Company registration number: 639502

Fulcrum Metals Limited

Directors' Report and Consolidated Financial Statements

for the financial year ended 31 December 2022

Fulcrum Metals Limited

Contents

Directors and other information

Directors	Ryan Mee Mitchell Smith Edward Slowey (Resigned 6th October 2022) Aidan O'Hara Clive Richard Garston (Appointed 28th April 2022) John Hamilton (Appointed 1st August 2022)
Secretary	John Hamilton (Appointed 1st August 2022) Aidan O'Hara (Resigned 1st August 2022)
Company number	639502
Registered office	Paramount Court Corrig Road, Sandyford Business Park, Dublin 18.
Business address	Paramount Court Corrig Road, Sandyford Business Park, Dublin 18.
Auditor	PKF O'Connor, Leddy & Holmes Limited Century House, Harold's Cross Road, Dublin 6W.
Accountants	Evelyn Partners (Ireland) Ltd Paramount Court, Corrig Road, Sandyford Business Park, Dublin 18.
Bankers	Allied Irish Banks Plc Capel Street, North City, Dublin. D01 VW89

Solicitors	Mason Hayes & Curran South Bank House Barrow Street Dublin 4 Getz Prince Wells LLP Suite 530 355 Burrard Street Vancouver B.C. V6C 2G8
Date of Incorporation	11 December 2018

Directors' report

The directors present their report and the audited financial statements of the group for the financial year ended 31 December 2022.

Principal activities and review of business

The Group is an upstream minerals exploration group, focused on exploration and appraisal opportunities for mineral resources in Canada.

The Group and Company Statements of Financial Position as at 31 December 2022 and 31 December 2021 are shown on pages 14 and 15, respectively. Group net assets at 31 December 2022 were £942,307 (2021: £261,660). At 31 December 2022, the Group held £96,985 (2021: £155,613) as cash or short-term deposits.

The Group had intangible exploration assets totalling £651,489 (2021: £250,740) at the reporting date. These assets relate to the Group's exploration licences in Canada and their associated work programmes.

During the period, the Group had one full-time Executive Director. Group operating expenses for the year were £248,422, compared to £31,496 in 2021.

The Group recorded a loss for the year, after taxation, amounted to £(198,192) (2021: £(38,434)).

No dividends were paid during the year and directors do not recommend payment of a dividend.

The company continued the transformational momentum gained in 2021 with the commencement of the IPO process in late April 2022, further expansion of the Canadian exploration asset base, additional funding for asset acquisitions, exploration and IPO costs, and the acquisition of Fulcrum Metals Limited by Fulcrum Metals PLC through a share for share exchange in preparation for the anticipated initial public offering of Fulcrum Metals PLC to the AIM market of the London Stock Exchange.

Canada is considered a top global destination for exploration with a robust and thriving junior mineral exploration sector with Canada's regions consistently highly rated by the Fraser Institute. Fulcrum's exploration properties are located in Ontario, which is Canada's largest producer of gold, platinum-group metals and nickel and second largest producer of copper, and Saskatchewan, which is the world's leading source of high-grade Uranium. According to the 2021 Fraser institute investment attractiveness index Ontario ranks 12th and Saskatchewan rank 2nd globally.

The Company believes the future outlook for metals looks positive. The gold price has strengthened considerably by 20% over the six months to April 2023 to around USD $2,000 per ounce as it is seen as a safe haven for investors in the face of increasing interest rates and countries such as China, Russia, Brazil, Egypt, India, Turkey and Qatar bolstering their gold reserves. There is an increasing demand and consumption of metals and Uranium, being driven by the green economy. Electric vehicles require substantial quantities, Net zero goals require decarbonisation of baseload power while one offshore wind turbine contains up to 1,600 tonnes of metal. Uranium is a rising market as nuclear energy offers an available and adaptable source of zero-carbon energy which could mitigate the rising cost of oil and gas and reinforce energy security.

To bolster the portfolio ahead of the intended IPO the Company agreed to acquire the Big Bear exploration property in Ontario, Canada, from London Stock Exchange (“LSE”) listed Panther Metals (“Panther”) dated 6 April 2022. The Big Bear property is a prospective high grade gold project with numerous mineral occurrences of up to 0.71g/t in soils, rock chip samples of up to 105.5g/t and with a high-quality airborne survey covering the majority of the property outlining 39 high priority geophysical anomalies for investigation. A condition of the final execution of this agreement was that Fulcrum Metals plc would gain a quotation on the LSE by 31 October 2022 and upon listing results in the payment of £200k cash to Panther Metals PLC and the issuance of shares in a Fulcrum Metals listed entity so that Panther Metals hold 20% of the total shares in issue of the Company at the time of the IPO.

The Big Bear project adjoins the existing Fulcrum fully owned Syenite Lake project (acquired 21/03/21) which was further enlarged through the acquisitions of 22 mining claims staked by Fulcrum Metals (Canada) Ltd on 07/04/22 and the adjoining Rongie Lake and Lost Lake projects from OnGold Invest Corp effective 17 April 22.

The enlarged Big Bear project is just 14km west of the Jackfish Lake project (under option pursuant to agreement dated 22/04/2021) which combined establishes a significant high grade gold project footprint in the Western end of the Schreiber - Hemlo greenstone belt covering approximately 113 square kilometres.

The agreement was subsequently amended by an amended and restated agreement entered into on 30 January 2023 in which Panther agreed to sell to Fulcrum Metals plc, the entire issued share capital in Panther Big Bear (Canada) Ltd (the "Big Bear SPV") which holds the entire registered and beneficial interest in and to the mineral claims located in Ontario known as the Big Bear Project.

Effective 6 October 2022, the Company expanded the Charlot Lake Uranium project by acquiring, North Neely Lake, East Neely Lake and West Neely Lake properties totaling 20.67 square kilometers. North Neely Lake is a Uranium property with grab samples up to 0.43% U308. East and West Neely Lake comprise the South Neely Lake project area with grab samples up to 6.22% U308 and a potential gold target with unverified drill summary reports from a previous operator (T.Connors Diamond Drilling Co, 1936) of upto 1.4 ounces of gold and 1.4 ounces of silver (44 grams per ton gold equivalent) between 26.8 feet to 30.0 feet (3.2 feet / 0.98 metres) within a 150 feet section from surface (45.8 metres) averaging 3.91 grams per ton

The company exercised the Jackfish property option agreement on 20 October 2022, a property located in Ontario, Canada resulting in the transfer of 206 mining titles to Fulcrum Metals (Canada) Ltd, with shares issued to the vendors of the property to the value of CA$150,000 in Fulcrum Metals Limited. Pursuant to the exercise of the option agreement a cash payment of CA$165,000 is to be paid to the vendors upon the IPO of Fulcrum.

Between May 2022 and October 2022, FML received an investment of £453,463 in aggregate from a number of investors (including directors, Ryan Mee and Aidan O'Hara) by way of application for convertible loan notes which were constituted by a £620,851 unsecured loan note instrument dated 5 May 2022 (the "2022 CLN Instrument"). £453,463 of 2022 CLNs were issued by FML to those investors. On 24 November 2022 a deed of surrender agreement was entered into by each of the holders of the 2022 CLNs with FML and Fulcrum Metals plc pursuant to which all of the £453,463 of 2022 loan notes were cancelled on 8 February 2023 and reissued , in their place (and in consideration of the creation of an inter-company debt of £453,463 owed by FML to Fulcrum Metals plc), Fulcrum Metals plc issued £453,463 of new loan notes.

Fulcrum Metals Limited was acquired by Fulcrum Metals PLC, a UK registered holding company, via a share for share exchange agreement effective 24 November 2022 extinguishing any shareholder deficit in Fulcrum Metals Limited.

Key performance indicators

The Group is not yet producing minerals and so has no operation income. Consequently, the Group is not expected to report profits until it disposes of or is able to profitably develop or otherwise turn to account its exploration projects. The Board monitors the activities and performance of the Group on a regular basis and uses both financial and non-financial indicators to assess the Group's performance.

Financial risks:
- Ability to raise finance to maintain licence participation
- Cost inflation
- Adverse taxation legislative changes
- Third party counterparty credit risk
- Adverse foreign exchange movements
- Changes in government policy

Operational risks:
- Loss of key employees
- Delay and cost overrun on projects, including weather related delay
- HSE incidents
- Poor reservoir performance
- Exploration and appraisal well failures

Strategic and external risks:
- Deterioration of capital markets, inhibiting efficient equity and/or debt raising for developments
- Commercial misalignment with co-venturers
- Material fall in oil or gas prices

Market risks:
The Group is exposed to a variety of risks, including the effects of changes in interest rates and foreign currency exchange rates. In the normal course of business, the Group also faces certain other non-financial or non-quantifiable risks. To the extent that the Group's mineral assets can be successfully developed, the Group's assets, revenues and cash flows may become dominated by Canada Dollar.

There is no assurance that the Group's exploration and development activities will be successful. The Group's activities may also be curtailed, delayed or cancelled not only as a result of adverse weather conditions but also as a result of shortage or delays in the delivery of drilling rigs and other equipment which, at times, are in short supply.

The risks set out are not exhaustive and additional risks and uncertainties may arise or become material in the future. Any of the risks, as well as other risks and uncertainties discussed in this document, could have a material adverse effect on our business.

Going Concern
The Group generated a loss for the financial year of £(198,192) (2021: £(38,434)), net assets of £942,307 (2021: £261,660) and a cash balance of £96,985 (2021: £155,613) at the statement of financial position date.

The company met its financial costs in the financial year ended 31st December 2022. During the year, the company raised additional finance via a 2022 Convertible Loan Note amounting to £453,463 and the issue of shares, and with this finance, it met its financial costs for the year ended 31st December 2022.

Fulcrum Metals Limited was acquired by Fulcrum Metals PLC, a UK registered holding company, via a share for share exchange agreement effective 24 November 2022 extinguishing any shareholder deficit in Fulcrum Metals Limited.

In February 2023, Fulcrum Metals PLC have completed the process of an IPO onto the AIM market of the London Stock Exchange and have raised £3 million in connection with the IPO of the Company to fund the new Group. Fulcrum Metals Limited will be funded by the Parent Company Fulcrum Metals PLC from the IPO fundraise and as such fully expect that funding requirements will be met for a minimum of 12 months from the date of this report.

Having considered the risks and uncertainties of the business, their projections for the future performance of the Company, and the current uncertain economic environment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Based on the above considerations and assessment, the Directors are satisfied that no significant doubt exists on the company's ability to continue as a going concern and adequate disclosure has been made in the financial statements.

Directors

The names of the persons who at any time during the financial year were directors of the company are as follows:

Ryan Mee
Mitchell Smith
Edward Slowey (Resigned 6th October 2022)
Aidan O'Hara
Clive Garston (Appointed 28th April 2022) John
Hamilton (Appointed 1st August 2022)

Directors and secretary and their interests

The directors and secretary at the financial year end and their interests in ordinary shares of the company and the group were as follows:

	Company		Fulcrum Metals Plc	
	At 31/12/22 Ordinary shares at €0.01 each Number of shares	At 01/01/22 Ordinary shares at €0.01 each Number of shares	At 31/12/22 Ordinary shares at £0.01 each Number of shares	At 10/10/22 Ordinary shares at £0.01 each Number of shares
Directors:				
Ryan Mee	-	5,941,313	**6,191,313**	1
Mitchell Smith	-	468,823	**468,823**	-
Aidan O'Hara	-	5,917,012	**6,167,012**	-
Clive Garston	-	-	**600,000**	1
John Hamilton	-	-	-	-

On 24 November 2022, the owners of the entire issued share capital of FML (the "Transferors") each entered into a Share Exchange Agreement with Fulcrum Metals plc and FML, pursuant to which the Transferors transferred the FML Shares held by each of them to the Company in return for consideration of £901,191.83, which was satisfied by the issue and allotment of 19,099,228 Ordinary Shares in the capital of the Company to the Transferors (credited as fully paid).

There were no changes in ordinary shareholdings between 31 December 2022 and the date of signing the financial statements.

The directors at the financial year end and their interests in convertible loan notes of the company were as follows:

	At 31/12/21	CLNs Exercised	Issued during the year Number of CLNs	Exercise Price Number	At 31/12/22 Number
Directors:					
Ryan Mee	£ 25,208	(£ 25,208)	443,466	€ 0.138	£ 53,216
Aidan O'Hara	£ 25,208	(£ 25,208)	443,466	€ 0.138	£ 53,216

On 5 July 2022, 28th September 2022 and 17th October 2022 the Company issued CLNs to investors to raise funds of £453,463, conversion price is 70% of IPO share price.

The directors at the financial year end and their interests in the share warrants of the company were as follows:

	At 31/12/21 Number of Options	Granted during the year Number of Options	Exercise Price	At 31/12/22 Number of Options
Directors:				
Ryan Mee	125,000	-	€ 0.197	125,000
Aidan O'Hara	125,000	-	€ 0.197	125,000

Future Developments and Post Balance Sheet Events

Fulcrum Metals Canada Limited ("FMCL"), Fulcrum Metals Limited ("FML"), Panther Metals PLC and Panther Metals (Canada) Limited ("PMCL") entered into a mineral claim purchase agreement dated 6 April 2022. The agreement was amended by an amended and restated agreement entered into on 30 January 2023 in which PMCL agreed to sell to Fulcrum Metals plc, the entire issued share capital in Panther Big Bear (Canada) Ltd ("Big Bear SPV") which holds the entire registered and beneficial interest in and to the mineral claims located in Ontario known as the Big Bear Project and the license pertaining to such claims (together the "Big Bear Property"). In consideration of the sale of its interest in Big Bear SPV, which holds the Big Bear Property, the Company agreed to pay PMCL the sum of £200,000 in cash. Fulcrum Metals plc also agreed to allot, on the closing date (immediately prior to Admission), 20 per cent. of the total issued enlarged share capital on Admission. In consideration of the foregoing sale, Fulcrum Metals plc also agreed to grant to PMCL: (i) a warrant to subscribe for Ordinary Shares in the amount of £125,000, exercisable at the Placing Price during the period of two years after Admission; and (ii) a warrant to subscribe for Ordinary Shares in the amount of £125,000, exercisable at 150 per cent. of the Placing Price during the period of three years after Admission.

On 8 February 2023, the 2022 CLNs issued by Fulcrum Metals Limited to investors were cancelled and reissued in the name of Fulcrum Metals Plc, under a deed of surrender and cancellation agreement entered into on 24 November 2022. Under this agreement the 2022 Loan notes were cancelled and, in their place (and in consideration of the creation of an inter-company debt of £453,463 owed by FML to Fulcrum Metals plc), Fulcrum Metals plc issued £453,463 of new loan notes. Subsequently, following the IPO onto the AIM in London, the CLN holders exercised their right to covert the loan notes to share capital under the loan note agreement.

In February 2023, deeds of surrender and cancellation have been entered into in by each of the holders of the Investor Warrants and Vendor Warrants with FML and Fulcrum Metals plc pursuant to which each of the 1,169,915 Investor Warrants and the 118,862 Vendor Warrants were cancelled and, in their place, Fulcrum Metals plc issued 1,169,915 New Investor Warrants and New Vendor Warrants pursuant to a new investor warrant instrument and a new vendor warrant instrument. The number of warrants to be issued to each of the vendor warrant holders under the New Vendor Warrant Instrument will be determined based on a formula which divides their investment by the subscription price.

Fulcrum Metals PLC was admitted to AIM in London on 14 February 2023 and raised £3 million in connection with the admission of the company at a placing price of 17.5 pence per Ordinary Share. Fulcrum Metals Limited will be funded by the Parent Company, Fulcrum Metals PLC from the IPO fundraise and as such fully expect that funding requirements will be met for a minimum of 12 months from the date of this report.

On 17 April 2023, Fulcrum Metals Canada Limited ("FMCL"), the 100% owned subsidiary of Fulcrum Metals Limited, expanded the Winston Lake project acquiring the Carib Creek East property consisting of 42 mining claims covering approximately 8.9 square kilometres. Ryan Mee, Director of Fulcrum Metals Ltd and Chief Executive Officer of Fulcrum Metals PLC sold these mining claims to the company. A sedimentary- volcanic contact Zone has been mapped across the length of the property exhibiting alteration reportedly similar to that of the high-grade zinc-copper deposit at Winston Lake. Historic soil sampling at Carib Creek East has previously returned anomalous copper values over an area of approximately 2 square kilometres, with values ranging up to 1,100ppm copper. Copper mineralisation has previously been discovered on the property in quartz-carbonate veins, returning grab sample assays from 0.97% to 1.35% copper, with separate veins containing semi-massive iron sulphides, however no drilling was carried out.

Financial instruments
Risk exposures and financial risk management policies and objectives are discussed in Note 14 to the financial statements.

Political donations
The company made no political donations during the year, as defined by the Electoral Act 1997.

Accounting records
The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the engagement of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at Paramount Court, Corrig Road Sandyford Business Park, Dublin 18.

Statement on relevant audit information
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors
Pursuant to Section 382 of the Companies Act 2014, the Company will reappoint PKF O'Connor, Leddy & Holmes Limited as auditor.

29 June 2023 | 08:36 PDT

This report was approved by the board of directors on ....and signed on behalf of the board by:

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Ryan Mee
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Ryan Mee
Director

DocuSigned by:
John Hamilton
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John Hamilton
Director

The directors are responsible for preparing the directors report and the consolidated financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the company directors to prepare the Group and Company financial statements for each financial period. Under company law, the directors have elected to prepare the Group and Company financial statements in accordance with the Companies Act 2014 and International Financial Reporting Standards ("IFRS") as adopted by the EU ("EU IFRS").

Under company law, the directors must not approve the Group and Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the group and company as at the financial year end date, of the profit or loss of the group for that financial year and otherwise comply with the Companies Act 2014.

In preparing these consolidated financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU, and note the effect and the reasons for any material departure from those standards; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

The directors are responsible for ensuring that the Group keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group to be determined with reasonable accuracy, enable them to ensure that the consolidated financial statements and directors report comply with the Companies Act 2014 and enable the consolidated financial statements to be audited. 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in Ireland governing the preparation and dissemination of consolidated financial statements may differ from legislation in other jurisdictions.

On behalf of the board

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Ryan Mee
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Ryan Mee
Director
Date: 29 June 2023 | 08:36 PDT

DocuSigned by:
John Hamilton
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John Hamilton
Director
Date: 29 June 2023 | 08:36 PDT

Independent auditor's report to the members of Fulcrum Metals Limited

Opinion

We have audited the financial statements of Fulcrum Metals Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2014.

In our opinion, the accompanying financial statements:

- the financial statements give a true and fair view of the state of the group's and of the parent assets, liabilities and financial position as at 31 December 2022 and of the group's and parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2014; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

Respective responsibilities and restrictions on use

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 10, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 (Ireland) 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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: https://www.iaasa.ie/Publications/Auditing-standards. This description forms part of our Auditors' Report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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 Auditors' 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.

David McGarry
For and on behalf of
PKF O'Connor, Leddy & Holmes Limited
Statutory Audit Firm
Century House,
Harold's Cross Road,
Dublin 6W.
Date: 29 June 2023

Consolidated Statement of Comprehensive Income

for the financial year ended 31 December 2022

	Notes	2022 £	2021 £
Turnover	2	**147,432**	-
Administrative expenses		**(248,422)**	(31,496)
Operating loss		**(100,990)**	(31,496)
Finance costs	5	**(97,202)**	(12,527)
Finance income	6	**-**	5,589
Loss for the financial year before tax		**(198,192)**	(38,434)
Income tax	19	**-**	-
Loss for the financial year		**(198,192)**	(38,434)
Other Comprehensive Income:			
Currency translation differences		**(10,040)**	871
Total comprehensive loss for the year		**(208,232)**	(37,563)

The results for the year all arise on continuing operations.

There were no recognised gains or losses for 2021 or 2022 other than those included in the Consolidated Statement of Comprehensive Income.

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

29 June 2023 | 08:36 PDT

These financial statements were approved by the Board of Directors on .

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Ryan Mee
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Ryan Mee
Director

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John Hamilton
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John Hamilton
Director

Fulcrum Metals Limited

Consolidated Statement of Financial Position
as at 31 December 2022

Assets	*Notes*	2022 £	2021 £
Non-Current Assets			
Intangible assets	**7**	**651,489**	250,740
Tangible assets	**8**	**1,592**	-
		653,081	250,740
Current Assets			
Trade and other receivables	**10**	**539,683**	3,624
Cash and cash equivalents	**11**	**96,985**	155,613
		636,668	159,237
Total Assets		**1,289,749**	409,977
Equity and Liabilities			
Shareholders' Equity			
Share capital	**17**	**169,397**	116,580
Share premium	**17**	**570,349**	49,223
Currency translation reserve		**(9,169)**	871
Share option reserve	**18**	**448,356**	133,420
Retained earnings		**(236,626)**	(38,434)
Total Equity		**942,307**	261,660
Current Liabilities			
Convertible loan notes	**12**	**113,366**	109,293
Trade and other payables	**12**	**234,076**	39,024
Total Liabilities		**347,442**	148,317
Total Equity and Liabilities		**1,289,749**	409,977

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

29 June 2023 | 08:36 PDT

These financial statements were approved by the Board of Directors on .

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Ryan Mee

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Ryan Mee
Director

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John Hamilton

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John Hamilton
Director

Fulcrum Metals Limited

Company Statement of Financial Position
as at 31 December 2022

Assets	Notes	2022 £	2021 £
Fixed Assets			
Investments in subsidiaries	**9**	**1**	1
Tangible assets	**8**	**1,592**	-
		1,593	1
Current Assets			
Trade and other receivables	**10**	**1,202,228**	254,839
Cash and cash equivalents	**11**	**95,719**	155,613
		1,297,947	410,452
Total Assets		**1,299,540**	410,453
Equity and Liabilities			
Shareholders' Equity			
Share capital	**17**	**169,397**	116,580
Share premium account	**17**	**570,349**	49,223
Share option reserve	**18**	**448,356**	133,420
Currency translation reserve		**(6,841)**	860
Retained earnings		**(178,506)**	(37,947)
Total Equity		**1,002,755**	262,136
Current Liabilities			
Convertible loan notes	**12**	**113,366**	109,293
Trade and other payables	**12**	**183,419**	39,024
Total Liabilities		**296,785**	148,317
Total Equity and Liabilities		**1,299,540**	410,453

The notes on pages 21 to 45 form part of these financial statements.

29 June 2023 | 08:36 PDT

These financial statements were approved by the Board of Directors on .

DocuSigned by:
Ryan Mee
AA6628CEE66544C...

Ryan Mee
Director

DocuSigned by:
John Hamilton
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John Hamilton
Director

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Loss for the year		**(198,192)**	(38,434)
Adjustments for:			
Depreciation		**510**	-
Impairment		**23,007**	-
Finance costs		**97,202**	12,527
Finance income		**-**	(5,589)
Currency translation		**(4,819)**	713
(Increase) in trade and other receivables		**(536,060)**	(3,624)
Increase in trade and other payables		**195,052**	39,024
Net cash used in operating activities		**(423,300)**	4,617
Cash flows from investing activities			
Acquisition of intangible exploration assets	**7**	**(424,679)**	(250,740)
Acquisition of furniture, fittings and equipment		**(2,122)**	-
Net cash used in investing activities		**(426,801)**	(250,740)
Cash flows from financing activities			
Proceeds on the issue of shares	**17**	**338,010**	165,719
Proceeds on the issue of convertible loan notes	**13**	**453,463**	235,933
Net cash from financing activities		**791,473**	401,652
Net increase in cash and cash equivalents		**(58,628)**	155,529
Cash and cash equivalents at 1 January		**155,613**	84
Cash and cash equivalents at 31 December	**11**	**96,985**	155,613

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

Company Statement of Cash Flows

for the financial year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Loss for the year		**(140,559)**	(37,947)
Adjustments for:			
Depreciation		**510**	-
Finance costs		**97,202**	12,527
Finance income		**-**	(5,589)
Currency Translation		**(3,402)**	702
(Increase) in trade and other receivables		**(947,390)**	(254,839)
Increase in trade and other payables		**144,394**	39,024
Net cash used in operating activities		**(849,245)**	(246,122)
Cash flows from investing activities			
Acquisition of furniture, fittings and equipment		**(2,122)**	-
Acquisition of investment in subsidiary		**-**	(1)
Net cash used in investing activities		**(2,122)**	(1)
Cash flows from financing activities			
Proceeds on the issue of shares	**17**	**338,010**	165,719
Proceeds on the issue of convertible loan notes	**13**	**453,463**	235,933
Net cash from financing activities		**791,473**	401,652
Net increase in cash and cash equivalents		**(59,894)**	155,529
Cash and cash equivalents at 1 January		**155,613**	84
Cash and cash equivalents at 31 December	**11**	**95,719**	155,613

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

Fulcrum Metals Limited

Consolidated Statement of Changes in Equity

for the year ended 31 December 2022

	Share Capital £	Share Premium £	Share Option Reserve £	Currency Translation Reserve £	Retained Earnings £	Total Equity £
Balance at 1 January 2021	84	-	-	-	-	84
Loss for the financial year	-	-	-	-	(38,434)	(38,434)
Total comprehensive loss for the year	-	-	-	-	(38,434)	(38,434)
Issue of new shares	116,496	49,223	-	-	-	165,719
Recognition of equity component of convertible loan notes	-	-	121,177	-	-	121,177
Recognition of share purchase warrants	-	-	12,243	-	-	12,243
Gain/Loss on Foreign currency Translation	-	-	-	871	-	871
Balance at 31 December 2021	116,580	49,223	133,420	871	(38,434)	261,660
Balance at 1 January 2022	116,580	49,223	133,420	871	(38,434)	261,660
Loss for the financial year	-	-	-	-	(198,192)	(198,192)
Gain/Loss on Foreign currency Translation	-	-	-	(10,040)	-	(10,040)
Total comprehensive loss for the year	-	-	-	(10,040)	(198,192)	(208,232)
Issue of new shares	52,817	521,126	-	-	-	573,943
Recognition of equity component of convertible loan notes	-	-	398,817	-	-	398,817
Exercise of convertible loan notes	-	-	(248,198)	-	-	(248,198)
Fair value movement	-	-	164,317	-	-	164,317
Balance at 31 December 2022	**169,397**	**570,349**	**448,356**	**(9,169)**	**(236,626)**	**942,307**

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

Company Statement of Changes in Equity

for the year ended 31 December 2022

	Share Capital £	Share Premium £	Share Option Reserve £	Currency Translation Reserve £	Retained Earnings £	Total Equity £
Balance at 1 January 2021	84	-	-	-	-	84
Loss for the financial year	-	-	-	-	(37,947)	(37,947)
Total comprehensive loss for the year	-	-	-	-	(37,947)	(37,947)
Issue of new shares	116,496	49,223	-	-	-	165,719
Recognition of equity component of convertible loan notes	-	-	121,177	-	-	121,177
Recognition of share purchase warrants	-	-	12,243	-	-	12,243
Gain/Loss on Foreign currency Translation	-	-	-	860	-	860
Balance at 31 December 2021	116,580	49,223	133,420	860	(37,947)	262,136
Balance at 1 January 2022	116,580	49,223	133,420	860	(37,947)	262,136
Loss for the financial year	-	-	-	-	(140,559)	(140,559)
Gain/Loss on Foreign currency Translation	-	-	-	(7,701)	-	7,701
Total comprehensive loss for the year	-	-	-	(7,701)	(140,559)	(148,260)
Issue of new shares	52,817	521,126	-	-	-	573,943
Recognition of equity component of convertible loan notes	-	-	398,817	-	-	398,817
Exercise of convertible loan notes	-	-	(248,198)	-	-	(248,198)
Fair value movement	-	-	164,317	-	-	164,317
Balance at 31 December 2022	**169,397**	**570,349**	**448,356**	**(6,841)**	**(178,506)**	**1,002,755**

The accompanying notes on pages 21 to 45 form an integral part of these financial statements.

1. Presentation of accounts and accounting policies

(a) Reporting Entity

Fulcrum Metals Limited (the "Company") and its subsidiaries (together, the "Group") explore for and develop mineral reserves in Canada.

The Company is a limited company, incorporated, domiciled and registered in Ireland. The registered number is 639502. The company's registered office and principal place of business is Paramount Court, Corrig Road, Sandyford Business Park, Dublin 18.

(b) Basis of accounting

The financial statements have been prepared on the historical cost basis. Where the carrying value of assets and liabilities are calculated on a different basis, this is disclosed in the relevant accounting policy. The accounting policies have been applied consistently to all financial periods presented in the Consolidated Financial Statements.

The Group financial statements have been prepared have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted by the EU ("EU IFRS"), and effective for the current reporting year and, in the case of the Company, as applied in accordance with the provisions of the Companies Act 2014 applicable to companies reporting under EU IFRS. The individual financial statements of the Company ("Company Financial Statements") have been prepared in accordance with EU IFRS and as applied in accordance with the Companies Act, 2014, which permits a company, that publishes its company and group financial statements together, to take advantage of the exemption in Section 304(2) of the Companies Act 2014, from presenting to its members its Company Statement of Comprehensive Income and related notes that form part of the approved Company Financial Statements.

The EU IFRS as applied by the Company and the Group in the preparation of these financial statements are those that were effective on or before 31 December 2022.

(c) Functional and presentation currency

The presentation currency has been changed from euro to sterling, as the parent company of the group Fulcrum Metals Plc, functional currency is sterling and also is listed on the AIM market of the London Stock Exchange. The consolidated financial statements are presented in Sterling.

Items included in the Financial Statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the Company is Euro, the functional currency of the subsidiary is CAD dollar. The Financial Statements are presented in Sterling, rounded to the nearest Pound Sterling.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

(d) Going concern - basis of accounting

The Directors have prepared the financial statements on the going concern basis which assumes that the Group and Company will continue in operational existence for at least twelve months from the date of the approval of these financial statements as described below.

The Group generated a loss for the financial year of £(198,192) (2021: £(38,434)), net assets of £942,307 (2021: £261,660) and a cash balance of £96,985 (2021: £155,613) at the statement of financial position date.

The company met its financial costs in the financial year ended 31st December 2022 by raising additional finance via a 2022 Convertible Loan Note amounting to £453,463 and the issue of shares amounting to £573,943.

Fulcrum Metals Limited were acquired by Fulcrum Metals PLC, a UK registered holding company, via a share for share exchange agreement effective 24 November 2022 extinguishing any shareholder deficit in Fulcrum Metals Limited.

In February 2023, Fulcrum Metals PLC have completed the process of an IPO onto the AIM market of the London Stock Exchange and raised £3.0 million in connection with the admission of the company to fund the new Group. Fulcrum Metals Limited will be funded by the Parent Company Fulcrum Metals PLC from the IPO fundraise and as such fully expect that funding requirements will be met for a minimum of 12 months from the date of this report.

Having considered the risks and uncertainties of the business, their projections for the future performance of the Company, and the current uncertain economic environment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Based on the above considerations and assessment, the Directors are satisfied that no significant doubt exists on the company's ability to continue as a going concern and adequate disclosure has been made in the financial statements.

(e) Judgements and key sources of estimation uncertainity

The preparation of the Group Financial Statements in conformity with IFRSs requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Actual results may vary from the estimates used to produce these Financial Statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

Impairment of exploration and evaluation costs

Exploration and evaluation costs have a carrying value at 31 December 2022 of £651,489 (31 December 2021: £250,740): refer to Note 7 for more information. The Group has a right to renew exploration permits and the asset is only depreciated once extraction of the resource commences. Management tests annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note (g). Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned during the year warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration the expected costs of extraction, long term metal prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside, a decision will be made to discontinue exploration. The directors concluded that an impairment charge of £23,930 was required as at 31 December 2022. See Note 7 for the directors' assessment.

Valuation of convertible loan notes

The company's convertible loan notes are classified as compound financial instruments as at 31 December 2022. Compound financial instruments require the company to assess the fair value of their debt component with reference to open market interest rates for comparable debt excluding any equity components. This requires judgment as to the applicable open market interest rates.

Valuation of warrants

The Group has made awards of warrants over its unissued share capital to certain Directors. Certain warrants have also been issued to shareholders as part of their subscription for shares and to suppliers for various services received.

The valuation of these options and warrants involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions have been described in more detail in Note 16.

(f) Basis of consolidation

The consolidated financial statements include the results of Fulcrum Metals Limited and its subsidiary undertakings, made up to 31 December each year. No separate income statement is presented for the parent company.

The subsidiaries are those companies controlled, directly or indirectly, by Fulcrum Metals Limited. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. This control is normally evidenced when Fulcrum Metals Limited owns, either directly or indirectly, more than 50 per cent. of the voting rights or potential voting rights of a company's share capital. Companies acquired during the year are consolidated from the date on which control is transferred to the Group, and subsidiaries to be divested are included up to the date on which control passes from the Group. Inter-company balances, transactions and resulting unrealised income are eliminated in full.

(g) Intangible Assets

Exploration and evaluation assets

The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets, relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets are recorded and held at cost.

Exploration and evaluation assets are assessed for impairment annually or when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas. IFRS 6 permits impairments of exploration and evaluation expenditure to be reversed should the conditions which led to the impairment improve. The Group continually monitors the position of the projects capitalised and impaired.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the Income Statement.

Impairment

Exploration and evaluation assets are reviewed regularly for indicators of impairment and costs are written off where circumstances indicate that the carrying value might not be recoverable. In such circumstances, the exploration and evaluation asset is allocated to development and production assets within the same cash generating unit and tested for impairment. Any such impairment arising is recognised in the income statement for the period. Where there are no development and production assets, the impaired costs of exploration and evaluation are charged immediately to the income statement.

(h) Decommissioning provisions

A provision for decommissioning is recognised where a liability for the removal of production facilities or site restoration exists.

(i) Tangible Assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

(j) Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures, fittings and equipment - 25% Straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

(k) Investments

Shares in Group undertakings are held at cost less impairment provisions. Impairments occur where the recoverable value of the investment is less than its carrying value. The recoverable value of the investment is the higher of its fair value less costs to sell and value in use. Value in use is based on the discounted future net cash flows of the investee.

(l) Financial Instruments

Financial Assets

(i) Classification

The Group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets at amortised cost, at fair value through other comprehensive income and at fair value through profit or loss, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(ii) Recognition and measurement

Amortised cost

Trade and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade and other receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

The group classifies its financial assets as at amortised cost only if both of the following criteria are met:
- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

(iii) Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(iv) Derecognition

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 amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. This is the same treatment for a financial asset measured at FVTPL.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Trade and other payables

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

(m) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand.

(n) Share Capital, share premium and share option reserves

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Income Statement.

Share option reserve consist of the proceeds on issue of the convertible loan note allocated to the equity component and warrant options awarded by the group.

(o) Share based payments

The Group operates a number of equity-settled, share-based schemes, under which the Group receives services from employees or third party suppliers as consideration for equity instruments (options and warrants) of the Group. The fair value of the third party suppliers' services received in exchange for the grant of the options is recognised as an expense in the Income Statement or charged to equity depending on the nature of the service provided. The value of the employee services received is expensed in the Income Statement and its value is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

The fair value of the share options and warrants are determined using the Black Scholes valuation model.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement or equity as appropriate, with a corresponding adjustment to a separate reserve in equity.

When the options are exercised, the Group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

(p) Warrants

The Group classifies instruments issued as financial liabilities or equity instruments in accordance with the substance of the contractual terms of the instruments. The warrants issued (as outlined in note 18) are derivative in nature and are classified as equity instruments.

(q) Taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the reporting date.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

- Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates or laws enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date. Deferred tax assets and liabilities are offset only if certain criteria are met.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

(r) Finance income and expenses

Interest income and interest payable is recognised in the income statement as it accrues, using the effective interest method.

Finance cost comprises interest on fair value movement of warrants, and foreign exchange movements in the retranslation of non-sterling denominated liabilities.

(s) Changes in accounting policies

New and amended standards and interpretations

The following new standards and amendments were adopted by the Group for the first time in the current financial reporting period with no resulting impact to the consolidated financial statement:

Amendments to IFRS 9, IAS 39, and IFRS 7;

Forthcoming requirements

A number of new standards, amendments to standards and interpretations issued are not yet effective and have not been applied in preparing these financial statements. These new standards, amendments to standards and interpretations are not expected to have a material impact on the Group's financial statements as the Group has no transactions that would be affected by these new standards and amendments.

The principal new standards, amendments to standards and interpretations are as follows:

o IAS 1 Presentation of Financial Statements - effective 1 January 2023
o IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors - effective 1 January 2023
o IAS 12 Income Taxes (amended) - effective 1 January 2023
o IAS 1 Presentation of Financial Statements - effective 1 January 2024
o IAS 16 leases - effective 1 January 2024

There would not have been a material impact on the financial statements if these standards had been applied in the current year.

2. Turnover

Turnover arises from:

	2022	2021
	£	£
Management Charge	**147,432**	-

The whole of the turnover is attributable to the principal activity of the company which is wholly undertaken in Ireland.

3. Staff costs

The average number of persons employed by the company during the financial year, including the directors was 2 (2021: 2).

See Note 22 for the directors' remuneration and key management compensation.

4. Profit attributable to members of the parent company

In accordance with section 304 of the Companies Act 2014 a separate income statement for the company has not been presented in these financial statements. The loss dealt with the financial statements of the parent company was £ 140,559 (2021: £ 37,947).

5. Finance costs

	2022	2021
	£	£
Loan interest	**5,544**	
Fair value movement on convertible loan notes (see note 16)	**56,454**	
Fair value movement on warrants (see note 16)	**35,204**	12,527
	97,202	12,527

6. Finance interest

	2022	2021
	£	£
Fair value movement on convertible loan notes (see note 16)	-	5,589
	-	5,589

7. Intangible assets

Intangible assets comprise acquisition, exploration and evaluation costs. Exploration and evaluation assets are all internally generated. These are measured at cost and have an indefinite asset life, for so long as the underlying exploration licences are held and maintained. Once the pre-production phase has been entered into, the exploration and evaluation assets will commence to be amortised.

Exploration & Evaluation Assets - Cost and Net Book Value

	Mineral licence
	£
Cost	
At 1 January 2022	250,740
Additions	424,679
Impairment	(23,930)
At 31 December 2022	**651,489**
At 31 December 2021	250,740

Effective 6 October 2022, the company expanded the Charlot Lake Uranium project by acquiring, North Neely Lake, East Neely Lake and West Neely Lake properties totalling 2,076ha. North Neely Lake is a Uranium property with grab samples upto 0.43% U308. East and West Neely Lake comprise the South Neely Lake project area with grab samples up to 6.22% U308 and an historic diamond drilling report from a previous operator (T. Connors Diamond Drilling Co., 1936) reports shallow (<50m) mineralised intervals of up to 0.5m @ 42.9 g/t gold. It has not been possible to verify the assays in this historic report, although it is reported that the drill core remains on the property, and it is possible that it may be in a condition which allows future verification.

The exploration projects are at an early stage of development and there are no JORC (Joint Ore Reserves Committee) or non-JORC compliant resource estimates available to enable value in use calculations to be prepared. The Directors therefore undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted for;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment, the Directors concluded that an impairment charge of £23,930 was required at 31 December 2022 based on a decision after the year end to drop a number of cells from both the Tocheri lake and Beaver Trap projects.

8. Tangible assets

	Fixtures, fittings and equipment	Total
	£	£
Cost		
At 1 January 2022	-	-
Additions	2,122	2,122
At 31 December 2022	**2,122**	**2,122**
Depreciation		
At 1 January 2022	-	-
Charge for the financial year	530	530
At 31 December 2022	**530**	**530**
Carrying amount		
At 31 December 2022	**1,592**	**1,592**
At 31 December 2021	-	-

9. Investment in subsidiaries

	Company
	£
Cost	
At 1 January 2022	1
Impairment	-
At 31 December 2022	**1**

Investment in group undertakings is stated at cost, which is the fair value of the consideration price, less any impairment provision.

The interests in Group undertakings of the Company are listed below:

Name of undertaking	Country of registration	Class of share	Proportion held	Nature of business
Fulcrum Metals (Canada) Limited	Canada	Ordinary	100 per cent	Mineral exploration

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertaking were as follows:

Name of undertaking	Aggregate of share capital and reserves	Profit/(Loss)
	£	£
Fulcrum Metals (Canada) Limited	**(58,119)**	**(57,638)**

10. Trade and other receivables

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts owed by Fulcrum Metals plc	**404,911**	-	**1,168,892**	251,215
Other debtors	**17,905**	3,624	**6,463**	3,624
Prepayments	**116,867**	-	**26,873**	-
	539,683	3,624	**1,202,228**	254,839

The fair value of all receivables is the same as the carrying values stated above.

At 31 December 2022 all trade and other receivables were fully performing. No ageing analysis is considered necessary as the Group has no significant trade receivables which would require such an analysis to be disclosed under the requirements of IFRS 7.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above.

The Group does not hold any collateral as security.

11. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	**96,985**	155,613	**95,719**	155,613

All of the cash at bank is held with institution with an AA-credit rating.

12. Trade and other payables

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Convertible loan notes (see note 13)	**113,366**	109,293	**113,366**	109,293
Trade creditors	**92,304**	936	**52,306**	936
Other creditors	**-**	29,475	**-**	29,475
PAYE and social welfare	**10,802**	-	**10,802**	
VAT	**46,704**	-	**46,704**	
Accruals	**84,266**	8,613	**73,607**	8,613
	347,442	148,317	**296,785**	148,317

13. Convertible loan notes - Group and Company

The convertible loan notes (CLNs) were issued on 19 November 2021 at an issue price of € 0.12 per note. The notes are convertible into ordinary shares of the Company at any time between the date of issue of the notes and their settlement date. On 24 November 2022, the loan notes were converted into 2,339,829 shares at € 0.12 per share.

On 5 July 2022, 28th September and 17th October the Company issued CLNs to investors to raise fund of £ 453,463, conversion price is 70% of IPO share price.

The net proceeds received from the issue of the convertible loan notes have been split between the financial liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity of the Company, as follows:

Convertible loan notes (CLN) - debt	**2022**	**2021**
	£	**£**
Opening Balance convertible loan notes 01 January 2022	**235,933**	-
Convertible loan notes exercised 24 November 2022	**(235,933)**	-
	-	-
Proceeds of issue of convertible loan notes	**453,463**	235,933
Transaction costs		
Net proceeds from issue of convertible loan notes	**453,463**	235,933
Equity component	**398,817**	121,177
Transaction costs relating to equity component	-	-
Amount classified as equity	**398,817**	121,177
Liability component	**113,366**	109,293
Interest charged (using effective interest rate)	-	-
Carrying amount of liability component at 31 December 2022.	**113,366**	109,293

The equity component of £ 398,817 has been credited to the share option reserve.

There was no interest expense for the year ended 31 December 2022.

14. Financial risk management

The Group's operations expose it to a variety of financial risks: market risk (including the effects of changes in foreign currency exchange rates, interest rates and commodity prices), credit risk and liquidity risk. The Board approves the use of financial products to manage the Group's exposure to fluctuations in foreign currency exchange rates and interest rates.

(a) Market risk

Foreign exchange risk

It is Group policy to ensure that foreign currency risk is managed wherever possible by matching foreign currency income and expenditure.

Interest rate risk

The Group's interest rate risk arises from cash deposits and interest bearing liabilities.

Given the level of average cash balances held by the Group during the year, a 10 per cent increase or decrease in average interest rates would have had an immaterial effect on the loss for the year.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group’s principal credit risk arises on cash and cash equivalents, including deposits with banks. The cash and cash equivalents are held with bank and financial institution counterparties, which are rated BBB+ to AA- by Fitch Ratings. 100 per cent of cash held on deposit at 31 December 2022 was held with such banks.

The carrying amount of financial assets represents the maximum credit exposure. An assessment of whether an asset is impaired is made at least at each reporting date.

(c) Liquidity risk

The Board regularly reviews rolling cash flow forecasts for the Group.

Work programme obligations related to the Group's licences will be financed by the raising of new capital.

Based on current forecasts, the Group have raised further capital to meet its future obligations post year end.

There is no difference between the carrying value and the contractually undiscounted cash flows for financial liabilities. At 31 December 2022, all trade and other payables were due within one year.

Fair value of non-derivative financial assets and financial liabilities

The Group's financial instruments comprise cash, trade receivables and trade payables and therefore, management believes that the carrying values of those financial instruments approximate fair value.

The Group has categorised financial instruments as being Level 2, that is, valued using inputs other than quoted prices, that are observable either directly or indirectly.

Capital management

The Group defines capital as equity. The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for the shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group regularly reviews its capital structure on the basis of its expected capital requirements in order to achieve the defined strategic objectives and manages its capital accordingly.

15. Financial instruments

Group

Financial assets per Statement of Financial Position

	31 December 2022			31 December 2021		
	Amortised cost	FVTPL	Total	Amortised cost	FVTPL	Total
	£	£	£	£	£	£
Amounts owed by group undertakings	**404,911**		**404,911**	-	-	-
Other debtors	**6,463**	**-**	**6,463**	-	-	-
Cash at bank and in hand	**96,985**	**-**	**96,985**	155,613	-	155,613
	508,359	**-**	**508,359**	155,613	-	155,613

Financial liabilities per Statement of Financial Position

	31 December 2022			31 December 2021		
	Amortised cost	FVTPL	Total	Amortised cost	FVTPL	Total
	£	£	£	£	£	£
Trade creditors	**92,304**	**-**	**92,304**	936	-	936
Other creditors	**-**	**-**	**-**	29,475	-	29,475
Convertible loan notes	**113,366**	**-**	**113,366**	109,293	-	109,293
	205,670	**-**	**205,670**	139,704	-	139,704

Company

Financial assets per Statement of Financial Position

	31 December 2022			31 December 2021		
	Amortised cost	FVTPL	Total	Amortised cost	FVTPL	Total
	£	£	£	£	£	£
Amounts owed by group undertakings	**1,168,892**	**-**	**1,168,892**	251,214	-	251,214
Other debtors	**6,463**		**6,463**	-	-	-
Cash at bank and in hand	**95,719**	**-**	**95,719**	155,613	-	155,613
	1,271,074	**-**	**1,271,074**	406,827	-	406,827

Financial liabilities per Statement of Financial Position

	Amortised cost	**FVTPL**	**Total**	**Amortised cost**	**FVTPL**	**Total**
	£	**£**	**£**	**£**	**£**	**£**
Trade creditors	**52,306**	**-**	**52,306**	936	-	936
Other creditors	**-**	**-**	**-**	29,475	-	29,475
Convertible loan notes	**113,366**	**-**	**113,366**	109,293	-	109,293
	165,672	**-**	**165,672**	139,704	-	139,704

As the convertible loan notes (CLNs) are automatically exercised upon the Company's admission to AIM, there is no extended exercise period, and thus it is appropriate to use a Black-Scholes model to value the option element of the CLNs.

Furthermore, given that both the CLNs require an admission event to occur before they become exercisable, an expected returns approach is adopted to value these financial instruments. This allows the Company to take into account the possibility that if no admission event occurs, these instruments are then not exercisable.

16. Share based payments - Group and Company

The Company has established a share option scheme for Directors, employees and consultants to the Group. Convertible loan notes and share warrants outstanding and exercisable at the end of the period have the following expiry dates and exercise prices:

The fair value of the convertible loan notes was determined by the Black Scholes model, the parameters are defined below:

Convertible loan notes (CLN)

	2022
Granted on:	Jul-Oct 2022
Life (years)	1 year
Share price	€0.158
Exercise price	€0.138
Number of CLN granted	3,701,954
Vesting date	Upon
Exercise date	31/01/2023
Expiry date	31/12/2023
Risk free rate	1.95%
Expected volatility	65%
Expected dividend yield	0%
Total fair value	£531,756

The movement of CLN for the period to 31 December 2022 is shown below:

	Number	**2022 Weighted average exercise price**
At 1 January 2022	2,339,829	€0.12
Granted	3,701,954	€0.138
Exercised	(2,339,829)	-€0.12
Expired	-	-
Outstanding as at 31 December 2022	**3,701,954**	**€0.138**
Exercisable at 31 December 2023	**3,701,954**	**€0.138**

The total charge to the statement of comprehensive income for the year 31 December 2022 was £56,454 (2021: (£5,589)) See Note 5 and Note 6.

The fair value of the equity-settled warrants was determined by the Binomial Option model, the parameters are defined below:

Equity-settled warrants
On 19 November 2021 the Company issued warrants to the CLN investors ("2021 Investor Warrants") and vendors ("2021 Vendor Warrants") to subscribe for ordinary shares in the capital of the Company. Similar to the CLNs, the Warrants are dependent on a successful admission of the Company on AIM.

	2022
Granted on:	19/11/2021
Life (years)	2 years
Share price	€0.158
Exercise price - investor warrants	€0.197
Exercise price - vendor warrants	€0.296
Number of warrants granted	1,288,777
Risk free rate	1.95%
Expected volatility	65%
Expected dividend yield	0%
Total fair value	£49,539

The movement of warrants for the period to 31 December 2022 is shown below:

	Weighted average exercise price	**Number of shares**	**Weighted average remaining life contracted**
Investor warrants	€0.197	1,169,915	1 year
Vendor warrants	€0.296	35,177	1 year

The total charge to the statement of comprehensive income for the period ended 31 December 2022 was £35,204 (31 December 2021: £12,527) See Note 5.

17. Share capital - Group and Company

	2022	2021
Authorised		
100,000,000 ordinary shares at €0.01 each	**100,000,000**	100,000,000

Issued, called up and fully paid:

	Number of Ordinary shares	Share Capital £	Share Premium £	Total £
At 1 January 2022	13,873,982	116,580	49,223	165,803
5,225,248 ordinary shares issued at €0.01 each	5,225,248	52,817	521,126	573,943
At 31 December 2022	**19,099,230**	**169,397**	**570,349**	**739,746**

All shares hold the same voting and dividend rights.

On 4 March 2022, the Company completed a placing of 291,667 new ordinary shares of €0.01 at a price of €0.12 per ordinary share, raising gross proceeds of £30,916.70 and increasing share capital by £2,916.

On 28 April 2022, the Company completed a placing of 600,000 new ordinary shares of €0.01 at a price of €0.01 per ordinary share, raising gross proceeds of £6,000 and increasing share capital by £6,000.

On 3 May 2022, the Company completed a placing of 791,668 new ordinary shares of €0.01 at a price of €0.14 per ordinary share, raising gross proceeds of £101,333.50 and increasing share capital by £7,917.

On 11 May 2022, the Company completed a placing of 33,334 new ordinary shares of €0.01 at a price of €0.12 per ordinary share, raising gross proceeds of £3,533.40 and increasing share capital by £333.

On 6 October 2022, the Company completed a placing of 600,000 new ordinary shares of €0.01 at a price of €0.14 per ordinary share, raising gross proceeds of £76,800 and increasing share capital by £6,000.

On 26 October 2022, the Company completed a placing of 568,750 new ordinary shares of €0.01 at a price of €0.19 per ordinary share, raising gross proceeds of £97,825 and increasing share capital by £5,687.

On 24 November 2022, the Company exercised the convertible loan notes by completing a placing of 2,339,829 new ordinary shares of €0.01 at a price of €0.12 per ordinary share, raising gross proceeds of £235,933 and increasing share capital by £23,398.

On 24 November 2022, the owners of the entire issued share capital of FML (the "Transferors") each entered into a Share Exchange Agreement with Fulcrum Metals plc and FML, pursuant to which the Transferors transferred the FML Shares held by each of them to Fulcrum Metals plc in return for consideration of £901,191.83, which was satisfied by the issue and allotment of 19,099,230 Ordinary Shares in the capital in Fulcrum Metals plc to the Transferors (credited as fully paid).

18. Share option reserve

Group

	CLN reserve	Warrants reserve	Total
	£	£	£
At 1 January 2022	121,177	12,243	**133,420**
Fair value movement	127,021	37,296	164,317
Exercised	(248,198)		(248,198)
Equity component of the issued convertible loan notes (CLN)	398,817	-	**398,817**
31 December 2022	**398,817**	**49,539**	**448,356**

Company

	CLN reserve	Warrants reserve	Total
	£	£	£
At 1 January 2022	121,177	12,243	**133,420**
Fair value movement	127,021	37,296	164,317
Excercised	(248,198)		(248,198)
Equity component of the issued convertible loan notes (CLN)	398,817	-	**398,817**
At 31 December 2022	**398,817**	**49,539**	**448,356**

The above share option reserve represents the fair value of the equity component of convertible loan notes and warrants in issue.

19. Tax on loss

Major components of tax expense

	2022	2021
	£	£
Current tax:		
Irish current tax expense	-	-
Tax on loss	-	-

Reconciliation of tax expense

The tax assessed on the loss for the financial year is higher than (2021: higher than) the standard rate of corporation tax in Ireland of 12.50% (2021: 12.50%).

	2022	2021
	£	£
Loss before taxation	**(198,192)**	(38,434)
Loss multiplied by rate of tax	**(24,774)**	(4,804)
Effect of expenses not deductible for tax purposes	**12,150**	848
Effect of capital allowances and depreciation	**38**	-
Unrelieved tax losses	**12,586**	3,956
Tax on loss	**-**	-

The Group has accumulated tax losses of approximately £132,336 (2021: £31,648) available to carry forward against future taxable profits. A deferred tax asset has not been recognised because of uncertainty over future taxable profits against which the losses may be utilised.

20. Events after the end of the reporting period

Fulcrum Metals Canada Limited ("FMCL"), Fulcrum Metals Limited ("FML"), Panther Metals PLC and Panther Metals (Canada) Limited ("PMCL") entered into a mineral claim purchase agreement dated 6 April 2022. The agreement was amended by an amended and restated agreement entered into on 30 January 2023 in which PMCL agreed to sell to Fulcrum Metals plc, the entire issued share capital in Panther Big Bear (Canada) Ltd ("Big Bear SPV") which holds the entire registered and beneficial interest in and to the mineral claims located in Ontario known as the Big Bear Project and the license pertaining to such claims (together the "Big Bear Property"). In consideration of the sale of its interest in Big Bear SPV, which holds the Big Bear Property, the Company agreed to pay PMCL the sum of £200,000 in cash. Fulcrum Metals plc also agreed to allot, on the closing date (immediately prior to Admission), 20 per cent. of the total issued enlarged share capital on Admission. In consideration of the foregoing sale, Fulcrum Metals plc also agreed to grant to PMCL: (i) a warrant to subscribe for Ordinary Shares in the amount of £125,000, exercisable at the Placing Price during the period of two years after Admission; and (ii) a warrant to subscribe for Ordinary Shares in the amount of £125,000, exercisable at 150 per cent. of the Placing Price during the period of three years after Admission.

On 8 February 2023, the 2022 Convertible Loan Notes issued by Fulcrum Metals Limited to investors were cancelled and reissued in the name of Fulcrum Metals Plc, under a deed of surrender and cancellation agreement entered into on 24 November 2022. Under this agreement the 2022 Loan notes were cancelled and, in their place (and in consideration of the creation of an inter-company debt of £453,463 owed by FML to Fulcrum Metals plc), Fulcrum Metals plc issued £453,463 of new loan notes. Subsequently, following the IPO onto the AIM in London, the Convertible Loan Note holders exercised their right to convert the loan notes to share capital under the loan note agreement.

In February 2023, deeds of surrender and cancellation have been entered into in by each of the holders of the Investor Warrants and Vendor Warrants with FML and Fulcrum Metals plc pursuant to which each of the 1,169,915 Investor Warrants and the 118,862 Vendor Warrants were cancelled and, in their place, Fulcrum Metals plc issued 1,169,915 New Investor Warrants and New Vendor Warrants pursuant to a new investor warrant instrument and a new vendor warrant instrument. The number of warrants to be issued to each of the warrant holders under the new warrant instruments will be determined as per the subscription price defined in the respective warrant instruments.

Fulcrum Metals PLC was admitted to the AIM market of the London Stock Exchange in London on 14 February 2023 and have raised £3 million in connection with the admission of the company at a placing price of 17.5 pence per Ordinary Share. Fulcrum Metals Limited will be funded by the Parent Company, Fulcrum Metals PLC from the IPO fundraise and as such fully expect that funding requirements will be met for a minimum of 12 months from the date of this report.

On 17 April 2023, Fulcrum Metals Canada Limited ("FMCL"), the 100% owned subsidiary of Fulcrum Metals Limited, expanded the Winston Lake project acquiring the Carib Creek East property consisting of 42 mining claims covering approximately 8.9 square kilometres. Ryan Mee, Director of Fulcrum Metals Ltd and Chief Executive Officer of Fulcrum Metals PLC, sold these mining claims to the company. A sedimentary-volcanic contact Zone has been mapped across the length of the property exhibiting alteration reportedly similar to that of the high-grade zinc-copper deposit at Winston Lake.
Historic soil sampling at Carib Creek East has previously returned anomalous copper values over an area of approximately 2 square kilometres, with values ranging up to 1,100ppm copper. Copper mineralisation has previously been discovered on the property in quartz-carbonate veins, returning grab sample assays from 0.97% to 1.35% copper, with separate veins containing semi-massive iron sulphides, however no drilling was carried out.

The Directors are not aware of any other event or circumstance arising which had not been dealt with in this Report which may have a significant impact on the operations of the Group.

21. Related party transactions

Clive Garston, a director and shareholder of the company, provided consultancy services in the amount of £5,322 (2021: £Nil) to the Company.

Amounts due by subsidiaries

At 31 December 2022, amounts owed to the Company by its parent and subsidiaries totalled £ 1,168,892 (31 December 2021: £ 251,214). Amounts due to the Company are unsecured, non-interest bearing and have no fixed repayment terms.

22. Key management personnel

Key management includes the directors of the company, all members of the company management and the company secretary. The compensation paid or payable to key management for employee services is shown below:

	Number	2022	2021
		£	£
Salaries and other short-term employee benefits	**1**	**20,816**	-

Directors hold an interest in the Company's ordinary shares, convertible loan notes and share warrants.

Interests in Ordinary Shares

The beneficial interests of the Directors who held office at 31 December 2022 in the ordinary shares of the Group and Company are as follows:

	Fulcrum Metals Plc		Company	
	31 Dec 2022 Ordinary Shares at £0.01 each	10 Oct 2022 Ordinary Shares at £0.01 each	31 Dec 2022 Ordinary Shares at €0.01 each	31 Dec 2021 Ordinary Shares at €0.01 each
Ryan Mee	**6,191,313**	1	**-**	5,941,313
Mitchell Smith	**468,823**	-	**-**	468,823
Edward Slowey	**820,441**	-	**-**	820,441
Aidan O'Hara	**6,167,012**	-	**-**	5,917,012
Clive Richard Garston	**600,000**	1	**-**	-
John Hamilton	-	-	-	-
	14,247,589	2	**-**	13,147,589

On 24 November 2022, the owners of the entire issued share capital of FML (the "Transferors") each entered into a Share Exchange Agreement with Fulcrum Metals plc and FML, pursuant to which the Transferors transferred the FML Shares held by each of them to the Company in return for consideration of £901,191.83, which was satisfied by the issue and allotment of 19,099,228 Ordinary Shares in the capital of the Company to the Transferors (credited as fully paid).

Interests in convertible loan notes

	At 31 Dec 2021	CLNs Exercised	Issued during the year: Number of CLNs	Issued during the year: Exercise Price	At 31 Dec 2022
Ryan Mee	£ 25,208	(£ 25,208)	443,466	€0.138	£ 53,216
Aidan O'Hara	£ 25,208	(£ 25,208)	443,466	€0.138	£ 53,216

Interests in share warrants	At 31 Dec 2021	Granted during the year		At 31 Dec 2022
	Number of Options	Number of Options	Exercise Price	Number of Options
Ryan Mee	125,000	-	€0.197	125,000
Aidan O'Hara	125,000	-	€0.197	125,000

23. Controlling party

Fulcrum Metals Limited is a 100% subsidiary of Fulcrum Metals Plc a company incorporated in the United Kingdom. The ultimate controlling party are the shareholders of Fulcrum Metals Plc.

24. Approval of financial statements

The board of directors approved these financial statements for issue on 29 June 2023 | 08:36 PDT.