in the contracts
4. Allocation of transaction price to the performance obligations
5. Recognition of revenue when the performance obligations are satisfied

The Group evaluates each contracted obligation separately. Obligations committed to deliver distinct goods or perform services are determined as separate performance obligations. According to this model, firstly, the goods or services in the contract with the customers are assessed and each commitment for transferring the goods or services is determined as a separate performance obligation. Then it is assessed whether the performance obligations will be fulfilled at a point in time or over time. Revenue is recognised when control of the goods or services is transferred to the customers.

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Following indicators are considered while evaluating the transfer of control of the goods and services:

- a) Presence of Group's collection right of the consideration for the goods or services
- b) Group's ownership of the legal title on goods or services
- c) Physical transfer of goods or services
- d) Customer's ownership of significant risks and rewards related to the goods or services
- e) Customer's acceptance of goods or services

When the contract effectively constitutes a financing component, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. The difference between the discounted value and the nominal amount of the consideration is recognised on an accrual basis as other operating income.

The main activities of the Group are operating mines and improving the mines of on-going projects.

Sale of gold and silver

Sale of gold and silver is recognised at the point of sale, which is where the customer has taken delivery of the goods, or upon shipment depending on the terms of the contract, when control is transferred to the customer and there is a valid sales contract. Amounts disclosed as revenue are net of sales returns and trade discounts.

2.15. Employee Benefits

a) Provision for employment termination benefits

In relation to employees based in Turkey, the provision for employment termination benefits, as required by Turkish Labour Law represents the present value of the future probable obligation of the Group arising from the retirement of its employee based actuarial projections. IAS 19 Employee Benefits requires actuarial assumptions (net discount rate, turnover rate to estimate the probability of retirement etc.) to estimate the entity's obligations for actuarial assumptions and the actual outcome together with the effects of changes in actuarial assumptions compose the actuarial gains/losses and recognised under other comprehensive income.

The Group makes no provision for employee termination for employees based in the United Kingdom.

b) Defined contribution plans

Under Turkish law in relation to employees based in Turkey, the Group has to pay contributions to the Social Security Institution on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. These contributions are recognised as an employee benefit expense when they are accrued.

In the United Kingdom, due to the number of employees being below the autoenrollment threshold, the Group has no obligation to offer a personal

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pension plan. The Group will make an employer contribution to employee private pension plans

c) Holiday pay accrual

Liabilities arising from unused vacations of the employees are accrued in the period when the unused vacations are qualified.

2.16. Provisions

Provisions are recognized when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liabilities and contingent assets

A possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group has not been recognized in these financial statements and treated as contingent liabilities and contingent assets.

Environmental rehabilitation, rehabilitation of mining sites and mine closure provision

The Group records the present value of the estimated costs of legal and constructive obligations required to restore the operating places in the period in which the obligation occurred (Note 16). These restoration activities include the dismantling and removal of structures, the rehabilitation of mines and waste dams, the dismantling of operating facilities, the closure and restoration of factories and waste areas, and the remediation and greening of the affected areas. The requirement usually occurs when the asset is set up or the place / environment in the production area is adversely affected. When the liability is first recorded, the present value of the estimated costs is capitalized by increasing the net book value of the relevant mining assets up to the amount at which the development / construction of the mine will take place. The liability that is discounted over time is increased by the change in the present value, which depends on the discount rates reflecting the market evaluations in the current period and the risks specific to the liability.

The periodic fluctuation of the discount is recognized as a financial cost in the income statement. Additional disruptions or changes in rehabilitation

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costs are reflected in the respective assets and rehabilitation liabilities they occur.

2.17. Share-based Payments

The Group issues share-based payments to employees, directors, and third parties as part of its incentive schemes. These payments are accounted for in accordance with IFRS 2 Share-Based Payments.

Share-based payments are classified as either equity settled, where shares or share options are granted and settled in equity instruments of the Group, or cash settled, where payments are made based on the value of the Group's shares, but settled in cash. The fair value of share-based payment awards is determined at the grant date and recognized as an expense over the vesting period, with a corresponding increase in equity (for equity-settled awards) or liabilities (for cash-settled awards).

The fair value of equity settled share-based payments is determined using an appropriate valuation model and the expense is recognised over the vesting period based on the number of options that are expected to vest. At each reporting date the expected vesting rate is reviewed and adjustments are made for forfeitures. The grant date fair value is not subsequently re-measured. Cash settled share-based payments are recognised as a liability and re-measured at each reporting date with changes in fair value recognised through profit or loss.

2.18. Equity Instruments

Equity instruments issued are classified in accordance with the substance of the contractual arrangements entered, and the definition of an equity instrument under IAS 32. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity is recorded at the amount of proceeds received, net of issue costs. Refer to notes 24 – 26 for further details of the share capital and other equity reserves.

2.19. Summary of critical accounting estimates and judgements

The preparation of financial statements in accordance with IFRS requires Management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities and income and expenses. The estimates and associated assumptions are based on various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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

The principal judgements and estimates are as follows:

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Critical accounting estimates and judgements

2.19.1. Estimates and judgements associated with mining operations

Amortisation and depreciation

Mining assets consists of mine site development costs, mining rights, mining lands, deferred stripping costs and discounted costs associated with the improvement, rehabilitation and closure of mine sites. Mining assets are amortised on a unit of production basis according to producible ore reserve from the commencement of production. The unit of production basis of amortisation involves estimates of total ore reserves and the proportion of those reserves which has been produced to date. Group management reviews the estimates made in relation to the visible and probable mineral reserves in each balance sheet period (Note 12).

Other tangible assets, both movable and fixed, other than mining assets are depreciated using the straight-line method over their useful lives, which is limited to the lifetime of the mines they are related to.

Impairment

The impairment tests performed by the Group management depend on the management's estimates about the future gold prices, current market conditions, exchange rates and pre-tax discount rate together with the relevant project risk. The recoverable value of the cash- generating units is determined as the higher one from the value in use of the relevant cash- generating unit or its fair value after deducting sales costs. These calculations require the use of some assumptions and estimates. Changes in assumptions and estimates based on gold prices may affect the useful life of mines (Note 13).

Provision for asset retirement and environmental rehabilitation

Amounts of provision reflected in financial statements regarding environmental rehabilitation and closure of mine sites is based on the plans of the Group management and the requirements of the relevant legal regulations. Changes in the aforementioned plans and legal regulations, up-to-date market data and prices, discount rates used, changes in estimates based on mineral resources and reserves may affect provisions.

Critical accounting Estimates and judgements (continued)

As of 31 December 2024, the Group reassessed the provision amounts due to changes in discount rates, costs, production areas subject to rehabilitation and reserve lifetimes. The Group annually engages an expert to evaluate mine rehabilitation provision cost. Significant estimates and assumptions are made in determining the provision for mine rehabilitation due to the large number of factors that may affect the final liability to be paid. These factors include estimates of the scope and cost of rehabilitation activities, technological changes, changes in regulations, cost increases proportional to inflation rates and changes in net discount rates. These uncertainties may cause future expenditures to differ from the amounts estimated today (Note 16).

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2.19.2. Estimates and judgements associated with financial instruments

Fair value of derivative financial instruments at fair value through profit or loss

The group recognises its derivative financial instruments comprising Public Warrants, Sponsor Warrants and Private Placement Warrants, initially at fair value at date of issuance with any subsequent movement in fair value between the issuance date and the reporting date being recognised as a fair value movement through profit and loss.

As at 31 December 2024 a third party valued the 37,669,542 Warrants in issue using an appropriate valuation model and determined fair value at the reporting date to be \$0.3875 per warrant, being the quoted market price of a public warrant.

Equity classification of sponsor loans

Prior to completion of the acquisition, loan advances were received from sponsors to fund acquisition related costs and pre-acquisition administrative expenses. During the year a further \$3.25m was advanced, adding to total loans of \$15.4m received in the prior period. The sponsor loans met the criteria for classification as equity under IAS 32 until completion of the acquisition, at which point the loans became repayable along with interest accrued. Following the acquisition, the sponsor loans no longer satisfied IAS 32's equity classification criteria and were reclassified to debt, and included within Loans and Borrowings. Please refer to Note 22 for further details.

Equity Classification of Sponsor Shares

On 12 October 2022, the Company completed its admission to trading on the London Stock Exchange, issuing 12,500,000 redeemable Class A Ordinary Shares ("Public Shares") of no par value and 6,250,000 warrants ("Public Warrants") to investors. The Public Warrants were issued on the basis of ½ of one redeemable warrant per Class A Ordinary Share, with each Class A Ordinary Share priced at \$10.00.

As part of the same transaction, the Company also issued 3,125,000 Class B Ordinary Shares of no par value to the Sponsors at a subscription price of \$0.01 per share.

Following the successful completion of the acquisition, each Class B Share automatically converted into a Class A Ordinary Share.

A total of 114,096 Class B Shares were reallocated from the Sponsors to members of management under a long-term incentive plan (LTIP). These shares were accounted for in accordance with IFRS 2 – Share-based Payment, with a charge recognised in profit or loss based on the grant date fair value. The shares vested immediately, as there were no post-acquisition service or performance conditions. Prior to the acquisition, these shares were deemed to represent an economic interest in the target entity, and therefore no expense was recognised prior to acquisition.

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The Company exercised judgment in determining the appropriate accounting treatment of the remaining Sponsor Shares upon conversion to Class A Ordinary Shares. As the Sponsors did not provide services, the Company concluded that these shares did not meet the criteria of a share-based payment under IFRS 2. Accordingly, the Sponsor Shares were accounted for as equity instruments in accordance with IAS 32 – Financial Instruments: Presentation.

2.19.3. Estimates and judgements associated with the acquisition of Polimetal

On 3 September 2024 the Group completed the acquisition of the Gediktepe Mine through the acquisition of the issued share capital of Polimetal by ACG Holdco 1 Limited. The acquisition was accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*. Details of the rationale for the acquisition, purchase consideration transferred, net assets acquired and liabilities assumed, and residual (provisional) Goodwill, are included at Note 10.

Fair Value of acquired assets and liabilities

As part of the business combination, management engaged independent third-party valuation specialists to assist in determining the fair value of identifiable assets and liabilities acquired, in accordance with IFRS 3 *Business Combinations*.

Given the technical and industry-specific nature of the acquired mining licence, specialist expertise was required to assess its fair value. The valuation was based on the Excess Earnings method, which is an income approach, considering factors such as resource estimates, expected production profiles, commodity prices, licence terms, and associated costs and discounted at an appropriate discount rate.

Management reviewed and challenged the key assumptions used by the valuation experts to ensure they were appropriate and consistent with internal forecasts and market data. The final valuation formed the basis for recognising the mining licence as an intangible asset at acquisition. Due to the inherent uncertainty in estimating future cash flows and market variables, changes in any of the above assumptions could result in a materially different valuation of the mining licence and may give rise to future impairment. The fair value of the acquired mining licence was determined to be \$102.7m – see note 13).

Fair Value of Contingent Consideration

Purchase consideration transferred included contingent consideration relating to Copper Price and Copper Discovery Bonuses. These are payable 12 months after the commencement of commercial production, expected in 2026. Payments are contingent upon achieving specified copper price and discovery targets over 2 years (Price Bonus) and 10 years (Discovery Bonus) from commencement.

The liability is initially measured at fair value by a third party management expert on acquisition and remeasured at each reporting period, with changes recognized in profit or loss.

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Working Capital settlement conversion option

As part of the acquisition, the Group issued a €5.8 million working capital loan to the seller, Lidya. Settlement is by November 2025 and Lidya has an option to either settle in cash or A ordinary shares at a discount to the market value, with a fixed floor of €6 per share.

Management has exercised judgement in determining the appropriate accounting treatment for the share settlement option element. It was concluded that the instrument as a financial liability at fair value through profit or loss due to the variability of the number of shares to be issued under the share settlement option. The valuation of the conversion option involves estimating the economic benefit of the 15% discount and the impact of the €6 floor, which limits the value of the option at lower share prices. At initial recognition, the fair value of the option was estimated at €1.0m, with no changes in fair value recognised subsequently as the share price did not change significantly in the period.

The valuation is sensitive to changes in the Group's share price, expected volatility, and the likelihood of the option being exercised. These factors are reassessed at each reporting date. Please refer to note 15.

Copper Price Bonus

The first and second Copper Price Bonuses are due 12 and 24 months after commercial production begins, expected on be 1 April 2026.

The valuation approach applied a Monte Carlo simulation to model a volume of copper price scenarios, incorporating expected metal price volatility and correlations from 3 September 2024 to 1 April 2028. Risk-free US government bond yields were applied to discount the present value.

Copper Discovery Bonus

If new ore reserves of at least 100,000 copper equivalent tonnes are discovered, the Group will pay Lidya \$50 million in 4 instalments over two years, starting no earlier than four years after production begins.

The bonus is expected to be triggered in 2031. The same Monte Carlo simulation used for the Price Bonuses was applied to estimate the remaining cap available for Discovery Bonus payments. The average estimated value across simulations was \$47.4m.

The fair value of \$12.6m recognised is based on probability-weighted production scenarios and discounted at the Group's WACC of 18.0%.

Sensitivity

In respect of the Copper Price Bonus, a +0.5% change in the risk-free rate applied to present value the liability would have decreased the contingent consideration recognised from \$15.6m to \$15.3m. A 5% increase in the estimated bonus based on copper price simulations, before discounting would have increased the contingent recognised from \$15.6m to \$16.3m. In respect of the Copper Discovery Bonus, a +1% change in the WACC applied to 19% would have decreased contingent consideration recognized from £12.6m to \$11.9m. A 5% increase in the estimated bonus based on copper

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price simulations, before discounting, would have increased the contingent recognised from \$12.6m to \$13.2m.

This liability is classified as level 3 on the IFRS 13 Fair Value hierarchy, due to the use of significant unobservable inputs.

3. Financial Risk Management

3.1. Principal financial instruments and their categories

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

	31 December 2024 \$000	31 December 2023 \$000
Categories of financial assets		
Other receivables	8,098	206
Cash and cash equivalents	9,675	1,454
Total current financial assets at amortised cost	17,773	1,660

	31 December 2024 \$000	31 December 2023 \$000
Categories of financial liabilities at amortised cost		
Trade payables	17,678	228
Accruals	6,096	102
Other payables	1,011	514
Trade and other payables	24,785	844
Current loans and borrowings	39,611	–
Loans and borrowings	39,611	–
Total financial liabilities at amortised cost	64,396	844

	31 December 2024 \$000	31 December 2023 \$000
Categories of financial liabilities at Fair Value		
Derivatives	14,890	770
Contingent consideration	28,158	–
Deferred consideration	6,839	–
Total current financial liabilities at Fair Value	49,887	770

3.2. General objectives, policies and processes

The Group is exposed to variety of financial risks due to its operations. These risks include credit risk, market risk (foreign exchange risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy focus on the unpredictability of financial markets and targets to minimize potential adverse effects on financial performance.

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3.3. Credit risk management

Credit risk arises from cash and cash equivalents and deposits maintained with banks and financial institutions with credit ratings acceptable to the management, as well as credit exposures with customers, including outstanding receivables and committed transactions. The company had low exposure to credit risk as its cash and cash equivalents are held in a bank with strong credit ratings and receivables are paid within 15 days.

31 December 2024	Receivables				
	Trade receivables		Other receivables		Bank deposits
	Related party	Third party	Related party	Third party	
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	–	–	–	8,391	9,675
- The part of maximum risk under guarantee with collateral	–	–	–	–	–
A. Net book value of financial assets that are neither overdue nor impaired	–	–	–	8,391	9,675
B. Net book value of financial assets that are renegotiated	–	–	–	–	–
C. Net book value of financial assets that are overdue but not impaired	–	–	–	–	–
- The part of maximum risk under guarantee with collateral	–	–	–	–	–
D. Net book value of impaired asset	–	–	–	–	–
- Overdue (gross net book value)	–	–	–	–	–
- Impairment (–)	–	–	–	–	–
- The part of net value under guarantee with collateral etc.	–	–	–	–	–
- Undue (gross net book value)	–	–	–	–	–
- Impairment (–)	–	–	–	–	–
- The part of net value under guarantee with collateral	–	–	–	–	–
E. Credit Risk of the Statement of Financial Position	–	–	–	–	–

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	Receivables				
	Trade receivables		Other receivables		Bank deposits
31 December 2023	Related party	Third party	Related party	Third party	
Maximum net credit risk as of balance sheet date (A+B+C+D+E) (*)	–	–	–	206	–
– The part of maximum risk under guarantee with collateral	–	–	–	–	–
A. Net book value of financial assets that are neither overdue nor impaired	–	–	–	206	–
B. Net book value of financial assets that are renegotiated	–	–	–	–	–
C. Net book value of financial assets that are overdue but not impaired	–	–	–	–	–
– The part of maximum risk under guarantee with collateral	–	–	–	–	–
D. Net book value of impaired asset	–	–	–	–	–
– Overdue (gross net book value)	–	–	–	–	–
– Impairment (–)	–	–	–	–	–
– The part of net value under guarantee with collateral	–	–	–	–	–
– Undue (gross net book value)	–	–	–	–	–
– Impairment (–)	–	–	–	–	–
– The part of net value under guarantee with collateral etc.	–	–	–	–	–
E. Credit Risk of the Statement of Financial Position	–	–	–	–	–

* The factors that increase the credit reliability, such as guarantee received are not considered in the determination of the balance.

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3.4. Liquidity risk

Liquidity risk comprises the risks arising from the inability to fund the increase in the assets, the inability to cover the liabilities due and the operations performed in illiquid markets. In the framework of liquidity risk management, funding sources are being diversified and sufficient cash and cash equivalents are held. In order to meet instant cash necessities, it is ensured that the level of cash and cash equivalent assets does not fall below a predetermined portion of the short-term liabilities.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows, including contractual interest) of financial liabilities:

31 December 2024	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	17,678	–	–	–	–
Other payables	7,107	–	–	–	–
Redeemable public share liabilities	–	25	–	–	–
Derivative financial instruments	–	14,890	–	–	–
Sponsor loans	–	14,806	–	–	–
Traxys loan	26,036	–	–	–	–
Deferred consideration	–	6,839	–	–	–
Contingent consideration	–	–	–	17,479	47,370
Undiscounted financial liabilities	50,821	36,560	–	17,479	47,370

31 December 2023	Up to 3 Months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade payables	228	–	–	–	–
Other payables	616	–	–	–	–
Redeemable public share liabilities	–	292	–	–	–
Derivative financial instruments	–	770	–	–	–
Undiscounted financial liabilities	844	1,062	–	–	–

3.5. Interest rate risk

Interest rate risk arises from increases in market interest rates and could potentially arise from the use of bank overdrafts. Changes in interest rates can impact the Group's borrowing costs.

The interest-bearing loans are held at a fixed rate of interest. As such, it is considered there is no immediate risk associated with fluctuations in interest rates.

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3.6. Foreign exchange risk

The difference between the foreign currency denominated and foreign currency indexed assets and liabilities of the Group are defined as the "Net foreign currency position" and it is the basis of the currency risk. Another important dimension of the currency risk is the changes of the exchange rates of different foreign currencies in net foreign currency position (cross currency risk).

Assets and liabilities denominated in foreign currency are as follows:

Foreign exchange position	31 December 2024				
	USD	TL	EUR	AUD	GBP
1. Monetary financial assets	3,822	134,617	–	–	–
2. Trade receivables	–	–	–	–	–
3. Other receivables	44	1,541	–	–	–
4. Other current assets	10	8	–	15	–
5. Current assets (1+2+3+4)	3,876	136,166	–	15	–
6. Other receivables	90	3,170	–	–	–
7. Non-current assets (6)	90	3,170	–	–	–
8. Total assets (5+7)	3,966	139,336	–	15	–
9. Trade payables	3,379	100,720	117	122	257
10. Other payables	358	12,623	–	–	–
11. Other current liabilities	–	–	–	–	–
12. Current liabilities (9+10+11)	3,737	113,343	117	122	257
13. Total liabilities	3,737	113,343	117	122	257
14. Net foreign currency (liability) / asset (8-13)	229	25,993	(117)	(107)	(257)

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Foreign exchange position	31 December 2023				
	USD	TL	EUR	AUD	GBP
1. Monetary financial assets	–	–	–	–	–
2. Trade receivables	–	–	–	–	–
3. Other receivables	–	–	–	–	–
4. Other current assets	–	–	–	–	–
5. Current assets (1+2+3+4)	–	–	–	–	–
6. Other receivables	–	–	–	–	–
7. Non-current assets (6)	–	–	–	–	–
8. Total assets (5+7)	–	–	–	–	–
9. Trade payables	71	–	–	66	20
10. Other payables	–	–	–	–	–
11. Other current liabilities	–	–	–	–	–
12. Current liabilities (9+10+11)	71	–	–	66	20
13. Total liabilities	71	–	–	66	20
14. Net foreign currency (liability) / asset (8–13)	(71)	–	–	(66)	(20)

As of 31 December 2024, the Group's profit & loss exposure to changes in foreign exchange rate was as follows:

Against USD by 10% / (10%)

	2024 +10% \$000	2024 –10% \$000
TL denominated net assets / liabilities	74	(74)
EUR denominated net assets / liabilities	(12)	14
Other currency denominated net assets / liabilities	(8)	19
Total	54	(41)
	2023 +10% \$000	2023 –10% \$000
TL denominated net assets / liabilities	–	–
EUR denominated net assets / liabilities	–	–
Other currency denominated net assets / liabilities	(6)	8
Total	(6)	8

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3.7. Capital risk management

The Group's main objectives for capital management are to keep the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may decide on the amount of dividends paid to shareholders, issue of new shares or sell assets to decrease net financial debt.

The Group monitors capital on the basis of the net financial debt / invested capital ratio. Net financial debt is calculated as total financial liabilities less cash and cash equivalents (excluding blocked deposits) and invested capital is calculated as net financial debt plus total equity. Net financial debt / invested capital ratio was as follows:

	31 December 2024 \$000	31 December 2023 \$000
Total financial liabilities (a)	114,283	1,614
Cash and cash equivalents (b)	9,675	1,454
Net financial debt (c = a-b)	104,608	160
Equity (d)	58,311	(246)
Invested Capital (e = c+d)	162,919	(86)
Capital Ratio (f = c / e)	64%	(186)%

4. Revenue and segmental information

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenues		
Sale of Goods	57,745	—
Total	57,745	—

Revenue from the sale of goods represents the sale of gold and silver, for which revenue is recognised at the point in time at which control transfers to the customer.

The Group had revenues from customers in the following countries that were determined to be material:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenues		
Turkey – domestic	55,891	—
Other	1,854	—
Total	57,745	—

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The Group had 1 customer that exceeded 10% of revenue in 2024 (2023: 0 customers). All sales related to the mining operating segment:

	Year ended 31 December 2024 \$	18-month period ended 31 December 2023 \$
Revenues		
Customer 1	57,745	—
Total	57,745	—

Segment information

The Group has one operational segment: mining. Non-operational group activities consisting of investing and Group management are not allocated to the operating segment and are presented below as “corporate”.

Geographical Segments

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenue		
Europe	57,745	—
Rest of world	—	—
Total revenue	57,745	—
Operating profit / (loss)		
Europe	20,365	—
Rest of world	(15,580)	(20,930)
Total operating profit / (loss)	4,785	(20,930)
Non-current assets		
Europe	186,217	—
Rest of world	—	—
Total non-current assets	186,217	—

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Operational and corporate segments

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Revenue		
Operational	57,745	—
Corporate	—	—
Total revenue	57,745	—
Operating profit / (loss)		
Operational	24,099	—
Corporate	(19,314)	(20,930)
Total operating profit / (loss)	4,785	(20,930)
Non-current assets		
Operational	186,217	—
Corporate	—	—
Total non-current assets	186,217	—

5. Other income and other expense

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Other income from mining activities	301	—
Total other income	301	—

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6. Operating Profit

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Operating profit (2023: loss) is stated after charging:		
Auditors' remuneration:		
Audit fees – audit of the Company and its subsidiaries pursuant to legislation	400	100
Non-audit fees – other assurance services	333	–
Project costs in relation acquisition	7,858	–
Legal & professional costs	4,872	19,142
Consultancy	9,041	1,689
Depreciation of Property Plant and Equipment	4,352	–
Amortisation of intangible assets	2,877	–
Share based payment	1,050	–
Royalty payments	10,334	–
Non-executive fees	392	–
Directors' fee and staff costs	670	–
Listing expense	297	–
Research and Development	375	–

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Sales and Cost of Sales

The details of sales and costs of sales for the year ended 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Sales of gold and silver	57,745	–
Revenue	57,745	–
Costs of sales of gold and silver	(33,704)	–
Gross Profit	24,041	–

For the year ended 31 December 2024 cost of sales includes depreciation and amortisation expenses amounting to \$5.2m (18-month period ended 31 December 2023: \$nil), personnel expenses amounting to \$3.6m (2023: \$nil), and royalty expenses of \$10.3m (2023: \$nil).

7. Finance income and finance costs

	Year ended 31 Dec 2024 \$000	18 months ended 31 Dec 2023 \$000
Finance income		
Interest on restricted cash repayable on shares classified as liabilities	50	6,427
Bank interest received	953	257
Other bank interest income	101	–
	1,104	6,684
Finance expenses		
Interest on restricted cash repayable on shares classified as liabilities	50	6,427
Interest accreted public share liabilities at amortised cost	–	7,996
Loan interest	3,590	–
Other interest costs	242	–
Foreign exchange loss	506	–
	4,388	14,423

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8. Income tax

Current income tax

The Group is subject to taxation in jurisdictions where it operates. The primary source of taxable income is its Turkish subsidiary, Polimetal, which is subject to corporate income tax in Turkey at a statutory rate of 25%. The parent entity, ACG Metals Ltd, is incorporated in the British Virgin Islands, which does not levy corporate income tax.

Corporate tax is applied on taxable corporate income, which is calculated from the statutory accounting profit by adding back non-deductible expenses, dividend income from domestic companies, other exempt income and investment incentives utilized.

In Turkey, income taxes are calculated and accrued on a quarterly basis. Corporate income tax rate applied in 2024 is 25%. Losses can be carried forward for offset against future taxable income for up to 5 years. However, losses cannot be carried back for offset against profits from previous periods.

Corporate tax liabilities recognised in the consolidated balance sheet are as follows:

	2024 \$000	2023 \$000
Current income tax liabilities	(11,470)	—
Withholding tax	(689)	—
Less: Prepaid income tax	6,623	—
Net current income tax liabilities	(5,536)	—

Tax expense details recognised in the income statement are as follows:

	2024 \$000	2023 \$000
Current period tax expense	9,760	—
Withholding tax	689	—
Deferred tax income	(4,331)	—
Tax expense	6,118	—

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Deferred taxes

Deferred tax liabilities are recognised for all taxable temporary differences, where deferred tax assets resulting from deductible temporary differences (including unused incentive amounts and carried forward tax losses of prior years) are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary difference can be utilised.

The tax rate used in the calculation of deferred tax assets and liabilities is 25% as of 31 December 2024 (2023: n/a).

The breakdown of cumulative temporary differences and deferred tax assets and liabilities provided at applicable tax rates are as follows:

	31 December 2024 Cumulative temporary differences	31 December 2024 Deferred tax asset/ (liability)	31 December 2023 Cumulative temporary differences	31 December 2023 Deferred tax liability
Inventories	410	(102)	—	—
Property, plant and equipment and intangible assets	99,541	(24,886)	—	—
Temporary differences on accruals and provisions	(12,446)	3,112	—	—
Employee severance indemnity	(433)	108	—	—
Construction in progress	518	(130)	—	—
Vacation pay liability	(186)	47	—	—
Asset retirement obligation provisions	(12,506)	3,126	—	—
Other temporary differences	(396)	99	—	—
Net deferred tax liability		(18,626)		—

Movements in deferred tax assets / (liabilities) are as follows:

	2024 \$000	2023 \$000
1 January	—	—
Acquired in Business Combination	(22,957)	—
Deferred tax income recognised in income statement	4,331	—
31 December	(18,626)	—

Notes to the Consolidated Financial Statements

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The reconciliation of the tax income / (expense) is as follows:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Loss on ordinary activities before income tax	(6,971)	(25,937)
British Virgin Islands ("BVI") rate of corporation tax	0%	0%
	—	—
Effect of Turkish tax rate of 25% on Turkish profits	5,429	—
Withholding tax	689	—
Tax expense	6,118	—

ACG Holdco1 Limited has tax losses that arose in United Kingdom of \$6.2m (2023: \$Nil) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

Deferred tax assets were not recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Group. These losses arose because ACG Holdco1 Limited had been loss-making for some time, and future taxable profits against which to offset the losses cannot be forecast with reasonable certainty. If ACG Holdco1 Limited were able to recognise all unrecognised deferred tax assets, the loss will have reduced by \$1.2m (2023: \$Nil).

9. Loss per share

	Year ended 31 December 2024	18-month period ended 31 December 2023 Restated
Basic and diluted		
Loss for the period and earnings used in basic & diluted EPS (\$000)	(13,089)	(25,937)
Weighted average number of shares used in basic and diluted EPS	8,290,049	1,795,946
Loss per share (\$)	(1.58)	(14.44)

The weighted average number of ordinary shares is determined by reference to the Class A Ordinary shares. The redeemable Public Shares under IAS 33 are deemed to be contingently issuable shares issuable only upon an acquisition so are excluded from the earnings per share calculations until an acquisition has occurred. Please refer to Note 24 Share Capital for movement in Redeemable Shares.

As the Group is reporting a net loss the diluted earnings per share is equal to the basic earnings per share.

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The comparative weighted average number of shares is restated under IAS 33.26 due to the share conversion.

10. Acquisition of Polimetal Madencilik Sanayi ve Ticaret ("Polimetal")

On 3 September 2024 the Group completed the acquisition of the Gediktepe Mine through the acquisition of the issued share capital of Polimetal by ACG Holdco 1 Limited.

The acquisition was accounted for using the acquisition method in accordance with IFRS 3 *Business Combinations*. The reason for the acquisition was furtherance of the Group strategy.

Total consideration of \$178.9m for the acquisition was comprised as follows:

Consideration	\$000
Cash	84,000
Shares issued to Lidya	39,881
Working capital (deferred consideration)	6,839
Lidya's debts to Polimetal	15,638
Copper price bonus (contingent consideration)	15,551
Copper discovery bonus (contingent consideration)	12,607
Warrants issued to Lidya	1,994
Royalty liabilities assumed from seller	2,343
Total Consideration	178,853

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The fair values of the identifiable assets and liabilities of Polimetal as at the date of acquisition were as follows:

Assets acquired and liabilities assumed	Fair value at acquisition \$000
Mining license	102,670
Property, plant, and equipment	45,196
Intangible assets	50
Related party (Lidya) debt	15,638
Other non-current assets	335
Inventories	16,053
Trade and other receivables	850
Cash and cash equivalents	3,021
Asset retirement obligation	(12,455)
Non-current liabilities	(525)
Non-current litigation	(878)
Deferred tax	(22,957)
Trade and other payables	(11,025)
Total net assets acquired	135,973

The acquisition has been accounted for on provisional basis as permitted by IFRS 3 para 45. The main items accounted for on a provisional basis are the acquired intangible assets and certain acquired liabilities.

Goodwill arising from the transaction were as follows:

	\$000
Total Consideration transferred	178,853
Less: Fair value of net assets acquired	(135,973)
Goodwill (residual)	42,880

The goodwill in Polimetal relates to its strategic value in ACG Metals' broader vision to consolidate the copper industry and was acquired to capitalise on Polimetal's assets, expertise, and potential for expansion.

The acquisition required an upfront payment of \$84 million, a 38% shareholding in ACG Metals which included a private placement warrant issue, working capital of \$7m and contingent consideration described below. The consideration also included the transfer of debts due by Lidya to Polimetal of \$15.6m and royalty liabilities assumed from Lidya of \$2.3m. The group also assumed the liability to continue to pay these royalties to a third party based on a % of Polimetal's production revenues.

Fair value of consideration at the date of acquisition included Copper Price Bonuses and a Copper Discovery Bonus. These are dependent on a significant increase in copper prices and copper reserve expansions from

Notes to the Consolidated Financial Statements

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2027 subject to meeting certain thresholds. These were measured at fair value based on a Monte-Carlo simulation.

Acquisition costs of \$7.2m were expensed to operating costs in the year. The acquired business contributed \$57.7m to revenue and \$30.8m of costs to operating profit of the Group for the year.

The below pro-forma Profit or Loss shows the combined effect of pre-acquisition results of Polimetal plus post-acquisition results of the Group:

	31 Dec 2024
Pro-forma P&L	\$000
Revenue	136,614
Cost of sales	(64,684)
Gross profit	71,930
Research & Development	(2,506)
General administrative expenses	(23,059)
Share based payments	(1,050)
Other income from operating activities	955
Operating profit	46,270
Finance income	8,501
Finance expense	(10,150)
(Loss) / gain on derivatives	(8,472)
Profit before tax on continuing operations	36,149
Tax expense	(6,991)
Profit for the year	29,158

11. Other non-current assets

	2024	2023
	\$000	\$000
Non-current		
Prepayments	293	–
	293	–

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12. Property, plant and equipment

	Land \$000	Land Improve \$000	Buildings \$000	Plant & Machinery \$000	Motor Vehicle \$000	Fixtures & Fittings \$000	Construction in Progress \$000	Mining assets \$000	Total \$000
Cost									
At 1 January and 31 December 2023	–	–	–	–	–	–	–	–	–
Acquired	2,695	3,832	2,912	21,401	783	1,577	6,134	5,862	45,196
Additions	–	326	–	1,374	–	253	560	–	2,513
Disposals	–	–	–	–	–	–	–	(156)	(156)
At 31 December 2024	2,695	4,158	2,912	22,775	783	1,830	6,694	5,706	47,553
Depreciation									
At 1 January and 31 December 2023	–	–	–	–	–	–	–	–	–
Charge for the year	–	176	167	1,013	110	122	–	2,764	4,352
At 31 December 2024	–	176	167	1,013	110	122	–	2,764	4,352
Net book value									
At 31 December 2023	–	–	–	–	–	–	–	–	–
At 31 December 2024	2,695	3,982	2,745	21,762	673	1,708	6,694	2,942	43,201

13. Intangible assets

	Goodwill \$000	Mining License \$000	Rights, software and licenses \$000	Total \$000
Cost				
At 1 January and 31 December 2023	–	–	–	–
Acquired	42,880	102,670	50	145,600
At 31 December 2024	42,880	102,670	50	145,600
Amortisation				
At 1 January and 31 December 2023	–	–	–	–
Charge for the year	–	2,852	25	2,877
At 31 December 2024	–	2,852	25	2,877
Net book value				
At 31 December 2023	–	–	–	–
At 31 December 2024	42,880	99,818	25	142,723

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Goodwill of \$42.9m arose from the purchase of the Gediktepe Mine and is recognised in line with IFRS 3. This will be tested for impairment annually.

As of the end of 2024, the Group performed a Net Present Value calculation and considered various assumptions utilized in the financial model during the acquisition, alongside an evaluation of relevant market factors. The reported reserves were consistent with expectations, commodity prices at the year-end were higher than those assumed in the acquisition model and remained elevated throughout Polimetal's ownership, and the impact of foreign currency fluctuations was not deemed material. Consequently, no impairment of goodwill was recognized.

Included in intangible assets is the mining license in relation to the Gediktepe mine situated near Balıkesir recognised at acquisition in line with IFRS 3, for a fair value of \$102.7 million which was valued using the Excess Earnings Method. See Note 2.19.3 for further details.

14. Employee benefits

Employee benefits obligations

The details of employee benefit obligations as of 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	31-Dec-24 \$000	31-Dec-23 \$000
Social Security premium payables	213	–
Total	213	–

15. Deferred and contingent consideration

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Copper Discovery Bonus	12,607	–
Copper Price Bonus	15,551	–
	28,158	–
		\$000
At 1 January 2023		–
At acquisition		28,158
At 31 December 2024		28,158

Details of accounting for contingent consideration is given in Accounting Policies (Note 2). Please also refer to Acquisitions (Note 10). Contingent consideration is provisional under IFRS3 para.45.

Deferred consideration

An element of the consideration included a “working capital” settlement which can be settled in cash or in A Ordinary shares at the option of

Notes to the Consolidated Financial Statements

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Lidya. The share settlement option includes discounts to the share price that impact the number of shares that would be issued. The instrument has been valued at fair value at the acquisition date with no changes in fair value recognised subsequently as the share price has not changed significantly in the period. Settlement has not yet occurred but is due by November 2025 therefore the balance is classified as a current liability.

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Acquisition working capital settlement	6,839	—
	6,839	—
		\$000
At 1 January 2023		—
At acquisition		6,839
At 31 December 2024		6,839

16. Provisions

a) Other current provisions

The details of other current provisions as of 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Current provision	186	—
Total other current provisions	186	—

Movement of provision for unused leave for the year ended 31 December 2024 and 18-month period ended 31 December 2023 are as follows:

	2024 \$000	2023 \$000
1st January	—	—
Acquired	232	—
Cancelled	(43)	—
Foreign exchange gain	(3)	—
31st December	186	—

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b) Other non-current provisions

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Provision for Asset Retirement Obligation ("ARO")	12,506	—
Legal and other provisions	878	—
Long Term Severance Pay Provision	433	—
Total other non-current provisions	13,817	—
	31 December 2024 \$000	31 December 2023 \$000
Movement on provision for ARO		
January 1	—	—
Acquired	12,455	—
Interest expense	207	—
Revaluation at year end	(156)	—
December 31	12,506	—

The rehabilitation provision for the Gediktepe Mine oxide-phase closure, as of 31 December 2024 amounted to \$12.5 million (2023: \$nil). This value is primarily driven by revisions in regional unit cost estimates, reflecting changes in labour and equipment rates and adjustments due to local inflation and exchange rate fluctuations.

Key assumptions in determining the provision include a pre-tax discount rate, inflation rate, and estimated timing of rehabilitation activities. The Group has applied a discount rate consistent with regional market conditions and an estimated rehabilitation period of approximately four years commencing from the cessation of oxide ore mining in 2025, followed by a 30-year post-closure monitoring and maintenance period.

Closure activities include covering and revegetating waste rock dumps, heap leach facilities, and disturbed areas, decommissioning of processing plants and ancillary facilities, management of residual process solutions, and long-term monitoring of environmental stability and water quality. Provisions incorporate contingencies to account for uncertainties inherent in closure estimations, which are aligned with international guidelines, reflecting industry best practice.

Management has assessed that all infrastructure will be removed, with only necessary access roads, open pits, waste rock dumps, and heap leach facilities remaining post-closure. The Group will conduct periodic monitoring and inspections during the post-closure period to ensure environmental compliance and stability. Detailed assessments of rehabilitation activities and their associated costs are updated regularly to reflect current economic conditions, regulatory changes, and technological advancements.

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	31 December 2024 \$000	31 December 2023 \$000
Movement on acquired contingent liability for legal costs		
January 1	–	–
Acquired	878	–
December 31	878	–
	31 December 2024 \$000	31 December 2023 \$000
Movement on provision for severance pay		
January 1	–	–
Acquired	393	–
Additions	31	–
Cancellations	(3)	–
Interest income	28	–
Foreign exchange gain	(16)	–
December 31	433	–

17. Subsidiary undertakings

As at 31 December 2024 the subsidiaries of the Company, all of which have been included in these consolidated financial statements, are as follows:

Name	Country of incorporation	Parent	Direct or indirect holding	Proportion of ownership interest at 31 December 2024	Nature of business
ACG Holdco 1 Limited	United Kingdom	ACG Metals Ltd	Direct	100%	Holding company
ACG Holdco 2 Limited	United Kingdom	ACG Metals Ltd	Direct	100%	Dormant
Polimetal Madenclik Sanayi ve Ticaret	Turkey	ACG Holdco 1 Limited	Direct	100%	Mining company
Name	Registered address				
ACG Holdco 1 Limited	Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT				
ACG Holdco 2 Limited	Riverbank House C/O Fieldfisher LLP, 2 Swan Lane, London, United Kingdom, EC4R 3TT				
Polimetal Madenclik Sanayi ve Ticaret	Bestepe Mahallesi Yasam Caddesi, Ak Plaza Apt., No: 7/7, Yenimahalle, Ankara.				

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18. Inventories

	2024 \$000	2023 \$000
Finished goods	11	–
Unfinished goods	5,669	–
Raw materials	1,749	–
Total Inventories	7,429	–

During the period \$12.3m inventories relating to revenue were recognized as a cost in the income statement (2023: \$nil).

19. Other receivables

	2024 \$000	2023 \$000
Receivables in escrow	6,773	–
Prepayments	597	206
VAT and other taxes receivable	223	–
Other receivables	505	–
Total Other receivables	8,098	206

The receivables in escrow relate to balance held in cash at bank balances are held in an escrow account, with limited access to the company.

The escrow account serves as a designated collection account for financing the acquisition of 100% of the issued shares of Polimetal and is to be held by Traxys Europe S.A. in trust for the Guarantor, ACG Metals Limited. Subsequent to year end, the Traxys loan was repaid in full and this amount was released.

20. Cash and cash equivalents

	2024 \$000	2023 \$000
Restricted cash	76	806
Cash on deposit	3,849	–
Cash & cash equivalents	5,750	648
Total	9,675	1,454

The fair value of the cash & cash equivalents is as disclosed above. For the purpose of the cash flow statement, cash and cash equivalents comprise of the amounts shown above.

Included in Cash on deposit is \$3.8m (2023: \$nil) in relation to Time deposits and \$45k (2023: \$nil) in relation to Demand deposits.

Amounts held in USD totaled \$5.85m (2023: \$1.45m) of which \$0.1m (2023: \$0.80m) is held in escrow. Amounts held in Turkish Lira totaled \$3.82m (2023: \$nil).

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21. Trade and other payables

	2024 \$000	2023 \$000
Trade payables	17,678	228
Accruals	6,096	102
Social security & other taxes payables	213	–
Other payables	440	514
Deposits and Guarantees received	358	–
Total trade and other payables	24,785	844

22. Loans and borrowings

	2024 \$000	2023 \$000
Current		
Sponsor loans	13,768	–
Other loans	25,843	–
Total current loans	39,611	–

During 2024, the Company received \$3.25 million from its Co-Sponsors in accordance with the sponsor funding side deed.

On 29 August 2024 and 4 October 2024, the Company and its Co-Sponsors entered into a side deed to the sponsor funding agreement which outlines the repayment of the funding received by the Company in the event of an acquisition being completed by the New Long Stop Date of 12 October 2024 with interest. \$16.8 million of Sponsor loans were therefore reclassified from equity to liabilities upon completion of the Polimetal acquisition. Additionally, the side deeds stipulated that \$4.55 million of the amount owing by the Company was to be converted to shares at \$6 per share, this conversion happened on 16 October 2024. In September and October 2024, a total of \$3.25 million was repaid on Sponsor loans. Post 31 December 2024, a further \$7.1m was repaid on Sponsor loans. The loan incurred interest at 16%.

On 29 August 2024, the Group entered into an agreement with Traxys Europe S.A. and Argentum Creek Partners for \$37.5 million. In first two months, \$12.1 million of the principal was repaid. The loan incurs interest at 15.2% and is repayable by 31 July 2025.

The Traxys loan is secured with 100% of the shares in Polimetal, being 195,070,560 shares, were pledged at 1.00 Turkish Lira per share to the Security Agent with respect to the Loan Facility Agreement with Traxys Europe S.A. In January 2025, the Traxys loan was repaid in full thereby releasing this security.

Credit facilities are available to Polimetal with the local bank and this has not been drawdown as yet.

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Reconciliation of liabilities to cashflows arising from financing activities

	01-Jan-24 \$000	Non-cash Debt for equity \$000	Cash inflow \$000	Cash outflow \$000	Non-cash Interest and discount unwind \$000	Non-cash Redemption	31-Dec-24 \$000
Class A Shares	292	–	–	–	–	(267)	25
Loans – Traxys	–	–	37,500	(13,201)	1,544	–	25,843
Sponsor loan	–	16,820	–	(3,825)	773	–	13,768
	292	16,820	37,500	(17,026)	2,317	(267)	39,636

23. Derivative financial liabilities – Warrants

	Year ended 31 December 2024 \$000	18-month period ended 31 December 2023 \$000
Opening Balance	770	–
Inception date fair value	–	3,502
Warrants issued	5,648	–
Fair value loss through profit or loss	8,472	(2,732)
Closing Balance	14,890	770

During 2024 a total of 18,829,000 warrants were issued to Shareholders.

Private Warrants

On 3 September 2024, Private Warrants were issued arising from the share issue (6,504,000), Shareholder debt (2,541,667), as part-contribution to a commitment (1,166,667) and as consideration for the acquisition of Gediktepe (6,646,796) at a fair value of \$0.30 per Warrant.

Public Warrants

On 3 September 2024, 1,211,663 Public Warrants were issued arising from the share issue at a value of \$0.30 per Warrant.

Sponsor Warrants

As part of the Sponsor loan conversion from debt to equity, 758,207 Warrants were issued to Co-Sponsors at a fair value of \$0.30 per Warrant.

On 3 September 2024, 667,438 Sponsor Warrants were transferred from Co-Sponsors to key management personnel as a condition of completing the acquisition at a fair value of \$0.30 per Warrant.

As at 31 December 2024, the total number of Private, Public and Sponsor warrants in issue was 16,859,130 (2023: none), 7,461,663 (2023: 6,250,000) and 14,106,959 (2023: 13,348,750) respectively.

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Warrants were revalued through the profit and loss at year end and are recognized in these financial statements at a fair value of \$0.38 per Warrant (2023: \$0.04) totaling \$14,890,754 (2023: \$770,231).

24. Share capital

Class A ordinary shares ("Public Shares")

In October 2022, ACG successfully completed its IPO with the admission of 12,500,000 Class A Ordinary Shares, onto the London Stock Exchange at an initial offering price of \$10.00 per unit. 6,250,000 warrants were issued concurrently, as each subscriber also received half of one Warrant ("Public Warrant") with their Public Share. The Public Warrants carry a \$11.50 strike price and are redeemable in whole or in part, prior to completion of the Acquisition. The Public Shares have been classified as a financial liability measured at amortised cost.

In October 2023, following an EGM circular which included a notice providing Class A Shareholders a right to redeem their shares, 12,471,732 (99.77% of Class A) shares were redeemed at a price of \$10.7991 per share. Funds totalling \$134,683,481 were returned to shareholders on 26 October 2023 which included interest earned and received on the funds held on escrow as at the redemption date, which Class A shareholders were entitled to receive.

Class B ordinary shares ("Sponsor Shares")

In October 2022, as a result of the IPO, Sponsors and Directors subscribed to a total of 3,125,000 Sponsor Shares at a price of \$0.01 per share. In December 2023, 1,333,333 new B shares were subscribed to and allotted at \$1.50 per share, taking the total number of Class B Shares to 4,458,333.

Upon completion of the acquisition, the Sponsor "B" Shares converted into Public "A" Shares.

Ordinary A shares carry the same voting rights and the same rights to dividend.

The following summarises the issued share capital classified as equity and classified as financial liability as at 31 December 2023 and 31 December 2024.

Classified as equity	Number	\$000
At 31 December 2023		
\$0.01 Class B ordinary shares ("Sponsor Shares")	3,125,000	31
\$1.50 Class B ordinary Shares ("Sponsor Shares")	1,333,333	2,000
Total share capital classified as equity 31 December 2023	4,458,333	2,031

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	Number	\$000
B ordinary shares converted at acquisition	(4,458,333)	(2,031)
A ordinary shares created on re-admission	3,125,000	2,031
LTIP share impact	–	684
Ordinary A shares issued – Lidya	6,646,796	39,881
Ordinary A shares – EIP	721,102	–
Ordinary A shares issued – Other investors	7,715,659	43,979
Ordinary A shares – Sponsor debt for equity	758,207	4,322
Total share capital classified as equity 31 December 2024	18,966,764	90,897

On 3 September 2024, the Company issued Ordinary A shares to support to acquisition of Polimetal namely:

- 7,715,667 shares purchased by investors,
- 6,646,796 shares offered as consideration of Polimetal,
- the conversion of 4,458,333 B shares to 3,125,000 Ordinary A shares,
- Long Term Incentive Planning awards of 114,096 B shares reallocated from Co-sponsors to Management, and
- Co-sponsor debt of \$4,549,242 converted to 758,207 Ordinary A shares.

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	2024 Number	2023 Number	2024 \$000	2023 \$000
Classified as a financial liability: Public shares				
<i>\$10.00 redeemable Class A ordinary shares</i>				
Opening balance	28,268	–	292	–
Proceeds of issue of Public Shares	–	12,500,000	–	125,000
Less: initial recognition of Public Warrants	–	–	–	(1,117)
Less: share issue costs	–	–	–	(2,817)
Effective interest accretion	–	–	–	7,996
Redemption of Class A Shares	(25,813)	(12,471,732)	(267)	(128,770)
Total share capital classified as financial liability	2,455	28,268	25	292

In January and August 2024, Class A Shareholders exercised their right to redeem their shares. 24,156 and 1,657 Class A shares were redeemed at a price of \$28.51 and \$30.2966 per share, respectively. Funds totaling \$688,798 and \$50,201 for each respective tranche, were returned to shareholders which included interest earned and received on the funds held on escrow as at the redemption date, which Class A shareholders were entitled to receive.

25. Share-based payment reserve

Equity incentive plan

As outlined in the prospectus, the Employee Incentive Plan (EIP) was granted to key personnel in recognition of their contributions towards the acquisition.

The Group provides employees and contractors with an annual issuance of shares under its Share Incentive Plan, with shares issued for nominal consideration. This plan ensures that employees are rewarded for their contributions to the organisation.

The aggregate Award Price for these shares is nominal and they vest annually over three years from the grant date, subject to specified performance targets, including Total Shareholder Return (TSR). The vesting of shares is subject to achieving a TSR performance target, which the Board may adjust downward by up to 50% at its discretion based on the TSR achieved.

Malus and clawback provisions are in place, allowing the Group to mitigate risk associated with performance conditions. Restrictions on transfer apply during the vesting period, and all taxes and social security contributions arising from the award are borne by the participant.

When an employment agreement concludes, the Group is required to uphold the terms of the Share Incentive Plan.

On 16 October 2024, 721,102 Ordinary A Shares were issued to Management as part of the Equity Incentive Plan. In 2024, \$366,309 was recognised in

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the Share-based payment reserve for the EIP Scheme. The 2024 share-based payment expense also includes Long Term Incentive Plan benefits of \$684,000 as discussed in Note 2.19.2.

26. Other reserves

The following describes the nature and purpose of other reserves not disclosed elsewhere in equity:

Other equity reserve

On IPO on 7 October 2022, 3,125,000 Class B ordinary shares were issued to sponsors for \$0.01 per share, which has been allocated to share capital. In addition, 13,348,750 warrants were issued to sponsors for \$1 per warrant. The fair value of the sponsor warrants on issue (\$2,385,422) was recognised as a derivative financial liability, with the balance of the consideration received from the sponsors (including \$4,239,000 of pre-funded subscriptions and less \$79 of transaction costs related to the issue of the Class B shares) being recognised in equity (other equity reserve).

The value of the initial warrant issue in the prior period, remains in *Other Equity* with no further movement.

	2024 \$000	2023 \$000
Issue of share capital and sponsors warrants on IPO	10,963	10,963
	10,963	10,963

Accumulated losses

Accumulated losses include cumulative profits, losses and total other recognised gains or losses made by the Group.

Other comprehensive income reserve

The other comprehensive income reserve relates to valuation of severance pay liabilities recognised in OCI.

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27. Related Party Transactions

Acquisition of Polimetal and Transactions with Lidya Madencilik Sanayi ve Ticaret A.Ş.

On 03 September 2024, ACG completed the acquisition of Polimetal Madencilik Sanayi ve Ticaret A.Ş. ("Polimetal") from Lidya Madencilik Sanayi ve Ticaret Anonim Şirketi ("Lidya"), a subsidiary of Çalık Holding. Please refer to note 10 for further details of the acquisition including consideration arrangements.

As part of the acquisition, Lidya was issued 6,646,796 Class A Shares in ACG Metals representing a 38% equity interest in ACG upon completion. It also holds contractual right to appoint one director to ACG's Board of Directors. As a result of its equity holding and Board representation, Lidya is considered a related party of ACG in accordance with IAS 24 – Related Party Disclosures.

Post-Acquisition Transactions

Subsequent to the acquisition, ACG may enter into additional arrangements with Lidya, including but not limited to:

- Operational support agreements
- Royalty or offtake agreements
- Financing arrangements or shareholder loans

All such transactions will be assessed to determine whether they constitute related party transactions under IAS 24 and, where applicable, will be disclosed in future financial periods, including the nature of the relationship, transaction terms, and amounts involved.

Lidya transactions

Subsequent to the acquisition, ACG has an outstanding amount with Lidya being the working capital payment which has a fair value of \$6.8million.

Compensation of Key Management Personnel

The Group's key management personnel include its directors and external consultants who provide key management services. Each director is appointed under a letter of appointment signed with the Company on their respective appointment dates.

Under the terms of these appointments, independent directors receive an annual fee ranging from \$102,000 to \$105,000. They are also reimbursed for any out-of-pocket expenses incurred while carrying out activities on behalf of the Group. Additional fees are payable to independent directors who assume additional Board responsibilities. Directors were also remunerated through share-based incentive plans.

A detailed breakdown of Directors' Remuneration is provided in the Directors' Remuneration Report.

In addition to director compensation, fees paid to consultants providing key management personnel services for the 12-month period ended 31 December 2024 amounted to \$312,000 (18-month period ended 31

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December 2023: \$476,355). These consultants provide essential services, including strategic, financial, and operational oversight, to support ACG's ongoing business activities.

Transactions with companies controlled by Key Management

Personnel

\$472,182 was paid to companies controlled by Artem Volynets in 2024, of which \$416,667 related to remuneration and \$55,515 related to other services.

28. Commitments and contingencies

As at the 31 December 2024, the Group had received letters of guarantee issued by local authorities and institutions amounting to \$133.2k (2023: nil). The Group had given letters of guarantee of \$11.2k (2023: nil), arising in the normal course of business. These guarantees are denominated in Turkish lira and no material losses are expected from these guarantees as at the reporting date.

Capital commitments also includes the development of the mine for the sulphide expansion amounting to \$146 million with EPC which was agreed upon in 2024 and funded through the \$200 million bond mentioned in note 29.

29. Events after the reporting date

Since the reporting date, the Group has made significant progress on a number of strategic initiatives aimed at strengthening its capital structure, advancing project development, and enhancing corporate governance. These events are classified as non-adjusting events under IAS 10 "Events after the Reporting Period", as they reflect conditions that arose subsequent to the year-end.

USD 200 Million Bond Financing for Project Development

In January 2025, the Group successfully engaged international joint managers and completed the placement of USD 200 million in senior secured notes. This financing represents a key milestone in the funding of the Group's high-grade sulphide project in Turkey and positions the business well for the transition into the construction phase.

Warrant Tender Offer

To simplify its capital structure and improve balance sheet flexibility, the Group completed their restructuring programme in March 2025 consisting of a warrant exchange offer and a concurrent cash tender offer. The warrant exchange enabled holders to convert their outstanding warrants into new ordinary shares, providing the Group with greater long-term alignment between shareholders and management. Alongside this, a voluntary cash tender offer was extended to shareholders, giving eligible participants the opportunity to tender shares for cash consideration.

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Leadership

In parallel with these capital markets activities, the Group strengthened its leadership team with the appointment of Michael R. Pompeo, former U.S. Secretary of State, to the Board of Directors. His appointment brings strategic geopolitical insight and global governance expertise to the Group as it scales up operations across emerging markets.

Hedging

Finally, the Group executed a comprehensive hedging agreement designed to manage commodity price exposure and mitigates risk in the construction phase of its flagship project. The agreement is a zero-cost structured collar option which will cover approximately 14,000 ounces of gold from Gediktepe, representing around 50% of expected gold production through to January 2026, when the sulphide expansion is anticipated to commence operations. This is expected to mitigate volatility in input pricing and enhance forecast certainty during the capital-intensive development stage.

These events illustrate the Group's proactive approach to financial management, governance, and project execution. While they do not adjust the financial results as of year-end, they are considered qualitatively or quantitatively material for users of the financial statements and reflect the Group's strong post-period momentum.

30. Ultimate controlling party

As at 31 December 2024, the Group was owned 35% by Lidya Madencilik Sanayi ve Ticaret A.S. and 26% by Argentem Creek Partners. There is no ultimate controlling party.

Officers and Advisers

Directors:	Artem Volynets – Chairman & Chief Executive Officer Mark Curtis – Independent Non-Executive Director Hendrik Johannes Faul – Independent Non-Executive Director Fiona Paulus – Independent Non-Executive Director Maarten Terlouw – Non-Executive Director Mustafa Aksoy – Non-Executive Director Michael R. Pompeo – Independent Non-Executive Director
Company secretary:	Riverbank House C/O Fieldfisher LLP 2 Swan Lane London United Kingdom, EC4R 3TT
Registered office:	Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Registered agent:	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Depository:	Link Group, Central Square 29 Wellington Street Leeds, LS1 4DL
Bankers:	Citibank, N.A, CGC Centre, Canada Square Canary Wharf, E14 5LB
Auditors:	RSM UK Audit LLP 25 Farringdon Street, London, EC4A 4AB
Legal advisors to the Company as to BVI law:	Harneys Corporate Services Limited Craigmuir Chambers PO Box 71 Road Town, Tortola VG1110, BVI
Legal advisors to the Company as to US and English law:	Cleary Gottlieb Steen & Hamilton LLP 2 London Wall Place, London, EC2Y 5AU
Registrars:	Link Market Services (Guernsey) Limited, PO Box 627, St Peter Port, Guernsey, GY1 4PP
Company Number:	2067083 (registered in BVI)

