

The information contained within this announcement is deemed by the Company to constitute inside information pursuant to Article 7 of EU Regulation 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 as amended. Upon the publication of this announcement via the Regulatory Information Service, this inside information is now considered to be in the public domain.

Fulcrum Metals plc / EPIC: FMET / Market: AIM / Sector: Mining

23 September 2024

Fulcrum Metals plc
(“Fulcrum” or the “Company” or the “Group”)

Unaudited interim results for the six months to 30 June 2024

Fulcrum Metals plc (LON: FMET), a company focused on mineral exploration and development in Canada, announces its unaudited consolidated interim results for the six months to 30 June 2024.

Corporate and Operational Highlights:

- Continued the strategic shift of the Company into a sustainable gold tailings processing business.
- Commenced phased programme at the Teck-Hughes gold tailings project to evaluate the efficiency of the Extrakt Processing Solutions LLC (“Extrakt”) technology in recovering gold and other by-products:
 - Phase 1 results achieved exceptional gold recovery rates of up to 59% by using Extrakt’s technology.
 - Optimisation underway to achieve targeted recovery rates above 60%.
- Entered into option agreement to acquire 100% of the Sylvanite gold tailings project in Kirkland Lake, Ontario, with an estimated 67,000 ounces of gold in tailings.
 - Commenced phased programme at the Sylvanite gold tailings project to evaluate the efficiency of Extrakt’s technology in recovering gold and other by-products.
- Tully Gold project now permitted with drill ready exploration targets.

Financial Highlights:

- For the six months to 30 June 2024 (“H1 2024”) the Company reported a pre-tax loss of £514,654 (the six months to 30 June 2023 (“H1 2023”): pre-tax loss of £1,167,903).
- The Company’s cash balance as at 30 June 2024 was £113,582 (H1 2023: £1,268,202).
- Basic loss per share of 0.010p (H1 2023: loss of 0.030p per share).
- The Company generated no revenue during the period.

Post Period End Events:

- Closed option agreement for the sale of the Group’s uranium projects for a value of up to CA\$3.36 million.
- Announced new equity financing commitments of approximately £800,000 at 8p per share including investor subscriptions of approximately £643,500, conversion of supplier fees of £42,000 and proposed Directors’ subscriptions totalling £114,500.

Ryan Mee, Chief Executive Officer of Fulcrum, commented:

“Our journey over the last six months has been transformative as we focus on unlocking the untapped potential within mining tailings in Canada. The promising results from the first phase of our programme at Teck-Hughes

highlights the potential effectiveness of Extrakt's technology and sets the stage for sustainable gold recovery and long-term value creation for the Group's shareholders. By strategically expanding our portfolio and divesting non-core assets, we are accelerating our path to revenue and positioning Fulcrum as a leader in environmentally responsible mining practices.

This acceleration has resulted in a need to access the capital markets for additional financing. We are pleased to have raised the additional equity financing to advance the Group's updated tailings strategy, which includes proposed subscriptions of £114,500 from Directors, to take us to the next stage of our development. I am excited for the future and confident in our ability to deliver material value for our shareholders."

Chairman's Statement

I am pleased to present our interim results for the period ending 30 June 2024; a transformative period for Fulcrum as we continue to evolve our business model from a pure exploration and development company to a strategic focus on tailings processing that will utilise innovative technology to extract metals in a sustainable way. Notwithstanding the strategic shift, the Group's focus remains on the development of mineral resources in Ontario, Canada. The Group's goal is to create a sustainable and profitable solution to one of mining's most persistent environmental challenges: the management and remediation of historical mining tailings, whilst recovering the valuable metals and minerals they often contain.

Strategic Shift and Rationale

Historically, Fulcrum has been dedicated to the exploration and development of mineral resources; a journey that often spans over a decade before generating revenue. While our exploration projects, including the uranium projects in Saskatchewan, which we successfully divested post the period end, have considerable potential, the Board of Fulcrum recognised the need to accelerate the Company's path to revenue generation which led to our strategic decision to pivot towards the reclamation and processing of mining tailings in order to extract value from what has long been considered waste.

To this end, we announced mining option agreements to acquire 100% of the Teck-Hughes gold tailings project ("Teck-Hughes") in November 2023, and the Sylvanite gold tailings project ("Sylvanite") in April 2024. The projects contain millions of tons of tailings from the significant former producing Teck-Hughes and Sylvanite mines, which are strategically located just 3km apart and within the prolific Kirkland Lake gold camp, Ontario, Canada.

Since announcing the acquisition of Teck-Hughes in November 2023 we have been advancing discussions with Extrakt to license its proprietary non-toxic separation technology which extracts metals from tailings without the use of cyanide. The licencing of the Extrakt technology is usually agreed on a project basis following the completion of phased testing and study agreements. We entered into these phased testing and study programs with Extrakt on Teck Hughes in January 2024 and Sylvanite in June 2024. The initial Extrakt leaching test work at Teck-Hughes has achieved excellent initial gold recovery rates of 59.4%, which is far beyond previous cyanide leach testing recovery rates of approximately 30% at Sylvanite. This demonstrates the applicability of the Extrakt technology to our projects and our wider aspirations. The company is continuing term sheet stage discussions with Extrakt on a framework for gold tailings licence exclusivity for the major Timmins and Kirkland Lake gold camps that has produced in excess of 110 million ounces of gold to date.

The environmental and social benefits of remediating historical tailings as well as the considerable size of the market opportunity were also key drivers in our decision to change strategy. Tailings management is a major

challenge in the mining industry, with significant environmental implications. In Canada alone it is estimated that the Government is faced with a growing liability of over CA\$10 billion to clean-up active and historic mine waste. Meanwhile, Natural Resources Canada estimates that there is approximately CA\$10 billion of precious metals contained in tailings. An important outcome from reprocessing tailings is the removal of heavy metals and the cleaning up and reclamation of the tailings areas to provide positive opportunities for land to be repurposed. By seeking to transform waste into a valuable resource, we are not only addressing a critical environmental issue but also positioning Fulcrum as a leader in sustainable mining practices.

In line with our evolved strategy, we have successfully divested our Saskatchewan uranium assets for a value of up to CA\$3.36 million, allowing us to focus more resources on the tailings opportunity and our other gold exploration projects. Importantly, we have retained an option to benefit from any future upside potential in the uranium assets which ensures that our shareholders remain positioned to capture additional value from this divestment, whilst retaining two drill ready gold projects in Big Bear and Tully, which are ready for growth, discovery and expansion when funding allows, or possible joint ventures or divestment if appropriate opportunities arise.

Our entry into the tailings business diversifies our portfolio and reduces the inherent risks associated with long-term exploration projects. By entering into joint venture partnerships over our current portfolio of assets and, where applicable, divesting our non-core assets, we further mitigate these risks while enhancing our capabilities and market reach. The Company remains in advanced discussions with Extrakt with regards to the terms of the exclusive licencing agreement of its gold tailings processing technology in Timmins and Kirkland Lake, two significant gold producing regions in Canada. Discussions on plans to establish an Extrakt technology testing facility in Timmins, which would provide important localised testing capability for any tailing project and possible commercial opportunities, are also ongoing.

Finally, I would like to thank Clive Garston, who stepped down as Non-Executive Chairman in June 2024, for his contribution to Fulcrum. Clive played an important role at Fulcrum, helping the company successfully navigate to a quoted company on AIM and oversaw the company evolving from a junior exploration company to a junior exploration and development company. The Company has identified a proposed replacement Non-Executive Chairman and will update the market on this appointment in due course.

The Company has worked resolutely to set in motion an ambitious and exciting pathway for all shareholders and I thank all stakeholders of the Company for their support and dedication.

Alan Mooney

Interim non-executive Chairman

CEO Statement

Operational Highlights

- **Teck-Hughes:** Significant progress was made at the Teck-Hughes gold tailings project, where the phased evaluation of Extrakt's proprietary non-toxic separation technology delivered exceptional initial results. Phase 1 demonstrated gold recovery rates of up to 59%, with ongoing optimisation aimed at exceeding 60% recovery. This marks a critical step in validating the commercial viability of our tailings processing approach.
- **Sylvanite Gold:** In April 2024, Fulcrum entered into an option agreement to acquire 100% of the Sylvanite gold tailings project, which contains an estimated 67,000 ounces of gold in tailings. A phased evaluation programme is now underway to assess the efficiency of Extrakt's technology, further expanding our presence in the prolific Kirkland Lake gold camp.
- **Uranium Project Divestment:** Post-period, Fulcrum successfully completed the sale of its Saskatchewan uranium assets, generating funds to support the Company's strategic pivot towards tailings processing. This divestment has eliminated a significant cost base while maintaining potential upside through a retained interest in future developments.
- **Big Bear and Tully Gold Exploration Projects:** These projects continue to offer significant exploration potential and remain an important part of our longer-term growth strategy. The Tully Gold project is now fully permitted and drill-ready for expansion of the existing 107k ounce 43-101 compliant gold resource in the significant Timmins-Porcupine gold camp that has produced in excess of 70Moz gold. At Big Bear we have established high priority geophysical exploration targets in addition to an open 3km gold corridor and delineated initial drill targets for discovery in the Schreiber-Hemlo greenstone belt that hosts the significant 21Moz+ Hemlo gold deposit. Future plans for the Company's gold projects will largely depend on funding being available or possible strategic partnerships.
- **Focus on Sustainable Operations:** In alignment with our commitment to sustainability, and the exceptional gold recovery rates demonstrated by the Extrakt technology, we are currently discussing terms on exclusivity of the licencing of the Extrakt technology for gold tailings in Timmins and Kirkland Lake in addition to exploring plans to establish an Extrakt technology testing laboratory in Timmins. Completion of either or both initiatives would substantially increase the presence and capability in scaling opportunities for Fulcrum; and would position Fulcrum at the forefront of the application and adoption of Extrakt's technology in the Timmins and Kirkland Lake gold tailings. It would also provide an additional commercial opportunity through local testing capability for Fulcrum non-operated projects. By its very nature, remediating historical tailings has the potential to clean up and repurpose otherwise polluted land. By seeking to transform mining waste into a valuable resource, we are not only addressing a critical environmental issue but also positioning Fulcrum as a leader in sustainable mining practices.

These milestones reflect Fulcrum's focus on operational excellence, strategic growth, and the development of sustainable mining solutions.

Financing

Post period on 13 September 2024, Fulcrum announced successful equity financing commitments of approximately £800,000 at 8p, including investor subscriptions of approximately £643,500, conversion of supplier fees of £42,000, proposed Director subscriptions of £89,761 and proposed conversion of accrued Director salaries of £24,731. The

UNAUDITED INTERIM FINANCIAL INFORMATION ON

FULCRUM METALS PLC

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Consolidated Income Statement of Comprehensive Income

for the six months ended 30 June 2024

		<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	<i>Note</i>	<i>6 months</i>	<i>6 months</i>	<i>Year</i>
	<i>s</i>	<i>ended</i>	<i>ended</i>	<i>ended</i>
		30 June '24	30 June '23	31 Dec '23
		£	£	£
Turnover		-	-	-
Administration expenses		(469,730)	(496,660)	(985,684)
Exceptional item	2	-	(646,708)	(646,708)
Operating Loss		(469,730)	(1,143,368)	(1,632,391)
Finance Cost		(44,924)	(82,007)	(138,162)
Finance Income		-	57,472	56,131
Loss before taxation		(514,654)	(1,167,903)	(1,714,423)
Tax on loss		-	-	-
Loss for the financial period		(514,654)	(1,167,903)	(1,714,423)
Foreign currency translation of foreign subsidiaries		2,681	(15,248)	(7,514)
Total comprehensive loss for the financial period		(511,973)	(1,183,151)	(1,721,937)
Earnings per share				
Basic and diluted loss per share (pence per share)	10	(0.010)	(0.030)	(0.037)

Consolidated Statement of Financial Position

as at 30 June 2024

		<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	<i>Notes</i>	<i>30 June '24</i>	<i>30 June '23</i>	<i>31 Dec '23</i>
		£	£	£
Assets				
Non-current assets				
Exploration & evaluation assets	3	4,035,126	2,925,161	3,883,651
Property, plant and equipment		760	1,284	1,040
		4,035,886	2,926,445	3,884,691

Current assets

Trade and other receivables		44,435	53,014	42,948
Cash and cash equivalents	4	113,582	1,268,202	620,924
		158,017	1,321,216	663,872

Current liabilities

Convertible loan notes	7	-	-	-
Trade and other payables	5	(103,600)	(87,274)	(134,941)
		(103,600)	(87,274)	(134,941)

Net current assets**Total assets less current liabilities****Non-current liabilities****Net assets****Equity & Liabilities****Shareholders' Equity**

Called up share capital	9	499,609	498,592	499,609
Share premium account	9	5,367,516	5,349,710	5,367,516
Share option reserve	8	288,122	274,343	288,122
Other reserves		(134,678)	(161,445)	(134,678)
Foreign exchange translation reserve		(14,002)	(24,417)	(16,683)
Retained earnings		(2,837,569)	(1,776,396)	(2,322,915)
Total Equity		3,168,998	4,160,387	3,680,971

Consolidated Statement of Cash flows for the six months ended 30 June 2024

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	6 months ended	6 months ended	Year ended
	30 June '24	30 June '23	31 Dec '23
	£	£	£
Cash flows from operating activities			
Loss for the period	(514,654)	(1,167,903)	(1,714,423)
<i>Adjustments for:</i>			
Depreciation	256	262	520
Impairment	-	-	153,732
Finance expense	44,924	82,007	138,162
Finance income	-	(57,484)	(56,131)
Currency Translation	115,979	61,924	7,605
Share Option Expense	-	45,594	45,594

(Increase)/decrease in trade and other receivables	(1,487)	477,629	487,695
Decrease in trade and other payables	(4,271)	(572,530)	(447,110)
Net cash used in operating activities	(359,253)	(1,130,501)	(1,384,356)
Cash flows from investing activities			
Acquisition of intangible exploration assets	(168,107)	(414,244)	(1,321,053)
Proceeds from option agreement	14,424	-	-
Net cash used in investing activities	(153,683)	(414,244)	(1,321,053)
Cash flows from financing activities			
Proceeds on the issue of share capital	-	2,900,000	2,900,000
Proceeds on the issue of convertible loan notes	-	-	520,000
Share issue costs	-	(174,000)	(174,000)
Interest paid	-	(16,250)	(16,250)
Net cash from financing activities	-	2,709,750	3,229,750
Net (decrease)/increase in cash and cash equivalents	(512,936)	1,165,005	524,341
Cash and cash equivalents at start of period	620,924	96,985	96,985
Exchange losses on cash and cash equivalents	5,594	6,212	(402)
Cash and cash equivalents at end of period	113,582	1,268,202	620,924

**Consolidated Statement of Changes in Equity
for the six months ended 30 June 2024**

	Share Capital	Share Premium	Share Option Reserves	Other Reserves	Foreign exchange translation Reserve	Retained Earnings	Total Equity
	£	£	£	£	£	£	£
Unaudited							
Balance at 1 Jan 2023	190,992	710,200	448,357	(161,445)	(9,169)	(658,031)	520,904
Loss for the financial period	-	-	-	-	-	(1,167,903)	(1,167,903)
Foreign currency retranslation	-	-	-	-	(15,248)	-	(15,267)
Total comprehensive loss for the period	-	-	-	-	(15,248)	(1,167,903)	(1,183,170)
Transactions with owners							
Issue of new shares	307,600	4,886,270	-	-	-	-	5,193,870
Issue of options and warrants	-	-	274,343	-	-	-	274,343
Cancellation of options and warrants	-	-	(448,357)	-	-	49,539	(398,818)
Cost of shares issued	-	(246,760)	-	-	-	-	(246,760)
Total transactions with owners	307,600	4,639,510	(174,014)	-	-	49,539	4,822,635
Balance at 30 June 2023 (unaudited)	498,592	5,349,710	274,343	(161,445)	(24,417)	(1,776,396)	4,160,385
Audited							
Balance at 1 January 2023	190,992	710,200	448,357	(161,445)	(9,169)	(658,031)	520,904
Loss for the financial year	-	-	-	-	-	(1,714,423)	(1,714,423)
Foreign currency retranslation	-	-	-	-	(7,514)	-	(7,514)
Total comprehensive loss for the year	-	-	-	-	(7,514)	(1,714,423)	(1,721,937)
Transactions with owners							
Issue of new shares	308,617	4,904,074	-	-	-	-	5,212,691
Recognition of equity component of convertible loan notes	-	-	-	26,767	-	-	26,767
Issue of options and warrants	-	-	288,122	-	-	-	288,122
Cancellation of options and warrants	-	-	(448,357)	-	-	49,539	(398,818)
Cost of shares issued	-	(246,758)	-	-	-	-	(246,758)
Total transactions with owners	308,617	4,657,316	(160,235)	26,767	-	49,539	4,882,004
Balance at 31 December 2023	499,609	5,367,516	288,122	(134,678)	(16,683)	(2,322,915)	3,680,971
Unaudited							
Balance at 1 Jan 2024	499,609	5,367,516	288,122	(134,678)	(16,683)	(2,322,915)	3,680,971
Loss for the period	-	-	-	-	-	(514,654)	(514,654)
Foreign currency retranslation	-	-	-	-	2,681	-	2,681
Total comprehensive loss for the period	-	-	-	-	2,681	(514,654)	(511,973)
Balance at 30 June 2024 (unaudited)	499,609	5,367,516	288,122	(134,678)	(14,002)	(2,837,569)	3,168,998

Notes to the interim financial information

for the six months ended 30 June 2024

1. Presentation of accounts and accounting policies

(a) Reporting Entity

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

The Company is a public limited company, incorporated, domiciled, and registered in England and Wales. The registered number is 14409193. The company’s registered office and principal place of business is Unit 58, Basepoint Business Centre Isidore Road, Bromsgrove Enterprise Park, Bromsgrove, Worcestershire, B60 3ET, England.

(b) Basis of preparation

The interim financial statements of Fulcrum Metals Plc are unaudited consolidated financial statements for the six months ended 30 June 2024 which have been prepared in accordance with UK adopted international accounting standards. They include unaudited comparatives for the six months ended 30 June 2023 together with audited comparatives for the year ended 31 December 2023.

The interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The statutory accounts for the year ended 31 December 2023 have been reported on by the company’s auditors and have been filed with the Registrar of Companies. The report of the auditors is unqualified and contained a material uncertainty relating to going concern. Aside from the material uncertainty relating to going concern paragraph above, the auditor’s report did not contain any statement under section 498 of the Companies Act 2006.

The interim consolidated financial statements for the six months ended 30 June 2024 have been prepared on the basis of accounting policies expected to be adopted for the year ended 31 December 2024. These are anticipated to be consistent with those set out in the Group’s latest financial statements for the year ended 31 December 2023. These accounting policies are drawn up in accordance with adopted International Accounting Standards (“IAS”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

(c) Basis of consolidation

The consolidated interim financial information includes the results of Fulcrum Metals plc and its subsidiary undertakings. The financial statements of all group companies are adjusted, where necessary, to ensure the use of consistent accounting policies.

The Group was formed after the Company, prior to its IPO and listing on AIM, completed a share for share transaction with Fulcrum Metals Limited. The Board has taken the view that the most appropriate way to account for this in line with IFRS is to deem the share for share exchange as a group reconstruction. This has been accounted for under the basis of merger accounting given that the ultimate ownership before and after the transaction remained the same. There is currently no specific guidance on accounting for group reconstructions such as this transaction under IFRSs. In the absence of specific guidance, entities should select an appropriate accounting policy and IFRS permits the consideration of pronouncements of other standard-setting bodies. This group reconstruction as scoped out of IFRS 3 has therefore been accounted for using predecessor accounting principles resulting in the following practical effects;

(i) The net assets of the Company and the predecessor group, Fulcrum Metals Limited and its subsidiary undertakings (the “Predecessor Group”), are combined using existing book values, with adjustments made as necessary to ensure that the same accounting policies are applied to the calculation of the net assets of both entities;

(ii) No amount is recognised as consideration for goodwill or negative goodwill;

(iii) The consolidated profit and loss account includes the profits or losses of the company and the Predecessor Group for the entire period, regardless of the date of the reconstruction, and the comparative amounts in the consolidated financial statements are restated to the figures presented by the Predecessor Group; and

(iv) The retained earnings reserve includes the cumulative results of the Company and the Predecessor Group, regardless of the date of the reconstruction, and the comparative amounts in the statement of financial position are restated to those presented by the Predecessor Group.

(d) Significant accounting policies

The Group has presented below key extracts of its accounting policies.

(e) 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.

(f) Judgements and key sources of estimation uncertainty

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 30 June 2024 of £4,035,126 (30 June 2023: £2,925,161; 31 December 2023: £3,883,651). 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 (f). 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 no impairment charge was required as of 30 June 2024.

Valuation of convertible loan notes

The Group's convertible loan notes are classified as compound financial instruments as at 31 June 2024. 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, the valuation is based on valuations performed at 31 December 2023

Valuation of warrants

The Group has made awards of warrants over its unissued share capital to certain Directors and employees as part of their remuneration package. 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. The valuation is based on valuations performed at 31 December 2023.

2. Exceptional Items

These are legal and professional costs incurred relating to the Company's admission to AIM.

3. Exploration & Evaluation 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. Once the pre-production phase has been entered into, the exploration and evaluation assets will cease to be capitalised and commence amortisation.

Exploration & Evaluation Assets - Cost and Net Book Value

	Mineral licence
Cost	£
At 1 January 2023	675,419
Foreign exchange movement on opening balance	(20,714)
Additions	2,293,653
At 30 June 2023	2,948,358
Amortisation	
Impairment losses c/f	23,930
Foreign exchange on opening impairment balances	(733)
At 30 June 2023	23,197
Carrying amount at 30 June 2023	2,925,161
Cost	
At 1 January 2023	675,419
Additions	3,407,835
Foreign exchange movement on opening balance	(22,746)
At 31 December 2023	4,060,508
Amortisation	
At 1 January 2023	23,930
Impairment losses	153,732
Foreign exchange on opening impairment balances	(805)
At 31 December 2023	176,857
Carrying amount at 31 December 2023	3,883,651

Cost

At 1 January 2024	4,060,508
Foreign exchange movement on opening balance	(112,296)
Additions	258,828
At 30 June 2024	4,207,040

Amortisation

At 1 January 2024	176,857
Foreign exchange movement on opening balance	(4,943)
At 30 June 2024	171,914

Carrying amount at 30 June 2024**4,035,126**

	Cost b/fwd £	Additions £	FX movement on cost b/fwd £	Total impairment £	Carrying amount £
Jackfish Lake (Ontario)	310,371	742	(8,673)	-	302,440
Dog Lake (Ontario)	90,988	1,313	(2,543)	(44,223)	45,535
Syenite Lake (Ontario)	67,392	484	(1,883)	-	65,993
Beavertrap (Ontario)	42,132	-	(1,177)	(40,955)	-
Carib Creek (Ontario)	70,145	2,340	(1,960)	-	70,525
Tocheri Lake (Ontario)	89,230	-	(2,494)	(86,736)	-
Fontaine & Charlot Lake (Saskatchewan)	139,182	9,466	(3,890)	-	144,758
Rongie Lake & Lost Lake (Ontario)	80,290	-	(2,244)	-	78,046
South & North Neely Lake (Saskatchewan)	181,714	9,837	(5,078)	-	186,473
Tully Gold Project (Ontario)	557,053	4,333	(15,567)	-	545,819
Charlot-Neely West (Saskatchewan)	3,868	-	(108)	-	3,760
South Pendleton (Saskatchewan)	5,945	904	(166)	-	6,683
Snowbird (Saskatchewan)	28,945	12,802	(809)	-	40,938
Teck-Hughes (Ontario)	222,158	64,643	(6,192)	-	280,609
Big Bear (Ontario)	2,171,095	-	(59,512)	-	2,111,583
Sylvanite Tailings (Ontario)	-	151,964	-	-	151,964
	4,060,508	258,828	(112,296)	(171,914)	4,035,126

Following their assessment, the Directors concluded that no impairment charge was required at 30 June 2024.

4. Cash and cash equivalents

	30/06/2024 £	30/06/2023 £	31/12/2023 £
Cash at bank and in hand	113,582	1,268,202	620,924

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

5. Creditors: amounts falling due within one year

	30/06/2024	30/06/2023	31/12/2023
	£	£	£
Trade creditors	51,003	43,522	48,237
Social security and other taxes	5,833	5,452	6,753
Deferred Consideration	14,424	-	35,612
Accruals	32,340	38,300	44,339
	103,600	87,274	134,941

6. Creditors: amounts falling due over one year

	30/06/2024	30/06/2023	31/12/2023
	£	£	£
Convertible loan notes	564,303	-	519,380
Deferred consideration	357,002	-	213,271
	921,305	-	732,651

The increase on the deferred consideration represents the option agreement to acquire a 100% interest in Sylvanite Gold Tailings Project (“Sylvanite”), located in Kirkland Lake, Ontario, Canada. Sylvanite, an ex-producing mine, is strategically located 3km from Fulcrum’s Teck-Hughes Gold Tailings project, the Company’s first tailings investment (see announcement released by the Company on 30 November 2023) and significantly expands its footprint in the Kirkland Lake Gold Camp, one of the most productive gold camps in Canada.

7. Convertible loan notes

The convertible loan notes (the “2021 CLNs”) were issued by Fulcrum Metals Limited (“FML”) on 19 November 2021 at an issue price of £0.10 per note. The notes were convertible into ordinary shares of FML at any time between the date of issue of the notes and their settlement date. On 24 November 2022, the 2021 CLNs were converted into 2,339,829 shares at £0.10 per share.

On 5 July 2022, 28 September 2022, and 17 October 2022 FML issued CLNs to investors to raise funds of £453,463 at a conversion price of 70% of IPO share price (the “2022 CLNs”).

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, in conjunction with the AIM IPO in February 2023, the CLN holders exercised their right to convert the loan notes to share capital under the loan note agreement.

On 6 August 2023, Fulcrum Metals PLC issued convertible loan notes (the “2023 CLNs”) to investors to raise funds of £520,000 at an issue price of £1.00 per note. The notes are convertible into ordinary shares of Fulcrum Metals PLC if the trigger event conditions are met prior to the expiry date of 31 July 2025. The trigger event conditions will be met if the VWAP exceeds 24p for five consecutive business days. On the conversion date, the principal amount of the Notes and all accrued but unpaid interest on such principal amount up to the Conversion Date will convert into such number of new fully paid Ordinary Shares, with the conversion price of 18.5p.

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

	30/06/2024	30/06/2023	31/12/2023
	£	£	£
Opening Balance	520,000	-	-
Proceeds of issue of convertible loan notes	-	-	520,000
Net proceeds from issue of convertible loan notes	520,000	-	520,000
Equity component	26,767	-	26,767
Amount classified as equity	26,767	-	26,767
Liability component at date of issue 1 January 2024	519,380	-	493,233
Interest charged	44,923	-	26,147
Liability component at period end	564,303	-	519,380
Liability component due within one year	-	-	-
Liability component due over one year	564,303	-	519,380
Carrying amount of liability component at 30 June 2024	564,303	-	519,380

8. Share based payments

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

Equity-settled warrants

On 8 February 2023, 1,169,915 Investor Warrants and 119,649 Vendor Warrants which were originally issued by Fulcrum Metals Limited were agreed to be reissued as warrants in Fulcrum Metals Plc. The stock price at this date was 18.25p. These warrants have a two year exercise window from the Admission Date (14 February 2023) and allow the holder to subscribe for ordinary shares in the Company at an exercise price of £0.175 and £0.2625 respectively.

Warrants were issued to Panther Metals Plc (Panther A & Panther B Warrants) as part consideration for the purchase of Big Bear.

Panther A warrants were issued with a maximum subscription price of £125,000 and exercise price at the placing price of £0.175. On this basis this calculates a total of 714,286 warrants available. These are exercisable during the period commencing on the date of Admission and ending on the second anniversary of the date of submission.

Panther B warrants were also issued with a maximum subscription price of £125,000 but with the exercise price set at 150% of the Placing Pricing £0.2625. Accordingly, this second tranche constitutes a total of 476,190 warrants available, which are exercisable for a longer period up to the third anniversary of the date of Admission.

In addition, on 8 February 2023, Allenby Capital and Clear Capital were issued 623,240 and 994,286 warrants respectively, both with an exercise price at the placing price of £0.175. These warrants have a 3 year exercise window from the date of admission

On 6 August 2023, Fulcrum Metals plc agreed to grant to Clear Capital a number of warrants over new ordinary shares in the company 263,513 Ordinary Shares (being 15% of £325,000), with a value of £48,750, exercisable at the warrant holders option at any time in the 3 years following completion of the placing.

Schedule of equity-settled warrants

	Exercise price £	Number of shares	Expiry date of warrants	Value per warrant £	Share option reserve at 30/06/2024 £
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Investor Warrants	0.1750	1,169,915	14/02/2025	0.065	76,577
Vendor Warrants	0.2625	119,649	14/02/2025	0.045	5,430
Panther A - Vendor Warrants	0.1750	714,286	14/02/2025	0.065	46,754
Panther B - Vendor Warrants	0.2625	476,190	14/02/2026	0.057	27,250
Clear Capital Warrants	0.1750	994,286	14/02/2026	0.073	72,738
Allenby Capital Warrants	0.1750	623,240	14/02/2026	0.073	45,595
Clear Capital Warrants	0.1850	263,513	06/08/2026	0.052	13,778
Total Warrants		4,361,079			288,122

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	Number of Warrants	Number of cancelled Warrants	Weighted Average exercise price (£)	Weighted average remaining life
Brought forward 1 January 2023	1,289,564	-	0.2062	1 year
Movement within the period ended 30 June 2023	4,367,566	1,289,564	-	-
Brought forward 30 June 2023	4,367,566	-	0.1766	2.20 Years
Movement within the period ended 30 December 2023	263,513	-	-	-
Brought forward 1 January 2024	4,361,079	-	0.1876	1.70 years
Granted within the period ended 30 June 2024	-	-	-	-
Carried forward 30 June 2024	4,361,079	-	0.1876	1.20 years

9. Share capital Issued, called up and fully paid

	Number of Ordinary shares	Share Capital £	Share Premium £	Total £
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On incorporation	2	0		-
Share for share exchange 24 November 2022	19,099,230	190,992	710,200	901,192
Share issue on AIM listing 14 February 2023	16,571,429	165,714	2,734,286	2,900,00
Share issue upon exercise of CLNs 14 February 2023	3,602,411	36,024	405,271	441,295
Share issue as consideration for AIM listing fees 14 February 2023	42,857	429	7,072	7,501
Share issue as consideration for Acquisition 14 February 2023	9,971,839	99,719	1,645,353	1,745,072
Issue of shares as repayment of Director's Loans 14 February 2024	571,428	5,714	94,286	100,000
Transaction Costs	-	-	(174,000)	(174,000)

Broker and Nomad Warrants	-	-	(72,758)	(72,758)
At 30 June 2023	30,759,964	498,592	5,349,710	5,848,302
Issue of shares as finder's fee 17 August 2023	101,749	1,017	17,806	18,823
At 31 December 2023	49,960,943	499,609	5,367,516	5,867,125
At 30 June 2024	49,960,943	499,609	5,367,516	5,867,125

All shares hold the same voting and dividend rights.

On 10 October 2022, the Company was incorporated with two ordinary shares of £0.01 each being issued.

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 19,099,228 Ordinary Shares in the capital in Fulcrum Metals plc to the Transferors (credited as fully paid).

On 8 February 2023, the Company entered into an agreement with Clear Capital, on an equity settlement basis, for the exchange of services. Per this agreement the Company granted Clear Capital 994,286 warrants to subscribe for 994,286 Ordinary Shares at £0.175 per share.

On 8 February 2023, the Company entered into an agreement with Allenby Capital, on an equity settlement basis, for the exchange of services. Per this agreement the Company granted Allenby Capital 623,240 warrants to subscribe for 623,240 Ordinary Shares at £0.175 per share.

On 14 February 2023, the Company completed a placing of 16,571,429 ordinary shares at a price of £0.175 per ordinary share raising a total of £2,900,000.

On 14 February 2023, the Company exercised the convertible loan notes by completing a placing of 3,602,411 ordinary shares at a price of £0.1225 per ordinary share.

On 14 February 2023, the Company announced it had issued 42,857 ordinary shares at a price of £0.175, credited as fully paid, as consideration for legal fees incurred in the AIM listing process.

On 14 February 2023, the Company announced it had issued 9,971,839 ordinary shares at a price of £0.175, credited as fully paid, as consideration for 100% interest in and to the mineral claims located in Ontario known as the Big Bear project and the license pertaining to such claims.

On 14 February 2023, the Company announced it had issued 571,428 ordinary shares at a price of £0.175, credited as fully paid, as repayment of Director's Loans.

On 17 August 2023, the Company announced it had issued 101,749 ordinary shares at a price of £0.185, credited as fully paid, as consideration for finders' fees.

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10. Earnings per share

Basic Earnings per share

	30/06/2024	30/06/2023	31/12/2023
	£	£	£
Basic Loss per share from continuing operations	0.010	0.030	0.037

The loss and weighted average number of shares used in the calculation of basic loss per share are as follows:

30/06/2024	30/06/2023	31/12/2023
£	£	£

Loss for the year	514,654	1,167,903	1,714,423
	No.	No.	No.
Weighted average number of ordinary shares in issue	49,960,943	42,106,169	46,052,455

There is no difference between diluted loss per share and basic loss per share due to the loss position of the Group. Convertible loan notes and Warrants could potentially dilute basic earnings per share in the future, but were not included in the calculations of diluted earnings per share as they are anti-dilutive for the periods presented.

11. Events after the end of the reporting period

On 2 July 2024, an option agreement was entered into for the sale of the Saskatchewan Uranium Projects located in Saskatchewan, Canada to Terra Balcanica Resources Corp ("Terra"). Under the terms of the agreement, and as announced on 3 April 2024, Terra has the option to acquire 100% of Fulcrum's Uranium Projects, consisting of the Charlot-Neely, Fontaine Lake, Snowbird and South Pendleton projects by completing four years of exploration programmes and making a series of cash and equity payments. On closing of the agreement, Fulcrum has been issued a total of 1,997,151 common shares in Terra (the "Initial Terra Consideration Shares") at a deemed issue price of \$0.125 per Terra share representing 4.49% per cent. of the issued share capital of Terra. The Initial Terra Consideration Shares will be subject to a hold period of four months from the date of issuance in accordance with applicable securities laws in Canada. Thereafter Fulcrum has agreed to orderly sales provisions with respect to the Initial Terra Consideration Shares. In addition, and following the exercise of the option, Fulcrum will retain 1 per cent. net smelter return ("NSR") royalty on all claims with a buydown option of 0.5 per cent. NSR for CA\$1 million.

Post period on 13 September 2024, Fulcrum announced successful equity financing commitments of approximately £800,000 at 8p, including investor subscriptions of approximately £643,500, conversion of supplier fees of £42,000, proposed Director subscriptions of £89,761 and proposed conversion of accrued Director salaries of £24,731. The proceeds will primarily be used to accelerate testing and onsite evaluation programmes at the Teck-Hughes and Sylvanite gold tailings projects and for the Group's working capital needs.